

## Land Ownership in Scotland

Land ownership is an emotive issue in Scotland. This is not only because of the violent 'Highland clearances' during the 18th and 19th centuries, which saw 85% of the population forcibly evicted, but also because Scottish land ownership is highly concentrated and secretive. Today around 1250 landowners, mainly the aristocracy and rich individuals, own two thirds of Scotland. Land use on big Scottish estates is often mixed to include forestry, farming, hunting and shooting.

The Duke of Buccleuch is Scotland's largest private landowner with 270,900 acres of land in Selkirkshire, Dumfriesshire, Roxburghshire and Edinburgh.

The Blackford estate next to **Gleneagles** is home to the Highland Spring bottled water company, ultimately owned by a billionaire businessman from the United Arab Emirates. Locals claim that the owners have allowed the estate to fall into disrepair.

Community land buy outs - In 1993, the Assynt crofters (self-sufficient farmers) bought the **North Assynt** estate in Sutherland on which they lived and worked, after its owner, a Scandinavian property developer, went bankrupt. This inspired other communities including the islanders of **Eigg** (1997) and **Gigha** (2002) and the people of the Knoydart peninsula (1999) and the **North Harris** estate (2003).

## Hi-Tech

The electronics and computer industry took off in the 80s, resulting in central Scotland being dubbed 'Silicon Glen'. At its height Scotland produced 35% of Europe's computers and 12% of the world's semi-conductors, employing 55,000 people. The industry has since shrunk, as companies depart for countries with lower labour costs.

Scotland has also been big in biotechnology. The controversial Roslin Institute near Edinburgh is a research centre for farm animal genetics, famous for cloning Dolly the Sheep. Roslin's commercial wing, PPL Therapeutics, also worked on engineering animals to produce medicines. PPL has since been sold off and dismantled. Numerous GM crop test sites have also been hosted in Scotland. As with the rest of the UK, GM crops have now been abandoned in Scotland due to consumer rejection and direct action.

Scotland is also playing a role in the next wave of hi-tech industry. **Stirling** is home to the Institute of Nanotechnology, a front group working to promote the UK nanotech industry.

## The Military

Scotland's main role for the military is for testing weapons and training. Scots are disproportionately represented within the British army and among troops in Iraq.

Key sites: NATO practices bombing every summer at **Cape Wrath**, an important nesting place for seabirds and other wildlife. ● **Dundrennan** is Britain's only open-air testing area for depleted uranium. ● NATO has a satellite communications system at **Balado Bridge**, Kinross, next to the 'T in the Park' festival. ● Britain's weapons of mass destruction are kept at the **Fastlane** and **Coulport** bases.

Cluster bombs used in Iraq were tested at **West Freugh**, Wigtownshire, on land owned by QinetiQ.

## The Arms trade

In many G8 countries the military industrial complex is heavily supported by state subsidies, and arms companies have excessive political influence. The arms trade has a major manufacturing presence in Scotland.

QinetiQ, the privatised part of the MoD, has 12 facilities. A third of the company is owned by the US-based Carlyle Group, one of America's largest military contractors. Other companies include BAE Systems; French arms corporation Thales; engine manufacturer Rolls Royce; Babcock International, which also provides 'support services' to the MoD at Faslane naval base; and Halliburton subsidiary Kellogg Brown & Root who won a contract for the final assembly of two MoD aircraft carriers.

## The financial industry in Edinburgh

**Edinburgh** is the UK's second largest financial centre after London. The industry provides 97,000 jobs (5% of the workforce) with another 100,000 in support industries. With an annual value of £20bn it accounts for 8% of Scottish GDP.

The Royal Bank of Scotland (RBS) and Halifax Bank of Scotland (HBOS) are Scotland's largest corporations. Scottish financial companies mainly invest in banks, oil and drug companies, reflecting the global financial sector. RBS is a major financier of the Baku-Ceyhan oil pipeline, and HBOS is a major financier of PFI schemes. Even those with ethical investment funds still invest in the big UK banks and mobile phone companies.

Key locations include St. Andrew's Square, George St and Queen St in the New Town; the area around Lothian Road and Morrison St and Edinburgh Park on the Western outskirts of the city.

Other Scottish financial companies include fund managers, Scottish Widows Investment Partnership, the Noble Group and 3i, and life insurance and assurance company, Standard Life.

## Glensanda Superquarry, Port Appin, Argyll

**Glensanda**, owned by UK aggregate and asphalt company Foster Yeoman Ltd. is among the world's largest quarries.

# Scotland Plc

Banking, oil and gas, electricity and transport are considered the biggest industries in Scotland. However in most cases, the biggest 'Scottish' companies, are actually sucking wealth out to parent companies and shareholders elsewhere: their only allegiance being to the international financial system.

The biggest Scottish companies have either grown through mergers and acquisitions, e.g. the big banks or through the privatisation of public services, e.g. the electricity and transport companies. The biggest oil companies in Scotland, Total, BP and Taisman Energy, are subsidiaries of non-Scottish parents.

Ship-building and fishing were previously important Scottish industries, along with whisky production, which is increasingly controlled by multinational corporations such as Diageo.

## Pro-corporate political elite

The corporate agenda is welcomed as enthusiastically by Scotland's political elite as by the G8. Devolution in 1999 allowed Scotland a limited amount of self-rule over domestic issues. Today both the Scottish Executive and Parliament are overrun by corporate influence: through corporate lobbying, secondments to and from industry, and through direct corporate representation on policy discussion groups. First Minister Jack McConnell, a former PR executive, has faced numerous allegations of corporate sleaze and spin. The new Scottish Parliament at Holyrood, **Edinburgh** has been mired in controversy over the awarding of construction contracts, and a budget overrun by several hundred million pounds.

## The Gleneagles estate

The G8 Summit 2005 is being hosted at the **Gleneagles** estate near Auchterarder in Perthshire. The luxury hotel, surrounded by the Ochil hills, has grounds used for golfing, riding and shooting and employs 600 staff. For the G8, the Scottish Tourist Board will bring its £1m 'mobile village' with an exhibition space, restaurants and bars. Press leaks suggest that the event will be thoroughly 'greenwashed' with solar panels, recycling and hydrogen cars for the delegates.

To host the 1,200 delegates, staff and security personnel, the event will rely on support from neighbouring towns such as Perth, Auchterarder and Crieff. **Stirling** will host the official media centre. Media and conference facilities will be provided by US entertainment corporation, Jack Morton Worldwide.

The £150 million security operation will turn Gleneagles and Auchterarder into a 'sterile area' with high metal fencing, concrete blast barriers and an air exclusion zone. Local residents, including children, will be issued ID cards for access. The government has contracted a London-based PR company, Lexis PR, to procure corporate sponsorship for the G8.

Diageo, owner of Gleneagles hotel, is the 11th largest company in the UK. Created in 1997 by a merger of Guinness and Grand Metropolitan, Diageo operates in 180 countries, owning brands including Guinness, Smirnoff, Gordon's and Johnny Walker, as well as many of Scotland's famous single malt whiskies.

Diageo promotes itself as a responsible company. It has been criticized for influencing the Government's alcohol policy towards voluntary regulation, and deflecting blame for alcohol misuse onto the consumer. Diageo avoids collective bargaining and has sacked thousands of workers in recent years.

Diageo is one of Africa's most powerful corporations, listed among the top companies in Nigeria, Kenya and Ghana. It has increased its market share through aggressive marketing and by attacking unbranded alcohol as a health hazard, undermining local industries. Its breweries are responsible for large-scale pollution in Lake Victoria and the Msimbazi River.

## The Scottish energy industry

Since North Sea oil came on-line in 1976, oil and gas have become major Scottish industries employing 100,000 people, 6% of the Scottish workforce. Scotland is home to major oil and electricity companies. Corporations are leading the way in developing Scotland's renewable energy sector.

Shell, BP, Total and ExxonMobil own 50% of the North Sea oil reserves. Since oil production peaked in 1999, the future viability of the North Sea is in doubt. The North Sea oil sector has been devastated by 30 years of oil exploitation. Recently, Shell and BP have moved into the little-understood ecosystems of the Atlantic Frontier.

The UK imports 50% of its oil, with tankers coming into **Grangemouth** and the Shetlands.

In July 1988, the world's worst offshore oil disaster occurred on the Piper Alpha rig, 100 miles off the east coast of Scotland. An official enquiry found severe shortcomings in the safety procedures of Piper Alpha's owners, Occidental Oil. Despite 167 deaths, Occidental and its directors were never prosecuted.

**Aberdeen** is Europe's oil capital, and home to many oil corporations, most of which also have operations overseas. These include multinational oil corporations BP, Shell, ConocoPhillips and Total and oil service companies AMEC and Halliburton. Scottish oil corporations include Dana Petroleum and John Wood Group. The industry lobby group, UK Offshore Operators Association (UKOOA) has offices in Aberdeen, along with the Scottish offshore oil workers' union, OILC, which was formed after the Piper Alpha disaster. Aberdeen has one of the strongest local economies in the UK mainly due to oil money.

Scottish oil corporations based in **Edinburgh** include Cairn Energy and BowLeven. Oil service company Weir Group Plc, based in Glasgow, subcontracts for Halliburton and Bechtel in Iraq and also operates in Sudan.

Two of the UK's 12 oil refineries are in Scotland. The Nynas refinery in **Dundee** and the **Grangemouth** Petrochemicals complex which includes the BP-owned oil refinery, which supplies 90% of Scotland's fuel. In the list of Scotland's top ten polluters, Grangemouth is represented four times.

AMEC and British Energy plan to build the world's biggest onshore wind farm on the **Isle of Lewis** peatlands, which are protected habitats. **Glasgow**-based ScottishPower is a multinational energy giant operating in the UK and US. Its hydroelectric dams in California and Oregon have damaged the environment and livelihood of people living nearby. The **Isle of Gigha**, owned by a community trust, has its own wind farm.

Scotland's active nuclear power stations are **Hunterston B** in Ayrshire and **Torness** in East Lothian. Being decommissioned are **Chapelcross** in Dumfriesshire and **Dounreay** in Caithness.

## Peat Extraction in Scotland

Scotland has some of the best examples of natural peatlands in Europe. These are rich eco-systems and vital carbon sinks. However, most have been degraded through drainage, peat extraction and forestry plantation and only 9% remain in a pristine state. The major corporations extracting peat include: William Sinclair Holdings, with six active sites in Scotland including the protected **Whim Moss** in the Scottish borders; US multinational Scotts, whose sites include the protected **Camnath Moss**, South Lanarkshire; Diageo with two peat extraction sites on **Islay** - the main source for the island's whisky industry.

## Fishing

Formerly sustaining the livelihoods and cultures of numerous small communities, North Sea fishing is increasingly dominated by multinational-owned trawlers, continental fishing boats and hi-tech boats owned by Scottish millionaires. There are 5000 fishermen in Scotland today. Because of the Common Fisheries Policy, the Scottish fishing fleet is grounded for half the year. Rather than go bankrupt, Scottish fishermen have begun fishing off the coasts of South West Africa.

Overfishing of wild salmon has led to a growth in salmon farms in Scotland. Over 300 farms were listed in 2003. They use densely-packed cages, antibiotics and growth hormones. The pollution they produce harms wild salmon. The largest producer of farmed salmon in Scotland, Marine Harvest, is part of the biggest aquaculture company in the world - Norwegian-Dutch based Nutreco.

## Food Industry

In Scotland, supermarkets control 85% of the total grocery retailing market share. Supermarket developments are being resisted in a number of sites including **Crieff**, Perthshire; **Castle Douglas**, Dumfriesshire and Galloway; **Portobello** in **Edinburgh** and in **Dundee**.

Grampian Country Food Group, a multinational meat processor, processes a third of all UK chickens and is Tesco's leading supplier of red meat. Despite its declarations of quality standards and animal welfare, campaigners uncovered appalling conditions on one of its battery farms.

## Privatising Scotland

In 2001 78% of Scots said that public services should be managed by the public sector. Nevertheless, the Scottish Executive has embraced the Private Finance Initiative (PFI), where public works are built and managed privately, then rented back to the government. Scotland now owes billions to private companies to pay for schools and hospitals built under these schemes. Following the buy-back of the **Skye Bridge**, the public services union Unison has called for the Scottish Executive to buy back Scotland's three PPP (Private Public Partnership) hospitals. French multinational Sodexo is Scotland's largest provider of food and management services.

## The Skye Bridge

After years of campaigning, Britain's first PFI initiative is back under public control. For nine years the islanders were financial prisoners of the owners, Bank of America, having to pay a fee of £5.70 each time they crossed the bridge. In 2004, the Scottish Executive bought the bridge back for £27 million and abolished the tolls.

## Transport

Transport is one of the largest industry sectors in Scotland. There has been a major resurgence in the road building programme in recent years. The privatisation of public transport has boosted two of Scotland's largest companies, Stagecoach and First.

The Scottish Executive plans to spend at least £1 billion on the M74 extension and the **Aberdeen Bypass**, while public transport initiatives continue to struggle for funds. The M74 extension has provoked massive resistance from local communities. The A701 route is home to the **Biston Glen** protest site. Glasgow-based Jacobs Babbie and Balfour Beatty are major contractors in Scotland for road building.

Major UK bus and train operator Stagecoach's success is built on 'predatory and deplorable' tactics. It has a poor record on workers' rights. Stagecoach is introducing a nanoparticle-based fuel additive to its UK buses.

Bus and rail operator First has been warned by the Competition Commission that it could have too great a grip over Scottish transport.

## Private prisons & immigration detention

Serco is a UK-based outsourcing contractor that manages local education authorities, speed cameras and railway tracks, military facilities such as RAF Fylingdales and builds hospitals under PFI contracts. 90% of its business is from the public sector.

Serco subsidiaries run: ● **Kilmarnock Prison** - Scotland's only privately-run prison, where allegations of abuse and incompetence abound. ● **Dungavel** 'removal centre', Ayrshire - Scotland's only immigration detention centre, which has been criticised for lack of suicide prevention strategies and difficulties accessing legal advice. NHS staff have complained about the 'horrific' treatment of detainees by security staff. The Home Office claimed detainees would only be held there for days. Reports exist of children being held for up to two years. ● Reliance the security company which has the contract for electronic monitoring services for the Scottish criminal justice system along with a £150 million contract for prisoner escorting and court services. Reliance accidentally released 12 prisoners including a convicted murderer. Reliance also manages a reporting centre and a pilot scheme to electronically tag asylum seekers.

Corporate Watch  
swings to the G8  
in SCOTLAND

## Brought to you by...

This map was produced by Corporate Watch and UHC to co-incide with the 2005 G8 Summit in Scotland.

This side shows corporate involvement in Scotland. Text marked in red indicates locations shown on the map.

The reverse shows how the G8 and the issues it will be discussing relate to countries around the world.

More information and a special report, 'Bringing the G8 Home', online at: [www.corporatewatch.org](http://www.corporatewatch.org)

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