



SCOTLAND'S VOTE
ON INDEPENDENCE
**THE IMPLICATIONS
FOR IRELAND**

By Paul Gillespie



The Institute of International and European Affairs

Tel: (353) 1-874 6756.

Fax: (353) 1- 878 6880.

E-mail: reception@iiea.com.

Web: www.iiea.com

8 North Great Georges Street,

Dublin 1,

Ireland

“Scotland’s Vote on Independence – The Implications for Ireland”. © Institute of International and European Affairs 2014.

Written by Paul Gillespie, 4 February 2014.

Dr Paul Gillespie is a columnist and leader writer for The Irish Times and an adjunct Senior Research Fellow at the School of Politics and International Relations in University College Dublin. He is a long-standing member of the IIEA’s UK Group and also leads the Institute’s current project on Political Union. He has published widely on British-Irish relations, European integration issues, Irish foreign policy and Europe-Asia relations. His email address is pegillespie@gmail.com.

Cover design and type by Alba Comenge.

This paper is produced by the IIEA UK group.

The Institute of International and European Affairs does not express any opinions of its own. The words and opinions expressed in this document are the sole responsibility of the author.

I. Introduction

On 18 September 2014 Scottish citizens will vote Yes or No in a referendum on the question “Should Scotland be an independent country?” The vote will be the culmination of a remarkable set of political developments put in train by the outright victory of the Scottish National Party in the 2011 Scottish Parliament elections. Having won an unexpected overall majority the party had no option but to propose a referendum on independence as promised in its manifesto. Its defeat of the Labour Party was a great shock, not only for that party, but for the wider British political establishment. Labour had become the key basis of continuing unionism in Scotland following the virtually complete erosion of the Conservative Party there, which was reduced to one Scottish seat in the House of Commons in the 2010 general elections.

Over the last three years the potentially historic implications of these developments for the future of the United Kingdom have become increasingly apparent. Should Scotland become independent, the remaining union between England, Wales and Northern Ireland would become more ungainly in terms of relative geographical scale with such a dominant England; problematic in terms of constitutional structure; and unsettled in terms of potentially divergent political interests and values. The coincidence of the Scottish independence debate with the steady drift of public opinion towards Euroscepticism reinforces the picture of a political system going through a genuine crisis of transition. Should the UK leave the European Union, as is now possible following the commitment made by Prime Minister David Cameron to hold an in/out referendum in 2017 (Cameron 2013), the internal turmoil over Scotland would be accompanied by an external crisis over the UK’s role in Europe. A British departure from the EU would radically change the political balance within the Union and transform the economic and political landscape for other European states and peoples.

No state would be affected as much as Ireland if either or both of these developments come to pass. Ireland is directly linked politically and constitutionally to the UK through Northern Ireland and the Belfast Agreement of 1998. The long ties of colonial occupation, war, joint politics, and the struggle for Irish self-rule and independence give the two states an unparalleled historical intimacy. Continuing informal dependence of the formally independent Irish state on Britain from the 1920s to the 1960s was transformed into a more normal and complex interdependence from the 1970s through joint membership of the European communities as well as the necessity to cooperate over the troubles in Northern Ireland. The healthy political equilibrium reached between the two states in the first decade of this century was symbolically marked by Queen Elizabeth II’s moving visit to the Republic in May 2011. It coincided with a bedding down of the power-sharing government in Northern Ireland and led to the March 2012 Downing Street agreement between Taoiseach Enda Kenny and Prime Minister David Cameron on joint consultations and co-operation (Cameron and Kenny 2012).

If Scotland becomes independent and the UK leaves the EU this equilibrium would be undermined and would need to be rebuilt anew. This paper, completed in early February 2014, is part of a continuing work programme by the UK Group in the Institute of International and European Affairs, analysing the implications for Ireland of these internal and external developments in Britain over the past 20 years (Gillespie Ed. 1996; Gillespie Ed. 2000; Kilcourse and Ó Ceallaigh 2013).¹ The paper concentrates mainly on Scotland and aims to give a reading of where the debate on Scottish independence is going (section II), including reference to the Scottish government’s White

¹ The author acknowledges helpful comments from members of the IIEA’s UK Group and from *Irish Times* colleagues Denis Staunton and Paddy Smyth, insights from the Institute’s work programme and visiting speakers on UK issues and stimulating discussions at conferences organised by the Institute of British-Irish Studies in University College Dublin, the UCD Garret FitzGerald Spring Schools, the British-Irish Association, the Cardiff Forum on the UK’s Changing Union and the Ditchley Foundation. However, the author alone is responsible for the views set out here.

Paper (section III). It goes on to examine the political linkages in the UK political debate and the debate on EU membership (section IV). In section V, the paper develops four possible scenarios concerning how the Scottish issue links up with the likely referendum on whether the UK will stay in the EU and the implications for Ireland of both these outcomes. The conclusion argues that these raise profoundly important issues for Ireland demanding further analysis and debate, which the IIEA will address in forthcoming publications.

II. Campaign Dynamics

A cloud of uncertainty hangs over the United Kingdom as Scotland decides on independence next 18 September and then as voters probably decide on whether the (remaining or intact) UK will stay in the European Union in 2017. The calendar is pregnant with political linkages, as European Parliament elections are held in May this year, followed by UK general elections in May 2015 and elections for the UK's devolved parliaments and assemblies in 2016. On the outcome hangs Britain's future international role and influence. As its closest neighbour, Ireland has a huge interest in what happens (Gillespie 2013a; 2013b).

Devolution has emphatically bedded down in Scotland following its introduction by the new Labour government in 1998:

There has in fact been remarkably little change since 1997 in the level of support for independence. In most years it has been somewhere between one quarter and one third. It reached a peak of 37 per cent in the immediate wake of the 1997 referendum on devolution and another of 35 per cent in 2005. But more recently support has, if anything, been on the low side, falling as low as 23 per cent in 2010 (Curtice and Ormston 2012).

That changed after the Scottish National Party's spectacular victory in the 2011 Scottish elections, when it won 45.4% of the constituency poll and 44% of the list poll compared to Labour's respective 31.3% and 26.3%. This gave the party an overall majority in the parliament, defying nearly all political predictions. In the wake of that victory, support for independence increased to a high of 32%; but the respected authors of the British Social Attitudes (BSA) survey, John Curtice and Rachel Ormston, pointed out that:

at 32 per cent the level of support for independence now [June 2012] is still in the range within which it has oscillated during the last dozen or so years, and still trails that for devolution (58 per cent) by some considerable margin. It is also clear that far fewer people currently support independence than were willing to vote SNP in the 2011 Scottish Parliament elections; indeed only 51 per cent of those who said they voted SNP in 2011 also favoured independence.

This analysis remains broadly true on the balance of opinion, as is confirmed by Curtice's running commentary on the excellent polling website 'What Scotland Thinks' (<http://whatscotlandthinks.org/>). But it would be a mistake to conclude that the result is a foregone conclusion, because many people have yet to engage fully in the campaign. In their analysis, Curtice and Ormston find the expectations of economic benefits flowing from independence to be much the most important factor determining voting intentions. There is a 74 point difference in support for independence between those who feel Scotland's economy would be a lot stronger and those who think it would be a lot weaker if the country were to leave the UK. Even those who say they are Scottish as op-

posed to British do not support independence if they are uncertain about the economy (Curtice and Ormston 2012).

But a lot depends on how the questions are phrased. For example, when Scots were asked simply whether they believe the Scottish Parliament should make all decisions (defined by the poll authors as independence) that figure went up from 28% to 43% between 2010 and 2011, while those who want to see the UK government deciding only defence and foreign policy went down from 32% to 29%. The answer to this puzzle, they say, is that when the competences are spelled out there is a clear majority for the devolution max option not because it has the single greatest support but because “it is the one option around which both ‘nationalists’ and many ‘unionists’ can seemingly potentially coalesce”. This helps explain the prominence given to “devo-max” in the debate; but it also underlines how potentially open the referendum debate is depending on how it is framed and conducted (Curtice and Ormston 2012).

Polling in 2013 showed a remarkably stable margin average of 49-32% against independence (61-39% excluding ‘Don’t Knows’) and a surprisingly larger 74-26% against among Scottish teenagers as 16 and 17 year-olds prepare to vote for the first time. Some polls persistently show closer averages than others, partly depending on what questions are asked. And four polls after publication of the Scottish Government’s White Paper on 26 November showed only an average increase of 2% in the margin for. This stable pattern was broken by an ICM poll for *Scotland on Sunday* published on 26 January 2014. It showed 37% saying they will vote Yes and 44% saying they will vote No – a swing of five percentage points towards the Yes side compared to the previous ICM poll in September 2013. The trend was reinforced by a finding that those who don’t know how they will vote are most likely to vote Yes if they do vote, and that those who believe Scotland should have powers to determine taxation and welfare if the No side wins would vote Yes if they thought this would not happen. Taking these two elements together with the overall result, the Yes tally would reach 49%, making the referendum result too close to call (Curtice 2014).

Many voters are undecided and demand more information with less than nine months of campaigning to go at this writing (see <http://whatscotlandthinks.org/> for up-to-date details). The Yes side remains confident it can close the gap and is sure an insensitive London-centred No campaign will help. It says the gap is being narrowed and that movement of opinion is all one way, from “No” to “Don’t Know” to “Yes”. Polling indicates the 17-20% undecided voters swinging more to the Yes side, with most depending on how they expect their own and Scotland’s economic fortunes would fare if it became independent. No less than 88% of those who think independence would be good for the economy anticipate voting Yes, while 87% of those who reckon it would be bad say they will vote No. If the Yes side can convince more voters that independence would be better for the economy and their own living standards they would narrow the gap decisively.

The crucial swing group is working class Labour supporters in West Central Scotland, particularly in and around Glasgow, reflecting the wider electoral and political competition between the Labour Party and the Scottish National Party. Those from a Catholic Irish background are an important component of this swing group, which traditionally supported Labour. The Scottish National Party secured a majority of Catholic votes in the 2011 Scottish elections, a significant achievement given the party’s historical image as representing Protestant nationalism, a perception it has striven hard to change. At least one fifth of Labour supporters need to support independence if it is to pass (Bonney 2013). There is a paradox here, in that working class males are among the most likely social groups to vote Yes, even though they are normally the least likely to go to the ballot box. There is an income and class divide between the two sides, with poorer Scots more likely to vote Yes according to survey evidence (McLean and Thomson 2013; Neville and Dickie 2014). This

challenges the Yes side to convince them to vote. That comes alongside a realisation, based on that side's own research, that the more voters believe they understand the issues involved, the more likely they are to vote Yes.

Thus the outcome of the independence vote cannot and should not be predicted or read off from such polling evidence, which is itself ambiguous. It is necessary to examine the balance of forces involved, the merits of the arguments put and the context in which the campaign occurs. Scottish voters, most of them previously Labour supporters, having made the radical shift towards the SNP as a result of its record in government and the universally acknowledged leadership talent of its leader, Alex Salmond, are likely to become impatient with such an approach. That is why Labour veterans' fears of an overly negative unionist campaign directed against the SNP and Salmond – one that would be dominated by the political motives of fear, hate and tribalism - make good sense.

So far the Scottish debate has in fact managed to avoid such negative characteristics, according to most participants, even though the tone is sharpening as the bigger issues are tackled and the major consequences of the decision for all concerned are clarified. It has been largely a civic debate, not an emotional one based on exclusionary identities. This reflects the distinctive characteristics of Scottish nationalism, which “draws very thinly on cultural traditions” and has virtually no linguistic or religious basis (McCrone 1992: 214). As time goes on, however, and as the sides get closer, we can expect a more passionate debate drawing on identity issues as well as evidence-based arguments. Voting is open to all who live in Scotland. Scottish nationalism has historically been based more on an argument about unfairness and imbalance in a post-imperial and deindustrialised UK than on an abiding sense of national oppression. Scotland was not a colony like Ireland and participated in empire, political dominance and industrial power on a roughly equal basis during the 200-year heyday of the United Kingdom. And Scotland was an enthusiastic partner in the resurgence of post-war Britishness defined by the welfare state and the consumer society (Colley 2014 chap. 9).

Only gradually did Scotland's party politics differentiate significantly from England's – 55% of its MPs in 1955 were Scottish Conservative Unionists compared to one Conservative now, for example. Nationalism was revived in the 1970s as the major pillars of common Britishness ebbed and home rule through devolution made increasing sense. The narrow vote in favour of this outcome in 1979 was over-ruled because it failed to secure support from 40% of the electorate. The following decade of Thatcherism was the critical turning point in Scottish differentiation as Scottish and English political attitudes diverged on deindustrialisation, welfare, the poll tax and Europe. This deepened the demand for devolution in the 1990s. It was met by a Labour Party anxious to head off separatist nationalism and convinced that devolution was the way to do this effectively. The argument worked for a decade until it was radically upset by the SNP's unexpected overall majority in 2011. The SNP had no option in these circumstances but to hold the referendum on independence it had promised. And London has conceded its legitimacy, notwithstanding the huge consequential issues at stake – much to the surprise and incomprehension of Spanish political leaders, for example, who do not concede the right of secession to Catalans or Basques. It is agreed by both sides that there would be an 18-month period of internal and external negotiation before “Independence Day” on Holy Thursday 2016.

III. Campaign Arguments

The No side in the referendum campaign is based on an alliance between the pro-union parties of Labour, the Conservatives and the Liberal Democrats in the “Better Together” campaign (<http://bettertogether.net/>). It argues that Scotland would be better off and more secure in a continuing

United Kingdom in which it can express itself fairly and equally. The No side has a continuing though narrowing lead in the polls and is now rolling out the major economic and political issues in an impressive reminder of how fateful a choice faces Scottish voters:

- What currency would an independent Scotland use – sterling, the euro or an independent one? If sterling, does that contradict the independent power to tax and spend nationalists put such store in, because macroeconomic norms set in London would have to be obeyed?
- How would state debt be divided – on demographic grounds, taking account of wealth and income? How will it be guaranteed in the run-up to the referendum and thereafter if it is a Yes?
- Could the overall £1.2 trillion UK debt be bargained against a refusal by London to allow an independent Scotland to join a sterling currency union without relinquishing its fiscal autonomy, as Alex Salmond threatened in a Financial Times interview following the speech by Bank of England Governor, Mark Carney, which spelled out the options facing Scotland over sterling? (Russell and Dickie 2014; Carney 2014)
- How would oil and gas resources be distributed?
- How would an independent Scotland protect existing standards of employment, welfare, pensions and investment?
- Would an independent Scotland be entitled to automatic membership of the European Union, NATO and other international organisations or would it face an onerous and disadvantageous application process?

These are indeed big questions. They are reinforced by the involvement of business and trade union groups on the Yes side, along with a proliferation of sectoral and occupational organisations mobilised in the campaigning. Together and in the manner they are presented by the No side they can amount to a “big fear” factor dissuading undecided voters, according to the Yes side. They in turn acknowledge that there is a risk involved in independence but that Scotland is mature and rich enough to take it, since it is virtually self-sufficient in fiscal terms. There is in fact a deep involvement of sectoral groups on both sides of the argument. The transition would be gradual after independence, it is argued, taking account of existing interdependences in Britain, Europe and the world (Robertson 2014).

The Yes side has prepared a remarkably thorough campaign, based on a careful assessment of the changing electoral demographics at local level, a powerful understanding of the new sources of pride and confidence abroad in Scotland and a readiness to exploit their large accumulation of symbolic capital. They have also a canny sense of the expected political context in a wider UK setting. As in Ireland, there is a well-developed ability in the independence camp to exploit or mock the London-based casual assumptions, prejudices and arrogances of the unionist case, based on changing realities, as is typical of close relations between smaller and larger nations in which the small one pays much more attention to the large than vice versa.

Many of the difficult questions raised by the No side were unanticipated by advocates of independence but are addressed in detail, though not necessarily resolved, in the Scottish government’s White Paper on Scottish independence, *Scotland’s Future*. A substantial book-length document, it first presents the overall case for independence as a decisive step, but an incremental one retaining many links with the remaining United Kingdom (Robertson 2014). The motivation for publishing it in such detail is to help close the knowledge gap that the Yes side believes will be to its disadvantage in the campaign, functioning as a kind of catechism and deflecting the No side’s argument that independence is risky uncharted territory. Over 40,000 copies have been printed, there have been one million online views and 90,000 downloads. This is despite the small movement in the polls immediately after its publication and the argument

by the No side's cross-party campaign organisation, Better Together, that it is much more an advocacy than an information document.

The White Paper says that after breaking the link with the UK's political union, five other unions will remain with the remaining UK: the European Union; the union of crowns which would keep Queen Elizabeth II as monarch; joint membership of the sterling area; joint membership of NATO; and a continuing social union consisting of family, historical, cultural and linguistic ties in a more interdependent world. Scotland would support the UK's continuing seat on the United Nations Security Council and would still cooperate closely with the UK in international affairs.

The White Paper goes on to spell out in successive chapters how independence is envisaged to apply in the principal policy areas:

- finances and the economy - Scotland's budgets would be in balance and self-sustaining;
- health, well-being and social protection - would be kept at a higher level than the UK;
- education, skills and employment - would be developed and enhanced;
- international relations and defence - would be reconfigured to suit an independent non-nuclear Scotland remaining in NATO;
- justice, security and home affairs - would be reconfigured, keeping open borders with the rest of the UK, Ireland and the EU;
- environment, rural Scotland, energy and resources - would emphasise the country's development potential in these spheres;
- culture, communications and digital - would allow an independent state build up a modern infrastructure using these resources.

Separate sections are then devoted to building a modern democracy and to providing answers to 650 questions asked about independence, which the Yes side is using actively in its campaigning.

The White Paper makes much of how Scotland is disadvantaged by being part of a United Kingdom in which for 34 of the last 68 years Scotland has been ruled by Westminster governments for which Scots did not vote and with policies they do not support. Prominent examples include nuclear weapons, Thatcher's poll tax and the so-called bedroom tax on households, educational fees and health charges under Blair and Cameron. There is a notable commitment to increase children's allowances in an independent state, pitched at polling research indicating that women are markedly less likely to support independence. There is also a commitment to reduce corporate taxation by 3%.

The Scottish National Party wants to keep sterling and hopes to negotiate a currency union with London. This would give it greater flexibility than simply accepting the imperatives dictated by England's scale and Conservative policies, which it rejects. The Treasury opposes such a union, mindful of the euro's difficulties. While the political and economic logic of independence might seem to drive Scotland towards euro membership, the large proportion of trade between Scotland and England requires a continuing sterling link and current preferences would certainly not allow the Yes side to win the referendum that way.

Defence and security is another huge issue. The SNP now wants to stay in NATO, but not to keep the UK nuclear submarine fleet at its Faslane base in Scotland. That may change or be negotiated; precedents include the three ports ceded to the UK by Ireland in the 1921 Treaty and returned to Irish sovereignty in 1938, but such a concession might be a step too far by an independent Scotland. The US is worried about the inevitable weakening of its main ally if Scotland becomes independent. Many questions would arise about an independent Scotland's attitudes to NATO:

Would Scotland accept the protection of the NATO nuclear umbrella, and could she be a full member of NATO if she did not? Would she be ready to accept the full collective defence implications of Article 5 of the NATO Treaty? Would she accept the Strategic Concept of NATO, about which there could not be negotiation? What assets would she be prepared to put at NATO's disposal? Would an independent Scotland want to insist that no ships which were or could be carrying nuclear weapons would be allowed in her waters – or even nuclear-powered ships? Either could pose major problems for the US in particular, with its policy of neither confirming nor denying the presence of nuclear weapons on its ships. The question mark which Scottish attitudes to Trident could place over the current UK deterrent could be seen as weakening NATO, which might again call into question Scotland's commitment to NATO in some eyes (Ditchley Foundation 2013).

Ireland's experience of independent defence policy and international involvement would be relevant for an independent Scotland planning a new foreign policy (Lee 2013).

There would be consequences too for the international position of the remaining UK in the event of Scottish independence. Although the White Paper pledges an independent Scotland would continue to support the UK's permanent seat on the United Nations Security Council, it is likely that emerging powers would demand this question be reopened and changed. Thus Scotland's independence could trigger a much larger geopolitical shift from the political order inscribed after the Second World War as the world moves towards a new multipolarity (Gillespie 2013).

IV. Campaign Linkages

Scottish Labour veterans fear the unionist campaign against independence there concentrates too heavily on negative feelings against the Scottish National Party and not enough on answering that party's case that the existing structure of the UK concentrates power irretrievably in London and the south-east region which benefit most from it. This increasing imbalance is deeply resented, as is the accompanying argument that a prosperous south-east of England economy centred on London can best survive in the global economy unencumbered by the EU (Hassan 2014). Hence, the SNP argues, the need for independence. The SNP is well positioned to exploit these tensions. Even if the referendum is rejected, they and the questions they pose will not go away. Current and future bargaining over the ambiguous line between "independence-lite" and "devo-max" will deepen Scottish and most probably Welsh – and possibly Northern Ireland's – legislative powers, even ahead of the Scottish vote. It is uncannily reminiscent of the Home Rule dynamic that preoccupied British politics from the 1880s to the First World War (Colley 2014: 100-103). Conservatives who then bitterly opposed Home Rule because it threatened the union and the empire have since the 1990s accepted the argument that devolution is the best way to preserve unionism.

An important factor among the Don't Knows is whether they trust the Conservative-led government to deliver on the devo-max most want; if they don't then the slogan "vote Yes to get devo-max" makes more sense. The only sure way to secure the deeper devolution most Scots want is by voting for independence, the Yes side argues, since Westminster cannot be trusted to deliver it otherwise. It remains to be seen whether the Conservatives or Labour will in fact offer more details of the "devolution max" option ahead of the referendum date to head off this argument by the Yes side. The Labour Party has pledged to issue a document on the UK's constitutional structure this Spring. The party has most to lose if Scotland becomes independent, given how much its strength there boosts its number of seats in the House of Commons and how strong a leadership role Scots have traditionally played in Labour.

Deeper devolution would have consequences for the rest of the UK; it would probably mean the end of the Barnett formula which currently distributes revenue from Westminster to the devolved authorities according to a set proportion, arguably leading to a federalising logic in which the devolved authorities including Scotland would raise their own revenues and send specified sums to London for agreed functions such as foreign policy and defence. But this would be difficult to implement given the huge size of England compared to Scotland, Wales and Northern Ireland. And unionist leaders in Northern Ireland display no enthusiasm for more devolved taxing and spending powers, given the extent of the current large annual subsidy from London. But they have paid very little attention to and made little preparation for the end to the Barnett formula, which would have to be revised if Scotland votes Yes and would be subject to radical review if deeper devolution follows a No vote (for illustrative details see McKay Commission 2013).

A similar factor drives those who want to protect Scottish welfare and communitarian values to vote Yes for fear of being outvoted by an England less committed to them. The White Paper on independence makes a lot of this differentiation, most notably by proposing increased childcare, even though this is in fact a devolved power already. The same logic drives their appeal to less well-off Scots to vote Yes in their own interests.

If the No side wins this year, Scotland's preference to remain a member of the European Union could be outvoted by an English majority in a future UK referendum. This would reopen the independence question because Scots value access to the EU as a source of national empowerment quite unlike the English, even though they share much of the UK's current Euroscepticism. Future relations of an independent Scotland with London are envisaged using similar mechanisms developed to manage British-Irish relations, such as the British-Irish Council and the Downing Street Statement signed in March 2012.

Independence has many other implications, legal and political. Legally much depends on whether the rest of the UK becomes the continuity state and Scotland a new one or if continuity is shared. But politics would trump the law, in that a mutually agreed separation between Edinburgh and London, as both claim to want if Scottish voters back independence, would be accepted by most international partners. EU membership would be sought by Scotland and Brussels would be pragmatic faced with such a consensus, rather than being presented with a unilateral declaration of independence. But all Member States would have to agree, including a Spain facing Basque and Catalan demands for independence, though close observers point out it could lose access to Scottish fishing grounds if it vetoed Scotland's EU membership.

This is assuming the UK remains in the EU if Scotland stays in the UK, another great uncertainty. The latest UK poll at this writing shows a 52-34% majority in favour of withdrawal from the EU, with Conservative voters 62-30% in favour and Labour voters wanting to remain members by 46-40% (Opinium/*Observer* poll, *Observer*, 19 January 2014). There is a large swing group depending on negotiating outcomes, according to a different YouGov poll. It reports a 45-32% margin for withdrawal, which becomes an even 39-38% with "modest renegotiation" and 52-23% in favour of staying in with a "major renegotiation of powers" – the most notable of which would be renegotiating immigration limits (61%) and reducing immigrants' benefits (46%) while cutting business regulation matters less at 37%. But as "an important issue facing Britain", in an Ipsos Mori Issues Index for December, the EU does not even hit double figures, trailing at 7% behind education, crime, NHS, poverty/inequality, pensions and the economy – the last two scoring 33% and 47% respectively, with immigration increasing as concern about the economy abates (*Observer*, 19 January 2014). Thus the EU issue is much less salient for voters than for the Conservatives, the United Kingdom Independence Party (Ukip) and the media supporting them.

There is an uncanny resemblance between the unionist case for keeping Scotland in the UK to preserve access and influence and the case for the UK staying in the EU. Polling in Scotland shows a swing group moving to vote Yes if they think the UK will leave the EU, even though overall Scottish attitudes towards the EU are only marginally (4-6%) less hostile than that in England (Curtice 2014). The calendar shows the anti-EU party Ukip doing well in May's European Parliament elections, four months ahead of the Scottish vote. The UK general election in May 2015 will still give Scottish MPs a role in forming a government – even after a Yes vote, presenting deep problems of constitutional legitimacy, since presumably they would no longer be represented there after independence is proclaimed in 2016. Paradoxically the unionist Labour Party could become the governing party in an independent Scotland if it won the 2016 Scottish Parliament elections on the back of electors' dissatisfaction over the outcome of negotiations with London. And if it is a No to Scottish independence, a UK vote on EU membership in 2017 would reopen the independence question.

Much will depend on what is happening to the UK economy and its record in Europe during the closing stages of the campaign. A strong Ukip showing in the 2014 European Parliament elections would sharply remind the Scots that the referendum will also be about their coexistence in a continuing union with a much more Eurosceptic and Conservative England. Alternatively a recovering and more buoyant Labour Party showing in those elections could project a different image. If the Scots vote No to independence, Labour would receive a boost in morale which would affect its performance in the 2015 general elections and might reinforce its position against any withdrawal from the EU in response to Conservative policies and strengthen its current unconvincing refusal to hold an EU referendum.

The key variable here would be Conservative Euroscepticism as a source of Othering in the development of Scottish political identities – as is typical of such nationalist movements elsewhere – given the toxicity of contemporary Conservatism in Scottish political culture, whose communitarian centre of gravity is to the left of English individualism. A somewhat similar force is at work in Wales. Depending on the outcome of the 2014 Scottish referendum and the 2015 general elections, those for the devolved parliaments and assemblies in 2016 will hinge on the consequences of the Scottish vote, the future shape of the UK and its role in Europe.

V. Scenarios for Scotland in the UK and the UK in the EU

Irish policy-makers have been watching the UK's intensifying debate on membership of the European Union and Scottish independence with growing fascination and alarm. Ireland's increasingly formal status of independence from the 1920s evolved alongside a continuing informal economic and cultural dependence on Britain until the 1960s, which was transformed into interdependence in the following decades through membership of the European communities. The two states, economies and peoples have never been as interdependent as they now are, yet could face new borders and tensions should the UK withdraw from the EU. Ireland's fundamental interest is to remain close to both, but how can this be done if they draw so much apart? And if either or both of these events occur, what reciprocal effects will they have in Ireland, North and South? These questions require further research within the framework of the complex interdependence between the two states; they are flagged in this section along with four suggested scenarios of possible political developments (see Gillespie 2014 for an extended analysis on which this section draws substantially).

David Cameron's commitment to a referendum on a renegotiated deal with Brussels when European treaties change to accommodate a deeper Eurozone is accepted as a regrettable political reality by the Irish Government, even though it knows very well how risky referendums are. The rapid growth of Euroscepticism, intimately associated with English nationalism by Ukip (Wellings 2013), is forcing a transformation in the UK's relations with the EU, the logic of which could on current voting trends herald a UK withdrawal in 2017 assuming the Conservative undertaking to hold a referendum in that year is adhered to. The prospect of a UK withdrawal is alarming for Irish policy-makers because it would jeopardise key conditions that have brought Britain and Ireland closer together over the last generation.

That the British state and peoples are facing a dual constitutional problem is highlighted by the fact that this is the second referendum preoccupying British politics alongside that on Scottish independence. This prospect is equally fascinating and disquieting for Irish observers. The twin processes of devolving power downwards within the UK and sharing it with other states in the EU radically challenge British unitary conceptions of sovereignty constructed in empire, even though devolution and power-sharing are now more necessary as well as difficult for the central British state. It is a crisis of political identity for all concerned, in which resolution of the EU issue depends on finding a solution to that of the UK itself (Gillespie Ed. 1996; 2000). Ireland too has been through this internal process of disentangling from imperial unionism, first peaceably through the Home Rule movement from the 1870s to the 1900s and then through violent anti-colonial revolution which gave 26 of its 32 counties an expandable dominion status in 1921-22. Many of the dynamics now on view in the British debate – notably devolution as “a process not an event” – resonate with that earlier period. Scots who want to stay in the EU may vote to leave the UK in 2014, while those who vote No to independence may find the question reopened in 2017 if a Scottish majority in favour of the EU is trumped by a UK (meaning English) majority against, as polling and popular attitudes towards political identity increasingly indicate is likely (Wyn Jones *et al.*, 2013; Stephens, 2013).

Consideration of a range of scenarios allows us to think about the future in a structured way by providing a framework to address uncertainty and contingency. Policy analysts from the IIEA, examining the implications of the UK's changing relations with the EU for Ireland and how they should be handled by policy-makers, suggest three possibilities: accommodation, repatriation and withdrawal (Kilcourse and Ó Ceallaigh, 2013). An *accommodation* scenario would see EU Member States agreeing to give the UK minor concessions that do not alter the fundamentals of the Union and do not require treaty change. *Repatriation* would be a more substantial renegotiation, probably involving treaty change and preferably conducted multilaterally rather than bilaterally. It would reform the rules governing relations between the Eurozone and other EU Member States, protect the single market and preserve the EU's overall integrity. But if exercised bilaterally it could fundamentally change the competitiveness equation with Ireland to Britain's advantage. *Withdrawal*, the third scenario, would arise from an unsatisfactory repatriation negotiation rejected in a referendum, or from an accident of miscalculation and domestic political dynamics drawing on the forces already mentioned. A new deal would then have to be negotiated between the UK and the EU – and between Ireland and the UK to avoid a disastrous re-imposition of (EU) border controls between North and South and a much more ruthless competitive space between them.

Ireland's options in managing these changes are also threefold, according to Kilcourse and Ó Ceallaigh. An unlikely *reactive* response would see Ireland avoid taking any steps that would damage the close relationship with the UK, including stepping back from further EU integration. A *proactive* response would combine Ireland's commitment to the developing core of the EU with keeping good relations with the UK as a priority. A third *interpretive* option would see Ireland use its privileged knowledge and engagement with the UK as an interpreter and mediator of British

views for other EU partners, acting as a bridge between them but being careful to avoid being perceived as a UK agent.

This is one set of possibilities. Mapping it with the options should Scotland stay in or leave the UK provides a different set of scenarios and implications for Ireland. Table 1 suggests four scenarios depending on whether Scotland votes to leave the UK and whether the UK votes to leave the EU. The four scenarios allow one to identify hypothetical changes in the UK's position as a partner in complex interdependence with Ireland, the effects on Northern Ireland and the interests of various stakeholders in the complex interdependence regime. These are stark alternatives, and outcomes may be more hybrid and mixed, but they do help clarify potential change.

Table 1. Relationship between the UK, Scotland and the EU: four scenarios			
		Relationship between UK and EU	
		Member of EU	Exit from EU
Relationship between Scotland and UK	Scotland Part of UK	Scenario 1 Federalising UK New B-I* relationship England leave UK?	Scenario 2 Unsettled UK Border problems Scotland issue
	Scotland Exit from UK	Scenario 3 Unsettled UK B-I* regime change Rethinking of UK	Scenario 4 UK breakup? B-I* regime change Irish unity?

*British-Irish

Scenario 1 – still probably the most likely outcome – keeps Scotland in the UK and the UK in the EU. A deeper Scottish devolution and a renegotiated UK relationship with a changing EU and deepening Eurozone, probably through a new EU treaty, might include the reinforcement of demands – possibly led by a UK now committed to deeper devolution – for a stronger regional voice at the EU table. All this would trigger a debate on whether the UK itself should become a federal state. If pursued that would be a genuinely radical innovation (Colley 2014: 153-156). But because of present political cultural values and political structures in England it may not be feasible. As Keating puts it in the last words of his study of Scottish independence:

If English elites and English opinion insist that the central constitution remains essentially untouched by devolution then their only real option is to reconstitute themselves as a new nation-state. The end of the UK is unlikely to come about from the secession of Scotland as long as the Scots have other options. It is more likely, stranger to say, to come from the secession of an England that is no longer prepared to pay the political or economic price of union (Keating, 2009: 179).

Either way the British-Irish regime would require deep change taking full account of this unsettled and fragmenting condition.

Scenario 2 would see Scotland deciding to stay in the UK but the UK later deciding to leave the EU, almost certainly with an English majority determining the referendum result. That would reopen the Scottish question and therefore the UK one, also further unsettling the UK. Major issues would be posed for the British-Irish regime, including that the Irish border would become the

EU one, potentially creating a messy and more harshly competitive regulatory environment. The new East-West arrangements outlined in the 2012 Downing Street statement could be challenged and stakeholders would be very busy redefining their interests in this scenario as in the others.

Scenario 3 would see Scotland out of the UK and the UK remaining in the EU. It would unsettle the UK and reduce its solidarity because a dominant and increasingly less communitarian England, politically more likely to vote Conservative, would be less willing to fund and share power equitably with Wales and Northern Ireland, despite their probable desire to remain part of the union. There would have to be a rethink within the remaining parts of the UK and a redesign of the British-Irish regime. The issue of Scotland's EU membership would be negotiated first with London and then with Brussels, probably on a joint Scottish-UK basis making it more likely there would be a pragmatic agreement reached. This outcome might suit Ireland's interests best, as Scotland could become an Irish ally in the new EU setting. However, it could also see Scotland become a determined competitor for investment as much as a Celtic soul-sister.

Scenario 4, most radically, would see Scotland out of the UK and the UK out of the EU. The latter decision would be more likely without Scottish participation in the UK's EU referendum, if it takes place in 2017 as Cameron promises. A UK breakup is likely in this case, since a predominantly Eurosceptic England with fewer communitarian or solidaristic values would increasingly resent and be less willing to fund Wales and Northern Ireland; they too would want to rethink their futures despite their existing distinct but deep relations with the rest of the UK. This would require radical change in the British-Irish regime of complex interdependence, bearing in mind Eamon Gilmore's point that '[u]niquely, Ireland has a constitutional relationship with the UK reflected in the Good Friday Agreement and in a binding international treaty' (Gilmore, 2013).

If the UK breaks up, then Irish unity would be put on the political agenda far more quickly than Irish political elites and voters North or South expect or desire. This is not to predict that outcome but it is to say it would become a more urgent political option than now, with potentially rapidly changing preferences on all sides, including among unionists who would lose the object of their traditional loyalty. Its multiple stakeholders would have to redefine their interests radically. Aside from the political and social implications, the Northern Ireland economy with a 64% state share, receiving a £10.5 billion block grant from London in 2010-11 amounting to £5,850 per head compared to the rest of the UK's £2,454 (a deficit of 38.3% compared to 12.3%) (Northern Ireland, 2012: 6) would be a daunting task to absorb for an Ireland coming out of the EU/IMF programme.

These four scenarios show that the relationship between Ireland and the UK is far less settled than the Joint Statement signed by Enda Kenny and David Cameron in March 2012 assumes. The question will not be resolved by the Scottish independence vote, as can be seen from these scenarios. Since the framework set up by the complex interdependence regime created since the 1970s between Britain and Ireland directly involves both these dimensions, the outcomes will have reciprocal effects on both states. A great deal depends on how robust the regime's structures are to withstand the asymmetric power relations where the larger entity in the relationship may assert its own basic interests over common ones set up by the recently restructured regime between Dublin and London. How far will Britain's leaders take Irish interests into account as they make these decisions and how vocally will Irish leaders assert them? There are signs that these issues are now being taken up more seriously, particularly on the Irish side, with a clear Irish preference being expressed that the UK remains in the EU (Bruton 2014, Donohoe 2013, Gillespie 2013c, McCoy 2013, O'Brien 2013). Clearly, too, these outcomes could be much more immediate than is currently anticipated by Irish leaders, public opinion or voter preferences.

VI. Conclusion

In examining the future of the UK it is important to distinguish between moments of constitutional change exemplified by devolution, the vote on independence and on EU membership and an ideological reading of them which assumes they will lead inevitably to the end of the UK. That may well happen, but it remains a matter of political choice rather than historical inevitability, according to the Northern Ireland political theorist, Arthur Aughey.

This is good advice for anyone paying attention to these changes in the external and internal position of the UK. They are certainly profound and consequential, but they may result in a refashioned UK rather than in its disintegration and collapse. Aughey's willingness to acknowledge the element of choice is also significant given his role as an established analyst and sympathiser of unionism in Northern Ireland and the UK and as a subtle interpreter of changing British identities from that perspective. While he cautions against an ideological reading of British history, or a merely functional reading of its imperial experience which reduces its unity to those benefits, he agrees that its current transformations are loosening its ties and affiliations (Aughey 2013).

Aughey discusses the notion of the United Kingdom as the fifth nation of the union. This still applies, he argues, helping to explain the continuity of that state in terms of emotional identity and political commitment; but he now believes that "devolution as a process involves a shift from the definite to the indefinite article", so that to understand the UK as *a* fifth nation may be more appropriate in contemporary political circumstances. The "fifth nation" argument was developed in the 1980s when it was much more possible to identify Britishness as a substantive value and interest, not least on the basis of the post-war welfare state which gave it a new lease of life. That belied "endist" assumptions about its breakup, but arguably only to delay it according to those who are convinced that breakup is inevitable. Whichever lens is used, the next five years represent an historic critical juncture in the UK's politics. All the more reason for its closest neighbour Ireland to pay informed attention to how these processes work out.

References

- Aughey, A. (2013) *The British Question*, Manchester: Manchester University Press.
- Bonney, N. (2013) *Religion and the Scottish Independence Referendum*, *The Political Quarterly* 84 (4): 478-485.
- Bradley, J. (2013) Beyond the Belfast Agreement: economic relations within these islands, *Journal of Cross Border Studies in Ireland* 8, pp. 29-42.
- Bruton, J. (2014) Tory plan to renegotiate EU terms could backfire, *The Irish Times*, 15 January.
- Cameron, D. (2013) Speech on Britain and the European Union, 23 January, available at <https://www.gov.uk/government/speeches/eu-speech-at-bloomberg> (accessed 3.2.14).
- Cameron, D., & Kenny, E. (2012) British-Irish relations – the next decade, joint statement by the Prime Minister David Cameron and the Taoiseach Enda Kenny, 12 March, available at <http://www.merrionstreet.ie/index.php/2012/03/british-irish-relations-the-next-decade/> (accessed 3.2.14).
- Carney, M. 2014 The economics of currency unions, Speech in Edinburgh, 29 January, available at: <http://www.bankofengland.co.uk/publications/Documents/speeches/2014/speech706.pdf> (accessed 3.2.14)
- Colley, L. (2014) *Acts of Union and Disunion, What has held the UK together – and what is dividing it?* London: Profile Books.
- Curtice, J. (2014) *ICM Poll Shows Biggest Swing Yet*, [whatscotlandthinks.org](http://blog.whatscotlandthinks.org), 26 January, available at: <http://blog.whatscotlandthinks.org/2014/01/icm-poll-shows-biggest-swing-yet/> (accessed 27.1.14).
- Curtice J. and Ormston R. (2012) Scottish independence: The state of the Union: public opinion and the Scottish question, *British Social Attitudes* 29, pp. 116-137, http://www.bsa-29.natcen.ac.uk/media/13421/bsa29_full_report.pdf (accessed 27.1.14).
- Ditchley Foundation (2013) Director's Note on conference: The Future of Scotland, International Implications and Comparisons, 6-8 June, available at: <http://www.ditchley.co.uk/conferences/past-programme/2010-2019/2013/the-future-of-scotland> (accessed 27.1.14)
- Donohoe, P. (2013) EU stronger with UK as committed member state, *The Irish Times*, 19 December.
- Gillespie, P. (Ed.) (1996) *Britain's European Question: The Issues for Ireland*, Dublin: Institute of European Affairs.
- Gillespie, P. (Ed.) (2000) *Blair's Britain, England's Europe*, Dublin: Institute of European Affairs.
- Gillespie, P. (2013) European and Asian Responses to the Global Financial Crisis – and its Precedent, chap. 8 in Christiansen, T., E. Kirchner and P. Murray (Eds.) *The Palgrave Handbook of EU-Asia Relations*, Basingstoke: Palgrave Macmillan, pp. 124-142.
- Gillespie, P. (2013a) Scots hold fate of UK in their hands, World View column, *The Irish Times*, 15 June.

- Gillespie, P. (2013b) Consequences of fragmentation within the British Isles, *The Welsh Agenda* 50, Summer, pp. 28-9.
- Gillespie, P. (2013c) Scottish vote could reshape landscape, World View column, *The Irish Times*, 30 November.
- Gillespie, P. (2014) The Complexity of Irish-British Interdependence, *Irish Political Studies* 30 (1), special issue on British-Irish relations.
- Gilmore, E. (2013) Address to the British-Irish Association, 7 September, available at: <https://www.dfa.ie/news-and-media/speeches/speeches-archive/2013/september/address-to-the-british-irish-association/> (accessed 4.11.13).
- Hassan G. (2014) The empathy gap: divided Scotland and the problem of fantasyland Britain, *openDemocracy*, 1 February, available at: <http://www.opendemocracy.net/ourkingdom/gerry-hassan/empathy-gap-divided-scotland-and-problem-of-fantasyland-britain> (accessed 3.2.14).
- Keating, M. (2009) *The Independence of Scotland: Self-Government and the Shifting Politics of Union*, Oxford: Oxford University Press.
- Kilcourse, J., & Ó Ceallaigh, D. (2013) *Untying the Knot, Ireland, the UK and the EU*, Dublin: Institute of International and European Affairs. Available at: <http://www.iiea.com/blogosphere/untying-the-knot-ireland-the-uk-and-the-eu> (accessed 22.7.2013).
- Lee, D. (2013) *Reflections on Defending an Independent Scotland – A View from Ireland*, Dublin: Institute of International and European Affairs. Available at: <http://www.iiea.com/blogosphere/reflections-on-defending-an-independent-scotland-a-view-from-ireland> (accessed 27.1.14).
- McCoy D. (2013) Ireland needs to sharpen its act whether or not the UK departs from EU, *The Irish Times*, 27 November.
- McKay Commission (2014) *Report of the Commission on the Consequences of Devolution for the House of Commons*, London: HMG, March, available at: <http://webarchive.nationalarchives.gov.uk/20130403030652/http://tmc.independent.gov.uk/wp-content/uploads/2013/03/The-McKay-Commission-Main-Report-25-March-20131.pdf> (accessed 3.2.14).
- McCrone, D. (1992) *Understanding Scotland, The Sociology of a Stateless Nation*, London: Routledge.
- McLean, C and Thomson D. (2013) *Independence and affluence: explaining differences in levels of support for independence by socio-economic status using the Scottish Social Attitudes Survey*, Research Brief for the AQMeN and ScotCen event “Through the Public Eye: Researching attitudes on Scotland’s constitutional future using the SSA”, 19 June, available at: http://aqmen.ac.uk/sites/default/files/SSA_Briefs_5_McLean_Thomson.pdf (accessed 27.1.14).
- Neville, S and Dickie, M. (2014) Poorer Scots keener on split, says survey, *Financial Times*, 22 January.
- Northern Ireland (2012) *Northern Ireland Net Fiscal Balance Report 2009-10 and 2010-11*, November, available at: <http://www.dfpni.gov.uk/northern-ireland-net-fiscal-balance-report-09-10-10-11.pdf> (accessed 14.1.14).
- O’Brien D. (2013) British exit from EU would radically change dynamics of our relationship, *Irish Independent*, 10 December.

- Robertson, A. (2014) *Independent Scotland, a Positive, Proactive International Partner*, Speech to Institute of International and European Affairs, Dublin, 20 January <http://www.iiea.com/events/independent-scotland-a-positive-proactive-international-partner> (accessed 21.1.14).
- Russell, A. and Dickie M. (2014) Salmond turns to 'small folk' as he brushes off Carney doubts, *Financial Times*, 1-2 February.
- Stephens, P. (2013) When Britain leaves Europe, Scotland will leave Britain, *Financial Times*, 25 October.
- Sturgeon, N. (2013) *Independence – a renewed partnership of the Isles*, Speech at Playfair Library, Edinburgh University, June 6, available at: <http://www.scotland.gov.uk/News/Speeches/renewpartnership06052013> (accessed 22.7.2013).
- Wellings, B. (2012) *English Nationalism and Euroscepticism: Losing the Peace*, Berne: Peter Lang.
- Wyn Jones, R., Lodge, G., Jeffery, C., Gottfried, G., Scully, R., Henderson, A. & Wincott, D. (2013) *England and its Two Unions: The Anatomy of a Nation and its Discontents*, London: Institute for Public Policy Research.



iea.com
Sharing Ideas
Shaping Policy

The Institute of International and European Affairs