

Scottish National Party's bogus anti-austerity posture

By Steve James
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Scotland's First Minister Alex Salmond and leading figures of his devolved Scottish National Party (SNP) administration utilised the party's annual conference to posture as opponents of the British Conservative-Liberal Democrat coalition's austerity measures.

A referendum will be held in Scotland on whether it should become an independent country on September 18, 2014. Current polls put support for independence at 25 percent.

With the prospect of the referendum that it has pushed for failing, the SNP has upped the ante, claiming that defeat will mean the devastation of social conditions.

At the conference, First Minister Nicola Sturgeon threatened voters that Westminster would "turn the screw" on Scotland in the event of a "No" vote.

"Scotland's social security system will be dismantled, Scotland's public services and universal benefits will be under threat, Scotland's budget will be cut", she warned.

The claim that a "Yes" vote for independence is an alternative to austerity is an exercise in political deception.

The Scottish financial elite were deeply embroiled in the 2008 financial crash. Edinburgh-based banks, the Royal Bank of Scotland and the Bank of Scotland, were amongst the biggest beneficiaries of the hundreds of billions of pounds in public funds handed over by the British government to prop up the banking system. This is a policy the SNP unreservedly endorsed.

These funds are now being recouped at the expense of the social position of the working class across Britain.

Since powers over health, education, and local government were devolved to the Scottish Parliament in 1998, successive administrations have conceded limited welfare measures that seem comparatively generous to British workers outside Scotland. Scottish students, for example, are not required to pay university tuition fees.

It is not, however, because Scotland is intrinsically

"fairer" than England, as the official "Yes Scotland" campaign for independence—an alliance of the SNP, sections of the Scottish corporate and financial elite, the Scottish Trades Union Congress, and pseudo-left tendencies including the Scottish Socialist Party—claim.

Rather, it is due to the peculiarities of budgetary arrangements in the United Kingdom. Under the Barnett formula, which is used by the UK Treasury to calculate annual regional public spending grants, the regional administrations in Scotland, Wales and Northern Ireland receive more to spend on public services per person than England.

This means that the Scottish administration is allocated approximately £1,500 or 18 percent more per head on public services, just less than Northern Ireland, where public spending is highest.

In the first decade of the Scottish parliament, this translated into an average annual budgetary increase of 5 percent.

This enabled the Labour-dominated executive to abolish tuition fees immediately after devolution, and to introduce free personal care for the elderly in 2002 and concessionary public transport for the elderly and disabled in 2006. The SNP added a few more limited concessions, such as free medical prescriptions, after coming to power in 2007.

This in turn enabled the SNP to reconcile its apparent advocacy of limited welfare measures with its core programme of free-market policies, such as its promise to slash corporation tax by an initial 3 percent should Scotland gain independence.

With these budgetary gains being rapidly eroded, as a proportion of the British government's £155 billion austerity programme is passed on to the regions, the SNP is increasingly resorting to double bookkeeping and outright lies to salvage what remains of its "left" face.

Edinburgh currently presides over a £30 billion

discretionary public spending grant. This has already dropped £1.8 billion in real-terms since 2009-10, and is expected to fall by a total of £4.5 billion in the five years to 2015.

The SNP has long promised that an independent Scotland would utilise the budgetary and revenue-raising powers currently dominated by central government, including access to tax revenues from North Sea oil and gas production, to reverse Westminster's cuts.

As well as pledging to continue expensive universal benefits for students and the elderly, the nationalists claim that they would abolish the so-called "Bedroom Tax" which has reduced housing benefits for hundreds of thousands of social housing occupants across Britain.

The SNP administration has also committed to retaining public ownership of the National Health Service (NHS) in Scotland, against the Conservative-Liberal Democrat government's unpopular Health and Social Care Act, under which the English NHS is being dismantled and privatised.

Most recently, Salmond claimed that independence would allow Scotland to avoid the coalition's accelerated plans of hiking the state pension age from 66 to 67 by 2028, and to renationalise the Post Office in Scotland—a patently absurd claim, given that the most profitable parts of the nationally-integrated UK service are currently being sold off to private investors under deals worth £3 billion.

Not one of these pledges can be trusted. The Scottish government is systematically concealing the huge scale of social spending cuts it intends to implement until after the referendum.

A recent study by the Centre for Public Policy for Regions (CPPR), a Glasgow University-based think tank, has underscored that the biggest cuts in day-to-day spending on public services will come in 2016-17 and 2017-18. Only half of the intended austerity measures have been implemented in Scotland, and most of these have been made at the expense of capital spending.

Writing in the *Scotsman*, CPPR economist John McLaren dismissed the claim that Scotland would be insulated from spending cuts by independence. This "ignores the reality that, in practice, similar fiscal circumstances are almost bound to exist for an independent Scotland, and so greater clarity would also be needed in terms of a medium-term to long-term budgeting strategy, with or without any oil fund."

The Scottish administration has been able to temporarily "ring-fence" health spending and ostensibly

sustain universal benefits by loading the burden of the cuts implemented to date on local government.

The desperate situation in local government provides a glimpse of what is in store for Scotland's public services across the board.

Scotland's 32 local authorities—including 12 administered either solely or in coalition by the SNP—are currently slashing hundreds of millions of pounds from their budgets under the rubric of "efficiency savings."

Some 34,500 local government jobs have been axed since 2008-9, and a recent survey by BBC Scotland indicates that thousands more are to be lost in the next few years.

Many vital locally delivered public services, including cultural services, primary and secondary education, child services, personal care for the elderly, are under threat.

Local authorities have recently warned the Scottish Parliament's Local Government Committee that many of those "services which are provided or subsidised on a universal basis will either be withdrawn or service charges will increase".

The devastating social retrogression being imposed across Britain is not the result of policy differences amongst regional sections of the ruling class. It is the product of a fundamental breakdown in the world capitalist system.

In the struggle against austerity Scottish workers should reject entirely the pretensions of Scottish nationalism. Nationalism and regionalism serve the interests of the entire British bourgeoisie in dividing the working class.

An effective opposition to austerity can only be taken forward on the basis of an internationalist socialist programme, which unifies workers on the basis of their common class interests against the capitalist profit system, and for the establishment of a workers government based on socialist policies.

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