



Why SCOTLAND *Attracts American* *Industry*

By
ANDREW MARSHALL

SINCE 1945, twenty-two United States firms have established branches in Scotland. Against the vast background of American industry, twenty-two does not seem a large number of firms, but it represents about 60% of American private business investment in Europe since 1945, and 80% of factory space acquired by Americans in Great Britain during that time.

Why is such a large proportion located in Scotland—one of Europe's smallest countries, with an industrial belt only about ninety miles by thirty? Most people's first thoughts of Scotland are of rugged

scenery, wild music, smooth whiskey, tartan and fairies. Lately it has become famous, particularly to Americans, as a stage for international culture.

But industry? However, to think of Scottish industry is to recall that "Clyde-built" means the aristocracy of ships. Steel from Scotland's Lanarkshire bears stresses and strains in the world's remote places. So do Scotsmen. This suggests that they do not have sufficient scope at home, and this last suggestion points to one of the reasons for the present American influx.

Americans have come to Scotland,



not to be partners in building the heavy goods — ships, locomotives, bridges — at which Scotsmen are traditionally expert, nor to share in the other traditional industries, such as tartan weaving and whiskey distilling. American firms are introducing up-to-date light industries, with products ranging from drinking straws and soft drinks to electric shavers, typewriters, calculating machines — on up to the heaviest items, 15-ton trucks. This emphasis on diversified light industry denotes a new policy in Scotland, and American firms are making a valuable contribution to that policy.

• In the past, the Scottish industrial belt frequently lapsed into the “depressed area” category. There was mass unemployment simply because Scotland was over-specialized in the heavy industries, and it is they which suffer most when the world’s finances are knocked off balance. The *Queen Mary*, for example, rusted in stocks for four years without a rivet being hammered while a quarter of Scotland’s workers were idle. England suffered also, but to a lesser extent, for there, more than in Scotland, people were turning out pots, pans, radios, shoes and fountain pens — the smaller items which maintain steadier sales than ships, locomotives and bridges.

• In 1945, when the most popular work in British politics was “planning,” the chance for a change was made with the passing of the Distribution of Industry Act, which

labeled heavy industry areas as “development areas.” Their heavy industries were to be supplemented with light industries, giving steady employment to all.

In Scotland there was not enough indigenous light industry for full development, and the idea was to attract as many overseas firms as possible.

• THE leaders of industrial development in Scotland exerted themselves to provide more attractions for industry than are found elsewhere in Britain, and aimed in particular at the United States and Canada.

Britain as a whole has attractions for the American industrialist wishing to expand his business overseas. One of his chief considerations must be whether he is going to have easy access to markets. Insular Britain — no part of it more than a hundred miles from the sea — with Europe’s biggest merchant fleet, is the best country in Europe for sea trading. But has Scotland particular distribution advantages to account for its 80% popularity over the rest of Britain?

• London is Britain’s leading seaport. However, Glasgow is the most cheaply operating of the large ports, with notably less labor trouble than either London or Liverpool. Glasgow’s docks would be capable of handling greatly increased traffic as proved in wartime when the Clyde handled more than half of Britain’s

shipping, owing to London and Liverpool being bomb-crippled.

London has Britain's leading airport, but for short European trips it has a curious irritation. Traffic congestion in London is such that it has been recorded that flights from Norway to London's airport have taken a shorter time than the journey from the airport to the city center. Glasgow's airport for short flights, Renfrew, does not present this problem. The Scottish airport for long (including trans-Atlantic) flights is Prestwick, two land-travel hours from Glasgow.

♣ In addition, Prestwick has most years without even a single day's flying interrupted by fog, whereas London is notorious for being fogged up. Prestwick had at one time been in danger of closing down owing to lack of business. Its "discovery" by American plane delivery pilots during the war gave it the necessary recognition, and its use by leading airlines (particularly Canadian) is increasing at a greater rate than that of London.

♣ Yes, Scotland has some advantages in the field of transportation, but that is only part of the attraction.

For materials, such as foundry iron and steel ingots, there is little to choose between Scotland, Wales and England. England has the biggest supply of plastics; Wales of tin.

However, Scotland must be given the credit for producing all of Britain's virgin aluminum.

BUT one of Scotland's distinct advantages is perhaps best expressed in the Gaelic motto of the North of Scotland Hydro-Electric Board: "*Neart nan Gleann*" (Power from the Glens). Without that hydro-electric power, postwar Scottish industry would have been at a standstill, because a comparable generating of electricity by the coal-burning power stations would have required more coal than would have been available.

♣ The harnessing of power from the brimming lochs and fast rivers of the rainy Scottish Highlands was prefixed by years of frustrations and muddled thinking. Water was first used to drive generating machinery (in much the same way as it drives the old mill wheel) in Scotland in 1907, for an aluminum factory. In the 1920's and '30's, enlightened members of Parliament urged schemes on a national scale (on the same lines as the Tennessee Valley project) but there were too many voices crying, "Hands off the Highlands!" Landscapes would be spoiled. Huntin' and fishin' and shootin' members of Parliament feared that an invasion of laborers would spoil their sport. The almost feudal owners of grouse moors and deer forests were likewise aghast. Some Highlanders lived in a "Celtic twilight," not wishing the glens to be disturbed except perhaps by the war cries of feuding clansmen.

♣ By 1942, however, it was at last realized that the potential power of

the Highlands should be tapped. Old plans were dug out and new ones made. By the end of the war, the engineers and laborers were ready to move into the remote glens, but apart from anything else, theirs has been an aesthetic triumph. A minimum of trees were cut; as far as possible, local stone was used for building to harmonize with back-grounds (one power station is disguised as a typical, dignified Scots kirk); pipes disfiguring mountainsides were covered again with earth and the trees were replanted. Now no tour of Highland beauty spots is complete without a visit to a hydro-electric scheme. Salmon have been provided with fish-ladders, with gradually stepped-up pools enabling the fish to by-pass dams on the route to the spawning grounds.

Until just over three years ago, factories in England were often subjected to power cuts, while industry in the Glasgow area continued at full capacity, using power from the hydro schemes then completed.

SO FAR, I have considered services which have been built on natural amenities of position, supplies, topography and so on. Yet the success of American firms in Scotland has been due not only to them, but to the attitude of Scots people. Undoubtedly, the leading men in Scottish industrial development have shown themselves more willing to help the prospective business immigrants than their counterparts in

other parts of Britain. You can start an argument about traditional Scottish courtesy and traditional English aloofness, or you can simply call it good business. At any rate, it is service. The two greatest services are the provision of rented factories and the provision of information on marketing, materials and negotiating.

The incoming industrialist does not need to build a factory. He can rent one, at a varying yearly rate, but usually around eight to twelve cents a square foot on a long lease. This annual rent is not such a big financial drain as would be building at present rates. The firm can spend money on plant, advertising, and generally getting off to a flying start without the need to plough profits back into building, though most American tenants have greatly increased their factory space since coming to Scotland.

But together with Scotland's transport, hydro-electric power, and good factory sites, one of the main attractions is its high-powered publicity organizations — among the best in the world. Off Edinburgh's Princes Street is an office whose windows give an inspiring view of the castle. It is the headquarters of the Scottish Council (Development and Industry) whose president is Lord Bilsland, industrialist and a leader in the development of Scotland. The Scottish Council's policy is "to do anything and everything, no matter how small and no matter how big, that it sincerely believes

to be to the good of Scotland." It represents industry, trade unions, banks, local authorities and negotiates at government level. The Council has offices in London, New York and Toronto, agents in Scandinavia and South America. It obtains information about markets and supplies from all over the world. Thus if someone wants to buy something, the Council tells him who makes it. If a firm wants to find a new market, the Council can generally put it on to one.

➤ The Council, in cooperation with universities, makes geological surveys in order to find exploitable raw material, such as limestone and dolomite. Recently the Council helped check the drift of population from the Scottish Borders by recommending better methods of land utilization. Through their New York, London and Edinburgh offices, the Council has relieved many of the American firms of the negotiations involved in branching to Britain. A monthly magazine is distributed to industrialists throughout Britain.

➤ **T**HUS, from its transport and hydro-electric power to its well-organized business services, Scotland is attracting more and more American industry.

A glance at Scotland's industrial history reveals a sort of poetic justice in the present Scots-American business venture. The directors of some of the incoming American firms are descended from those Scotsmen who went to America to seek their fortunes. (For this reason an increase in the number of Canadian firms is likely, since Canada is in some respects more Scottish than Scotland.)

Going farther back, the southwest of Scotland got its first business impetus from trade with the early American republic. This was reduced by the American Civil War, and was further reduced when the industrial revolution turned Scotland to heavy industry.

➤ The present phase brings a closer Scots-American collaboration than ever. One of its most gratifying aspects is the difference in size of the two countries. Another is that it is being carried on without any blowing of political and ideological trumpets. It is a business arrangement. And that surely is one of the basic concepts of American democracy — that free industry should make available to as many people as possible the fruits of progress. Scotland can be proud to be a partner in this movement.





"Would you have a dog that growls at anyone who whistles?"

Music~

COG IN THE MACHINERY FOR WORLD DOMINATION

by Verna Arvey



FOR more than thirty years, European and American concert-goers have had to listen to dissonant contemporary music on the assumption that it is "new" and that it is the "music" of the future. Whenever a listener or a critic has objected, he has been rewarded with a storm of abuse and been denounced as "reactionary," "imperceptive," "stupid," or worse. He has been attacked on a smaller scale with the same venom and fury with which the Leftists now attack Senator McCarthy! Almost in the same breath, contemporary music which is not discordant has been similarly abused.

Is it only a coincidence that here in America the names of some of the abusers appear also on official un-American lists? And yet in Russia, the government has been known to

censure its composers for writing dissonant music! It has several times ordered them to return to the melodic style of composers such as Tschaikowsky.

How may this apparent paradox be explained: Dissonance encouraged in America by Soviet sympathizers, while melody was ordered in Russia?

Perhaps if we re-read Plato's *Republic* we may find an answer in this passage: "The introduction of a new kind of music must be shunned as imperiling the whole state, for styles of music are never disturbed without affecting the most important political institutions. . . . The new style, gradually gaining a lodgment, quietly insinuates itself into manners and customs, and from there it . . . goes on to attack laws and constitutions, displaying the utmost impu-