

# The impact on Europe of the Scottish independence referendum

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16 September 2014

The Scottish referendum vote on independence is a historic turning point for Britain and the whole of Europe. With the result of the September 18 ballot too close to call, a recent poll for the first time showing the Yes camp holding a majority triggered a crisis in ruling circles across the continent. Numerous political leaders and influential figures lined up to oppose Scottish independence and warn of its disastrous implications.

This response is motivated, in the first instance, by the fear that Scotland's separation would deepen the economic crisis not only of the UK, but drag the whole of Europe down with it. Amid predictions that a Yes vote could lead to a fall in the value of the pound of up to 15 percent, nearly £17 billion of UK shares, bonds and other financial assets have been sold by investors over the past month.

The *Times* commented that fear of a Yes vote had led to "the biggest sell-off of British investments since the collapse of the Wall Street bank Lehman Brothers."

It was the collapse of Lehman that triggered the global financial crisis of 2008 and the breakdown of the capitalist system internationally. A collapse of the UK economy could be just as devastating, especially given the precarious position already facing Europe.

Only this month, the European Central Bank agreed a purchase of private-sector bonds worth an initial €100 billion while cutting interest rates to 0.05 percent in a last desperate attempt to kick-start the continent's economy and avoid a plunge into deflation. France is already experiencing zero growth, and the economies of Germany and Italy shrank amid warnings of a "triple dip" recession.

No less worrying for the ruling elites in Europe is the impact of a breakup of the United Kingdom, dating back 307 years to the Act of Union, on the stability of their own states. If Britain can break apart, then a

similar development can happen in many other parts of Europe.

Events in Scotland are being followed avidly by separatist movements in Italy, Belgium, Spain and elsewhere. Last Thursday saw a demonstration of hundreds of thousands in Barcelona demanding independence for Catalonia. Many carried the Scottish Saltire flag, citing Scotland's legally binding referendum to demand recognition by Spain of an unofficial November 9 referendum on Catalan independence.

Elsewhere, the absence of a separatist movement similar to that in Scotland is cold comfort for Europe's ruling elites. The advances made by the Scottish National Party (SNP) and its various hangers-on are largely the result of their successfully exploiting the immense hostility towards all of the older establishment parties, due to their imposition of austerity measures and their warmongering.

This is not confined solely to the ruling Conservative-Liberal Democrat coalition in the UK. The Labour Party has been unable to pose as an alternative to these parties, let alone offer a reason for Scotland to stay within the UK, because it is widely hated for its support for the illegal wars in Iraq and Afghanistan, its avid promotion of free-market nostrums, its 2008 bailout of the banks, and the vicious austerity measures it began to impose before being forced out of office in 2010.

No other European party is in a better situation. They will all be looking with trepidation at the scale of discontent and opposition, however inchoate, to the existing set-up.

The immense tensions generated by the Scottish referendum point to an unprecedented crisis of rule, whatever the outcome of Thursday's ballot. Polls taken in the last few days have shown a majority against

independence, reflecting fears regarding the economic impact of separation. However, whereas a Yes vote would clearly signal an unparalleled political crisis, a narrow No vote would not close the Pandora's Box that has been opened.

None of this lends the separatist agenda of the SNP or similar movements elsewhere a progressive character. Rather, their emergence is entirely regressive.

Scottish nationalism articulates the interests of a faction of the bourgeoisie, represented by the SNP, and a host of middle-class hangers-on, intoxicated at the prospect of grabbing a greater share of Scotland's assets, including tens of billions of pounds in oil and tax revenues, and securing relations with the major corporations by offering low business taxes and stepped-up exploitation of the working class.

The same rapacious elements are in control of the separatist Northern League in Italy, Vlaams Belang in Belgium, the Catalan and Basque nationalists in Spain, and similar formations throughout the continent.

The real class interests underlying the separatist project are incompatible with the manifold promises made by the SNP to implement progressive social policies, and many workers know it. Under these circumstances, a key role in championing nationalism is played by the pseudo-left cheerleaders for independence, including the Scottish Socialist Party (SSP), the Radical Independence Campaign, and former SSP leader Tommy Sheridan.

They have been described as a "vital factor" in winning support for the Yes campaign by no less than the *Financial Times* because they work to channel social and political discontent among working people behind the SNP by claiming that, *despite the SNP itself*, independence will mean a break with the right-wing policies imposed by Westminster.

But separatism is reactionary not simply because the SNP will be the ruling party after independence, but because of the class that will rule. For the working class of Scotland, and of Europe, an embrace of separatism would spell disaster. It leads only to the Balkanisation of the entire continent, with workers pitted against each other in every country and in the tiniest regions in a fratricidal race to the bottom. It brings with it the eruption of national antagonisms that poison relations between working people and line them up behind rival sections of the capitalist class.

The fake-left is promoting separatism under conditions where there is a stark uniformity in the attacks facing workers in every part of Europe, and throughout the world, at the hands of the international banks and transnational corporations and the governments they control, and where the globalization of economic life has created an unprecedented basis, and necessity, for the unification of the struggles of workers across all national borders on the basis of an *internationalist* and *socialist* perspective.

The nationalists of the pseudo-left are doing the dirty work of the capitalists. Their lies about the progressive potential of an independent Scotland are offered up in opposition to a struggle for socialism, which they privately fear and oppose and publicly dismiss as an impossibility.

In fact, the most unrealistic perspective of all is the notion that the creation of a multitude of smaller and even less viable states offers workers a way forward.

The Socialist Equality Party in Britain is calling for an unambiguous "no" vote in the Scottish referendum. Scottish, English and Welsh workers must not allow themselves to be divided against one another, but must wage a unified struggle against the common class enemy, whatever flag they wave.

The answer to the dictatorship of the financial oligarchy and its parties in the UK is not the creation of a new Scottish state that will be dominated by the very same social forces, but the struggle for a workers' government and a socialist Britain. Together with our European and international comrades, we stand for an end to capitalist rule throughout the continent through the establishment of the United Socialist States of Europe.



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