

Scottish first minister reassures the financial oligarchy

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The new leader of the Scottish National Party (SNP) and Scotland's first minister, Nicola Sturgeon, spent December reassuring the financial and political establishment that rumours she was more left-wing than her predecessor, Alex Salmond, are wide of the mark.

Sturgeon, formerly a community lawyer and a member of the Scottish parliament (MSP) for the working class area of Glasgow Govan, was elected unopposed to the SNP leadership. She succeeded Salmond following the latter's resignation in the immediate aftermath of the September 18 independence referendum "No" vote.

There had been claims that Sturgeon would be more "redistributive" than her predecessor, especially as her base in Glasgow recorded a 53 percent majority in favour of independence.

A component of the 45 percent total "Yes" vote stemmed from the endlessly repeated lie that Scottish independence would enable some alleviation of social inequality. "Yes" campaigners bombarded working class areas with claims that every family would be thousands of pounds better off under independence. Particularly in impoverished former Labour Party-dominated areas, this allowed the "Yes" campaign to gain traction far beyond longstanding supporters of Scottish independence.

In the aftermath of the vote, Sturgeon, for domestic purposes, continued to play to these illusions. With SNP membership rising to more than 90,000, up from 25,000 before the referendum, Sturgeon addressed large audiences around the country, culminating in a 12,000 turnout in Glasgow. She promised the SNP could replace Labour as the party of "social and economic progress for people".

Sturgeon's first legislative programme, however, hinted at the gulf between rhetoric and deed.

Announced when Sturgeon's public tour was safely over, it included a few entirely token domestic measures. Sturgeon introduced, for example, a "land reform", where "Scotland's land must be an asset that benefits the many, not the few."

Far from the radical measure presented by the media, the bill merely allows the government to intervene when "the conduct of a landlord is acting as a barrier to sustainable development". Aimed at isolated rural hunting and shooting estates, the legislation would also abolish tax breaks handed out by the Conservative government in 1994. Other measures included a bill to curb sales of e-cigarettes and a bill to finally end debt collection from the poll tax—which was abolished 23 years ago.

Even these steps gave rise to concerns that, in the words of Conservative Party MSP Murdo Fraser, the "SNP will lurch to the left to fight Labour in its heartlands."

Seeking to broadcast unmistakably that nothing could be further from the truth, Sturgeon's first print interview following her accession to the post of first minister, was with the *Financial Times* (*FT*), one of the world's most influential pro-capitalist organs, and the authoritative journal of British finance capital. For Sturgeon to choose the *FT* is as clear a statement as could be imagined of her intentions.

Companies of all sizes would, Sturgeon told the *FT*, find her a "very strong ally". She continued, "I want them to know that they have got nothing to fear from me". She made clear that her token references to equality demanded "a strong economy" and a "vibrant business base". Referring to her land reform measures, Sturgeon went so far as to reassure the *FT* editors, also publishers of the Rolex- and Bentley-laden *How to Spend It* magazine, "This is not some kind of class

warfare”.

Sturgeon simultaneously announced she would retain the services of the same Council of Economic Advisers as maintained by Salmond. Members of the council include Crawford Beveridge, the chair of Scottish Equity Partners, billionaire engineering magnate Jim McColl of Clyde Blowers, Lady Susan Rice, the managing director of Lloyds Banking Group Scotland and Professor Joseph Stiglitz, former World Bank economist and adviser to the US government.

Next stop was Buckingham Palace. Sturgeon, who had previously said she was “very much looking forward” to meeting the Queen, described the meeting as “very good, very strong, very positive”. The same day, Sturgeon was sworn in to the British Privy Council, the body of the monarchy’s closest advisors, created to proffer confidential advice on matters of the state.

In Downing Street, Sturgeon and her finance minister, John Swinney, appeared to get on famously with Prime Minister David Cameron and his Scottish Secretary, Alistair Carmichael. According to Sturgeon, agreement was reached for the voting franchise in Scotland to be extended to 16- and 17-year-olds, while Carmichael hailed the opportunity to “reset” relations between Westminster and Holyrood. Sturgeon, purred Carmichael, “will be much more constructive and co-operative to work with” in comparison with Salmond. A spokesman for Number 10 agreed, welcoming “even stronger ties between our governments and parliaments”.

This outbreak of bonhomie and pledges of fealty between the SNP and the top echelons of the British state exposes the ex-left tendencies, such as the Scottish Socialist Party and the Socialist Workers Party, all of whom spent the referendum campaign working to present the SNP as a viable left alternative to the Labour Party. Mass pressure on the SNP, the ex-left even asserted, could force it to impose reformist or even socialist measures.

The global slump in oil prices has further revealed the class interests to which Sturgeon responds. Oil is currently priced around \$62 a barrel, forced by Saudi Arabia to undermine its economic and political rivals—especially Russia and Iran—having been relatively stable at over \$100 for a number of years. The British-based oil industry remains a significant

operation. Around 450,000 workers are employed in the North Sea oil and gas sector and related supply chain in Britain. Half of those are in Scotland.

Ian Wood, billionaire former head of the Wood Group oil services combine, recently warned that the price collapse threatened as many as 35,000 jobs. Wood told the press “I don’t believe there’s an operator anywhere in the North Sea right now that’s not going through their people numbers and looking at what they can do to cut costs back for next year”. Wood Group itself has cut contractors’ pay by 10 percent and frozen pay for its 4,000 full-time UK staff. The company’s share price jumped 4 percent on the news. Wood called for tax breaks for existing and new operations to allow the oil industry to remain profitable.

Sturgeon, whose elevation to the position of first minister was warmly welcomed by the industry forum Oil and Gas UK, dutifully relayed Woods’s demands for tax breaks for the oil industry on to Holyrood.

“The industry,” said Sturgeon “wants us to unite to call on the UK Government to accelerate action around the new investment allowance....” Sturgeon, of course, making good her promise to the *FT*, uttered not a whisper of criticism against the Wood Group and its allies’ attempts to offload the price slump onto the working class.



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