

In Bed with an Elephant?

Exploring Scottish-UK relations after independence

Dr Nicola McEwen, University of Edinburgh

ESRC Senior Scotland Fellow

Independence and Interdependence

In September 2014, Scots will pass judgement on whether Scotland should be an independent country. But what does it mean to be ‘an independent country’ in an interdependent world?

The Scottish government’s vision of independence has emphasised the continued associations that Scotland and the rest of the UK would still share. Independence would not cut Scotland off from its neighbours, but would mark a new relationship with the rest of the UK. A partnership of equals, in which we continued to share a social union, a currency union, a labour market, an energy market, a common travel area, and a variety of other possible institutions and services.

But how feasible is this form of ‘embedded independence’? And would it really be a partnership of equals?

The Sound of One Hand Clapping

Negotiating any form of independence would require the consent of the UK government and parliament. Negotiating interdependence even more so, given the longer term implications it could have for the way rUK is governed.

Yet, the UK government has given little indication of its willingness to accommodate an embedded form of independence. It has hidden behind the politically pragmatic refusal to engage in any ‘pre-negotiation’, while hinting at the practical difficulties and divergent interests that may render a new Scottish-UK partnership unlikely.

This stance prohibits informed decision-making

by an electorate desperate for clarity, and merits closer scrutiny. The 2015 General Election raises questions over who would be in government to oversee independence negotiations, but it doesn’t prevent the UK parties from being challenged to make their position clear.

ESRC Research Project

My 12 month research project – part of the ESRC Future of the UK and Scotland programme - provides impartial analysis of the capacity and likely dynamics of intergovernmental co-ordination in the wake of independence.

It focuses on two policy areas – energy and welfare – both crucial to Scotland’s future as a progressive and prosperous nation. Both would involve a transfer of power from Westminster to Scotland under independence. Negotiating and facilitating this power transfer would require co-operation between both governments, but longer term collaboration is also being considered.

In energy, for example, the Scottish government envisages that Scotland as an independent country would share the same liberalised electricity market with the rest of the UK, including overseeing the electricity grid and the policy incentives for energy companies to invest in renewables. In the event of independence, this level of integration would clearly be the preference of the industry.

“shared arrangements would bring bureaucratic efficiencies... But it may come at a price. The greater the interdependencies and continuities, the less scope for taking different policy paths.”

In welfare, the *bureaucracy* for delivering some benefits and services could potentially be shared, even if the benefits themselves might differ after independence. Just as the Student Loans Company currently serves four different governmental masters, so too might an agency delivering social security benefits on behalf of different governments across the British Isles.

Such shared arrangements would bring bureaucratic efficiencies for Scotland, but potentially also for the rUK: e.g. pension centres in Motherwell and Dundee could continue, as now, to process payments for citizens south of the border. But it may come at a price. The greater the interdependencies and continuities, the less scope for taking different policy paths.

Governing independence would also require an organisational mechanism to facilitate co-operation and policy co-ordination between governments and bureaucracies. Informal links and a reliance on goodwill - the currency of intergovernmental relations under devolution - would remain important, but are inadequate to co-ordinate the relations and policy choices of two sovereign states.

How to Share a Bed with an Elephant

Political independence may create formal equality between Scotland and rUK as sovereign states. But differences in resources - of economic strength, population, policy capacity, political experience, influence and standing in the world - would bring inequalities back into the intergovernmental relationship.

But the experience of small states elsewhere suggests that an independent Scotland would not be without influence in its relations with rUK and the international community. In areas where Scotland has significant resource strengths or niche expertise - energy, fishing, medicine, food and drink, etc - the balance of power and influence may shift at least a little. The question remains open as to whether an independent Scotland's influence would be greater than the influence it carries as a member-nation of the UK today.

Contact Details for Nicola McEwen:

Email: N.McEwen@ed.ac.uk

Press Enquiries: 0131 650 9547

For further details on this project, see:

http://www.aog.ed.ac.uk/independence/mcewen_esrc_fellowship

For details of the ESRC programme, see:

<http://www.esrc.ac.uk/about-esrc/what-we-do/our-research/future-of-uk-and-scotland/index.aspx>

The University of Edinburgh provides informed commentary and analysis on its referendum blog, *Scotland's Referendum: Informing the Debate*, available at: <http://www.referendum.ed.ac.uk/>

