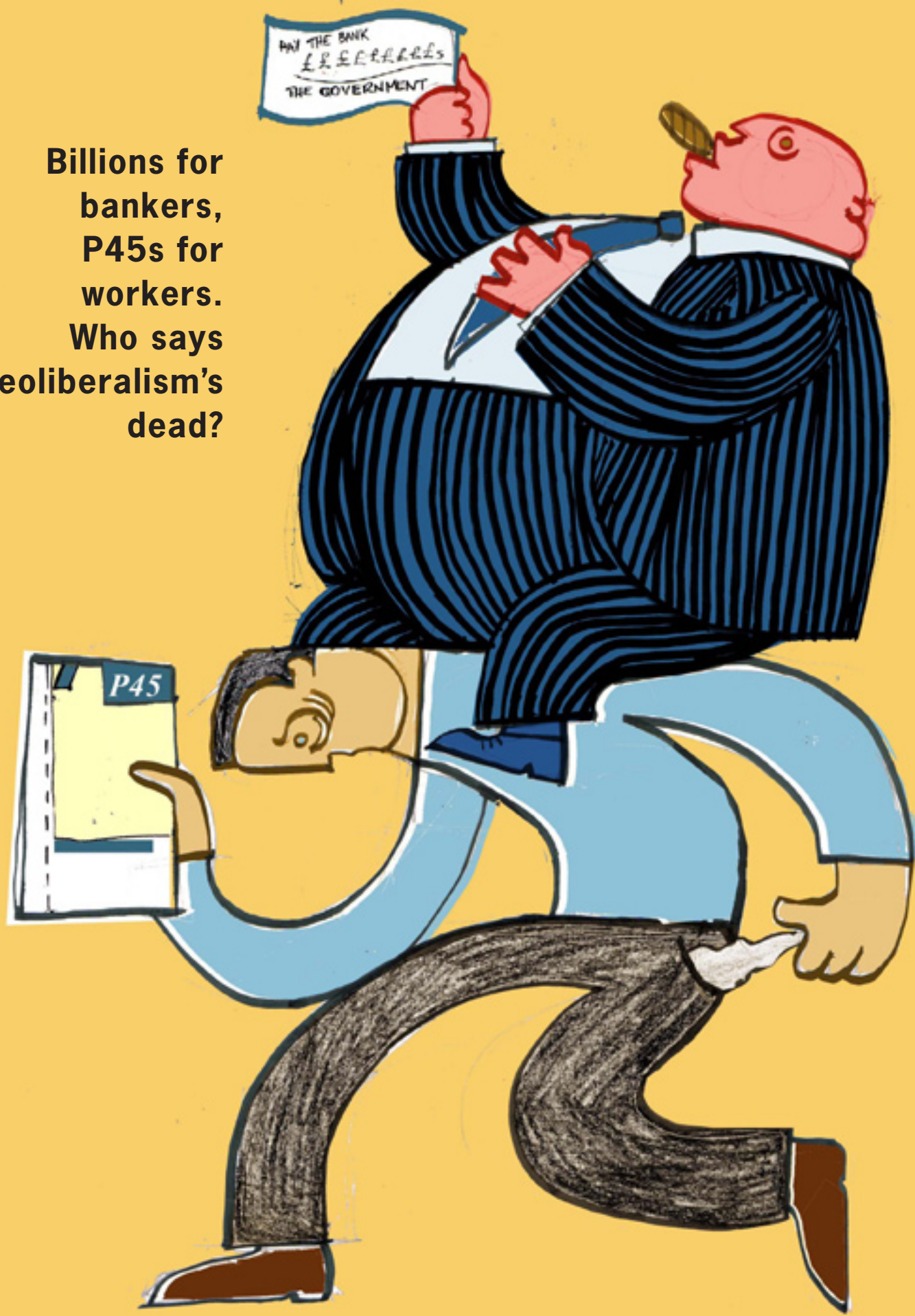


**Billions for
bankers,
P45s for
workers.
Who says
neoliberalism's
dead?**



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Comment

You'd think nothing had happened. You'd think we were all still living the dream. When the economy was booming we were told the appropriate government response was to give those 'responsible' for the boom (who happened to be big corporations and the super-rich) anything they wanted. Tax breaks? Planning permission for pretty well anything? Giant bungs and laws to help make obscene profits bigger? Feel free – take whatever you want. This meant zero real rates of tax for massive corporations, virtual tax exemption for billionaires, a planning mindset which would build a golf course anywhere for the promise of a handful of jobs for Polish cleaners, a corrupt means of building hospitals and schools designed to maximise private profit and, for the rest, a whole system designed to make us work, borrow, shop and shut up.

So what is the appropriate government response to an economy no-longer booming? It turns out to be tax breaks, planning permission for pretty well everything and giant bungs. It would appear that, not only has nothing changed, we're going backwards. Even the symbolism is a joke – Mandleson? Milburn? An incoming American President running on a 'change' ticket then telling the rich the cheque's in the post which he's going to pay for by cutting services to the poor?

Some are behaving as if things are starting to go back to the way they were. But this is not a revival, it's a Near Death Experience. As the oxygen is cut to the neoliberal brain it sees a bright white light ahead and is walking towards it with a calm serenity. In some ways one can only hope it does not hear the voices behind crying out but rather keeps walking on to its own final demise. The columns may be filled with the neocon hacks who have scraped together the effrontery to claim that in fact they were right anyway. (Anyone who missed Gerald Warner's column in which he explained that this is all the fault of socialism which forced the banks to give houses to the poor is missing out on a gem impossible to satirise.) But they weren't.

Some economics for a second. The public debt in Britain is about half our GDP – it would take six months of spending every single penny in the economy to get back into the black.

This, however, is debt owned by a reliable borrower. That the private debt is three times as big is the scary point – doubly so when we realise that much of it isn't even secured on anything like a real asset. We would need to spend the best part of the next two years spending every single penny in the economy and more on nothing but debt repayments to get the country square. The 'borrow, borrow, buy some shoes' world is passing. If the Government had a voice it ought to sound like Homer Simpson; £50 billion for the banks so they'll start lending again. Oh no, look, they kept it all because they're in massive debt. Now we've spent our money and the problem hasn't changed.

Doh.

We just won't face the facts. Scottish Ministers' diaries are still filled with meetings with the 'leading lights' in the financial fraternity. The parties are in a wild auction over who would provide the most apprenticeships. PFI is the cry of the Scottish Labour Party as if it is a radical policy for the workers. Public bodies have all got threatening letters demanding that they reallocate their budgets to solve the economic crisis. Yet the financial fraternity is mainly to blame so why does it get privileged access? 'Apprenticeships' is just something people say to sound busy – there are no jobs for these 'apprentices' nor with there be (Andy Kerr would be as well going the whole hog and calling for national service). Handing over public assets to the private sector is a factor in how this whole thing fell apart. And bullying of the public sector is the ultimate injustice – it played no part in causing this collapse so why aren't John Swinney's threatening letters addressed to the CBI?

How much good public works could we have got for the £50 billion we gave to the banks? How much cheaper would have been a simple bank nationalisation programme? How simple would it be to start to prepare Scotland for recovery? This would involve an active attempt to create productive industry in Scotland which needs high-level skills (not the buy-it-cheap-stack-it-high training of the current anything-better-than-nothing soundbite). It means stimulating R&D. It means valuing science, technology, creativity and discovery over presentation and bluff (less business studies, more science, less marketing, more product design). It means accepting that it's time for a different economy and taking some action which is about change and not repair. Because repair won't work.

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Earplugs would be helpful too. Apparently everyone has a solution, and apparently it involves all of them being given perks. In fact, incentives are important – but only where they achieve something. Opinion survey by the Federation of Small Businesses and the Chambers of Commerce prove nothing – of course they all claim they'll fix the economy in return for a cut in national insurance or more spending on transport infrastructure. Just like they all said that cut in business rates (£200 million of our money) would prevent this calamity in the first place. The business community is not known for its veracity when it comes to public policy. You'd think we'd have learned that by now.

We might think that the change is slow in coming, but that would be a mistake. The Great Depression consisted of about three years of everyone claiming the worst was over and then another decade of the actual worst arriving in person. Scottish politicians can admit now that the game is up or they can keep playing until there is no game left. A plea to our First Minister – your banker friends let you down, your construction friends never liked you, the high street cared not for you. Dump them. The public sector supported you. Don't dump on them. And remember, no-one will remember in six months how popular you were today. Be brave. Start now. Create a new Scotland with jobs that Scots can be proud to fill. It's not too late. Make Scotland work again. ■



Fighting for trade-union freedom
Justice for temporary and
agency workers
Union rights are human rights

Bob Crow, General Secretary

John Leach, President

Phil McGarry, Ian Macintyre Scottish Organisers

hearing what they want...

...and disregarding the rest is Andy Cumber's assessment of the current approach to jobs policy in Scotland

At what point will our political and economic masters admit to that which is blindingly obvious to the rest of us? As Gordon Brown's Administration announces yet another supply side measure – this time it is a scheme to encourage employers to take on the growing numbers of unemployed graduates – the need for a more radical employment strategy grows by the day.

The most recent figures show that unemployment in Scotland grew by 22,000 to five per cent of the labour force in the three months to October. With most commentators accepting that it is likely to be 2010 at the earliest before any green shoots of recovery appear, this trend, projected forward to January 2010, suggests a further 100,000 workers could join the dole queues. These figures themselves do not do justice to the true scale of the jobs crisis facing the country. Up until the current downturn, the main sources of jobs in the Scottish economy were the financial sector, retail and consumer services, and the public sector. Manufacturing has continued to see jobs steadily drain away for lack of any kind of imaginative industrial policy, whilst the much vaunted construction sector grew by around one per cent over what will now be increasingly as the 'boom' years, 2001-6. Given what we know about the parlous situation now facing these activities, the future for Scottish workers looks pretty grim.

A snapshot of current labour market trends is provided by the Office of National Statistics job vacancy data (from October 2008). Even allowing for the fact that the data comes from job centres and excludes many higher level management and professional positions, it provides a sober assessment of Scotland's employment realities (Table 1) with few opportunities in well paid or higher skilled work. The country's growing ranks of unemployment face job prospects in unskilled work or poorly paid sales and consumer services. Anecdotal evidence suggests that recent graduates are now struggling to hold down bar work.

Table 1: Job Vacancies in the Scottish Economy October 2008

	number	percent
1 : Managers and Senior Officials	767	2.3
2 : Professional Occupations	647	1.9
3 : Associate Professional and Technical Occupations	2,873	8.6
4 : Administrative and Secretarial Occupations	2,296	6.9
5 : Skilled Trades Occupations	3,276	9.8
6 : Personal Service Occupations	2,856	8.5
7 : Sales and Customer Service occupations	7,212	21.5
8 : Process, Plant and Machine Operatives	2,927	8.7
9 : Elementary Occupations	10,657	31.8

While there has been some Keynesian style acceleration of construction and infrastructure projects by the Scottish Executive

and UK Government, which will provide jobs at the margins, these are timid by the standards of the full employment policies pursued by governments in the years immediately following the Second World War. Despite the much-trumpeted return of nationalisation and the willingness to inject liquidity into the economy on a scale not seen in any peacetime administration, the response to the economic downturn ultimately betrays the continuing commitment to a neoliberal policy orthodoxy. When German Finance Minister, Peer Steinbrück, accused Gordon Brown's Government of Crass Keynesianism, he hit the nail pretty much on the head.

The UK Treasury's cavalier invocation of Keynes is reminiscent of the Thatcherites' earlier misuse of Adam Smith's political economy; drawing upon the bits that fit with existing free market dogma while ignoring the wider imperative for more regulation and demand management. As Simon and Garfunkel once said: "a man hears what he wants to hear and disregards the rest". Thus we get supply-side stimuli to encourage consumption: tax cuts, incentives for employers to take on workers and train, attempts to clear the blockage in credit markets, the bailing out of the financial system, but little attempt to actually create jobs by the government itself.

At the same time, there is little let up in the 'active' labour market policies pursued by New Labour since 1997. Compulsion of the poor into work while pursuing a voluntarism for the rich, in continuing to deregulate in the name of flexibility, set the tone. Clamping down on benefits, whilst coercing 'inactive' groups (such as hard-pressed single parents and carers) into the labour market with increasingly punitive measures, continue to be the order of the day. Whatever the dubious merits of such supply side policies during a period of growth, it is clear that they are seriously out of kilter with the policy requirements of a recession. Beyond the coercive aspects of government employment policy, the Government's supply-side approach has concerned itself too much with moving people off benefit and into work and too little with the quality of jobs and training available. Britain's – and Scotland's – deregulated labour market continued to require little from employers in terms of training, employment rights and security at work. The result has been a dearth of decent employment and training opportunities for those without graduate qualifications.

Employment opportunities for non-graduates and the 13 per cent of school leavers (20 per cent in Glasgow) who leave school without qualifications were already severely restricted before the credit crunch began to bite. For Glasgow City Council's four-year flagship apprenticeship scheme, City Building, there were 2,000 applications for 75 places in 2007. The disappearance of relatively stable and full-time jobs in manufacturing for unskilled and semi-skilled workers over the past quarter of a century has been accompanied by the growth of more contingent and lower paid forms of work in the service sector. Recent academic research (by Paul Thompson of Strathclyde University amongst others) suggests that the benefits of the knowledge economy –

in terms of creating new forms of well-paid, interesting and rewarding work – have also been exaggerated with job growth being dominated by more menial and routine service work.

The result is a growing polarisation between the fortunate few who are able to find full-time graduate level professional work and those who leave school with few qualifications whose job options are confined to deregulated and often highly precarious forms of work. In between are those with some qualifications – including a growing number of recent graduates – working in financial call centres, restaurant, catering and retail sectors in jobs for which they are overqualified.

So, what is to be done? The biggest failing of the current economic policy regime relates to Keynes's central premise about the role of government in maintaining aggregate demand in the economy. Having ditched one aspect of the neoliberal orthodoxy by abandoning his own rules on government borrowing, it is perverse Gordon Brown's new generosity is being directed at some of the very same elements that precipitated the current downturn. On the one hand, shoring up the financial sector with few strings attached, and on the other desperately trying to stimulate consumer spending by enticing individuals to take on more private debt. If this can be called an employment strategy it is a rather flawed and circuitous one.

To the Government's credit it has at least abandoned one plank of its neoliberal policy agenda: Brown's ridiculous borrowing rules that were responsible for the disastrous PFI regime without seriously addressing the problem of Britain's decaying and outmoded infrastructure. But, its continuing slavish devotion to corporate and financial interests signal its failure to break with free market principles. One of many quotes attributed to Keynes was that "When the facts change I change my mind, what do you do sir?" Labour's policy advisers in the Treasury seem to be aware that the facts have changed but lack the knowledge about what to do about it, or more worryingly where to look for answers.

Tragically, there is much that could be done, very quickly and effectively, through decisive government intervention to secure jobs and create new ones. Nor are the answers the preserve of the left. As Andrew Rawnsley wrote in *The Observer* before Christmas, some Roosevelt-style public works would be a good start, directed at the railways, electronic infrastructure and renewable energy. At an estimated £15 billion, a new high-speed rail link between London and Edinburgh would be good value for money compared to the largesse being dispensed to the financial community. But why stop there? Why not a programme to electrify all Scotland's rail lines, including new high speed links to Aberdeen and Inverness? Light transit and tram systems in the four major cities, the full extension of Glasgow's underground etc. A public housing programme too would inject a much needed stimulus, taking advantage of the growing pool of unemployment construction workers being shed by the private sector. Eighteen months previously the policy orthodoxy was that this could not be done through increased government borrowing. Now that this shibboleth has gone, the only obstacle is the hard politics of Britain's political and financial elite.

In Scotland, the skills and knowledge gained from the North Sea, particularly with regard to subsea technologies, should be used



to develop expertise in wave, tidal and offshore wind energy generation. If Scotland could follow the pioneering example of Denmark in the area of renewables and use its natural advantages and achieve half the economic success, this would amount to 10,000 jobs. This, allied to a programme of investment in rail and light transit, could help rejuvenate manufacturing, once again providing work for non-graduate employees who have largely been discarded by the current policy agenda. The Scottish business press is currently mounting another of its witless campaigns about the size of the public sector, but this is exactly the time when public sector spending should be increased, with all the attendant local employment multiplier effects. Aside from being one of the few providers of decent and stable employment for less skilled workers, the public sector has been a key anchor and incubator for what little knowledge economy activity Scotland has managed to generate.

Recent research by myself and Kean Birch at the Universities of Glasgow and Strathclyde has revealed a growing life sciences sector creating valuable and well paid jobs in Glasgow and Edinburgh but also Dundee, Aberdeen and parts of the Highlands. The sector as a whole employs 33,000 people, including 4,000 in bio-manufacturing. University research and the much-maligned Scottish Enterprise with schemes for new firm start-up have been critical here. More public support also needs to be channelled from dominant financial interests to other new economy sectors such as the media, film and other cultural sectors. It is here where true entrepreneurialism and not in the voodoo economics of financial innovation.

Despite the recent commitments in government spending, the UK government's share of GDP still remains low by the standards of almost every other northern European country. R&D spending in particular should be increased including for 'blue skies' as well as more applied research in universities, rather than the recent bogus SNP policy agenda around vocational education. UK Government expenditure on R&D currently represents less than one per cent of GNP compared to three per cent in one of the most dynamic knowledge economy countries, Finland.

Sadly, I don't hold out much prospect of any of this happening. Labour's confused economics is likely to lead to election defeat in 18 months time and the return of an unreconstructed Thatcherite economics. We are in for some very tough times ahead reminiscent of the political and economic conjuncture of the 1930s: the last time that a Labour Government attempted to uphold existing economic orthodoxy against all the evidence. ■

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working for fairness

Isobel Lindsay argues that by rethinking what it is we want from employment we can create a better worklife and economy and a more moral society

For so long Scotland has pursued jobs, any jobs, in a desperate attempt to keep unemployment down that we haven't seriously engaged in a debate on the ethical rebalancing of the economy. It might seem counter-intuitive to suggest that the middle of a serious recession might be the ideal time for this but a period of enforced change may indeed be the right time to ask fundamental questions. We know that there will be structural change; finance sector jobs are going to decline and it is likely that the overblown retail sector will contract permanently. Many other changes will be in the pipeline. Since we have to cope with change, we should argue that this is the time to use any leverage we have as consumers and in public expenditure to give economic debates an ethical turn. We may find that this is also in tune with the public mood.

There are three central topics that need to be examined in debating the ethical rebalancing of the economy: the Corporate Role, the Structure of Rewards and Negative-Value Work

The Corporate Role

There are those who (with good reason) see 'Corporate Social Responsibility' as a contradiction in terms. Typically, a term that came into use in the early 1970s to promote business support for broader social concerns beyond their statutory obligations, became just another section of PR departments or another way of doing some Human Resource development work. This doesn't mean that regarding CSR as part of a PR strategy invalidates work done under that heading. The grants made to cultural and voluntary groups or the work of seconded staff has enabled some good things to be done. But these could be removed at the stroke of a Chief Executive's pen and the straight

charitable giving by UK companies has been

low. There have been some examples of CSR that are so crude that they are hard to take. Shell's targeting of environmental groups and projects as

part of its 'Green' re-branding and the drinks industry sheltering behind the Portman Group are so obviously self-serving. But do we simply dismiss CSR or try to improve it?

Those who see the Corporation as 'psychopath' may think it is pointless to pursue any more seriously altruistic expectations. But there are two routes that could be explored – one legislative and the other cultural. We could oblige companies to set aside a small proportion of their profits for charitable or community purposes. Even a very tiny percentage would make a significant difference to voluntary sector income. Lloyds/TSB Foundation, which has done good work, does not exist because of the charitable predisposition of the Lloyds directors. When the Trustee Savings Bank was de-mutualised, five per cent of its shares had to be used for charitable purposes and this was transferred into a trust in the form of one per cent of pre-tax profits. This was a continuing legal obligation when the Lloyds/TSB merger took place. Placing a requirement on companies over a certain size to give a small percentage of profits to charitable and community projects would give an important boost to many organisations. Another legal change could involve broadening the share base – something with which the public has recently become familiar. The new share issues by the banks followed by the Government taking substantial equity has made this almost normal. Schumacher in **Small is Beautiful** in 1974 suggested that one way to make companies more representative would be to require them to expand their share base, giving a third of shares to employees and the local community, with voting rights but not profit distribution. Certainly changes in company law to broaden the base of decision-making whether through this kind of proposal or German-type Supervisory Boards could introduce new interests and concerns into the board rooms.

These are examples of legal changes but there are also good examples of social and cultural changes that have modified corporate behaviour. We need to turn 'manufacturing consent' on its head and promote the concept of the public 'manufacturing' the consent of the corporations. We have seen this with Fairtrade. Activist groups initiated the idea and set up some infrastructure. They then promoted it among ideologically committed consumers through aid, political and faith organisations and it gradually spread to the extent that some very unlikely companies had to take it up because the Fairtrade mark was good for business.



This has also worked to some extent with organic produce and in restricting sales of GM food.

Under current market conditions there are trends moving in different directions. Those with the resources to consume are in an even stronger position while those with declining incomes are under greater pressure to buy the cheapest. While non-ideological consumer decisions may produce positive environmental results because of lower incomes, these are random outcomes. Unless consumer action is guided by coherent principles, it cannot be expected to produce more ethical jobs. To work, it needs activists with clear agendas and effective organisational structures. Despite various attempts to discredit it, Fairtrade establishes some kind of benchmark as does the Soil Association approval. We need the same guarantees for a wider range of products and producers.

The Structure of Economic Rewards

The coming year should be an appropriate time for a serious debate on what structure of economic rewards should emerge from the economic crisis. The standard justification for the outrageous earnings in top jobs has been completely discredited. All the specious arguments about having to attract executives from some unique small pool of talent and having to provide them with massive bonuses to do their job have been revealed as the self-serving nonsense it always was. Very high earners approved each others' excessive salaries because it validated their own.

However, despite public disgust, there is little sign so far that economic failure is producing a new era of modest top earnings and the end of golden good-byes. Voluntary restraint doesn't work. The experience of the past two decades is that elite earners have no shame; they believe their own propaganda. Only compulsory intervention will work. The debate should centre not on whether intervention is justified but on what kind of intervention will be most effective. This is a debate that has been taking place in Germany even before the economic crisis and their inequality levels are not as great as ours. We could have a ceiling preventing top earnings in any organisation being no more than a fixed multiple of the lowest or we could introduce new surtax rates for the very highest earnings and we certainly need to close tax loop-holes. There is no chance of any of this happening without an effective public campaign.

But it is not just action on executive greed that is needed but a rethink on the rationale for our whole system of economic rewards. The American writer, Jeremy Rifkin, has argued that many jobs still have comparatively high status and rewards despite being deskilled while other jobs have a complexity and responsibility that is underestimated. He gives lawyers as an example of an over-rewarded occupation since modern information technology has simplified important aspects of the work. He contrasts this with those who educate disabled children. Irrespective of technological change, this will always be work that requires varied skills and knowledge, high concentration, constant adaptation to individual variation. These two examples, he suggests, illustrate how factors like the traditional status of jobs determine economic rewards rather than any objective assessment of the intrinsic demands of the work.

So there are two issues to address. One is to compress the overall reward structure in order to reduce the increasing levels

of inequality that have characterised earnings in the UK and the US. This is the easier problem to tackle since the change would only adversely affect a small number. However, if we start re-evaluating the relative rewards of many middle and low earners, this is a hornet's nest which can only be adjusted gradually.

Negative Value Jobs

If we are considering an ethical turn in employment, we cannot avoid the issue of jobs that are, in their social role, unethical. This is not an easy issue; there are likely to be few alternatives for the individuals involved and for the trade unions there is an obligation to defend their members' interests.

The arms industry has to top the list, especially given the UK's role as the world's third largest exporter of weapons. The problem for the UK and certainly for Scotland is that, having undermined virtually all other areas of manufacturing, defence industries were among the few areas remaining because they did get the support. The result is that they have become one of the diminishing sources of employment for skilled manufacturing trades. The unions in Scotland have provided through the STUC some moral leadership in relation to Trident. There are only around 800 civilian jobs directly related to Trident at Faslane since most of the skilled maintenance work is done at Devonport and in the US so this stance, although not easy, has not been so difficult as it would have been had there been more jobs at stake. However, the rest of the arms trade is a no-go area for political parties and unions as the response to the Clyde aircraft carrier orders shows - a huge waste of money to sustain delusions of imperial grandeur but welcomed across the political spectrum. They are too frightened of the job implications to raise critical questions. The way forward has to be an open and honest debate on the morality and the economic cost to the wider community of much of this war-related expenditure combined with serious work on alternative employment.

There are, of course, other 'bad' jobs. It is fortunate that we no longer have tobacco production in Scotland. We have a range of jobs that are not of negative value in themselves but are negative in their effect because their total share of economic activity has become too dominant. We need a smaller and more ethical financial services sector. We have a retail sector which has tried, with considerable success, to turn shopping into our principal recreational activity and it needs to contract. It will be challenging to find alternatives to fill the untidy legacy of empty premises.

Once we start thinking about negative-value jobs, the issue that arises is whether we need so much formal work to create a good society. As Andre Gorz has argued for almost three decades:

"I'd rather have all the socially necessary work spread in such a way that everyone can work three days a week or 30 weeks a year and receive their share of the total wealth that is socially produced.....Many needs could be satisfied better with a lesser flow of better and more durable goods. We could live and work better consuming less, provided we consume differently."

This challenge to the neo-liberal ideology of increasingly intense competitive work needs to come into mainstream political discourse together with a more egalitarian distribution of resources. ■

Isobel Lindsay is an industrial sociologist

changing jobs

Eurig Scandrett outlines a strategy for a more sustainable and creative economy.

Karl Marx in *The German Ideology* suggests that “in communist society ... society regulates the general production and thus makes it possible for me to do one thing today and another tomorrow, to hunt in the morning, fish in the afternoon, rear cattle in the evening, criticise after dinner, just as I have a mind, without ever becoming hunter, fisherman, shepherd or critic.” In the face of capitalist crisis and the prospect of job losses throughout the economy, Marx’s famous comment on the nature of work after capitalism raises useful questions about what kind of work we might want to work towards in Scotland. Just for the time being we might leave aside the question of who made the dinner and washed the pots to enable Marx to rear cattle and criticise as he had a mind, or who looked after the bairns whilst he was hunting and fishing. We might also acknowledge that hunting for food has, in the main, long ceased to be an ecologically sustainable pursuit, and for leisure, ethically unjustifiable.

But leaving these reservations on one side, let’s try a mind game. What would you substitute for the gaps in the following sentence? “society regulates the general production and thus makes it possible for me to in the morning, in the afternoon, in the evening after dinner, just as I have a mind”

Now if we accumulated everyone’s answer to this question, maybe we have a step in the direction of the kind of work which Scotland should be aiming towards. Imagine if we organised society in such a way that everyone spent their time doing what they found fulfilling, interesting and meaningful. And if we did, what else would need to be done?

Capitalism is good at increasing productivity. Increasing productivity essentially means getting more with less, especially less work, which usually means fewer workers. So under the logic of capitalism, productivity of the things we need increases whilst employing fewer people, and those whose work is no longer needed have to try to find a job in delivering services we don’t need, or we want, or can be convinced that we want. In 1908 there were 119,000 male workers regularly employed in agriculture. The 2008 agricultural survey reported 20,330 regular workers (male and female). As farm work was mechanised and then chemically stimulated, agricultural work became scarce and those who remained as agricultural labourers, even those highly skilled, remained amongst the lowest paid workers. We can produce food enormously efficiently at the cost of damage to our soil and pollution of watercourses and the exposure to toxins by those low paid agricultural workers. And much of the food we eat is of course produced where labour is even cheaper and the environmental and human costs greater. Meanwhile, agricultural production without chemicals and mechanisation uses more labour but the economics are stacked against it. Such production remains a hobby for many who have allotments, gardens and even smallholdings. How do we manage to organise society in such a way that what is most exploitative and damaging is economic (just) whereas what is desirable for people and the environment is uneconomical? If

you wanted a reason why capitalism is the most ludicrous and inefficient system (apart from being exploitative) then you need look no further.

Moreover, most forms of labour saving mechanisation is dependent on oil (which is close to peak and is damaging the climate) and other fossil fuels or nuclear (the toxic waste for which we already have left to innumerable future generations) electricity generation. Andre Gorz, who died a year ago, had spent a good deal of his life exploring these problems. “The connection between more and better has been broken; our needs for many products and services are already more than adequately met, and many of our as-yet- unsatisfied needs will be met not by producing more, but by producing differently, producing other things, or even producing less. This is especially true as regards our needs for air, water, space, silence, beauty, time and human contact.” Gorz was no romantic ecologist – his ecology was firmly rooted in Marxism, the left and the material interests of the labour movement. Gorz argued that three different kinds of work should be recognised, economic work (for wages), domestic work (for ourselves and those with whom we share our lives) and autonomous work (for the sake of it). Autonomous work requires effort and commitment like any other kind of work but it is done out of choice for the sake of the work itself. It may be productive, but the products are not the main point. This is where Marx’s fishing, cattle rearing and criticism comes in, and today we might include gardening, volunteering, hobby arts and crafts, studying for pleasure. By reducing the amount of economic work and sharing domestic work equally between men and women, all would have access to the autonomous work which gives meaning to our lives. By Gorz’s calculations, increased productivity should need each of us to work only 1000 hours a year or 20,000 hours in our lifetime (to save you the arithmetic, that’s the equivalent of 21 hours a week, retiring around 40).

So how do we manage a transition from our current work distribution in Scotland to one in which all work fewer hours doing more worthwhile activity and distributing the burden and the fulfilment equally between men and women? A priority will need to be those workers in the most unsustainable and polluting industries which will need to contract or be decommissioned. Jobs in the petrochemical industry, nuclear power, defence dependent manufacturing and aeronautics, which tend to be highly concentrated geographically, will need to plan for managed diversification. Since the Lucas Aerospace alternative plan in the 1970s there have been a few attempts at diversification of defence and other industries to utilise the skills, initiative and commitment of the workforce for social benefit, although these have suffered lack of resources and government support. Planned diversification would take time but a recession is a good time to start when the alternative to diversification is redundancy. This is the programme for a just transition to sustainability, in which work is redeployed into social utility rather than pitched against the damage to the environment which we have to live in.

Secondly there continues to be scope for the public sector to be expanded and improved, including a degree of decentralisation, de-bureaucratisation and secure funding the voluntary sector in order better to draw on the creativity of the workforce for useful work and avoiding privatisation. The idea for a green new deal is being widely discussed to use Keynesian style public expenditure to provide public works with immediate environmental benefit. This is where the state employs the loft insulators, but there are many other types of jobs from community recycling and cycle projects to electricity micro-generation and straw-bale house building. These currently occur on a very small scale, largely in the voluntary sector and face logistical hurdles which but could be addressed by significant public investment. Those working in the public sector can aim to reduce working hours without loss of benefits, which would ensure that employment is spread through a wider section of the population. This is no more than an extension of trades union demands for better work-life balance.

With people working for wages less, sharing domestic work and spending more time on autonomous activity, there is an expanded possibility of exchanging services and products without cash, through local exchange trading schemes, so that some of the liberated creative skills and productive capacity can be employed for the community in locally controlled, stable and egalitarian markets. For this to work requires a separation between work and income. A citizen's income to which every person would be entitled can replace the current taxation and benefit system in combination with a steeply progressive income tax and land and resource taxation. If tax rate increases with hours worked, the incentive for employees would be to reduce employment hours and on employers to employ more people for less time.

Fourteen percent of the Scottish population works in the business, financial services and insurance sector which also includes Scotland's biggest firms. This sector has recently demonstrated its incompetence and been at the forefront of the recession, and is particularly vulnerable to redundancies. What if some of the expertise in this sector was redeployed away from fast-buck profit making to generating investment for socially useful projects? A revision of the financial sector towards microcredit would make it easier for banks to offer small loans to community-owned social enterprises with long payback times. These are the small community projects which never get off the ground because of lack of access to low risk finance - the crèches and cafes - and are disproportionately generated by women. The purpose here is to provide a service to the community and to pay back the loan eventually, rather than to make a profit.

One of the biggest pressures against making these kinds of sensible changes to the economy is that it will frighten off inward investment from internationally mobile capital. Capital flight is the gun to the head of most national governments. Inward investment is justified socially by Corporate Social Responsibility, in which responsible companies have a triple bottom line: economic, social and environmental. CSR, which is voluntary and controlled by the company, can only ever be a whitewash. The triple bottom line turns out to be only economic when the chips are down, and during the recession we will see how company CSR reports change to explain why one bottom line is more important than the others. However, corporate stakeholder accountability would be an altogether

different thing. If corporations were legally accountability both to the state and required to negotiate with the local community, workforce and other stakeholders, genuine accountability could lead to a genuine triple bottom line. This, if you like, is an extension of the historic compromise of the welfare state, in which some interests of the working class were incorporated into capitalism. This failed because of the balance of power whereas stakeholder accountability could shift the balance towards social and environmental interests. Ultimately it would lead to a break-up of the corporation because no-one can serve two masters - the corporation and the stakeholders - whose interests are in conflict. The germ of such accountability can be found hidden away in current planning reform legislation in the form of the 'Good Neighbour Agreement'. An import from the initiatives of radical lawyers and community activists in the USA, GNAs are locally negotiated agreements between companies and their neighbouring communities. These work when potential sanctions against the company increase the leverage of the community. In Scotland's planning reform, GNAs can be enforced, albeit weakly, by local government, although there exists here a mechanism which could have radical impacts on new developments.

Development planning has considerable potential to generate socially useful work. Development is currently motivated by profit and judged on cost-benefit analysis, and only then subjected to social criteria of the development planning system. However if cost-benefit analysis were replaced by multi-criteria analysis then financial considerations would not be given their current priority. Multicriteria analysis works by establishing through deliberative democratic mechanisms how those affected would judge any potential local development. When these criteria are established, ideas for the kind of development which would fulfil these criteria best are encouraged, again by deliberative democracy. Profit making could be one criterion, but it would not have the privilege of veto as it currently does, but rather open to democratic accountability. This would also stimulate development through attempts to build agreement amongst stakeholders, rather than setting up communities as adversaries of developers who are set to gain from the development. Multicriteria analysis would drive development motivated by local and social aspirations and judged according to criteria identified by those who would be affected by it as well as wider social and ecological standards. Thus small scale, low impact development, dependent on (voluntary) labour and community support but with low return rates, would have preference over quick, cheap, high impact developments.

We have many of the tools for generating socially and environmentally useful work in Scotland. These can be demanded by workers in the trades unions, adopted by social entrepreneurs and community activists or enacted by governments in councils, Holyrood and Westminster. Indeed many of these ideas were debated by activists from across Scottish civil society ten years ago in a series of workshops which resulted in the publication **Scotlands of the Future: sustainability in a small nation** (Luath Press). The Scottish Social Forum process is generating new proposals. Now the recession has started to bite, it is time for these ideas to be implemented. ■

Eurig Scandrett is a lecturer in Sociology at Queen Margaret University

making things: not so daft

Stephen Boyd points out that the economic-strategy-with-no-manufacturing was always damaging for Scotland, but that it isn't too late

In challenging the complacency of politicians, government and agencies since devolution over the hollowing out of Scotland's industrial base, the STUC met only ridicule. The conventional wisdom stated that deindustrialisation was inevitable, even desirable, and that the capacity of services, especially financial services, to deliver sustainable growth and employment was more than sufficient to pick up the slack.

And no-one should underestimate how deeply ingrained the conventional wisdom had become. The failure of services-fuelled growth to deliver widely shared prosperity and good jobs was simply a consequence of the nebulous but efficient hand of the global free market. Regional wealth and employment disparities, amplified by the decline in manufacturing, could be addressed only with supply side strategies as prevailing economic orthodoxies scorned any public intervention on the demand side. As little as six weeks before the collapse of Northern Rock, a very senior Scottish politician mocked STUC representatives who had the audacity to calmly question the durability of the UK's financialised economic model and suggest that growing manufacturing was a legitimate and achievable aim.

How times change. Fast forward to autumn 2008 and the passion for making things is rediscovered amongst the rubble of the financial meltdown. Richard Lambert, Director General of the CBI lauds not only the economic value of manufacturing but also its importance for social cohesion. David Cameron raids the STUC lexicon to urge action to 'rebalance the economy' (whilst, it should be noted, singularly failing to promote any substantial policy on the matter). Before public audiences, Gordon Brown is prepared to utter the words... 'industrial strategy'.

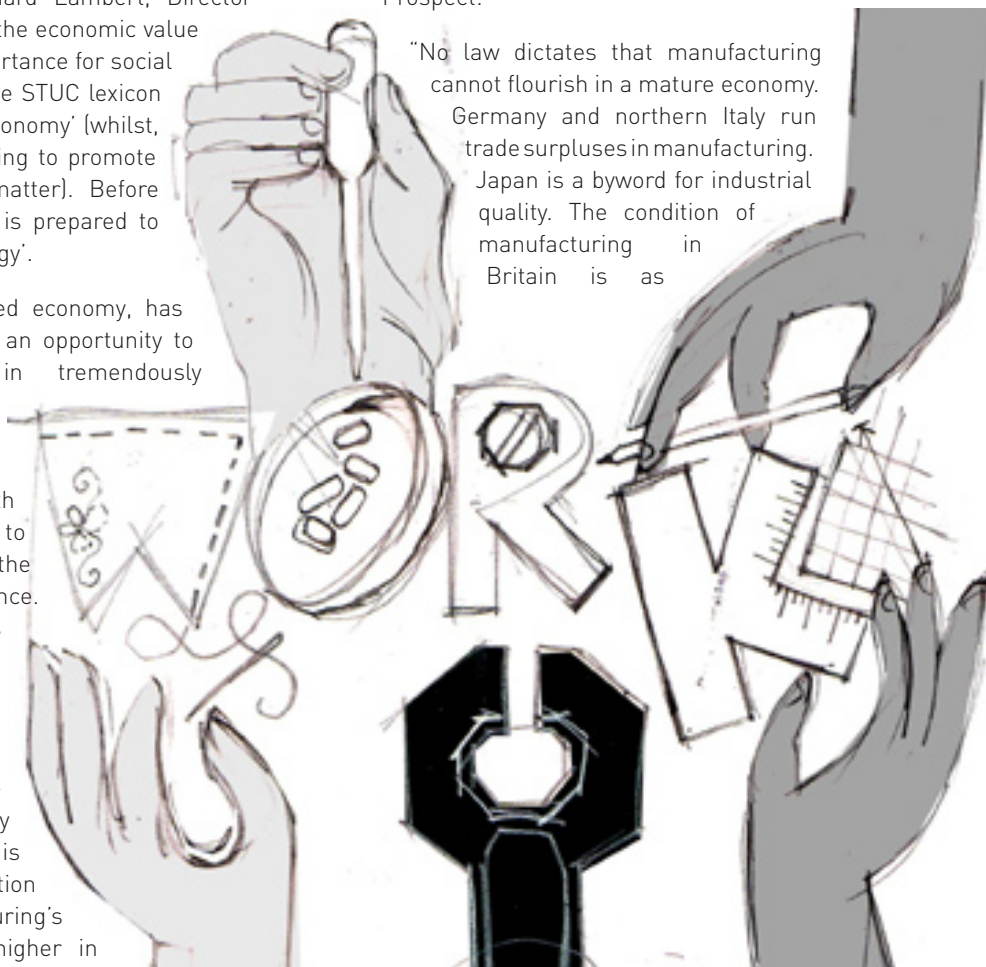
The implosion of the financialised economy, has therefore, provided something of an opportunity to rebalance the economy albeit in tremendously difficult circumstances. Before, examining what Government might do to rebuild Scotland's industrial base, it is worth considering the factors that led to a decline in manufacturing and the barriers that remain to its resurgence. The decline in manufacturing's share of national output, a feature of all developed economies, was particularly precipitous in the UK. Indeed, manufacturing output is relatively larger in all of the bigger mature industrial country competitors and employment is smaller only in the US. As a proportion of all employment, manufacturing's share is around 50 per cent higher in Germany and Japan. Only a decade ago,

manufacturing's share of national output was 21 per cent and its share of employment 18 per cent. The figures are now 13 per cent and 14 per cent. More than one million manufacturing jobs have been lost since New Labour came into power. In 1984 the FTSE 100 had 25 industrial companies; today it has just six.

Many factors help explain the general decline in manufacturing output and employment and economists will generally agree on the following: a shift in demand in developed economies towards market-based service sectors; the well documented trend in recent years for assembly-based manufacturing plants to be located in those areas and countries where costs are lowest (especially labour costs); the increase in outsourcing which has seen a considerable increase in the proportion of the finished product bought in from suppliers. Other factors, perhaps more contentious for some, help explain the relatively steeper decline of manufacturing in the UK: the high returns over short investment horizons demanded by UK financial institutions which work against the patient investment required by R&D-intensive manufacturing firms; skills deficiencies; low capital stock; poor job design and workplace organisation. These factors have combined to leave the UK with a chronic productivity deficit.

As Michael Prest argued powerfully in a recent piece for Prospect:

"No law dictates that manufacturing cannot flourish in a mature economy. Germany and northern Italy run trade surpluses in manufacturing. Japan is a byword for industrial quality. The condition of manufacturing in Britain is as



much the result of poor policy and management as of society becoming post-industrial. A post-industrial society is not inevitably a post-manufacturing society”.

There is no denying the ongoing importance of manufacturing to the Scottish economy in terms of exports, direct and indirect employment and research and development. Government is not powerless to prevent the decline of manufacturing employment and lessons must be learned from high wage economies with a recent track record of successful investment in the productive sector. Manufacturing – especially high value-added manufacturing – offers important benefits to society:

“A source of supply growth produced by technological innovation and dissemination, and of demand growth spawned by economic deepening and the creation of good jobs – both of which promote macroeconomic stability and lead to widely dispersed and increasing prosperity...A vibrant manufacturing sector creates the broad foundation upon which the rest of the economy grows”.(Hersh and Weller, 2003)

Wealth creation through manufacturing is true wealth creation. It is not wealth shifting or extraction masquerading as wealth creation as is so often the case in the financial sector. Manufacturing supports and enlarges the pool of skills and middle income/status employment – crucially it achieves this throughout the country unlike higher value services which tend to be concentrated in cities – and is therefore a force for social cohesion in a way that services are not. Local supply chain industries and services rely on manufacturing and the advantage of having a short logistics chain is a key reason why higher value manufacturing cannot be offshored as easily as bolt-on assembly.

Oxford Economics has calculated that the external return – the return not captured by the company making the investment – from the £149bn R&D spending by British manufacturing is almost 30 per cent. The external return from aerospace R&D is almost 60 per cent. The social benefit is considerable. Therefore, there is a very strong case for further tax breaks for high-technology R&D. The share of domestic lending going to manufacturing fell from 5.2 per cent in 1999 to an even lower figure of 2.3 per cent in 2007 while the share going to other financial intermediaries rose from 25 per cent to 31 per cent. Today patient investment in the companies of the future is an increasingly fringe activity compared with speculating on share prices, interest rates and currency movements. The Anglo-Saxon model continues to favour merger and acquisition over organic growth.

This structural problem is reflected in an interview with a City Analyst in a study by Manchester Business School: “When I talk to the corporate managers of large German and Japanese companies, they speak of products, quality, customers and costs. They assume that if they produce innovative, high quality products at a competitive cost, they will do well and be profitable. With UK and US managers the opposite applies...many of them seem to be a million miles away from the real business”. Government must accept that it has a role to play in boosting manufacturing. Trade union members and employers believe, with considerable justification, that their contemporaries in other mature economies are valued more highly by Government. The failure of Government to provide more public contracts to UK firms is probably the most

obvious example of this lack of support.

Action to support manufacturing is required by Government at all levels. The STUC believes that the Scottish Government should:

- **Provide vision** – Ministers must talk about manufacturing more; making it a fundamental part of the Scottish Government’s vision for a growing, vibrant Scottish economy;
- establish a **Scottish Investment Bank** to provide patient, committed long-term capital to growing Scottish companies. This should build on the success, and seek to extend the work, of the Co-Investment Fund. The failure of Scotland’s financial sector to support emerging Scottish industries constitutes a structural problem and should be addressed as such - the credit crunch has created an opportunity to reorganise lending and investment habits;
- working with stakeholders and using all the levers available to it, design and implement a **low carbon industrial strategy for Scotland**. This should be considered a key test of the Government’s ambition. Much more can be done now within existing budgets to address the main barriers to growing environmental industries through Government facilitated forward procurement programmes, public procurement and better integration of public policy;
- following the recent publication of the **UK Government’s Manufacturing Strategy**, there should also be a thorough consideration of whether Scotland requires a standalone manufacturing strategy or whether the Government’s Economic Strategy and priority industry sectoral plans are sufficient in this regard;
- Building on the success of the Defence Industrial Strategy, **support industry through sectoral public procurement strategies**;
- Ensure that, where appropriate, Scottish firms are able to **derive a premium from Scottish production** (textiles, food and drink etc); and,
- **Boost skills by investing in STEM** (Science, technology, engineering and maths). This will also require a focus on in-work training.
- Given the very substantial spillovers from investment in manufacturing R&D the UK Government should provide **extra assistance through R&D tax credits**. It should also seek to establish fair international trade agreements that do not discriminate against indigenous production.

It is encouraging that the political class, particularly the Labour party, appear to be finally shaking off inhibitions about industrial policy. The Prime Minister’s low carbon industrial strategy is in the offing and he is enthusiastically pushing the industrial advantages of investment in renewables and nuclear power. However, much more requires to be done at Scottish and UK level to ensure that Scotland emerges from the current recession able to invest in the high value manufacturing industries that can drive job creation and sustainable growth in the future. ■

Stephen Boyd is Assistant Secretary at the STUC

hidden behind hype

John McAllion explains how the 'Smart, Successful Scotland' strategy did little to help a generation of out-of-work Dundonians

Since the early 1980s, Dundee has been swamped by promises of a better tomorrow via successive waves of economic regeneration. On a visit to the city in 2001, Enterprise Minister Wendy Alexander epitomised such promises by predicting that Dundee's future prosperity would be built not on the jute, jam and journalism of yesterday but on the "bytes, bio-science and business enterprise" of tomorrow.

Dundee, once written off as a dying mill town, now paraded itself as a Science City in which knowledge, innovation and imagination would be the keys to an expanding and economically successful future. According to this script, a thriving Life Sciences sector would employ thousands as ground-breaking drug companies successfully spun out of university research departments, while mushrooming computer games companies would make Dundee the capital of Scotland's digital entertainment industry. At the same time a world class Contemporary Arts Centre and a Repertory Theatre with Scotland's only full-time company of actors would generate a Cultural Quarter with an array of private art galleries, antique shops and coffee bars. A £160 million shopping complex would attract tens of thousands of shoppers into the city. City tourism, boosted by new hotels and new visitor attractions, like Captain Scott's famous research ship RSS Discovery, would make Dundee one of Scotland's must visit venues.

Dundee, would be a 'Smart Successful Scotland' good news story, a globally competitive city made flesh, one of the trail-blazing cities turning our country into a fast learning, high earning nation. Or so we were told. Unfortunately, all that glistens in neo-liberal hyperbole is not necessarily gold, as the core working class population of Dundee has discovered to its cost. Most of the new jobs being created by public investment in the city's two universities were intended to be filled by researchers and scientists coming into Dundee from elsewhere. Successful spin-out drug companies like Cyclacel employed only small numbers of biologists, chemists and high-level sales persons. At its peak, Cyclacel employed around 50 people in Dundee and of these a third have now been made redundant with the onset of the recession

The huge public investment in university-based centres for the computer games industry mainly attracted into the city already established industry players from elsewhere in the UK. They usually brought with them their own handpicked staff. They drew on a talent pool much wider than the limits of Dundee. The flagship computer games company drawn to the city routinely includes on its website a section designed to convince potential employees of the merits of moving to Dundee.

While attracting highly skilled incomers must be a part of any realistic urban regeneration project, such a strategy on its own can never compensate for the impact on Dundee's core working

class of the catastrophic decline in manufacturing under successive Tory and New Labour governments. Smart jobs created in the hi-tech sectors targeted to lead the renaissance of the city's private sector were in reality never designed for the skilled and semi-skilled workers thrown on to the scrapheap by manufacturing decline. Instead, these workers have been assigned a very different role in smart successful Scotland. Where once American companies such as Timex, NCR and Veeder Root had underpinned a solid manufacturing base, now the city's largest sector in employment terms is wholesale and retail, its biggest private sector employer Tesco. Manufacturing workers, like the women once employed by Levi Strauss to make jeans, had enjoyed skilled, unionised, permanent, full-time and well-paid employment. Now they have to take their chances in a sector renowned for low-skilled, poorly paid, non-unionised, temporary and part-time work.

After more than a quarter of a century of public private partnership regeneration, a third of the city's jobs are part-time, median earnings remain below the UK average and just under a quarter of Dundee's workforce are classified as 'economically inactive'. Without public sector jobs in the NHS, local government and social security, the city would be in dire straits. Yet, with the looming crisis in public investment as the next UK government pays back the massive public borrowing of the present one, even these traditional jobs could also be at risk.

The truth is that regeneration based on neo-liberal economic policies has never, and never will work for the majority of working people. In Dundee's case, it is estimated that its daytime population is 10 per cent higher than its statistical population. That means that more than 14,000 people work but choose not to live in the city. Many of these will be the smart successful people attracted to work in Wendy's "bytes, bioscience and business enterprise" Dundee, while preferring to live in the city's wealthier and less problematic rural hinterland. They clearly are smart successful Scotland's winners. Dundee's low paid, poor skilled, part-time and temporary workers continue to pay the price of their success. ■

John McAllion is a former MP and MSP

no peace without justice

Henry Maitles expresses his outrage at Israel's behaviour in Gaza and makes clear that Israel does not have the universal support of the Jewish community

As this article comes out, it is likely that some kind of ceasefire will have been agreed in Gaza. Israel's murderous air attack and full ground assault on Gaza has been nothing short of a war crime. With all borders sealed, 1.5 million Palestinians are trapped – with little electricity or fuel and severe shortages of food, clean water and medicines – and facing the military might of the fourth most powerful army in the world and its Western backers. Gaza's morgues are filling up and its hospitals are overflowing – with the injured queuing in corridors to be treated with dwindling medical supplies. Israel's current assault on Gaza is part of the wider 'War on Terror' – a war to crush any resistance to US imperialism and its allies in the Middle East.

Israel has excluded all journalists from Gaza and phone lines have been disrupted by the bombing. Nonetheless, as in all military conflicts, there are tipping points in terms of public opinion. We only have to think of the Israeli army standing back and allowing the Falange militia in Lebanon (named after the fascist Falange party in Spain) into Sabra and Chatilla camps in 1982 and the publicised horrors and outrage that that led to. Similarly in Gaza, the impact of scenes of Palestinian children clinging in early January 2009 to the bodies of their parents as an IDF post 80 metres away refuses to allow ambulances in, has created an outcry throughout the world. The massive attack on Gaza has destroyed the lives of hundreds of Palestinians, and created an immense humanitarian crisis for a people under siege, a form of collective punishment illegal under international law. Such violent and inhumane conduct will do nothing to reduce the risk to Israelis; indeed, it can only fuel the jihadist recruiting offices.

On the morning of Sunday 11 January in Trafalgar Square, the Board of Deputies of British Jews and the Jewish Leadership Council, with the support of the major organisations of UK Jewry, organised a rally with the slogan "End Hamas terror!". No hint at the unspeakable state terror being unleashed, day after day, by the Israeli military. So, on behalf of Scottish Jews for Justice and Peace, let me place on record the following points. The Board does not speak for all British Jews and certainly not for us. Nor does the so-called Leadership Council, nor any of the organisations associated with this support for Israel. They do not represent us. We condemn utterly the military offensive by the government of Israel against the people of Gaza. The loss of any human life, on whatever side of this conflict, is a terrible thing. At this juncture, though, we are with the Palestinians on the ground in the midst of their misery and oppression. And we extend our hand to those Israelis who are speaking out against their own government and those Jews throughout the world who are saying 'not in our name!'. The attacks may have been launched with one eye on the Israeli election in February, but we are heartened by reports of Israeli protests. Ten thousand demonstrated in Tel Aviv against the attacks; more than 500 Israeli residents of Sderot (the town most at threat from Hamas rockets) have signed a petition calling on the Israeli government

to resist escalation; more than 500 attended a rally in Jaffa; the Courage to Refuse group renewed their calls for soldiers to refuse and held a rally at the Ministry of Defence on 6 January; a group called Combatants for Peace, made up of ex-Israeli soldiers and ex-Palestinian fighters, meets in Jerusalem to find another way; there are many young people refusing to go to Gaza and refusing to join the army. We express our support for all these voices, daring to oppose the mainstream. Further, outside Israel, there has been involvement of Jews in all the major demonstrations. In particular, let me mention the Jewish women in Toronto who occupied the Israeli consulate until evicted by the police.

However, even under some kind of ceasefire, there is the need to understand the roots of the issue, otherwise we fall into the trap of seeing Hamas as having sprung from nowhere as a bunch of terrorists who hate Jews. The origins of the conflict go back to the foundation of Israel in 1948. The state was built upon the dispossession of the Palestinians after a campaign of ethnic cleansing by Zionist gangs. It has been followed by 60 years of continual Israeli oppression of the Palestinian people.

Zionism – the demand for a Jewish 'homeland' in Palestine – emerged as a movement in Europe in the late 19th century as a response to growing anti-Semitism there. At first only a small minority of Jews backed this movement. The Zionists claimed that Palestine was "a land without a people for a people without land". But that land did have a people; "The bride is beautiful, but she is married to another man," as two rabbis visiting Palestine in 1897 put it, trying to explain to the Zionists that there was a people in Palestine – the Palestinian Arabs. Zionist leaders looked to the major imperial powers to help them take over the land from the outset. At first that meant working with Britain, which ran Palestine as its colony after the First World War. After the Second World War, it meant a turn to the US, in particular using the sympathy of the world's population at the horrors of the Holocaust. In 1947 the United Nations (UN) drew up a partition plan for Palestine that gave Zionist settlers 55 percent of the country – even though they made up just a third of the population and owned only six percent of the land.

But even this was not enough. In March 1948 Zionist militias launched a campaign of terror to grab as much of the country as they could. They murdered hundreds of Arab villagers and ethnically cleansed 750,000 people. The Palestinians fled to poverty and oppression in Gaza, the West Bank and other countries, while Israel claimed around 80 percent of historic Palestine. The Palestinians became the victims of the victims. Indeed, one irony of the current situation is that the rockets from Gaza are being fired by the children and grandchildren of these ethnically cleansed people and are landing in what until 1948 were their homes. Israel seized the rest of historic Palestine in 1967. It has since oppressed Gaza and the West Bank, brutally cracking down on any form of Palestinian resistance or

organisation. And, since the withdrawal from Gaza in 2005, Israel has been undertaking a siege of the territory whilst expanding its settlements in the West Bank. It is this that has led to the development of organizations like Hamas, which, whether we like them or not, reflect resistance to this oppression. We thus have Israel, built on ethnic cleansing, armed to the teeth by the West pursuing its own ongoing 'war on terror' against the Palestinians.

This is why there can be no peace without justice – and that justice is for the Palestinian refugees. Various peace plans have been fostered but all have foundered on this point. It is hard to

imagine how there can be a lasting peace without this being taken on board. Those governments, such as our own, who call for peace in the abstract, whilst arming one side are in reality calling for the status quo in the region and that is the cause of the conflict, not the solution. ■

Robert Beveridge is an academic at Napier University

crusade or cop-out?

Troubled by cowardly internal debate, elle matheuse considers the validity of fear and first hand experience as reasons not to protest

Since the not so festive beginnings of the most recent round of David versus Goliath in Gaza, I've felt compelled to do the indecisive's friend, 'something'. Thankfully, there are people out there who possess the enviable ability to identify, organise and motivate indecisive others into participating in those very somethings. Thus compelled and motivated, I mentioned my intention to attend an Edinburgh-based march and demonstration to a friend who expressed cautious interest in joining me.

A relative protest virgin, it turned out that the main barrier to her participation in public protest was fear: fear of the unknown, fear of rubbing shoulders with the masked minority, fear of the actions of the police, fear of violence. Happy to provide comfort in times of need, I assured her that her concerns were valid and that there is always the possibility of someone dying under the wheels of the mounted division when people with opinions gather in large, purposeful groups. Unsure, she said she'd think about it.

Reminded of previous unpleasant protest experiences, I felt her fear waft its way towards me, forcing me to re-evaluate the necessity of my attendance at the demo at all. Despite my relative familiarity with demonstrations and their diverse formats and outcomes, variations of this involuntary internal re-evaluation occur whenever there's a protest in town and this time, it went something like this:

- this particular march is scheduled to include a demonstration outside the U.S. Consulate. U.S. Consulate? Bit tenuous isn't it? Who exactly is our anger being directed at here? As complicated as it is and as much influence and power as the U.S. has, it's not just their call is it? But then, in the absence of an Israeli embassy or somesuch and the U.S. administration's dedication to blatant complicity in international atrocities, I guess it's the most logical target. It just feels slightly piecemeal, futile even.
- but then again, voicing dissent against a specific action or

another in the form of public protest is never futile. Marching alongside people with wildly varying beliefs and demands, the only thing binding you together a shared anger towards injustice and the refusal to tolerate or silently condone its perpetuation is a right, a privilege, a duty.

- and change is only ever possible if people act. I'm a person; even my lowly presence is important. If I just make endless lists of excuses not to participate, I most certainly will effect no change, or be able to sleep at night: making noise is the only way to be heard. And get to sleep, ironically.
- but having previously survived an Orc-like police charge, I, like my apprehensive friend, am also a tad tense about the potential for violence. Although it's lovely to be at one with nature, that's closer than I ever intended to get to a horse, especially one with an armed lunatic on its back. I don't want to be caught up in the chaos again when one of the ever-present minority of masked hijackers throws a well-aimed shoe at a cop and they kick off. Cops at demos can react like tiny kids who've tripped over the carpet and can't handle everyone laughing at them; all calm and jocular one minute, all vengeance and violence the next. But really, why throw a shoe at a cop?! They're hardly major players on the international political scene. Anyway, as I sadly possess no supernatural gift of foresight or time travel, I have no reason whatsoever to believe that police-pelting will form part of this particular protest.
- and I think I'm scared?! Try living in the Gaza strip. Try playing in the street or going to school or work or to the shops in Gaza tomorrow. Oh, that's right, I can't because most of those things don't exist there anymore and I have absolutely no idea what fear is, not in that way. Not in the having to hide under what's left of your family, dehydrated, hungry, silent with fear, just waiting for it all to stop or for you to die way. No, being a wee bit afraid of the big, scary men and their baton-wielding counterparts isn't really



enough of a reason to avoid public protest. Christ – people protest in wheelchairs, on crutches, with cancer, with babies, on fire! I understand that everyone has different priorities and commitments and protest takes many forms, but having a bit of a bad back and the occasional fear-flashback are hardly reasons sufficient to disengage from the outside world.

- however futile it may seem, however invisible and powerless we may feel, however bad our headache, if we make excuses not to protest loudly enough to make the bongs on the news, the wider, disinterested world will be denied another aspect of the truth about life across the globe, and closer to home. And we, us, people, the only ones that have the power to change anything and everything, we as a group forget the most awful truths so very easily. If nothing else, protest is a reminder to the forgetful and the wilfully ignorant that life exists beyond Heat magazine and eBay, keeping oppression, injustice and atrocities in the peripheries of our collective and individual consciences at the very least. At the very most, who knows...

So we marched.

I was so very proud of everyone today and felt somehow closer to the world, if that doesn't sound too Joni Mitchell. Yes, there was some shoe chucking and cop paintball and the odd, odious utterance of religious intolerance but those questionable actions aside, our collective anger and despair generated a peaceful, patient, tolerant and well attended protest. Good show.

Apart from the harmonious, easy going atmosphere and the level of passion about the plight of the Palestinians, the main thing that struck me was how different it feels to protest when people are already dying than it does when the protest is pre-emptive. I've felt this before and it always seems to have some degree of impact on the energy of the demonstration. Don't misunderstand, today's protest was impassioned and lively and had the desired inconvenient effect on Edinburgh city centre Saturday life but I personally found it hard to shout about it. And I forgot to take a noisemaker. Poor show from me really. Must try harder. Like Ehud Olmert.

The rally began in the poignantly beautiful west end Gardens of Princes Street, speakers onstage in the bandstand, everyone else tiered up the insane gradient of the garden. The inevitable downpour descended and it took the shine off things a little but as Kenny Ross of the Scottish Fire Brigades Union pointed out to an increasingly moist crowd, "it might be raining but it's raining bombs in Gaza". Quite.

I still think if there's shoes going spare, they might be of better use in Kenny's knapsack when he and his STUC comrades fly out on an aid trip to Gaza in February. But then anger makes us do strange things. Just ask Ehud Olmert. ■

Elle Matheuse is a writer and charity worker

has provided vital income, allowing us to continue to publish. For left magazines there is always a danger that you moderate contents to suit advertisers. This has never been the case with the Review. There have been gripes about us being too anti-Labour but no pressure of censorship, since they have appreciated that our many articles, often by trade unionists, on issues such as privatisation, PFI/PPP and corporate homicide support the policies decided by their members.

Over the years we have tried to increase the sales and distribution of the Review to bookshops, newsagents, etc. However the reality is that the main wholesale distributor in Scotland charges in the region of £500 per issue to distribute magazines to newsagents. This is unrealistic for us to contemplate. Printed copies of the Review are available in some left bookshops and newsagents, on sale at conferences and can be purchased on line. Like other left publications the best and most practical outlet for us is via subscriptions. The Review was conceived primarily as a web magazine. We have kept to our policy of free access and you can read past and present issues on our site. Over the years the number of site visits has increased, including those from overseas. Last year the website was upgraded and has been made more interactive, a comments page will be up and running soon and there is already a notice board to post details of conferences, meetings, etc. The links page is being updated and expanded (new links are always welcome). There is now an online pay facility and most of our book sales are purchased here. There is a donations link for those wishing to make a contribution to the magazine, however contributions remain low. Most new subscriptions now take place on line.

Three years ago we set up SLR Press. Our aim is to publish books, which contribute to left and radical thinking in Scotland. Proposals from authors or editors of new books are welcome. We specifically encourage new thinking from potential authors who have not previously been published. To date we have published five books, "No Idea", "Scottish Road to Socialism", "Whose Justice?", "Reclaiming the Economy" and "New Visions of Society". Details of these books and how to make a book proposal are on the website. Digital printing has made publishing for small groups/individuals financially viable. SLRP has made a modest surplus and we intend to use this to produce and promote books that would otherwise not be published.

First and foremost the Review is about its contents, collectively arguing for a fairer, better society. I believe the range of subjects and authors and in the main the quality of the articles have been outstanding, considering our shoestring budget. To mark this 50th issue, SLR Press will in the spring be publishing an anthology of chosen articles, which we believe are still relevant. Here are quotes from a few of my own favourite stories; "In all the debate about the likelihood of the extension of the Parliament's powers, no-one has seen fit to challenge the Parliament to start exercising all of the powers it currently has." I can think of the tax raising powers and stopping the detention of immigrant children in Dungavel. "In Scotland and Wales, the

initiative must now surely lie with the genuinely new forces and alliances released by their Parliaments and changed electoral system". We are in the process of assisting a group of left and green activists to set up a left magazine in Wales. "PFI harms us all through inflexible contracts for public services and poor value for public money. But it also harms those who work in the new hospitals and schools." Since Issue Two of the Review we have been exposing the scandal of PFI/PPP.

I believe we have succeeded in providing a forum for the left. This can be seen from the range of writers and stories we publish, occasionally espousing views with which many of us individually disagree and for which we sometimes receive complaints from those in other parties, claiming we are a front for another party. Many of our articles are unsolicited, which we encourage. Unfortunately we cannot publish all of them but are considering putting some on the website. We have helped stimulate debate but sadly left cooperation and unity have not improved. If anything it has got worse. In Issue 3 John McAllion said, "The left's inability to unite behind a coherent vision of a different kind of Scotland has simply allowed its enemies to ignore us."

The break up of the SSP through personality and policy issues is the obvious failure but the lack of cooperation between left MSPs in Labour, Greens and the SNP to cooperate in progressing a more radical agenda in our Parliament is equally disappointing. With the collapse of the neo liberal economic regime, slavishly supported by all the main parties, many in the electorate desperately want a viable alternative for their vote. Barring a general election, the next test of public opinion is the European Parliament Elections in June; a red/green unity candidate would have a reasonable chance of success. Instead we will have two or three left candidates cancelling out each other's votes, remaining pure but unelected and leaving many voters without a voice. We will be stepping up our efforts through the Review and by a major conference we intend to organise to try and foster greater left unity.

Most magazines of the left to my knowledge have not lasted more than five years. This is especially so of Scotland with our smaller population. That the Review is still publishing and has plans to expand is, firstly, due to the loyalty and support of our subscribers and readers and the fact we that we are providing a voice that would not otherwise be heard. Their help in encouraging sales and new subscribers is also acknowledged. Secondly, the Review has no paid staff, nor do we pay for articles or graphics. All the mundane tasks of updating mailing lists, subscription reminders, bookkeeping, etc is carried out by volunteers. To them and our writers, reviewers and diarists, regular and occasional, my sincere thanks. ■

Bob Thomson is Chairperson of SLR's Editorial Committee. He was Associate Scottish Secretary of UNISON and a Past Chairman/Treasurer of the Scottish Labour Party.



the vanishing lad o'pairts

Chris Holligan argues that if we are going to increase social mobility, we need to confront the role of private education.

Social mobility is static and education has failed to improve the chances of children from poor backgrounds moving up the ladder of social class. David Miliband argued that New Labour's policy analysis can be judged in terms of its performance on social mobility which he called 'the ultimate test' (Institute of Public Policy Research, 3rd March, 2005). The concept of mobility used in this article refers to movement between social class structural positions inter-generationally. Class is critically important to a person's economic life chances, class and income security being tightly linked (Office for National Statistics, 2005). Inequalities in current income are currently widening between classes (Goldthorpe & McKnight, 2006). Professor Lindsay Patterson (2008), in a British Educational Research Association lecture, reminded us of the axiomatic truth underlying the Scottish tradition of liberal education that opportunity in education is seen as merely the first step in a ladder of opportunity to ascent to the highest social eminence. He cites Bruce Millan, the 1960s Labour Party education minister in charge of reforming the Scottish school system, whose words express the widely held Scottish belief, namely that unlike in England, where a serious class apartheid is perceived to exist, in Scotland the tradition of the lad o'pairts means 'the boy from a modest background can use education as the opportunity for improving his way of life'. Ruth Kelly, the former Secretary of State for Education under New Labour claimed that social mobility was the driver of a 'just society', where success depended upon individual ability and effort (Institute of Public Policy Research, 26th July, 2005).

The facts show the truth to be different from the allure of official mythology reflected in the Treasury's 'social mobility targets' (Goldthorpe & Jackson, 2007). A parent's social class has become the greater determinant of a child's success from the 1980s onwards compared with those leaving school in the 1970s (Goldthorpe & Mills, 2008). Children from different class origins do not have the same chance to get to the top. While only seven per cent of the school population (fewer in Scotland) are privately educated, those holding seventy-five per cent of the most prestigious legal positions attended public school (Sutton Trust, 2005). According to the OECD (2008) in the UK only twelve privately educated pupils share the average class, but in the state sector it is more than twice that figure. Not only do children from different social classes not mix at school, they rarely meet outside of school either as neighbourhoods are increasingly segregated by wealth (Dorling et al, 2007). The Sutton Trust (2007) discovered background plays a bigger role in determining educational outcomes in Britain than is the case in most other countries and that social mobility is poor. The Cabinet Office (2008) reported that despite huge economic, social and political changes between 1970 and 2000, intergenerational social class mobility has not risen, in contrast to the 1950s and 1960s when children often gained higher status jobs than their parents.

The Institute of Fiscal Studies found income inequality is at its highest level since the 1960s. Many think their mobility is either static or declining. Dr. Lee Elliot Major, Director of Research at the Sutton Trust, says "Opportunities in this country remain

heavily determined by parental background...research places Britain at or near the bottom of the league table of mobility, particularly in terms of the link between children's educational achievement and parental income". Iannelli and Paterson (2007), in their Scottish study, discovered that education has not increased social mobility and that the gap between social classes in the chances of entering top level occupations is still determined by parental class. That this depressing situation exists despite year on year improvements in both the numbers of children gaining certification and achievement levels in terms of grades is puzzling and presents a paradox. Our everyday actions are based on the premise that schools make a difference in society and cause it to change in good ways: the historical assumption has, up until now, been that if a child at a state school works hard and has been endowed with reasonable intelligence, her life will change: she will not only earn more than her father, but progress beyond her family's social class status.

Scotland has been particularly strong in its desire to distinguish itself from its allegedly more class-based neighbour south of the border. On this basis lies the idea that our society is best described as being meritocratic and socially just. Teachers are highly familiar with the profound importance of fairness in supporting a positive classroom climate and heads also appreciate how social order and harmony within their school is easily compromised by students and colleagues sensing a lack of fairness. In short, social cohesion cannot be separated from our innately given ideas about what is right and proper. It must come as a shock therefore to policy-makers, school teaching staff and others that social mobility has come to a virtual halt, and in the longer term may even be in decline (Goldthorpe & Jackson, 2007) In *The Rise of the Meritocracy* (1958) Michael Young maintains that even if we were successful in making a more meritocratic community, this could become just a different type of oligarchy, similar to the current dominant order where money and the privileges it confers control adult pecking orders. Enabling socially aggressive individuals, whose regard is a self-regard, does not necessarily foster a socially just public realm. The eminent Victorian, Charles Darwin, is not a useful model for helping us to define social justice. But even Darwinian 'justice', found in the context of competitive individualism, has not delivered social mobility. As Professor Lindsay Paterson and others have documented, the chances of children from impoverished backgrounds improving upon their quality of life are bleak now compared with several decades ago. Something structural seems to be holding them back, keeping them in "their place".

Adam Smith demonstrated in *The Wealth of Nations* (1776) that a nation's economic health depends upon the talents of all its citizens being utilised to the full. Patterson (2008) discovered that for the first time in 100 years the link between educational success and position in the labour market is tenuous. Academically mediocre middle-class children have more chance of attaining higher status occupations than lower-class

children whose only means of competing is through traditional ability and effort paradigms. Patterson and others (Goldthorpe & Jackson, 2007; Jackson, 2006) list traits such as soft skills and non-cognitive personality factors, facilitated by the cultural capital that is developed by, for example, book reading and theatre visits, as the traits that are highly valued by employers who are the ultimate judges of 'merit'. The middle-classes are particularly adept at developing social networks to build their social capital and at exploiting the labour market advantage it brings (Cabinet Office, 2007). Prominent charities and individual philanthropists continue to support the ideal of mobility. Opportunity and meritocracy are core values of the Sutton Trust, and ARK "has an overall purpose to create chances in life for the most disadvantaged children". ARK's Director Peter Lampl recognises that "We've got a very low level of social mobility... and that's what gets me up in the morning". Things are not moving in those positive directions, however, suggesting their analysis needs to probe deeper into the social fabric.

Perhaps the barrier and the solution lie in the existence of our country's powerful private school education system. The professions discriminate in favour of those who attended such schools because they are groomed to develop soft skills. Over time, complex and socially ingrained networks have developed; golf clubs and rugby venues give opportunities for the reciprocal rituals of gift giving. Favours done and loyalties gained are forms of social capital that can be 'cashed' later for helping in the advancement of the offspring of such networks of power. It is normal for the privately educated child to retain the privilege conferred by 'school brand' by "cashing" it in for a place in an esteemed profession, especially if the recruitment process favours the 'soft skills' nurtured by that school? This phenomenon runs deeply counter to New Labour's policy analysis which puts social mobility as a key target (www.strategy.gov.uk/work-areas/social.mobility/index.asp). The underlying intention is that high mobility rates will help reduce the socially divisive impact of huge inequalities of income and wealth in the UK and legitimise them through a discourse of meritocracy. Goldthorpe & Jackson's (2007) evidence demonstrates the failure of this New Labour policy. They uncovered unchanging levels of social fluidity over recent decades, concluding that the effects of parental background on individual's life-chances remain, and that educational reforms per se are not sufficient to improve social mobility. The supposed positive correlation between educational qualifications and class position is weakening, something noted

by Patterson and others (Goldthorpe, 2007; Jackson, 2006). To make matters worse still these authors argue that a net result of upward social mobility in contemporary UK will inevitably cause downward mobility, an outcome not raised by New Labour in its policies aimed at tackling structural inequalities of income and wealth. But if soft skills are increasingly significant, then despite the foregoing conclusion that educational qualifications are decreasingly powerful as drivers of mobility, it follows that a related educational factor, the symbolic prestige which some schools confer on their students, may still play a key role in contributing to the perpetuation of inequalities. If we then argue that parents buy private education primarily for these intangible 'educational qualifications' then we are able to appreciate both why soft skills count and why state school pupils with similar formal educational attainments fare less well in social fluidity than their privately educated counterparts. The possession of soft skills, however, may not be a valid indicator of deeper competences and personality traits. Soft skills are difficult to police through employment legislation and so long as those controlling the labour markets that give access to the top jobs have attended private schools, then our social class structure will continue to reproduce itself, in its own image.

In all cultures it is those things that cannot be talked about openly which reveal much that is of the greatest significance. Today it is a cultural taboo to suggest that the true and fundamental barrier to any systemic solution to the demise of social mobility, and by implication the loss of the huge pool of talent that our country needs, resides in the existence of the parallel universe of an extensive system of private schooling. It is contradictory to argue that social mobility should be a fundamental policy goal and to argue that the existence of a private school sector is irrelevant to our failure to achieve that goal. Our society remains based rigidly on social class. It is our current segregated systems of education which reproduce it in a most 'successful' way. ■

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Reviews

New Views of Society: Robert Owen for the 21st Century, Edited by Richard Bickle and Molly Scott Cato, Scottish Left Review Press, 2008, pp. 188; 11 illustrations, £9.99.

Robert Owen (1771-1858) and I go back. When I was two my parents moved into a new pre-fab on Watling Crescent at Motherwell. This stood in the shadow of 'Babylon Bridge' carrying the London-Glasgow main line over the River Calder, so called because the Owen-inspired Orbiston Community had stood on the further bank. The local clergy hated it. Hence the name. On the other hand the campaign in the Kirk for 'non-intrusion' – the power of congregations to choose their own ministers – had co-operative elements, and Patrick Geddes would later cite the Free Church as a model for anarchist organisation.

Between 1964-66 – and only a few miles from Owen's birthplace at Newtown – I worked for the Welshpool and Llanfair Railway, a private company run as a not-for-profit co-operative. This was dismissed as 'playing trains' but these days the Festiniog Railway, on a much grander scale, builds locomotives and carriages, trains up engineers, and runs a travel agency with a global reach. The nearby symbol of 1960s new technology, the Trawsfynydd nuclear power station, was then building. It closed in 1996 and they're now getting rid of as much of it as they can (the radioactive core will be around for another 30,000 years or so). Then in 1971, I visited New Lanark as part of an Owen bicentenary conference at Strathclyde organised by John Butt and the indefatigable Ian Donnachie. I and the other delegates were appalled at its dereliction, and managed to get a report to Anthony Greenwood, who had organised a bicentennial debate in the Lords. The Scottish Office chipped in a quarter-million, and the renaissance of the place began. The contemporary relevance of Owen's theory and practice has been longer in establishing itself, which is why Bickle and Cato's symposium is so welcome.

'Proto-communist'? 'Prince of Cotton Spinners'? 'Scientific-Humanist Educator'? 'Management Pioneer'? Owen appears in all these guises in useful pieces by Len Arthur, Gillian Lonergan, Richard Bickle and friends, and Peter Davis. It is probably best to see his vastly fricative career as the temporary confluences of a range of ideas – class-struggle, rationalism, value theory, co-operation, gender politics, education reform – boosted by the man's tenacity and wealth: "one of those great bores without whom progress is impossible", as an earlier biographer Sir Leslie Stephen sighed. A preliminary question, however, is raised: cooperation seems central throughout, but what are its limits? Followers of E P Thompson found co-operative ideals alive and well among eighteenth-century Caribbean pirates; and in our own day Goldman Sachs – in the same line of business? – has been run as a partnership.

The economic context is equally ambiguous. The consumer co-op movement put great power in the hands of the organised workers, and created a giantism of its own. The expansion of steam-powered rail and sea freight meant that 'the Co-op' pretty rapidly got involved in commercial agriculture, as Linda Shaw shows, although this didn't do the social order of Fiji or Ceylon much good. In the post-automobile age it was beaten

down by apparently more efficient commercial alternatives. The same sort of thing happened to local football clubs and to nonconformist chapels, while a growing gap separated the essentially co-operative trades unions of the skilled workers and the more professionalised bodies which catered for the unskilled. When Thatcher privatised the buses in the mid-1980s, there was a brief moment of 'worker's control' before the Firsts and Stagecoaches took over; and then profit was chased at a lick which left workers' rights far behind. With the cumulative effects that we now see: supermarkets and bus billionaires.

There were problems inherent in the industrial machine itself. Textile mills could be self-governing – but railways or steamships? Embodying skilled labour and the need for management, Thomas Carlyle's more authoritarian formulation of 'Captains of Industry' came in, advertising timetabling, advertising, semi-military precision. Owen was as detached as Carlyle from Scots enlightenment progressivism, but embedded his social schemes in a Humeian environment created by sense-perceptions. "The Character of Man is formed for and not by him" adorned the New Lanark schoolroom. This was quite different from the 'common sense' philosophy and its intuited morality, which had its own routes to socialism, notably in the communitarian ethos of Thomas Reid. Instead Owen concentrated on the labour theory of value, and in this he would be followed by Marx. As Cato shows, his demystification of money remains relevant today. Energy may perhaps be about to take the place of Labour as its measure.

Owen's modernism went only so far. Chris Coates quotes his 'Report to the County of Lanark' (out of which the Orbiston experiment came) which envisaged 'spade-cultivation', a sort of subsistence-horticulture. But it was 'high farming', leading Europe in mechanised productivity, thanks to machinery, crop-rotation and local specialisation that sustained the large-scale consumer co-ops, ironically fattening the Scots up for the Tesco-Walmart age. At the birth of Blairism, the CWS itself was nearly taken over by a young City slicker Andrew Regan, who had suborned much of its management. It survived and now looks in somewhat better shape than a corrupted New Labour. Co-operation's resilience also attracted the writers. Thomas Love Peacock includes Owen as 'Mr Toogood' in his brilliant satire *Crotchet Castle* (1831), his ideal society organised in quadrilaterals, at the centre of which a steam engine would cook and wash for the inhabitants. When Oscar Wilde wrote later of 'enslaving the machine' and 'progress is the realisation of utopias' in *The Soul of Man under Socialism* in 1891 he also has Owenite traces. Indeed the Irish – through John Doherty, John Scott Vandeleur and William Thompson – had an affinity for the collective, as Chris Coates shows.

Richard Bickle in his symposium shows the fluency of Owenite ideas in education: a sequence extending to AS Neill. The overall result of this attractive and affordable book is a reinforcement of radical-democratic social ideals a century after the abolition of the slave trade and 108 years after the ending of serfdom in Scotland. Recent communications technology, moreover, has shown 'virtual co-operatives' such as Wikipedia, based on PCUs, to be streets ahead of collective state-capitalism,

exemplified in the chronically-disastrous computerisation of the NHS, or the financial robbery and thuggery which has brought the world economy to grief. Plutocrats and oligarchs are no longer fun, however many football clubs they own. Instead, the future will call for a range of different means of involvement and control: extended families, local banks, co-partnership on 'Oldham Limited' lines, and a government which should be truly local, since the 'professionalism' (for that read 'giantism' or 'numptocracy') of our Scottish local authorities has been catastrophic.

Some problems. We could have done with an index and indeed with a critical bibliography. Owenite studies have gone well beyond the pamphlet form. Indeed we could also do with an Owenite university – organised online from New Lanark? ■

Christopher Harvie, SNP MSP

Unmasking the State – a rough guide to real democracy by Paul Feldman, 87 pages published by www.aworldtowin.net £3.99

This booklet traces the origins of the modern capitalist state in Britain from its origins in the Civil Wars and the consolidation of representative democracy in struggle against other democratic forms. It examines in detail the "hollowing out" of the state brought about by neo-liberalism and globalisation and the moves to a more authoritarian state with recent restrictions on laws and freedoms as well as the legal impact of Europe. Finally it suggests "a way forward", essentially a programme of democratic demands and methods of organising which could challenge the existing state forms and lead towards a socialist society based on real democracy.

Let me first of all give clear positives. The booklet is well presented, well written and succinct as well as very reasonably priced. It also fills a gap in that it briefly summarises the main writers analysing the state including those examining Globalisation.

It consists of five chapters: the first, 'The Mystery of the State', describes the analysis of the role of the state and its specific forms by Marx and Engels and others. It identifies the 1649 revolution as the critical point leading to the evolution of the modern state and traces the key events along the way – the Union with Scotland, Industrial Revolution, War with France, Empire and Imperialism.

The second chapter, 'The Struggle for Democracy', is in many ways the most succinct and successful. In 18 pages it highlights the alternative forms of democratic state which were posed. The debates between Cromwell and the Levellers are explained in four pages more clearly than in, say, the Devils Whore. Further pages describe the Radical movement and Tom Paine's ideas and the mass movement against War, Pitt and the King in 1795 to '97; the Chartist movement and the struggle for Trade Union Rights and the Vote; finally the political consolidation of the state

in the mid 19th century around a state based on representative democracy and defence of property. Many examples quoted I had forgotten e.g. The Chartists' petition of 1842 gathered 3,317,702 signatures when the total population was only sixteen million.

As the stability and strength for capitalism of representative democracy is key to the book, its history from Greece in the 4th Century BC, through James Madison's ideas are explained as are Marx and Lenin's critique as well as Anthony King's and others. The flexibility of the form in maintaining capitalism is examined from the Suffragettes, through Ramsay MacDonald and the post war Labour Government. The third chapter traces the evolution of the post war market state, through globalisation, the WTO, neo liberalisation, Brown's love in with finance up to the bail out of Northern Rock. The development of a Big Brother State, Fortress Europe, the breakdown of consensus and growing inequality are also described objectively. The fourth chapter describes the increasing powerlessness of the people from decision making whether over Iraq, GM crops, closures and offshoring of jobs. The argument is that the struggle for democracy itself directly challenges the state and poses the issue of power. Alternative views that the world can be changed without taking power are challenged as is the idea that capitalism is so global it no longer needs a territorial boundary exercising power on its behalf.

Having clearly argued that the Parliamentary state is a barrier to maintaining democracy, the writers are clear that the state will use its powers of coercion to resist change.

The final chapter, **A Way Forward**, is in many ways the most frustrating. It describes an alternative model of democracy established by a People's Convention on the constitution to give co-ownership of resources, self-management of the economy etc. How is this to come about? It describes how the state could start to disappear under conditions of surplus and how we need a Transitional State, quoting Lenin on the Paris Commune. Again classic Marxism but how to achieve it? A section on the law, the numbers in prison and the need to combat the secret state is somehow disconnected from the earlier section. Finally there is a conclusion indicating that modern technology and more developed economies can allow mass participation to be maintained and avoid the degeneration of democracy seen in Russia after their revolution. Without a party? But then I suspect the writers, clearly from a Marxist tradition, can't point at present to such an organisation even in embryo.

I suppose it was unrealistic to expect a blueprint for socialist organisation in the last 15 pages. Nevertheless, the earlier sections give a clear summary of the strengths for capitalism, of the parliamentary state in Britain and the extent to which that state is presiding over a real removal of freedoms we took for granted. When combined with the valuable historical summary at the start, the booklet is well worth a read. ■

Gordon Morgan

web review

Henry McCubbin

Corruption is the abuse of entrusted power for private gain. It hurts everyone whose life, livelihood or happiness depends on the integrity of people in a position of authority. This is the handy definition of corruption offered by Transparency International the global coalition against corruption www.transparency.org.

Its work came to the fore recently on anti corruption day on 9 December 2008 not that the country with the most offshore money laundrettes paid the least bit of attention to it. How else can Afghan warlords sell heroin and get the proceeds recycled in a useable form? What a legacy New Labour will leave – corruption tolerant and torture tolerant- things can only get better for the Crays?

If you are looking for an outlet for a few ill gotten quid you will be helped on your way through www.shelteroffshore.com/index.php/offshore/more/top-5-tax-havens-10221 Shelter Offshore will lead you to the five top tax havens. Needless to say British dependences head the list. Also you can click on www.shelteroffshore.com/index.php/offshore/more/rbs-coutts-offshore-private-bank or go direct to www.rbscoutts.com known as the Queens bank. Coutts Offshore Europe Limited

and Coutts (Cayman) Limited with over 40 years of expertise in offshore business, RBS Coutts has a presence in the offshore centres of Jersey, the Isle of Man and the Cayman Islands. From these three centres, they can provide their clients with trust and fiduciary services as well as a broader range of wealth management. Now rated as the world's worst banker, RBS former CEO Sir Fred Goodwin also put £400 million from RBS Coutts customers in to Madoffs funds

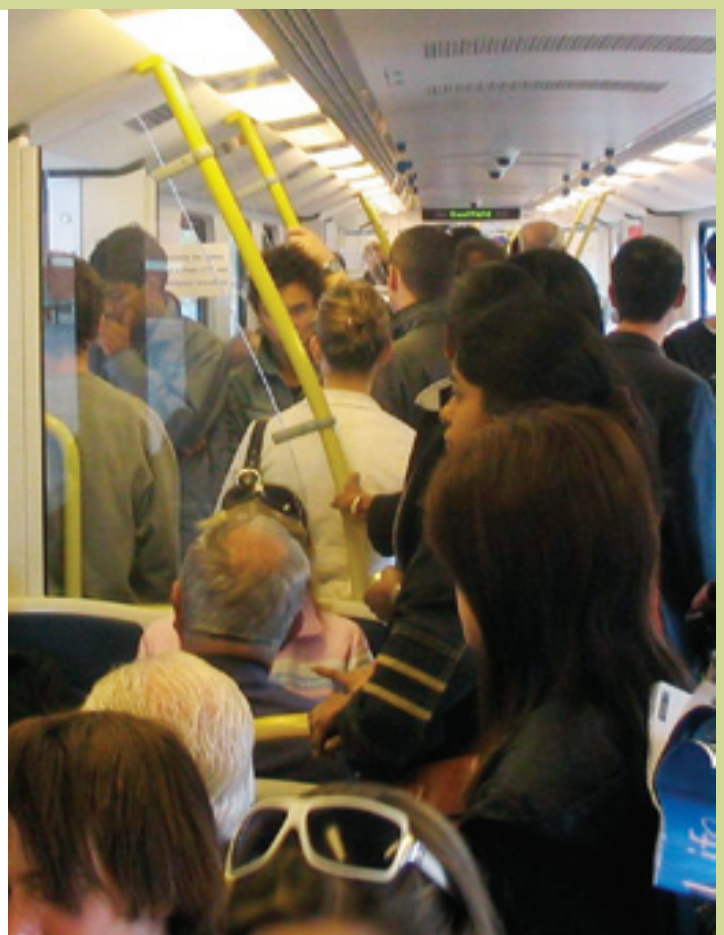
From their offshore centres, they serve an international clientele, as well as having expertise in assisting clients who reside but are non-domiciled in the United Kingdom.

To find a Labour link, and couldn't make this up, go to www.publications.parliament.uk/pa/cm199798/cmhansrd/vo980121/debtext/80121-09.htm. Debate on Paymaster general Geoffrey Robinson's tax haven regarding the little nest egg left him by Madame Joska Bourgeois. ■

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Kick Up The Tabloids

Lothian and Borders Police in Big Brother Warrant Bid

2009 dawned with the main talking point being the economy. Credit crunch, recession, call it what you will; no-one feels secure in their job. Apart from bailiffs, debt collectors and those 'economic experts' who keep on popping up on the TV news. And the Queen. Nonetheless, that didn't stop Liz making the recession the main subject of her Christmas broadcast. Like it affects her. However, if we are really serious about cutting back on unnecessary expenditure, it might not be a bad idea to stop spending millions on someone whose job is basically doing five minutes telly once a year. Let's face it, we don't build any more ships for her to launch. And if Westminster get its way, there won't be a new Forth Road Bridge for her to open.

Of course, for people who are genuinely unemployable, such as Prince Harry, there is always the Army. It came as no surprise to see Harry carrying on the great and proud Royal tradition. Of making inappropriate racist remarks. BBC news gave a great deal of coverage to Prince Andrew going to church on Christmas morning wearing a beard. It may have been a slow-news time of year, but there must have been more happening than some guy not shaving. Also, while much was made about Prince Andrew turning up at church wearing a beard, there was no mention of Prince Edward turning up at church holding hands with his beard.

Jobs went on the high street, with redundancies at M&S and with the closure of Woolworths. I went into my local Woolies a few days before it shut and realised why. They never actually sold anything anyone wanted to buy. It was a bit like a poundshop where everything cost £ 7.99. The normal squad of rent-a-quote celebrities popped up on TV, shedding crocodile tears, remembering stealing sweets from the pick'n'mix as kids. You don't need to be an 'economic expert' to realise that in today's highly competitive market you won't stay open long by being easy to nick stuff off. Also, in the 21st century, they should have developed a facility enabling on-line stealing from the pick'n'mix.

In the 1980's, Norman Tebbit's helpful advise to the jobless was to "get on your bike and look for work". Nowadays, if you can't get a job, you can always go on reality TV. Having been made redundant by the closure of Talk 107, where his radio show broadcast to a listenership of around twenty-three throughout the Edinburgh area, one-time-darling-of-the-left-turned-media-personality Tommy Sheridan turned up in the Celebrity Big Brother house. Down south, millions of viewers thought 'Who the fuck's he?'. While in Scotland, we sat glued

to our tellies, watching Tommy's tan fade by the day, waiting for Lothian and Borders Police to turn up at the door of the BB house with search warrants.

There is hope that the Scottish economy will be turned around in the coming year. By Robert Burns. The government is to make Burns the cornerstone of Homecoming 2009, which marks the 250th anniversary of his birth. It is hoped the anticipated millions of tourist dollars will save Scotland from financial meltdown. It really does confirm how bad things are when the only person who can kick-start the economy is a serial-shagging piss-artist who died over two hundred years ago. Who knows, perhaps two-hundredyears from now, Homecoming 2209 will celebrate the achievements of Frank McAvennie?

Most front pages at New Year led with a story that put the economy into perspective, by focussing on the tragedy that is Gaza. The Sun, however, sought to put the tragedy that is Gaza into perspective. By focussing on the tragedy that is Gaza. Indeed, both stories do have a depressing inevitability to them. However, it's probably easier for Israelis and Palestinians to co-exist in peaceful harmony than it is for Paul Gascoigne to stop drinking himself to death.

If the Baltic winter, economic recession, unpopular right-wing Labour government and Israel bombing the fuck out of Palestine made you think it was the late seventies all over again, the release of secret government papers from 1978 conjured up even more nostalgic images. Secret papers, released over Christmas under the thirty years rule, reveal that British diplomats in Argentina thought that Scotland's 1978 World Cup campaign was an embarrassment and a fiasco of the highest order, and that the SFA were totally out of its depth. Hands up, anyone who thought that was a secret.

However, showing the kind of flawless quick-witted timing he displayed on the pitch, Willie Johnston chose this moment to publish his autobiography. In my mind, Johnston is the only player to emerge from Argentina 1978 with any credit. By having the foresight to fail a drugs test, and being sent home on the first available plane, he managed to miss the whole self-destructive disaster. It says everything about the distorted perspective of nostalgia, and of the decline of Scottish football, that we now look back on the national disaster as some kind of golden era.



Robert Owen was one of the most significant thinkers and social innovators of the nineteenth century. While widely recognised as the ‘father of co-operation’, and an exemplary industrialist and educational reformer, he is well-known for his work on the development of time-based currencies, trades unionism and experiments in community living. On the 150th anniversary of his death, this book explores these issues through a series of chapters written by leading current practitioners in each of the fields of endeavour that Owen was concerned with, and tries to draw lessons from his experience for social innovators of the future.



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