

## Briefing #5: Scotland - Deindustrialisation & Diversification

Scotland, like all of the other industrial regions of the UK, has suffered massively over the past 30 years from a reckless policy of deindustrialisation, with a massive loss in capacity, jobs and the skills base of many communities. Yet the core of many industries such as shipbuilding and heavy engineering have survived, and along with a significant growth in modern and hi-tech electronic and electronic manufacturing, gives Scotland a strong base and head-start in the race to diversify and grow in vital renewables energy technologies NOW.

However, much of that capacity is locked into the production of defence systems that offer short-term and insecure employment in the manufacture of ethically questionable products, which in a growingly dangerous world are feeding an increasingly frenzied arms race.

### NEED FOR A COOLER WORLD

Scotland's manufacturing core could be dedicated to a growing global demand for renewable technologies- technologies that could harness the country's vast resources of free, clean and limitless renewable wind, wave and tidal energy resources.

The maritime engineering assets of the Clyde and Rosyth shipyards- now facing grave uncertainty with scaled back Type 26 Frigate production and the completion of two gigantic and useless aircraft carriers- would be ideally suited for the manufacture, assembly and commissioning of large scale tidal stream and wave power turbine units.

Indeed in 2014 *The Offshore Renewable Energy Catapult*<sup>1</sup> estimated that the investment required to proceed from design stage to commercial demonstration of wave power technology - much of it pioneered at Edinburgh University - would be at most £200 million - half the cost of one Type 26 Frigate. Such technologies have additional requirements in the form of sea-bed anchorage systems, sub-sea high voltage switchgear and flexible cable jointing assemblies; all of it pioneered in Scotland in over 40 years of deep water North Sea oil and gas extractive technological development.

<sup>1</sup> Offshore Renewable Energy Catapult report 27<sup>th</sup> July 2017, *Financial Solutions for Wave and Tidal Energy*.

### SCOTLAND AT ARMS

Most of the shipyard capacity on the Clyde is now tied up to naval contracts- contracts to date which have shrunk in size and employment promise as defence budgets have been cut and an arms race has rendered new designs obsolete.

Elsewhere the hi-tech aerospace sector- Rolls Royce, BAe Systems, Leonardo and Babcock have been augmented with design and manufacturing companies such as Lockheed Martin and Raytheon- both companies engaged at the big end of conventional and not so conventional weapons of mass destruction. It is this trend in arms dependency, most marked in Scotland over all of the other UK regions- which along with the prospect of the Successor Trident being deployed at Faslane- that prompted the Scottish TUC to produce its April 2015 report *Trident and Jobs: The Case for a Scottish Defence Diversification Agency* in conjunction with the Scottish Campaign for Nuclear Disarmament<sup>1</sup>.

A related study the same year by the Campaign Against the Arms Trade using government estimates showed that considerable growth in jobs- over 40,000 - could be achieved by 2020 over the estimate 13,000 directly employed in renewables in 2013.



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Yet Scotland remains disproportionately dependent on insecure defence jobs for which some union leaders appear to be the cheerleaders. Hence Unite's Len McCluskey at the 2015 Labour Party conference;

*Everyone would love the world to get rid of (nuclear) weapons- we understand the moral arguments and cost arguments in these days of austerity. However, the most important thing for us is to protect jobs. In the absence of any credible alternative to protect jobs and high skills we will vote against any (anti-Trident) motion.*

continued

Yet this jobs-at-any-cost attitude ignores that since the end of the Cold War in 1991, over 60,000 UK jobs were lost in the defence sector- and with no re-employment or retraining programmes to divert those jobs and skills into socially or environmentally sustainable activities.

## SCOTLAND - THE WAVES

Scotland with the largest coastline in Europe is also massively endowed with so far unrealised wave and tidal stream power.

When the UK electricity industry was privatised in 1989, Scotland had in excess of 50% of its own power generation requirements. But current trends signal a generating deficit by the middle of the next decade.

Although existing hydro and existing and planned wind capacity can provide much of Scotland's power needs, it will be larger base-load tidal stream and wave power that will be needed to ensure total renewable round the clock electricity supply. An obvious illustration of this potential is the Pentland Firth- the strait between the Caithness mainland and southern Orkney through which passes the most constant and powerful tidal stream *in the world*.

Recent studies suggest that if only 10% of the Pentland Firth's energy could be harnessed, the output would be sufficient to power *the entire UK*. On the western side of Scotland, modest estimates suggest an initial wave power capacity of between 12-20 Gigawatts - up to five times the output of 5 Drax power stations. (Drax is currently the biggest coal-fired power station in Europe).



## PEACE, PROSPERITY, PRIDE

The conversion of Scotland's core industrial base away from defence dependency and towards an expansive future in renewable energy technologies dedicated to peace, prosperity and a sustainable environment is possible. But just as the production of any product or service relies ultimately on the collective genius of a workforce, then so will the transformation in the means by which we produce and distribute affordable goods and services have to rely on the democratic determination and will of a workforce- and the communities it relies on.

Whatever the differing views of those who took part in it, the political awakening and popular engagement of the Scottish referendum campaign showed a latent democratic spirit that could be stirred. And it will be by harnessing such an informed and confident popular democracy that a working class pride may reject the eternal deceit and pessimism of a defence lobby to which their union leaders have at times been shackled.

## TOWARDS A STRATEGY

*Rather than being the undignified bag-carriers for the defence lobby, the manufacturing unions should be confronting employers who announce sackings and closures. The following diversification initiatives should be supported:*

- Support the STUC Defence diversification initiative
- Support the TUC endorsed 1 Million Climate Jobs initiative
- Begin workplace defence diversification consultations
- Establish a bottom-up cross-union national arms diversification and technology transfer committee with a commitment to producing working papers, technical briefing bulletins and delegate based conferences
- Explore the prospects for an international forum for green and social technology swaps

AND:

- Social/public ownership models for the shipbuilding and marine engineering sector
- Hydrocarbons: resource conservation and new green products development
- Social needs and social production surveys
- A Scottish Sovereign Wealth Fund to be raised by a levy per unit of remaining North Sea output dedicated to social and green production and project funding
- Support for a Scottish integrated green and affordable economic model
- The establishment of a democratic 'cooler world' technology forum

