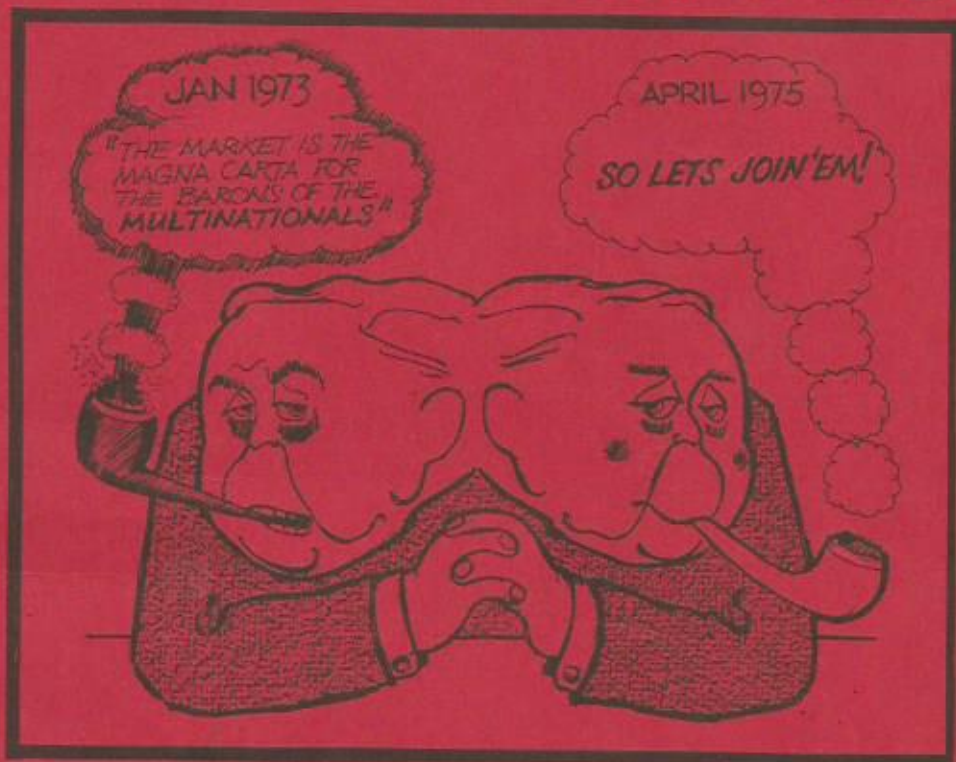


THE MARKET AND THE MULTINATIONALS

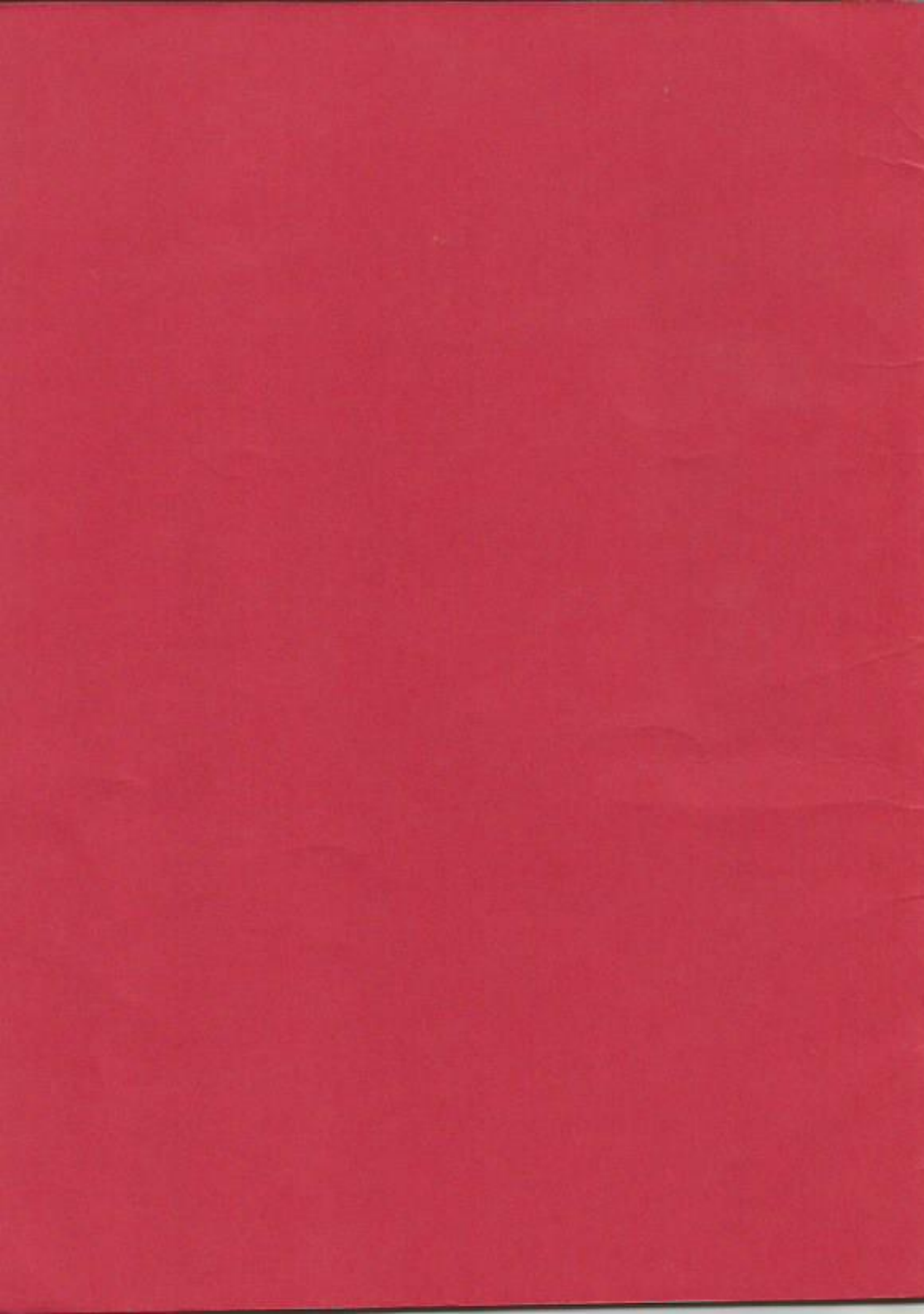


THE FIGHT LABOUR CAN'T LEAD



**Nº2 in the series SCOTLAND, LABOUR & WORKERS POWER
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1. INTRODUCTION

When Alex Ferry, AUEW Glasgow District Organiser, spoke at 'Tribune's' anti-Common Market rally in Glasgow, he listed six working class organisations opposed to entry into the Market: the TUC, the STUC, the Co-op party, the Scottish Labour Party, and - because the terms it laid down for entry were not met - the Labour Party. It was, as he pointed out, a solid front of working class opposition to the Market.

Where has this solid front been broken most openly? Where has the greatest throat to working class unity against the Market come from?

The breach occurred in full public view when Harold Wilson (who in January 1973 described the Market as the 'Magna Carta for the barons of the multinationals'), forced through a House of Commons vote for the Common Market against a majority of his own MPs, using Tory and Liberal votes.

Where did the second blow to the unity of the working class anti-market forces occur? It happened at the same debate when, of the thirty-one ministers opposed to the Market, one - Eric Hoffer - spoke out against the Market in the Government debate. His action made it clear what had happened in the parliamentary party - that despite a majority of MPs being opposed to the market, the 'lefts' had accepted a gag imposed by Wilson, and had put up Heffer as a sacrificial lamb to cover for their refusal to mobilise opposition.

With a clear mandate from the labour movement to organise an open fight against the market, using all the forces of that movement, they balked at the first hurdle.

The Common Market is the Magna Carta for the barons of the multinationals - and far more. That is why it is a vital necessity for the whole workers' movement to unite against it and the power behind it - the power of the capitalist class.

It is also vital for the Labour Movement not only to unite against the Market and for the most massive 'No' in the referendum, but to organise the fight against the backers of the market, against the multinationals - and to pursue the struggle for an alternative - a socialist alternative - to the Market.

That is why in Scotland, where the Labour Party has declared its united opposition to the Market, these events have a special significance. And the reasons for this opposition are not hard to find. Scotland has suffered more from the drain of industry to the heart of the European Economic Community, and more from the deprivations of the multinationals, than any other part of Britain. And the discovery which, if exploited in a planned way, could bring the greatest promise of change - North Sea Oil - has resulted instead in the greatest explosion of unstable multinational investment yet seen. It has also given rise to a situation unparalleled in the rest of Britain, in which the major capitalist party - the SNP - has opposed the market.

The importance of this fact is that the SNP, far from swelling the ranks of those fighting the multinationals is, as we shall show, preparing a backdoor deal with the Oil monopolies and their financiers to strengthen the multinationals.

This gives the Anti-Common Market campaign in Scotland a particular duty to examine and understand clearly the nature of the market, its origins, the alternatives, and the way in which the fight against it must be conducted.

It is for this reason that this pamphlet has been produced, in conjunction with a British IMG pamphlet which takes up the broader issues of the campaign in the rest of Britain. Its purpose is to deal with the particular duties and tasks facing Scottish workers in relation to the EEC. For this reason it concentrates centrally on three aspects of the problem: Regional policy and the multinationals in Scotland; North Sea Oil and the rise of the SNP; and the policy and strategy of the Labour Left on the EEC.

2. WHOSE DEMOCRACY?

Wilson carried out his sordid manoeuvre in parliament for a very simple reason. It is because the interests he serves when in government are not those of his party or his electors. He serves the interests of the big capitalists and multinationals which the Labour Government has opted to prop up: the 1500 firms who are backing the 'Britain in Europe' campaign. The vote shows very clearly who rules parliament. The politics of the 'Social Contract' and the attempt to keep these firms going with state gifts and every conceivable form of concession has meant that, when the crunch came, Wilson had **no alternative** but to push through the pro-market vote. If he had mobilised the working class against the market, then he would also have had to mobilise that same working class against the multinationals and bankers.

But the antics of the Labour 'lefts' are even more revealing. They are designed to achieve the biggest possible **verbal** opposition to the market - without carrying through the break with Wilson to the extent of mobilising the party machine against the market. This is why, for example, the Labour Party NEC took the decision to permit individual labour party organisations to do their own thing in the Common Market campaign. How many times has the left, taking their mandate from the working class, been hammered into line by the party machine for disloyalty? Yet the, NEC, against the overwhelming majority of the Labour movement, gives the green light for the right wing to split the campaign. The parliamentary tail is wagging the working class dog!

Unfortunately, this throws into a rather clear and not very comfortable light Alex Ferry's opening remarks at the Tribune meeting. He said: 'We are opposed to the Common Market in the first place because it threatens the foundations of our democratic system and the sovereignty of our people'.

But at the very start of the campaign, the **reality** of our 'democratic system' has been laid bare by the very way in which the campaign is conducted! Here we have the working class, through its organisations - the Trades Unions and the Labour Party - overwhelmingly opposed to the Common Market. We have a massive, two pronged campaign by the bosses to keep Britain in, using resources the workers movement could not hope to command. They pour millions of pounds into a massive propaganda campaign, filled with lies and hysteria. And at the same time these gentlemen, who know very well how to use parliament **against** the working class and against its party when in power, **manage to split the united working class opposition to the market down the middle, using parliament to do so.**

What has happened to the **real** democracy which matters to the working class - its democratic control over its own organisations? The fact is that parliament has shown once again that when it comes to the crunch for the capitalists, it is used against workers' democracy, as a weapon to split and divide the Labour Movement.

And the reason is very plain. When Benn told his Scottish audience that devolution would be of no use if power still lay outside both the Assembly and Parliament, in Brussels, he got just one thing - one very important thing - wrong. Power **does** lie outside parliament. Power will lie outside the Assembly. Power lies in the hands of the **capitalists**. Parliament, created by the **original** Magna Carta, is the captive of the capitalist system, of the big monopolies and of the private enterprise system itself.

What the Treaty of Rome does is strengthen the bar of the cage. It lays down in black and white what has always been unwritten, when it says for example (Article 92) that 'Government aid which distorts competition shall be incompatible with the aims of the Market' Benn is quite right when he says that what this actually means is 'Government action which threatens private enterprise shall be incompatible with the aims of the Market'. The point is very simply: when has any government been permitted such action by the capitalist class? The answer is: **never**. The Market is just **one** means they use to enforce the real power - their power.

Representatives of the workers' movement in parliament can only serve the interests of that class if they understand they are in a prison. Their job is always to act as the servant of the class and not the jailers - and to **mobilise** the class against the

system and the jailers: because the only power strong enough to defeat the power of the capitalists is the power of the workers' movement.

This is exactly what the Labour 'lefts' have not done. They, along with Wilson, have shown themselves still to be prisoners of the parliamentary system.

Unfortunately, this does not only jeopardise the campaign against the market. It also confuses and jeopardises the fight against the power behind the Market itself. The real enemy is well known to Scottish workers. Names like Singer, Plessey, Honeywell, Timex, ITT, Hoovers are household names. Every one of them has been fighting major battles over pay and conditions, or have been launching layoffs and short-time working. The only weapon for dealing with them is direct action and international workers' solidarity.

Nothing could show more clearly than the opening stages of the campaign itself that not only can the 'left' not organise a united campaign against the market, but that they do not recognise the measures necessary to conduct the real fight: against the multinationals. It is vital that the other forces in the campaign therefore take up and explain to the working class, the real issues involved and the real alternatives to the market, instead of splitting and confusing the movement with parliamentary humbug. And the real alternatives are socialist planning, and effective workers action to impose it.

The problem is that the Labour Party lefts' failure to organise the campaign effectively is a consequence of the fact that whilst critical of Labour Party policy, they have not understood the fundamental reason for its failure. That is why the policies they are defending and advocating, as well as the way they conduct the campaign, do not provide a viable strategy for the workers' movement. It follows from the same reasoning which has led them to welcome right wing Tories and fascists into the campaign in England - a strategy the IMG has fought and will continue to fight very vigorously. It is because they do not see that the key to success in the fight against all aspects of what the capitalists do is the mobilisation of the working class as a united and independent force.

This means that any tactics which break up that unity or that independence - like incorporating the deadly enemies of the workers' movement in action against those enemies, or bowing down to Wilson when he defends the interests of the ruling class - lead in the direction of failure. And it means that policies which rely on parliament, instead of on the strength of the workers' movement, can always be sabotaged by the capitalist system, and will also lead in the direction of failure.

Nowhere could this be clearer than in relation to the issues of most special concern to Scottish workers:

* The continued underdevelopment of the Scottish economy and the resulting poverty of the Scottish working people.

* The exploitation of North Sea Oil.

* The issue of independence, the issue of devolution, and the rise of the Scottish National Party.

It is these issues which must now be explored.

3. THE OIL CONNECTION

Scottish workers have been caught in a crossfire between America, Europe, and the middle East. Foreign and multinational control and ownership of industry in Scotland is far higher than in the rest of Britain, and still rising: and yet a whole section of the

capitalist class in Scotland is seeking an alternative **outside** the market. This section is spearheaded by the Scottish National Party, which launched its own campaign against the market in Edinburgh this March.

The SNP has replaced the Tory party as the main ruling class party in Scotland. It has the backing of many of the major figures in Scottish banking and finance, and a large number of industrialists. Names such as Sir Hugh Fraser, Sir William Lithgow, and Lord Clydesmuir, in supporting the SNP, have given it far more than respectability.

They have put the backing of Scotland's main capitalists squarely behind the nationalists, and they have lined up the important finance companies involved in Oil - Noble Grossart, Edward Bates, the Scottish banks. They have made the Oil connection for the SNP. This connection has enabled it to grow in capitalist circles to the extent where SNP leaders like William Wolfe tour North America and speak with Kissinger and Kennedy, and where the Arab states in OPEC (Organisation of Petroleum exporting companies) demand that the SNP be represented at OPEC meetings with equal status to the governments of other countries!

The SNP has opposed the EEC at the same time as it paints a sham picture of an independent Scotland, using North Sea Oil to bargain with the world. More dangerous still, a whole section of the Labour Party in Scotland - the devolutionists - have been using very similar arguments.

In our previous pamphlet, 'Scotland, Labour and Workers' Power'¹ we showed how false this was and how it confuses and disorients the working class on one hand, and carries out the dirty work of the oil monopolies on the other.

But the most illuminating insight on what the SNP is up to is provided by the way in which it has changed its position on the market, and the way in which it has completely dithered around in its public positions on whether or not an independent Scotland would be part of the market - in effect, on whether it is opposed to the market itself, or to the role which Scottish capitalists were being assigned within it.

Three years ago, its position was 'No voice, No vote', which meant that it was not opposed to the Common Market, but would campaign against Britain going in because Scotland could not decide for itself whether or not it wanted to go in.

But this was before the SNP's links with the International Oil Monopolies were consolidated. These same Oil monopolies are now accused in the United States of defrauding customers of over 3,000,000,000 dollars by keeping prices artificially high during the 'energy crisis'. The same Oil monopolies recently mounted a huge and very successful campaign around the Labour Government's proposals to tax them, threatening to withdraw investment and employment from Scotland unless they were allowed to continue to make their superprofits. The same Oil monopolies decide for themselves where to invest these profits, not on the basis of social need, and not under the control of any government or party, but according to the dictates of profit.

The SNP has now changed its position because it has cast its lot with the monopolies and their backers. Unlike the rest of the capitalist class in Britain, it is not after effective competition with American capital through protection against it, but after collaboration with it. In fact, as is shown by the case of Edward Bates the new whizzkid merchant bankers, some are going even further. Bates' chairman, in his last annual report, announced that profits were down on the previous year. The reason for this, he said, was that investment prospects in Scotland were not adequate. There was no room for expansion for all the capital they had amassed. They were therefore going to invest it in ... America!!

This follows an all too familiar pattern. The problem for the Scottish economy has never been the amount of capital owned or controlled by or through Scottish bodies. Scotland has a very strong banking sector, very strong and growing merchant banks, and so on. But the money is not invested in Scotland, because there is no viable basis for it to make profits.

These events are very important to Scottish workers. Firstly, they give the lie to the myth which is put about by both the SNP and the Labour Party devolutionists, that it is

possible through the Oil bonanza to make an island of prosperity in a sea of economic doom, and that all Scotland need do is cut itself off from the millstone of the British economy. They show that the basic cause of economic instability remains the same for Scotland as for Britain and in fact all capitalist countries, and is no less avoidable in Scotland.

The cause is that, on the one hand the world economic recession and the strength of the organised workers' movement is eating into profits: and on the other, capitalists cannot find a way out of their impasses without expanding their sphere of investment. The backers of the SNP are not interested in prosperity for the Scottish working class, and are even finding it hard to generate investment in Scotland for Scottish capitalists. Their job is to pass on the capital generated or sent into Scotland and invest it where it will make the most profit. They are the 'fences' for the superprofits of the oil monopolies, and the fact that they live in Scotland in no way means they will store their goods there.

4. THE MARKET AND THE MULTINATIONALS

These events demonstrate also the real nature of the threat posed by the EEC. It is not, as Benn would have us believe, the threat to British 'Sovereignty'. It lies in the fact that the big firms, the big industries, the big monopolies that dominate the lives of most workers have become international. The threat to the working class comes from the fact that these companies want to use institutions like the EEC to strengthen themselves. Now, of course, European capitalists want to strengthen themselves against American capitalists, and vice versa. But they both have a far bigger, common interest: that is to strengthen themselves against the working class.

The Treaty of Rome gives the multinationals the freedom to operate on a European scale. What does this freedom mean? It means the freedom to shut down plant in one country and open it up in another because the workforce is less stropy, because the workers have forced less concessions from their government, or because the market is better. It means the freedom to force migrant workers to travel the length and breadth of Europe following work - just as Scottish workers have been forced to follow the oil jobs - denying them the most elementary democratic rights, denying them trade union rights, and using the poison of racism to set them against each other and so weaken and divide the working class. It means short-time working, mass redundancies at the whim of a managing director. And it means the steady erosion of the organisation and trade union rights that workers have built up through years of struggle to defend themselves against such attacks.

But the Treaty of Rome seeks to go much further than just operating as a free trade area. It aims at a 'single, unified European state'. Such a strategy is, of course, even more dangerous than what is already in existence. Such a state would deliver up enormous financial, military and legislative powers into the hands of the multinationals.

But what does the SNP's strategy mean? It means the strengthening of the multinationals by a different road. They gave the game away when they were interviewed by the Scotsman for the April 'Oil Register'. They said, in answer to a question on what they saw as the relation between Oil and Europe, that Scotland should use its oil resources to obtain special trading agreements with the EEC & with the EFTA countries. Oil would be the main bargaining counter in these negotiations.

But what does using oil to get special trading agreements actually mean? It means that the Oil companies will use Scotland to get the trading agreements they want - willingly assisted by the multinationals with branches in Scotland. It means that the only way to control the exploitation of oil for social need is completely shirked - using the workers' movement to fight them and to determine real social need, and carrying through the full nationalisation of all oil-related industry under workers' control as a first step to the completely planned exploitation of energy resources in the interests of working people and their families.

The devolutionists make exactly the same mistake when they back the Labour Left's policy of 'special trading agreements' as the alternative to the market, accompanied by import and exchange control. Import and exchange control have been shown by practice and common sense to be absolutely inadequate protection against the multinationals and against the anarchy of the world market. Nothing short of a state monopoly of foreign trade, organising and supervising via the worker movement all movement of goods, is capable of introducing the degree of control necessary for socialist planning.

This mistake is made precisely because the 'lefts' and the SNP assert that parliamentary institutions, be they the British parliament or the Scottish Assembly, can possess the power to deal with capitalism.

But the SNP'S FIGHT AGAINST THE MONOPOLIES IS A SHAM FIGHT. It is ludicrous for a party which has been sitting at the table of the biggest crooks in the business to say it is engaged in fighting them. They may be betting against the other players, but they are still in the game. The SNP wants to use the Assembly as a bargaining counter. The assembly is an ideal body for such a sham fight, because it is a sham body.

But when the devolutionists want to take the working class into a sham body with blinkers on, and tell them it has real power, then this is a different matter: because they will deliver the working class gagged and bound into the waiting arms of the oil companies.

Nothing reveals the sham character of the proposed Assembly, and the weakness of the alternatives to the market proposed by the 'left', than the fate of the policies which have already been used, and which the Labour left and the TUC so earnestly back against the EEC - its regional policy.

5. SCOTLAND - THE BRANCH ECONOMY

William Wolfe, speaking at the March SNP rally against the market in Edinburgh, told his audience that the party were discussing replacing the main slogan of 'It's a Scotland's Oil', with a new slogan - 'Scotland International'.

The SNP have a fine sense of irony. Scotland's industry has never been more international. But Scotland's workers have never been farther from owning or controlling the oil, or any other part of Scotland's resources.

In his article² in 'The Red Paper on Scotland', the economist John Firn points out that 59 percent of all Scottish workers are employed by firms whose ultimate ownership resides outside Scotland. 64 percent of plants employing more than 1000 and less than 5000 workers, and eleven out of the fourteen plants employing more than 5000, are in the same situation.

Furthermore, the extent of foreign investment is growing rapidly, and grew most rapidly during the period of the Wilson Government of 1964-1970, when Labour's regional policy was in full swing. The following figures show American investment in manufacturing in Scotland between 1964 and 1968:

Category	1964	1966	1968
Output	£ 165m	£ 247m	£ 366m
Output per worker	£ 3200	£ 4000	£ 5000
Exports	£ 75m	£ 118m	£ 154m
Investment	£ 106m	£ 162m	£ 232m
Employment	52,000	61,000	73,000

(Source: Scottish Council (Development and Industry), Scottish Economic Review, September 1968)

What did this mean? In a situation where the number of mines dropped from 166 to 47, and the number of miners from 83 thousand to 39 thousand between 1958 and 1968; where the number of yards on the Clyde fell from 17 to 3 with the loss of 15,000 jobs in the same period, regional policy had the effect, not only of accelerating this decline in traditional industry, but also in replacing it with a lesser amount of unstable, multinational industry.³

And this investment has done nothing to change the basic realities of Scottish Poverty. Nearly a quarter of Scotland's population are living in poverty or just above the poverty line. Unemployment continues permanently above Southern levels, above all in the black spots of Clydeside and Tayside. And more ominous still, the new employment resulting from oil-related industry does not extend significantly beyond the construction of rigs and pipelines - which tails off in 4-6 years. The T&GWU newspaper 'Highway' estimates that 58,000 new jobs will be created from Oil - not far over half the present unemployment rate.

The TUC statement on why the EEC should be opposed gives as one of the principal reasons the defence of regional policy. The most damning indictment of this defence remains the report we quoted in 'Scotland, Labour and Workers' Power'⁴

"The report points to the failure of British regional policy despite the fact that in the last decade Scotland received an average more than 30% of all expenditure under the Local Employment legislation, around 35-40% of regional employment premium, and nearly 40% of the limited expenditure under the 1972 Industry Act.

"The report states: 'yet unemployment continues unabated as though regional policy had never existed'

(Taken from the Glasgow Herald of 12 August 1974).

The reasons for this fact have to be sought in the processes which gave rise to the Common Market itself - the processes which determine the investment of the multinationals.

6. INVESTMENT AND THE MULTINATIONALS

There is no shortage of money for investment in Scotland. Per capita holding of equities in Scotland is twice as high as in England. Scottish banks hold deposits totalling 1¼ thousand million pounds. Scottish Insurance companies hold eighteen hundred million pounds - an eighth of all British insurance company funds. And Scottish investment trusts account for one third of all British investment trusts.⁵

The problem for Scotland, therefore, is not one of generating or owning capital, and in this sense Scotland is not a classical colony or underdeveloped country. The problem lies in persuading its owners to invest it in Scotland. For in fact, Scotland's high ownership of investment capital is equalled only by the enthusiasm with which it is invested abroad.

Capitalists invest where they can be sure of getting the greatest return on their investment. A series of factors enter into their decision, the most important being the ease and cost of obtaining labour of the kind they need, the cost of obtaining materials, and access to markets.

Scotland has been unable to attract balanced investment because capital investment has concentrated in the growth regions of the Common Market, in the new postwar growth industries - petrochemicals, electronics, etc. This concentration creates skilled Labour forces, markets and other conditions favourable to investment, increasing the tendency for investment to flow away from underdeveloped or

declining regions like Scotland and into the richer areas like the South East of England. These tendencies are now so inbuilt and insurmountable that the South East is now the only area **not** receiving some kind of concession or incentive.

But the effects of tax concessions or regional incentives is not to build up a new, stable industry in a planned way. It attracts three types of investors. The first is the fly-by-night investor who wants to make a quick killing. The second is the sweatshop merchant using local cheap labour. And the third, and most important, is the multinational corporation.

The multinationals are big enough to **sell** and **produce** in several countries. They are big enough to organise a division of labour on an international scale. They are big enough to place a branch factory in a declining region such as Scotland, pick up the tax concessions and take advantage of the cheaper labour force, and transport the product to where it is sold or assembled.

But as soon as the labour force gets too expensive, or the market goes down, or the tax concessions are threatened - down come the screws.

Thus, in two successive, protracted strikes, ITT virtually shut down their STC factory in East Kilbride to get rid of the militants. Every time a new pay claim threatens Chrysler, the American managers are roped in to make it clear the factory will close if the trouble goes on. The power which Chrysler possess is shown by the fact that before they would come to Scotland, they got a special agreement guaranteeing them a percentage of exports.

Factory after factory has been shutting down, laying off, or putting workers on short time because of declining world markets. It means that Scottish branch factories become pawns in the game as the multinationals adjust to these fluctuations to keep their profits up and cut their losses.

The working class gets both ends of the stick. The firms in Scotland are bigger and tougher than their predecessors. So it is harder to get better conditions and harder to organise effectively. And the firms are more, not less able to react to any threats by closing down, moving production and creating layoffs.

It is because of this that withdrawal from the market will not lead to a lessening of pressure on the working class by these firms, but an increase. This is precisely because they will be weakened by withdrawal. The first thing that happened after Chile began nationalising firms was a flight of capital, an economic blockade, and the beginning of the campaign which led to the 'bosses strike' of 1972. The first thing which happened after the removal of the dictatorship in Portugal was a series of attempts to remove masses of capital from the country.

What will happen in Scotland is that the multinationals will make a huge noise about their economic positions, start layoffs, start shutdowns - with the intention of forcing enough concessions out of the working class to make up for the losses they stand to suffer from withdrawal - in other words to strengthen themselves as best they can by the back door.

The effectiveness of such methods in the past have been pointed out before. In his pamphlet 'The Internationalisation of Capital', the economist Robin Murray shows that once firms reach a certain size, it is essentially possible for them to get round all the major means of control over their operations which are open to capitalist governments, or mount pressure enough to force them to back down. He says, referring to the power that big firms have to move capital around to maximise returns:

"While British Governments undoubtedly have the power to affect capital movements through exchange control, they have been careful to limit the effects of these controls on the freedom of capital movement by international firms.

"Yet we should also note that this power is far from absolute even if it were to be used seriously to curb the investments of international firms. We have already noted ways in which

international firms can circumvent exchange controls: transfer pricing; the payment of fees and royalties at various rates; the scheduling of intra-company debts- the allocation of overheads internationally; the timing of dividend payments and so on. These are all bound by limits, but taken together they allow a considerable volume of funds to be transferred through the exchanges without control. Further there is back-to-back financing which is difficult to detect if undeclared, while at crisis periods there is at least some straight smuggling. Where controls are too severe and/or unavoidable, politico-economic pressure may be applied...At a time of international expansion the difficulty of enforcing exchange controls may not be serious; but it would become critical in the event of an international crisis." 6

The important factor involved is this: that the effect of the multinational scale of operation of much of modern industry has already removed the effectiveness of many monetary measures which could be imposed even to regulate the flow of investment and goods across British state boundaries. As Robin Murray says:

"The particular long-term crisis in which Britain finds herself ... has constrained governments in such a way that they have not implemented policies which remain potentially effective instruments of control. Third, measures which governments have taken to stabilise the economy have born particularly heavily on national capital and on the working class."

In Scotland, where the scale of multinational investment is **higher**, and the rest of the economy much **weaker**, the multinationals have been able to walk all over regional policy, will walk all over a Scottish Assembly, and will continue to walk all over the working class unless it organises - internationally - to use its own strength against them - and the pathetic measures which any parliament is capable of will not change that.

But this makes nonsense of the argument that the aim of withdrawal from the market is to safeguard **parliaments**, Scottish or British, against dictats from Brussels. And it makes nonsense of the argument Benn puts forward, that staying out of the EEC "enables us to discriminate in favour of home-based industry".

The **capitalist class**, on an international scale, - dictates to parliament and to the working class, and the EEC happens to be a very handy cudgel to enforce the dictatorship.

As is obvious to any trade union militant, the weapon to fight both the cudgel and its wielder is the working class - the **organised force of the Labour Movement**. To do so effectively, it not only has to fight against being trapped in the parliamentary prison which the labour party tries to keep it in, but when parliament serves the capitalists (as it usually does, under Labour Governments as well as Tory), it has to **fight parliament**.

All the democratic rights which the working class has achieved were won through struggle, usually against the government of the time. The working class is still fighting the Labour Government now for the release of the Shrewsbury Two.

It is because the Labour left do not understand this simple, basic question that they

*Fail to organise a united working class campaign mobilising the whole apparatus of the Labour Party.

*Continue to defend policies, such as Labour's regional policy, which have not worked, which cannot work, which are no substitute for full socialist planning under workers' control, and which therefore discredit the anti-Common Market campaign.

What alternatives, therefore, lie before those forces active in the anti-Common Market campaign?

7. WHAT ALTERNATIVES?

The Common Market raises almost every question of policy facing the Labour Party in Britain today, and every question of strategy facing the working class. Benn, for example, referred to four basic issues involved in the control of Oil resources alone:

*What effect does the Common Market have on the planning of energy resources?

*How will the rate of exploitation of North Sea Oil resources be determined?

*Who will assume control over the exploitation of the Continental shelf?

*Will the government be allowed to discriminate in favour of Home-based industry?

What we have tried to show in this pamphlet is that in relation to one central question - regional policy in relation to the development and structure of industry in Scotland - any answer which relies on the use of parliamentary legislation alone against the multinationals and the capitalist system cannot work: equally that any strategy which confines itself to the framework of a single nation and fails to organise workers internationally cannot work.

In the first pamphlet of this series, we showed the same applied to the development of oil resources in Scotland.

The IMG's national pamphlet on the Common Market, and our coverage in the Red Weekly, have shown that the same conclusions apply to practically every sphere of concern to the workers' movement - trade, the defence of democratic rights, control of prices, etc.

The question which must be asked is therefore: 'What kind of alternative policy is required?'

For the Labour lefts, the question of an alternative policy is nothing more than a question of what programme the Labour Party will implement in government. For us, something far more basic is involved.

Because we recognise, and we can prove, that only socialist planning can deal with the immense economic and social problems faced by the working class. This means, for example,

*Not a regional policy of tax concessions to the multinationals but the nationalisation of basic industries and the planned development of Scotland's resources and industry.

*Not a policy of exchange control, import control and the occasional free trade agreement but complete control of all foreign trade, the opening of trade agreements with Comoco countries.

*The nationalisation of all oil-related industry and the formulation of a national energy plan and a plan for the exploitation of North Sea Oil.

*The disbandment of all capitalist military alliances such as NATO.

*The nationalisation of all companies creating redundancies as opposed to state aid for bankrupt monopolies.

*Not isolating British workers from their European counterparts but fighting for a United Socialist States of Europe within which to plan on a European scale.

But who can enact such policies? Who can force the big companies to give up their business secrets? Who can determine the real needs of workers and their families? Who can take over the factories from the capitalists and run them for social need instead of profit? Who can carry through real socialist planning?

The answer is very plain. It is the workers themselves. And this is why the policies of both left and right in the Labour Party fall so far short of what is needed. Because immediately the attempt is made to even **begin** to carry through the measures needed to implement such plans, the capitalist class will pull out every weapon they possess.

The fall of the Allende regime in Chile shows only too well that they will not worry about safeguarding their parliament when it comes to their interests being defended. Only the organised working class can smash them once and for all.

For us therefore, an alternative policy is more than the measures a government will have to take. It embodies a policy for the **working class itself to fight on**.

And it is possible. When we wrote the first pamphlet in this series, we pointed out the way in which Chilean workers had been able to enforce nationalisation of firms trying to engage in layoffs or in some cases just profiteering. Their example stands regardless of the bloody coup which follows. But since this, the Portuguese workers have shown in Europe itself the kind of action which can organise the fight. When the struggle against the giant Plessey company began to hot up, the first thing done was to contact workers occupying Plessey's in England against redundancy, and set up links throughout the entire combine to fight jointly in Britain and in Portugal. The Portuguese workers' co-ordinating committee has organised continual actions of solidarity with Portuguese workers, has set up innumerable links between trade unionists in Britain and Portugal, and is organising constant actions of solidarity and support for the Portuguese workers.

But most dramatic of all was the action taken by Portuguese bank workers. When the big companies and investors got really worried about the course of events, they made a mad rush to withdraw capital from the banks. The reaction of the bank workers was to prevent this **themselves**, to shut down the banks, to refuse to allow this massive 'strike by capital', and to take to the streets against the bosses' boycott, finally securing the full nationalisation of the banks.

It was not the nationalisation itself, but the constant vigilance of the workers themselves over the financial transactions of the capitalists, which made this effective. They make it a hundred times more difficult for the bosses to carry out their backstage deals and manoeuvres. They used, very simply, workers' control in a limited, but decisive way, against the capitalists.

For us, it is this which provides the key component of any alternative to the Common Market: workers' control, not just as a man on the board of directors but as a fighting weapon against the capitalists; workers' action, not through parliament but direct action against every attack and every erosion of rights and conditions; and international workers' solidarity against the multinationals.

Fighting apart from each other, relying on false friends, relying on parliament, the working class can be singled out and defeated by the capitalists. United, determined, and independent, it will triumph.

FORWARD TO THE UNITED SOCIALIST STATES OF EUROPE!

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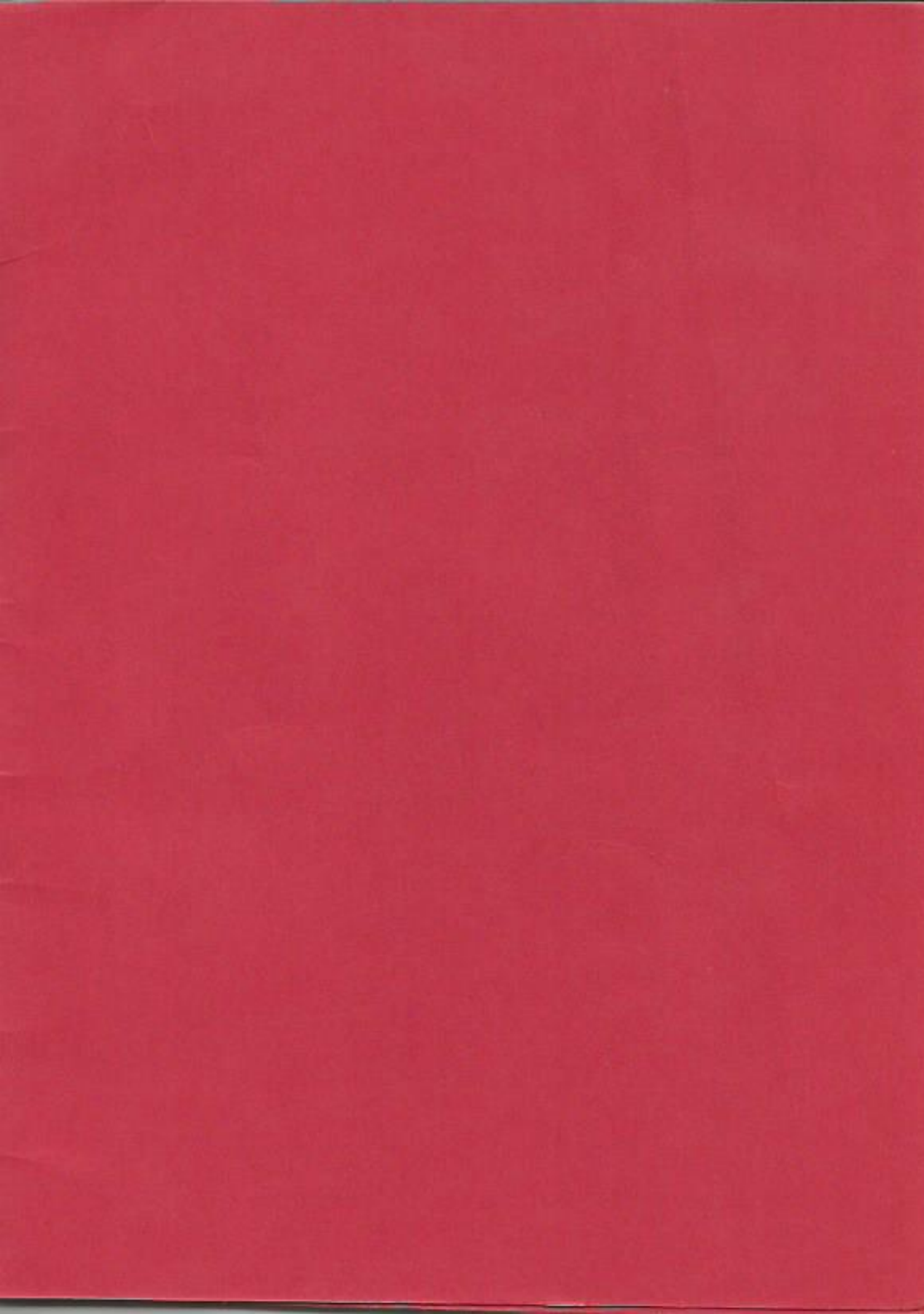
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