

and centre-right (especially the hundreds of small business owners grouping in the sinister 'Business for Scotland' group, and those writing the new libertarian website Wealthy Nation) will lay claim to the SNP. Salmond's party will continue its strategy of wide-net consensualism with efficient social administration, concealing their neo-liberal economic programme for Scotland. The risks are manifold, but the most significant is that a strong SNP administration could easily use the new economic powers to ease open those elements of regulation that remain on our labour market, and lower corporation tax to allow quick global capital to flow into the country. This would plunge more working people into lower wages and harsher contracts, while leaving high-level monetary and regulatory powers to Westminster, the City of London, and the Bank of England.

Resisting this agenda requires a strategy that uses the economic powers and levers that would come to Scotland with a Yes vote. It emphasises that the most important powers relate to wages and the labour market, as well as powers of job creation, public investment, nationalization and regulation of the economy in the social interest.

In the interest of workers

Thus, from resistance to centre-right consolidation, the party can develop a programme for proactive economic governance in the interest of workers. This includes the pursuit of full employment, facility for non-capitalist investment in untapped resources like tourism, invention and renewable energy, and provision of the kind of world-class universal education that has inspired the labour movement and our radical predecessors for countless generations.

Of course, these are not the policies of a Labour party that has malfunctioned into parliamentary opportunism, such as Westminster Labour has become and such as Scottish Labour could risk becoming. They are the policies of a revitalized Labour party, which might emerge from people's desire to use the full powers of economic independence.

So Labour voters' decisive power this September is only the first chapter of the story that begins with a Yes vote. If working class votes will determine the referendum, they can also influence Labour's leftwards direction after a Yes vote, in order to outflank the capitalist SNP, win the first elections in an independent Scotland, and use the powers of a new nation-state for a more socialist purpose.

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Zelda Kahan - Principles of Socialism (1908)

Zelda Kahan was one of the leaders of the internationalist faction within the Social Democratic Federation. Working with colleagues such as her fellow Russian exile, Theodore Rothstein, Joe Fineberg and E C Fairchild, she opposed Hyndman's imperialist and pro-war position. Together with her husband, W P Coates, she published a series of books on Russia and the Anglo-Russian relationship, including *Armed Intervention in Russia 1918-22* (1935), *From Tsardom to the Soviet Constitution* (1938) and *A History of Anglo-Soviet Relations* (1944) for which Lloyd George contributed a forward, as well as studies of the First and Second Five Year Plans, two books on Soviet relationships with Finland and the Baltic and a volume on Soviets in Central Asia.

Zelda Kahan, who was Jewish, was born in Lithuania, coming to England at the age of ten. Her brother, Boris was secretary of the Hackney SDF. Zelda represented the Hackney branch on the executive of the British Socialist Party (as the SDF had become) in 1912 and married William Coates in 1912. Coates was the BSP national organiser, who became secretary of the Hands Off Russia committee. Zelda and her husband later joined the Communist Party. Theodore Rothstein, the leading London based Bolshevik, and anti-colonialist historian, was brother in law to the Kahans. In 1909, at the time of the scare over increasing German naval power, Kahan attacked Hyndman for allying himself with the 'jingo naval scaremongers'.

In 1911, Kahan proposed a resolution at the SDF annual conference opposing armaments. The resolution was defeated but split the SDF into two, with the old guard of Hyndman and Harry Quelch retaining control.

Lenin commented that 'Zelda Kahan was right when she said that never had English social democracy so disgraced itself as now – even men like Quelch desert to the side of the chauvinists.' In 1912, the internationalists led by Kahan, won a narrow majority on the BSP executive to declare that 'so far as workers are concerned there is nothing to choose between German and British Imperialism and aggression.' This was then rescinded in February 1913, which led to Kahan's resignation.

"We have seen what private enterprise and competition have led to. Quite against the will of its supporters, competition is well-nigh a thing of the past. We are fast approaching a state of pure collectivism so far as production is concerned, but unfortunately the manner of distribution of the wealth is anything but collectivist. Here private ownership steps in, and a small minority appropriates what the majority produce. You see the question is no longer for or against competition. It is firstly shall we perfect the collective method of production already largely established? Secondly, shall we collectively own what we collectively produce? Common sense and common justice can give but one reply. But here comes the all important question, how are we to do it. Well, if you have made up your mind to do it, there will not be much difficulty... What is to prevent a Parliament composed of representatives of your own class from passing a law by which the profits from the concerns should go into the national coffers instead of into private hands?... The workpeople would now be the employees of the State, and if only you and they used their votes aright, the profits would now be used for raising the quality of the things produced, raising the wages of the people employed, and for initiating some very pressing social reforms."