THE
WEE
BLUE
BOOK

THE FACTS THE PAPERS LEAVE OUT

Don’t vote in the independence referendum until you’ve read this
On 18 September 2014, between the hours of 7am and 10pm, absolute sovereign power will lie in the hands of the Scottish people. They have to decide whether to keep it, or give it away to where their minority status makes them permanently powerless and vulnerable.

- Jim Sillars

Former Labour MP
Founder of Scottish Labour Party
Former SNP MP

Scotland is served by 37 national or daily newspapers. Not one supports independence. (The only publication to back a Yes vote is a weekly, the Sunday Herald.) Newspapers have no duty to be fair or balanced, but when Scotland faces a decision as big as the one it’ll make on September 18th, the press being so overwhelmingly skewed to one side is a problem for democracy.

Our website, Wings Over Scotland, is biased too. We support independence, because we think it’ll make Scotland a wealthier, fairer, happier place. We think Scotland will be better off choosing its own governments to solve its problems and make the most of its opportunities, rather than hoping that the people of Kent, Surrey and Essex might elect ones with Scotland’s interests at heart.

We think the facts comprehensively back that belief up. But we’re not going to ask you to take our word for it. A very great deal of what you’ve been told about independence in the last few years by Unionist politicians and the media is, to be blunt, a tissue of half-truths, omissions, misrepresentations and flat-out lies. We want to show you the truth hidden behind those lies, but using fully-referenced and impartial sources that you can go and check for yourself.

We’ll be mostly using the UK government’s own figures, the views of academic experts and Unionist politicians and officials, NOT those who support independence.

On September the 18th you’re going to have to make the most important decision any Scot in history has ever made, and it seems only fair that you should be able to do it based on the real and full facts. Scotland’s media has only told you one half of the story. Don’t you at least want to hear both sides before you decide?

Rev. Stuart Campbell
Editor, Wings Over Scotland
The case for independence in five points

This book has been designed to take no more than a couple of hours to read. We’ll be making our arguments in detail and with lots of sources and references. But the basic case for independence is a lot simpler than that, and it boils down to just five key points.

1 Scotland is a country, and like any other country it deserves to get the governments it votes for. As part of the UK, that happens well under half of the time. We don’t affect the outcome of UK elections, so the rest of the UK doesn’t need our help - so why keep subjecting ourselves to governments we rejected at the ballot box?

2 Scotland will be wealthier as an independent country than it will inside the UK. Even before you discuss possible savings from policy changes (like more sensible defence spending), Scotland subsidises the UK by billions of pounds every year, according to Westminster’s own figures. The longer we stay in the UK, the poorer we’ll get.

You’ll never get a UK government minister or a No campaign figure to actually say straight-out that Scotland is subsidised by the rest of the UK - give it a try if you like. Instead they’ll try to confuse the matter and change the subject by talking about things like spending and debt (see the Questions section of Chapter 2) in order to make you believe it’s true without having to directly lie to you.

Think about it this way - if Scotland was actually being subsidised by the rest of the UK, don’t you think the No camp would be shouting that fact from the rooftops every minute of every day?

3 Scotland’s future is bright. Oil will last for decades yet, and we sit on the brink of a renewables bounty that could make the entire historic output of the North Sea pale into insignificance. But the UK can’t be trusted to manage it - Scotland is the only country in the world ever to discover oil and get poorer, and unlike almost every other oil-rich nation, Westminster put nothing aside for a rainy day. It also hid Scotland’s wealth from its people for 30 years.

4 We have nothing to fear but fear itself. Threats that Scotland will be ejected (even temporarily) from the EU are hollow, impossible to ever put into practice. The same applies to border controls. Nobody can stop us from using the pound. No country poses a military threat to Scotland, and the only reason terrorists might attack us is because we’re part of the UK. We’ll still get to watch the BBC.

5 People are sensible. At the moment, the No campaign has a vested interest in making things sound like they’d be as difficult as possible for an independent Scotland. But the day after a Yes vote, the opposite instantly becomes true - it’s then in everyone’s interest to sort everything out as quickly and cleanly as possible.

If you accept that the EU would want Scotland as a member - and it would - then nobody gains from making that process slow and complicated and awkward.

If you accept that the rUK and an independent Scotland would still be major trading partners and allies - which they would - then nobody gains from a hostile, drawn-out negotiation process.

All parties will seek the best deal, of course, but businesses and people alike want life to continue with as little disruption and upheaval as humanly possible. Nobody wins from a negative approach, and no government will cut its nose off to spite its face.
CONTENTS

1. PRINCIPLES AND POLITICS 5
2. THE ECONOMY 9
3. HOME 17
   (i) Currency 18
   (ii) Health 20
   (iii) Pensions 25
   (iv) Oil 29
   (v) Defence and security 31
   (vi) Education 39
   (vii) Culture 40
   (viii) Devolution 42
4. EUROPE AND THE WORLD 47
   (i) The EU 48
   (ii) NATO 54
   (iii) Borders and Passports 56
   (iv) Embassies 58
5. NEGOTIATIONS 59
6. INFREQUENTLY ASKED QUESTIONS 65
APPENDIX 68

Note on sources: Most of our links go directly to the original source. However, on some occasions this would be a document hundreds of pages in size, in which the information would be difficult to locate quickly. In such instances we may link to a page on Wings Over Scotland where the information is extracted and highlighted. However, that page will always then link to the original source for verification.
This is perhaps the simplest aspect of the debate to deal with. Scotland rarely - less than half the time, in fact - gets the governments it votes for. Scots have voted for Labour at every Westminster election since 1955, but by the time of the 2015 election will have had Conservative governments they didn’t want for 38 of the last 68 years. Whether you support Labour, the Conservatives, the SNP, the Liberal Democrats or anyone else, that’s not democracy. With all due respect to Wales and Northern Ireland, 85% of the population of the UK lives in England, and that means that in practice England always decides what government everyone else gets.

Most of the time (roughly six years in every 10, for the entire modern political era dating back to WW2) that’s been a government Scotland has rejected.

We believe Scotland is a country, and therefore should get the governments it votes for every time - not just when it happens to coincide with what a much larger neighbouring country wants.

That doesn’t mean it should be ruled by the SNP. If you don’t like the SNP or Alex Salmond, you don’t have to vote for them in an independent Scotland - Labour and the Lib Dems were in charge for the first eight years of the Scottish Parliament and could be again. But so could brand-new parties that don’t even exist yet - it’s only a few years since nobody thought the SNP would ever win an election.

Independence isn’t about policies or parties. Those are questions which will be decided at elections, not the referendum. All you have to decide on the 18th of September is who should choose the future governments of Scotland: the people of Scotland, or the people of England?

Questions

Q: “But won’t we be abandoning the people of the rest of the UK to permanent Conservative rule?”

A: No. Scottish votes almost never make any difference to the outcome of UK elections, and when they do it’s a very small and short-lived one. Scottish independence will NOT condemn the rest of the UK to permanent Conservative governments - almost every Labour government since WW2 would still have had a
comfortable majority without any Scottish votes. (For example, in 1997 Labour would still have had a huge majority of 139 seats if all Scottish votes had been removed. Even in 2005 it would have had a comfortable majority of 43 seats without Scottish votes, rather than the 66-seat majority it actually got.)

Q: “But lots of people didn’t vote for the current government. People in Liverpool or Manchester didn’t vote for the Tories either, but they still got them as a government.”

A: The unit of measurement for democracy in governmental elections is nations, not cities. No government ever gets 100% of the vote, and indeed it’s decades since any UK government even managed 50%. Some individuals or regions will always get a government they didn’t vote for. But the referendum hinges on whether you think Scotland is a country or just a region of one. It can’t be both.

Sources for election graphics:
All links at http://wingsoverscotland.com/weebluelinks.htm
The economy underpins every aspect of Scotland’s future. The choices that any independent Scottish Government makes, and whether those choices will be easier or harder than those faced by a devolved Scottish Government, will be dictated by how much money is available.

For that reason, the UK government and the No campaign desperately want you to believe that Scotland would be poorer as an independent country, and that it would therefore have to raise taxes and/or cut public spending to protect services.

But that simply isn’t true. In fact, it’s not even close - the Financial Times stated unequivocally in February 2014:

“An independent Scotland could expect to start with healthier state finances than the rest of the UK.” [5]

Scotland subsidises the UK by billions of pounds every year, and has done for many decades. On the rare occasions when it’s forced by Parliamentary rules to tell the truth, the UK government admits that fact plainly.

On 27 March 1997, the Herald newspaper reported:

“Mr William Waldegrave, Chief Secretary to the Treasury, has been forced to concede figures in Commons questioning in recent months, which show that if Scotland’s share of North Sea revenues had been allocated since 1979, then the net flow in favour of the Treasury from north of the Border ran to £27bn.” [6]

The Herald went on in the same article to note that Mr Waldegrave (the 1997 ministerial equivalent of Danny Alexander) later admitted to the House that the real figure was even higher, at £31 billion over the 18-year period.

The extent of Scotland’s wealth after the discovery of North Sea oil in the 1970s was so great that successive Labour and Conservative governments hid it from the Scottish people for three decades. When a 1975 analysis for the UK government by economist Professor Gavin McCrone was finally made public in 2005 after a Freedom Of Information request, The Independent newspaper reported:

“An independent Scotland’s budget surpluses as a result of the oil boom, wrote Professor McCrone, would be so large as to be ‘embarrassing’.

Scotland’s currency ‘would become the hardest in Europe, with the exception perhaps of the Norwegian Kronor.’ From being poorer than their southern neighbours, Scots would quite possibly become richer. Scotland would be in a position to lend heavily to England and ‘this situation could last for a very long time into the future.’

In short, the oil would put the British boot, after centuries of resentment, firmly on the foot standing north of the border.

Within days of its receipt at Westminster in 1974, Professor McCrone’s document was judged as incendiary and classified as secret. It would be sat upon for the next thirty years.” [7][8]

The pro-Union economist Professor Brian Ashcroft (husband of former Scottish Labour leader Wendy Alexander) calculated in July 2013 that had Scotland been independent since 1981, it would by now have an accumulated basic budget surplus of at least £68 billion [9]. The real figure, including interest and other benefits, would likely be an “oil fund” of well over £100 billion.

But instead of that huge surplus, Scotland is part of a UK with a massive £1.4 trillion debt [10] - our population share of the debt is approximately £118 billion.

In short, membership of the UK for the last 32 years has left Scotland anywhere from £180 billion to £250 billion worse off than it would have been as an independent
country. Thanks to Westminster we’re massively in debt, where we should have had money in the bank.

There’s no point crying over spilt milk - that’s all in the past. (Although the vast subsidy Scots have paid to the UK could still play a big part in reducing how much of the UK’s debt Scotland takes on in independence negotiations - see Chapter 5) But the fundamental economic facts making Scotland stronger than the UK are the same now as they’ve been for the last 40 years, as the Financial Times observed.

Unionists don’t care about that. In February 2014 the Labour MP for Lanark and Hamilton East, Jim Hood, stood up in the House Of Commons and said:

“If the Scottish people are going to be better off economically etc, I would still be against breaking away from the Union.” [11][12]

But Scottish Labour MPs can afford not to care. They’ve got safe jobs for life (Jim Hood has a 13,000 majority and has been in place for 27 years) and they get to decide their own salaries. If you’re living in Scotland and you DON’T have an MP’s lavish expense account and gold-plated pension to fall back on, you probably do care whether you and your family would be better off or not.

Scotland can’t afford to keep paying tens of billions of pounds over and above its fair share. The simple fact is that by any reasonable calculation, and even BEFORE the effect of different policies (such as scrapping Trident) is taken into account, Scotland will have more money as an independent country than it does as part of the UK.

Questions
Q: “But isn’t UK government spending higher per person in Scotland?”
A: Yes, it is. But Scotland pays for every penny of that spending and more besides. As the Financial Times article from February points out:

“Although Scotland enjoys public spending well above the UK average – a source of resentment among some in England, Wales and Northern Ireland – the cost to the Treasury is more than outweighed by oil and gas revenues from Scottish waters.” [5]

On average, UK spending is around £1,200 higher per person in Scotland than in the UK as a whole. But on average Scotland sends £1,700 more per person to the UK in taxes [13]. We only get back around 70% of the extra money we send to London. The other 30% is kept by Westminster and spent in England, Wales and Northern Ireland.

Q: “But doesn’t Scotland get more money spent on it than it generates in tax?”
A: Sort of. In 2011-12, for example, Scotland generated roughly £57bn in tax and had £64.5bn spent on it. But that extra spending isn’t a generous gift from the UK - it’s borrowing, taken out by the UK government in Scotland’s name. It’s not money from the rest of the UK, it’s money from international banks - it becomes part of the massive debt referred to above, and Scotland has to pay it back.

(And we have to pay it even if we didn’t need or want the things it was spent on - like nuclear weapons, the London Olympics and the HS2 railway from London to Birmingham, all of which Scotland pays billions of pounds towards because Westminster claims they’re for the benefit of the whole country [14].)
receipts and what it spends is called a deficit, and almost every country on Earth (except Norway and Switzerland) has one. It’s a normal state of affairs - it’s just how modern governments work, though the No campaign likes to make out that Scotland would be the only country in the world with a deficit.

Scotland’s deficit is in fact considerably smaller than the UK’s - in 2011/12 the UK’s deficit was £126bn [15], making Scotland’s population share of it £10.6bn. Yet Scotland’s own deficit that year, according to Alistair Darling [16], was only £7.6bn.

**In other words, in just one year Scotland had to take on an extra £3bn of the rest of the UK’s debt, as well as all of its own.**

For perspective, £3bn is roughly three times the cost of free university tuition (£590m), free prescriptions (£60m), free bus passes for pensioners (£180m) and free personal care for the elderly (£200m) combined.

Most of Scotland’s deficit (roughly £5bn a year, or two-thirds of it) is in fact made up of UK debt repayments [17]. We only have to pay that because we’re in the UK and the UK keeps loading extra debt onto Scotland, even though Scotland already pays far more than its share.

The facts are clear - the longer we stay in the UK, the worse Scotland’s deficit and debt will get.

**Q:** “But what if there was another banking crisis? Scotland couldn’t afford to bail out the banks.”

**A:** That’s simply not how bank bailouts work. There have been numerous bailouts of banks across Europe and the USA in the last few years, and they’ve all operated under the same principle - governments fund the bailout proportionate to the business the bank does IN THAT COUNTRY. [18]

So if a bank is based in Scotland but does 90% of its business elsewhere, the Scottish Government would only be liable (if it chose to bail out the bank at all) for 10% of the bailout. That’s why, for example, the US Federal Reserve contributed an eye-watering £640 billion to save Barclays in 2008 [19], despite Barclays being a UK bank registered in London [20].

**Q:** “But won’t independence create barriers to trade with the rest of the UK, which will damage the economy?”

**A:** No. Scotland and the rUK will both remain inside the European Economic Area (EEA), a free-trade zone which incorporates both EU and non-EU states.

**Q:** “But aren’t those figures about a wealthy Scotland mostly from the boom years of North Sea oil? Isn’t the oil running out and getting harder to extract and less profitable now?”

**A:** For most of the 1990s the price of oil was around $20 a barrel, but it’s been consistently over $100 for the last two years [21]. The price of increasingly-rare commodities on which the world depends tends to go up, not down. But don’t listen to us - how about the Investors Chronicle (part of the Financial Times group), which in July 2014 told its readers to buy shares in oil company EnQuest, saying:

“We think that Westminster has been deliberately downplaying the potential of the UK Continental Shelf (UKCS) ahead
Unionist politicians are desperate to talk down Scotland’s oil wealth, for obvious reasons. As we’ll find out later in this book, they’ve been doing that for most of the last 40 years. If you want an honest, impartial assessment, ask the people whose living depends on making money out of it. Because unlike the government, they can’t afford to lie to you.
The No campaign’s most repeated scare story is that an independent Scotland wouldn’t be able to keep the UK pound. This is a categorical lie. Sterling is what’s known as a “fully-tradeable” international currency, which means that any country can use it if it wants to, without requiring the UK government’s permission.

So even if the threats made by George Osborne (and backed by Ed Balls and Danny Alexander) that Westminster would refuse a formal currency union were to turn out to be true, nothing could stop Scotland from continuing to use the pound.

Many economic experts actually believe that using Sterling “unofficially” would be a BETTER plan for Scotland. In February this year Sam Bowman, research director of the world-renowned Adam Smith Institute, said:

“An independent Scotland would not need England’s permission to continue using the pound sterling, and in fact would be better off using the pound without such permission.

An independent Scotland that used the pound as its base currency without the English government’s permission would probably have a more stable financial system and economy than England itself.”[23]

Professor Lawrence White of the Institute of Economic Affairs agreed, noting that while informal use would leave Scotland without a national central bank, such an arrangement can actually be a positive:

“The possibility of banking panic justifies having a central bank only if it can be shown that panics are more frequent and severe in countries without central banking than in countries with central banking.

The evidence actually points the other way. An official lender of last resort can unintentionally worsen the problem of banking panics if it makes explicit or implicit bailout guarantees that encourage banks to take undue risks”[24]

In any event, most experts agree that the Unionist parties’ position is a bluff. In March 2014 Janan Ganesh of the Financial Times (and formerly of The Economist), who also wrote a biography of George Osborne in 2012, told the BBC’s Sunday Politics that:

“If the Scots vote for independence, of course a deal will be done on the currency, because it’s not in London’s interests to have a rancorous relationship with Edinburgh.”[25]

He was commenting after an unnamed UK government minister told the Guardian:

“Of course there would be a currency union”[26]

A few days later the University of Glasgow’s professor of economics Anton Muscatelli - a former consultant to the World Bank and the European Commission, a current adviser to the House of Commons Treasury Select Committee on monetary policy, and former chair of an independent expert group for the Calman Commission on devolution - also said the UK government was bluffing, in a piece for the Financial Times explaining why refusing a currency union would be a reckless and irresponsible move:

“A successful currency union would actually be in the interest of both sides – and especially the rest of the UK.

The most damaging prospect to the rest of the UK from rejecting a sterling currency union is what it will do to its own trade and business activity. Whatever the political tactics involved, it would be tantamount to economic vandalism.”[27]
No matter what happens after a Yes vote, whether the UK government agrees to a currency union or not (although the overwhelming likelihood is that it will), Scotland WILL keep the pound. Because of the nature of Sterling, this is one of the few aspects of the debate which can be absolutely, unequivocally guaranteed.

(ii) Health
The No campaign likes to make great play of popular UK institutions like the NHS, and to imply that they’ll be lost or damaged in the event of a Yes vote. But something that a surprising number of people don’t know is that there is not, and has never been, any such thing as a “UK NHS”.

What we call “the NHS” was created in 1948, after three different Acts of Parliament in 1946, 1947 and 1948, as three separate entities - NHS England and Wales, NHS Scotland and Health and Social Care in Northern Ireland (HSCNI). Since the very first day of their existence, they were all completely independent of each other.

The text of the National Health Service Act 1946, for example, refers explicitly to:

“the establishment in England and Wales of a comprehensive health service” [28]

NHS England and NHS Wales were divided into two independent organisations in 1969 [29], and the Welsh service is now controlled by the Welsh Assembly.

Northern Ireland’s healthcare service, HSCNI, is not only separate from the others but is a different TYPE of service. As the name suggests - and unlike the Scottish, English and Welsh services - it deals with not only healthcare but social care, which in the other three countries is handled by local authorities.

That most people believe there’s a single UK NHS is in fact a testament to how well the four organisations work together. All the complexities of cross-border co-operation and service are largely invisible to patients.

Nevertheless, they ARE totally separate. Whatever you may have been told, Scottish people have no legal right to be treated in English, Welsh or Irish hospitals. Any treatment given to Scottish patients in other parts of the UK (and vice versa) is essentially private, except that the bill is picked up by the Scottish NHS and paid to the English hospital as a commercial transaction.

What this means is that the NHS will be completely unaffected by Scottish independence, because it’s already four completely independent services. NHS Scotland is already funded and controlled by the Scottish Government, and all of the necessary bureaucracy and infrastructure that lets it work with the other UK health services is already in place and has been in constant use for almost 70 years.

In the event of a Yes vote, absolutely none of that will have changed, and the service will continue just as it does now.

That’s not an assertion, but a simple statement of fact. When the anti-independence campaign group “Vote No Borders” ran a cinema advertisement in May suggesting that
hospitals like Great Ormond Street would no longer treat Scottish children, the hospital issued an angry denial [30], saying the ad was "very misleading" and demanding that it be pulled. (Which it was.)

Unfortunately Great Ormond Street Hospital was not consulted about the Vote No Borders advertising, and we in no way endorse its messages, or that of any other political campaign group. We have contacted the Vote No Borders group to request that the advert is removed from cinemas as soon as possible, and we have been assured that this will happen by tomorrow (Thursday) at the latest.

As you state below, the advertisement is very misleading and we are working to reassure any Scottish families who contact us about continued specialist healthcare for their children. GOSH already has reciprocal healthcare agreements with numerous countries, and we regularly treat patients from across Europe because of our very specialist expertise.

Similarly, when Gordon Brown alleged in July 2014 that independence would end cross-border organ transplants and blood transfusions [31], NHS Blood & Transplant were quick to issue an unequivocal and categorical assurance that Mr Brown’s allegations were false:

“I can confirm that Scottish independence will not affect organ donation and the system will continue as it does currently.” [32]

(Numerous Scottish newspapers and media outlets reported the original scare story. Not a single one bothered to report the correction.)

In the event of a No vote, however, things will be very different. The NHS in England is being rapidly privatised [33]. In June 2014, the UK health minister Janet Ellison was secretly recorded telling a Conservative policy group:

“I don’t know how much any of you realise that with the Lansley act we pretty much gave away control of the NHS, which means that the thing that most people talk about in terms of health [the NHS]…we have some important strategic mechanisms but we don’t really have day-to-day control.” [34]

Talking about the same Act (the “Lansley act”, whose proper name is the Health and Social Care Act 2012), Labour’s shadow health secretary Andy Burnham told the Independent newspaper in January 2014 that:

“Privatisation of the health service [is] the ‘core purpose’ of the Health and Social Care Act. Dragging the NHS down that path will destroy it, it will devour what’s precious about the NHS.

All the legal advice I am getting says, while we will just about be able to pull it back at the 2015 election, after that, it will be gone.” [35]

The former Chief Medical Officer for Scotland, Sir Harry Burns, told BBC Scotland in July 2014 that independence would be “very positive” for Scottish health, and that:

“At the moment, decisions - particularly about the health service - being made in England are very different from the decisions being made in Scotland.

That is very important because I fear for the way the health service is going in England.” [36]

But if the English and Scottish health services are completely separate, why does the privatisation and destruction of the English NHS matter to Scotland?

It matters because the Scottish budget is calculated as a percentage of government spending in England. If/when the NHS in England were to be fully privatised, its current annual budget of almost £100 billion [37] will cease to trigger a corresponding “Barnett Formula” [38] payment to Scotland, removing approximately £10.2 billion a year from the Scottish block grant.
That’s almost all of the annual £11.9bn budget [39] of NHS Scotland. It’s more than a third of the entire Scottish Government budget of £30bn [40], and vastly more than Holyrood could ever save by cutting other services.

Even partial privatisation of NHS England would strip billions of pounds from the Scottish budget. But there’s another aspect of the danger from privatisation of the NHS in England too. It was explained by Iain Macwhirter in the Herald in July 2014:

“The Transatlantic Trade and Investment Partnership (TTIP) is the fruit of long-running negotiations between the EU and the US over trade liberalisation. One of its fundamental principles is that services, including state services, should be open to private competition from American multinationals.

According to Garcia Bercero, the EU Commission official with responsibility for TTIP, health services in Europe will be opened to private competition, but only where privatisation is already established. In other words, where there is an existing state monopoly, foreign companies cannot sue the government in question for unfair competition.

But the UK Health and Social Care Act opened the UK system to TTIP because it explicitly introduces a private market in health provision in England. After a No vote, private providers and insurance companies may argue that, since Scotland is not a sovereign state but a region of the UK, it cannot be exempted from competition for health provision.” [41]

So even though the UK’s four healthcare services are already completely independent, there’s absolutely no possibility that the Scottish NHS could survive the full or substantial part-privatisation of the English one if Scotland was still part of the UK.

But an independent Scotland with full control of its own revenues, rather than a devolved one reliant on a grant from Westminster, can protect the Scottish NHS no matter what happens elsewhere.

Sources:
All links at http://wingoverscotland.com/weebluelinks.htm

(iii) Pensions

Pensions are a matter of great concern to many Scots, and as a result the No campaign spends a considerable amount of its time trying to frighten people into believing independence represents a threat to their pension. Yet as with currency, pensions are one of the few aspects of the independence debate about which it IS possible to state the position with certainty.

For example, Labour MP Ian Davidson, chair of the Scottish Affairs Select Committee, made these comments in the House Of Commons in May 2014:

“The state pension of any individual in Scotland, in the event of separation, would not be adversely affected [...] they would continue to get the level of state pension, the same as everyone else in the UK... people themselves can be assured that their pensions are secure.” [42]

Mr Davidson was reflecting a statement to the committee by UK government pensions minister Steve Webb, which was reported in the Scotsman the same day:

“State pensions would still be paid after
independence, a UK minister has told MPs, despite
carets raised by the Better Together campaign.
Giving evidence to the Scottish Affairs Select
Committee, Lib Dem pensions minister Steve Webb
said that anybody who had paid UK national
insurance would be entitled to their state pension
whatever the outcome of the referendum.
The intervention contradicts concerns raised by
former Labour Chancellor Alistair Darling, the
leader of the Better Together campaign.” [43]
And in any event the facts had been well established long
before then, with the Department for Work and Pensions
having made a similar statement in January 2013:
“If Scotland does become independent this will have
no effect on your State Pension, you will continue
to receive it just as you do at present.
Anyone who is in receipt or entitled to claim
State Pension can still receive this when they live
abroad. If this is a European country or a country
where Britain has a reciprocal agreement they will
continue to receive annual increases as if they
stayed in Britain.” [44]
Public sector pensions will be equally safe. In May this
year Neil Walsh, the Irish-born pensions officer for the
Prospect trade union (which is neutral on independence),
conducted a conference call for union members to explain
the ramifications of a Yes vote to the union’s members, and
others in a similar position.
“If you [are] a member of a public service pension
scheme that’s already delivered by a Scottish
administration - and that includes the NHS,
teachers’ pension scheme, fire authority, local
government pensions - then literally I can’t imagine
what would be very different under independence
because you’re already having your occupational
pension delivered by a Scottish administrator.
The responsibility for each and every one of those
schemes, NHS, teachers, police, fire and local
government, would be taken over by an independent
Scotland and continue to be delivered in precisely
the same way that you’ve always been used to.” [45]
On the subject of UK-wide public sector pensions, such
as those applying to the armed forces and civil service,
Walsh noted that negotiation would be required between
governments, but that nobody should worry and members
wouldn’t notice any change:
“The Scottish Government says the most
appropriate way to divide up responsibility is for
them on independence to take responsibility for the
state and public service pension of anybody who
lives in an independent Scotland at that time, the
UK Government says that that might not be the
most appropriate way.
But I don’t think anybody says no-one will become
responsible for your public sector pension after
independence. It would be a matter for negotiation
behind the scenes, and actually you as a member
should just continue on paying your contributions
seamlessly if you are an active member or receiving
your benefits seamlessly if you’re a pensioner
member.” [45]
Private workplace pensions are the only area of uncertainty.
EU rules impose funding requirements on pensions
operating across national borders, which would apply to
any UK-wide scheme.
However, there are numerous options available to
cumvent this problem, the simplest of which is for the
firms operating the scheme to set up a Scottish office and
handle the Scottish and rUK sides separately. The decision
as to which solution to adopt will be one for each company to make individually. Unfortunately it’s simply not possible to answer generically or in advance.

(In previous cases affected by these rules, such as between the UK and Ireland, the governments concerned have been able to make transitional arrangements while matters were sorted out [46]. Unfortunately, the Westminster government refuses to discuss such arrangements before the referendum.

But perhaps more to the point, staying in the UK doesn’t guarantee anything about pensions.

- Gordon Brown’s infamous “pension raid” shortly after he became Chancellor in 1997 has so far cost UK pensioners £118 billion, or about £12,000 each [47], and will continue to cost them money every year until the day they die.
- the UK plans to increase the state pension age to 70 for both men and women [48]. Some people, particularly women, have already seen the age they expected to start receiving their pension increase by five years under changes by both Labour and Tory governments [49].
- in June 2013, a report from the National Pensioners’ Convention revealed just how badly-served the UK’s pensioners have been by Westminster:
  
  “According to the latest figures from the Office for National Statistics, British pensioners are among Europe’s poorest, with more than two million older people at risk of poverty.
  
  The UK was ranked fourth from bottom out of 27 European countries, with more than one in five (21.4 %) of older British people classed as being at risk of poverty in 2010; significantly higher than the EU average of 15.9%.
  
  The main reason for this situation stems from the

**UK’s inadequate state pension system.** According to the latest EU comparisons, the adequacy of the UK state pension in relation to the country’s average wage ranks it at the bottom in a list of 25 European countries.

*For the average earner, the UK replacement rate of 17% is far below the EU average of 57%.* [50]

The idea that a No vote provides either security or certainty over pensions is simply a myth. Nobody can say what the next government England elects will do.

### (iv) Oil

The UK government and the UK-based parties try to talk down Scotland’s oil wealth today, just like they talked it down and hid the truth from the moment the oil was discovered in the 70s (see Chapter 1). Labour and Conservative politicians said at that time that the oil would run out by the late 1980s, and they’ve been constantly predicting its end ever since. [51]

But in July this year, Professor Sir Donald Mackay, of the pro-devolution think-tank Reform Scotland and an economic adviser to the UK government for 25 years, said that Westminster’s figures were underestimating the true value of oil by £8 billion a year.

“Mackay points to official forecasts by Oil & Gas UK which suggest an independent Scotland’s revenues in 2017-19 would be almost £32bn, double
The £15.8bn forecast by the Office for Budget Responsibility.” [52]

“He says there is no hole in the Scottish government’s oil predictions, as Danny Alexander, chief secretary to the Treasury, has claimed.” [53]

£8bn a year is enough to completely wipe out even the No campaign’s most pessimistic assessment (£7.6bn) of an independent Scotland’s deficit [54] and give Scotland a large budget surplus.

Oil will of course run out one day. But even if we count only the oil we already know about, it’ll last for many decades. And industry experts believe it’s likely that there are large new deposits yet to be found [55], including off the west coast which oil companies have been forbidden from exploring until now because of the presence of Trident submarines in the area [56].

Also, in 2013 oil tycoon Sir Ian Wood published a report - commissioned by the UK government’s Department of Energy and Climate and based on discussions with major oil companies - which found that reforms of the industry could further boost revenues by an extra £10bn a year for the next 20 years [57].

That’s plenty of time to use the money wisely for Scotland’s long-term future, instead of wasting it as Westminster has done for the last 40 years - the UK and Iran are the only two countries in the world to discover oil and NOT set up an oil fund for the future [58].

(Norway only set up its oil fund in 1990 [59] and it now stands at over £500 billion. [60] The country’s main economic “problem” is that it has too much money. [61])

But that future can still be bright. Scotland is richly blessed with the potential for clean renewable energy [62], which will last forever. Investing some of the proceeds from oil in wind, wave, tidal and hydro power over the coming decades will ensure Scotland stays a very wealthy country for centuries to come.

Questions

Q: “But what happens if Orkney and Shetland decide to stay in the UK, or to become independent themselves?”

A: Orkney and Shetland are legally part of Scotland, and no more entitled to their own “local” referendum result than Falkirk or Peterhead or Sauchiehall Street. They could form an independence movement and campaign for a referendum on either independence or rejoining the UK, but no such movement currently exists.

But even if they did, international maritime law would consider them to be what are known as “enclaves”, as their territory would be entirely within that of Scotland. [63] That would mean the islands were only entitled to a 12-mile limit from their shores, and no significant amount of oil is found within those areas.

Sources:
All links at http://wingoverscotland.com/weebluelinks.htm

(v) Defence and Security

In the last thousand years, only one nation has ever attempted a land invasion of Scotland. (In the interests of tact we won’t name it, but it’s to the south and not very far
Modern-day Scotland is a country entirely without military enemies. Our near-neighbours Iceland have managed with no armed forces at all - except a couple of small coastguard ships - for the last 100 years [64], and the constitution of Costa Rica, which has a population almost the same size as Scotland’s, has explicitly forbidden the possession of a military since 1949 [65], without being attacked by anyone.

Scotland would maintain an army, although in truth it has little need of one. What Scotland really needs are naval and air forces, chiefly to guard the North Sea’s oil rigs (although nobody has ever actually tried to attack them).

Unfortunately, within the UK Scotland’s coasts and maritime assets are almost totally unprotected. When a Russian warship ventured close to the Moray Firth in December 2013, the Royal Navy had no vessels to intercept it except HMS Defender, which took a full day to sail from the south of England to monitor the intruder.

“The missile-carrying Russian warship came within 30 miles of the coast before Christmas. Portsmouth-based HMS Defender was the only ship available to respond due to Ministry of Defence cutbacks and had a tense stand-off with the Russian ship.

The Type 45 took 24 hours to reach the coast of Scotland.” [66]

Meanwhile the UK government has also closed RAF Leuchars, leaving only a single air base in the whole of Scotland, and is reducing the size of the British Army by a quarter, cutting 20,000 jobs [67].

All this is being done in order to continue to afford the Trident nuclear weapon system and its replacement, at a projected cost of £100bn [68]. Yet almost everyone acknowledges that Trident serves no military purpose. Tony Blair said of the system in his 2010 autobiography that:

“The expense is huge and the utility [is] non-existent in terms of military use.” [69]

While former Conservative defence secretary Michael Portillo said of Trident in 2013:

“It’s completely past its sell-by date. It’s neither independent, because we couldn’t possibly use it without the Americans, neither is it any sort of deterrent, because now largely we are facing the sorts of enemies – the Taliban, Al Qaeda – who cannot be deterred by nuclear weapons. It’s a tremendous waste of money, it’s done entirely for reasons of national prestige.” [70]

And the UK’s major allies also want the system abandoned. The right-wing UK magazine The Spectator reported in 2013 on claims that the US military was urging the UK to scrap it, noting that:

“From the American perspective Trident serves no useful purpose whatsoever whereas other things upon which Britain could usefully spend the cash presently earmarked for Trident DO matter to the Americans or would, that is to say, be useful to them. And to NATO.” [71]

Trident didn’t deter Argentina from invading the Falklands. It didn’t prevent the 7/7 terrorist attacks. Indeed, even the vastly larger nuclear arsenal of the USA didn’t stop Iraq invading Kuwait, nor avert the destruction of the World Trade Centre.

Other large European nations such as Germany don’t feel the need for an “independent” nuclear deterrent, despite being far closer to potential hostile forces like Russia. Even South Korea, which borders the extremely hostile and nuclear-armed North Korea, has no nuclear “deterrent”, yet David Cameron suggests that North Korea poses a nuclear threat to the UK which demands a nuclear “defence”.

“Other large European nations such as Germany don’t feel the need for an “independent” nuclear deterrent, despite being far closer to potential hostile forces like Russia. Even South Korea, which borders the extremely hostile and nuclear-armed North Korea, has no nuclear “deterrent”, yet David Cameron suggests that North Korea poses a nuclear threat to the UK which demands a nuclear “defence”.”
It’s worth pondering for a moment what would happen in the event that North Korea DID somehow attack the UK, and the UK retaliated with nuclear weapons. It seems unlikely that South Korea would be terribly happy, and nor might China, which also borders North Korea - the Chinese city of Shenyang, which has the same population as London, is less than 150 miles from North Korea, well within the range of deadly fallout clouds. Trident is simply not a credible threat against North Korea, because it could never be used.

The UK has the sixth-highest defence spending per head in the world. It spends £3.3bn a year “on behalf of” Scotland for defence purposes, as part of an overall military budget which is roughly 2.3% of the UK’s GDP. Germany spends just 1.3% of its GDP on defence, Norway 1.4% and Japan 1.0%. [72]

The Royal United Services Institute calculated in 2012 [73] that Scotland could have a “feasible and affordable” armed forces, including a surface fleet of 20 to 25 ships, for slightly over half the current expenditure (£1.8bn rather than £3.3bn). The SNP proposes to spend £2.5bn, which would still represent a saving of £800m a year on the current bill. Other parties have not issued detailed proposals.

Questions

Q: “But if we get rid of Trident, what about jobs?”
A: According to the Ministry of Defence, just 520 civilian jobs in Scotland depend on Trident [74]. In coming years, the cost to Scotland of Trident and its replacement (because for several years we’ll be paying for both the maintenance of the existing fleet and the construction of the replacement) will range between £200m and £400m a year [75].

If we take the average at £300m, that’s roughly £600,000 per year per job. We could afford to pay every single worker supported by Trident half a million pounds a year to sit at the side of the road and wave at tourists, and still be saving enough money annually to fund free prescriptions for the whole country.

More sensibly, it seems reasonable to say that that money could be invested in the local area in such a way as to provide a dramatically better return in terms of employment.

Q: “But if we join NATO, won’t we be forced to keep nuclear weapons?”
A: Of the 28 current NATO members, only three countries (the US, the UK and France) possess nuclear weapons. Norway refuses to have nuclear weapons on its soil, as does Spain, yet both are in NATO.

Indeed, the new Director-General of NATO is Jens Stoltenberg of Norway. In March 2013, Norway hosted a conference attended by 130 nations in which it called on the entire world to abandon nuclear weapons [76]. So it seems reasonable to assume that a Norwegian head of NATO wouldn’t block Scotland’s membership on the grounds of it rejecting such weapons.

Q: “But what about shipbuilding?”
A: Within the UK, the Scottish shipbuilding industry has declined from 34,000 jobs in 1972 to just 6,000 jobs now [77]. It seems something of a cheek for the UK government to warn that it’s independence that poses a risk to the shipbuilding industry.
Q: “But what about the UK warship contracts?”
A: The UK government frequently asserts that the UK has never built complex warships in a foreign country in peacetime. Yet in July this year, the UK’s then-defence secretary Phillip Hammond confirmed that the second Queen Elizabeth-class aircraft carrier will be built at Rosyth no matter what the outcome of the independence referendum, saying:

“Contracts are already placed, the seal is set on that whatever happens and the Prince of Wales will be assembled here.” [78]

So Rosyth is already safe, and the convention of not building complex warships outside the UK will have been broken by the Prince Of Wales, leaving no barrier to the Type 26 frigates being built on the Clyde.

BAE Systems, the sole contractor for the Type 26s, has announced the closure of its Portsmouth yard (which in any event isn’t equipped for the job) and will have nowhere else it could possibly assemble the ships. It has already stated that it has no intention of building them anywhere but on the Clyde.

“A shipbuilding boss has insisted he has no proposals to shift production out of Scots yards if voters back independence.

BAE Systems chief Ian King said the firm had ‘no contingency plans’ to alter working patterns at Govan and Scotstoun if a split goes ahead. And he warned the Ministry of Defence will have to ‘deal with’ a Yes referendum victory.” [79]

But even if the Type 26 orders were somehow to be lost, an independent Scotland will need its own navy. Just the “modest” fleet of 20 to 25 surface vessels proposed by the Royal United Services Institute would keep the Clyde yards in work for many years.

Also, despite competition from places like Korea, Norway manages to maintain an extremely healthy shipbuilding industry by having diversified into non-naval vessels. There are 25 shipyards in Norway purely concerned with building new ships, and another 50 which repair and maintain existing ones. The maritime industry in the country supports 90,000 jobs. [80]

Q: “But what about terrorism?”
A: The UK government warns that “an independent Scotland would be less safe and more vulnerable to a terrorist attack” [81]. But Baroness Eliza Manningham-Buller, the former head of MI5, said in 2010 that it was UK foreign policy - particularly the invasion of Iraq - that made the UK a terrorist target in the first place.

“Lady Eliza Manningham-Buller told the Chilcot inquiry into the UK’s role in Iraq: ‘Our involvement in Iraq radicalised, for want of a better word, a whole generation of young people – not a whole generation, a few among a generation – who saw our involvement in Iraq and Afghanistan as being an attack upon Islam.’

Asked by Sir Roderic Lyne, a member of the inquiry, to what extent the conflict [increased] the threat from international terrorism facing Britain, she replied: ‘Substantially.’

She was not surprised, she said, that UK citizens were behind the 7/7 attacks in London nor that increasing number of Britons were ‘attracted to the ideology of Osama bin Laden and saw the attacks on Iraq and Afghanistan as threatening their co-religionists and the Muslim world’.” [82]
An independent Scotland focused on defending itself and participating only in legally-sanctioned UN peacekeeping missions would not be a target for terrorists. The needless deaths of hundreds of our own soldiers [83] and countless thousands [84] of innocent civilians [85] are a direct result of foreign policy decisions made by UK governments, not because of dangers facing Scotland.

Since 1990, the UK has spent tens of billions of pounds on efforts to police the rest of the world, in foreign interventions which are now judged to have been “strategic failures” [86], where the only things which seem to have been achieved are an increased danger of terrorism at home and murderous chaos and carnage abroad. Iraq is now on the brink of full-scale civil war, and the Taliban have already regained control of large areas of Afghanistan.

The biggest single step Scotland could take to improve its domestic security would be to extricate itself from UK foreign policy, saving billions of pounds in the process, as well as many lives.

Sources:
All links at http://wingsoverscotland.com/weebluelinks.htm

(vi) Education

Essentially the exact same applies to education as to health, so we’ll be very brief here.

The Scottish education system is already fully independent, but is threatened by reductions in funding in England, as English higher education moves increasingly towards funding from tuition fees rather than government spending. This is likely to reduce the Scottish block grant as a result of the Barnett Formula, putting more pressure on the Scottish Government to reintroduce fees.

Questions

Q: “But won’t universities lose UK research funding?”

A: No. Research grants aren’t awarded on the basis of where institutions are, but by how good they are. If research is currently done at a particular place, it’s because that’s where the best expertise is found, not because of constitutional politics.

Rick Rylance, the chairman of Research Councils UK, said in October 2013:

“Grants are awarded on the basis of open competition and decided through peer review by appropriate expert researchers on a project-specific basis. They are thus not allocated on the basis of location, either geographic or political.

The distribution that arises does so naturally as a function of quality. By and large, research organisations located in Scotland achieve success at a rate and to an extent that is above what one might notionally think of as an even distribution across the UK. This recognises the distinctive excellence of Scottish
research.” [87]
The RCUK website reiterates the point:
“Research Council funds are awarded on the basis of applications made by individual researchers, which are subject to independent, expert peer review. Awards are made on the basis of the research potential and are irrespective of geographical location.” [88]

Scottish universities get a disproportionately high share of funding not because they’re in the UK, but because they’re disproportionately good. No research body is going to divert funding away from the best researchers to inferior ones just because of a political change, and they get rather irate if you suggest that they would. (And 74% of research funding comes from non-government sources anyway.) [89]

Sources:
All links at http://wingoverscotland.com/weebluelinks.htm

(vii) Culture
Scots currently pay around £300m a year in licence fees to the BBC. Very roughly one-third of that money is spent on BBC Scotland (TV and radio combined), with most of the rest contributing towards the BBC’s UK-wide output. By 2016, the total budget of BBC Scotland is scheduled to be just £86m. [90]

So if an independent Scotland kept the licence fee the same as it is now, it could afford to pay for the full state broadcasting service currently provided by BBC Scotland, and still have £214m left over. (Commercial TV and radio

would of course be unaffected by independence.)
The full range of BBC channels is already available in Ireland, which has a broadly similar size of population to Scotland. The BBC and the UK government both refuse to reveal what the BBC charges for supplying them to Irish viewers, but the 2012 accounts of the Irish state broadcaster RTE [91] suggested that it paid a maximum of £20m a year for the rights.
(That figure was in fact for ALL overseas programming, but in order to be generous to the No campaign we’re assuming the BBC made up most of it.)
Scotland already owns 8.4% of the BBC, so common sense suggests that we’d pay even less than Ireland, but certainly no more. Therefore, if an independent Scotland replicated the entirety of BBC Scotland, and bought in ALL the existing BBC channels on a commercial basis, it’d still have the best part of £200m spare every year.
That money could be invested in new programming or in production facilities. It could pay for a full-scale international movie studio to take full advantage of Scotland’s recent success at attracting Hollywood productions and help us
catch up with countries such as Ireland and Denmark. Less than 10% of it would be enough to bring top-level club and international football back to public television rather than satellite broadcasters (putting much-needed money into the game at the same time, and maybe even helping Scotland qualify for the World Cup), along with broadened coverage of other sports. There’d be plenty left over to spend on journalists to boost staffing levels on news and current affairs output at home and abroad. And so on.

Without a single penny being added to the licence fee, Scotland would have one of the best-funded broadcasting services per head on the planet, on top of all the TV and radio we enjoy now.

Questions

Q: “But don’t Irish people have to pay for iPlayer?”
A: Yes, they do - around £5.50 a month. But such a charge simply isn’t feasible in Scotland, because of the way the internet works. (To cut a long and exceedingly technical story short, due to the way internet providers allocate things called “IP addresses” there’s no way for the service to reliably distinguish between customers in Scotland and anywhere else in the UK [92].) So iPlayer would have to be included in the agreement between Scotland and the BBC, because there’d be no way to prevent Scottish people using it anyway.

Sources:
[90] BBC [91] RTE [92] Wings Over Scotland
All links at http://wingoverscotland.com/weebluelinks.htm

(viii) Devolution

The UK parties promise that Scotland can have "the best of both worlds" - all the "strength" and "security" of the UK, with a strong Scottish Parliament that they say will get more powers if Scotland votes No.

But if you actually look closely at what they’re offering, they’re not more “powers” at all. The Scottish Parliament will NOT have power over anything that it doesn’t currently have power over. It won’t control the most vital aspects of society, such as welfare or pensions. Bar a few tiny trivial matters, all that Labour, the Conservatives and the Liberal Democrats actually propose to do is change the arrangements for collecting income tax.

Instead of Westminster collecting the tax and then handing a fixed sum of money to Scotland in the shape of the block grant, Holyrood will have to set up, in essence, a Scottish HMRC. That’ll cost hundreds of millions of pounds a year, in order to pointlessly duplicate the functions currently performed by the UK one.

That money will come out of the Scottish budget and have to be replaced somehow, either by increasing tax rates or cutting public services. But because you can’t actually have different income tax rates in two parts of a unitary state - because people and businesses will just flood over the border to whichever is cheapest, causing chaos and public fury - tax rates will have to stay the same.

(Which is why the Scottish Parliament’s existing tax-altering powers have never been used in the 15 years of the Parliament’s existence, whether by Labour/Lib Dem or SNP governments.)

That only leaves cuts. In the event of a No vote, the Scottish Government will have to slash public services just to stand still. That’ll put enormous pressure on things like free prescriptions, tuition fees and care for the elderly.

(All of which are bitterly resented in the rest of the UK and cause problems for the UK parties, and which they’d prefer
not to exist as a result. Labour’s shadow health secretary Andy Burnham told Holyrood Magazine in September 2013 that he “passionately” wanted to “get health policies that can be consistent across England, Scotland and Wales. Wouldn’t that be a good thing, pulling in the same direction as opposed to pulling our separate ways?” [93]

But again, don’t take our word for any of this. Listen to what Johann Lamont told northeast-England newspaper the Northern Echo in April 2014:

“The North-East has nothing to fear from ‘devo max’ for Scotland, Labour’s leader north of the border has insisted.

Johann Lamont rejected suggestions that Scotland is poised to gain a huge economic advantage over its neighbouring region, in return for voting ‘no’ to independence.

Instead, Ms Lamont urged people in the North-East not to believe ‘propaganda’ about extra powers and riches heading to Edinburgh.

‘Scotland will not be getting more money, it will simply be accountable for raising more of its money. I hope that dispels some myths.’” [94]

No MORE money? It’s worse than that. In February 2014 the Daily Record reported on someone who says Labour’s devolution plans will mean LESS money for the Scottish Parliament, and who knows the workings of the UK government better than Johann Lamont does:

“Scottish public spending would suffer a cash squeeze under Johann Lamont’s plans to devolve all tax-raising powers to Holyrood, a leading Labour MP has warned.

Glasgow MP Ian Davidson said the Barnett formula that gives Scotland a bigger share of UK government spending would be lost if the party go for full tax powers for the Scottish Parliament.

The Labour chairman of the influential Commons Scottish affairs committee said it ‘would undoubtedly be to Scotland’s detriment’.” [95]

But even that doesn’t tell the whole story about what Labour proposes for Scotland. The previous month, Ms Lamont had spelled out what the party’s devolution proposals meant in a BBC1 interview:

“We believe very strongly the United Kingdom is about sharing risk and resources, it is about pooling risk, and it is about redistributing out of better-off parts of the United Kingdom into poorer bits.” [96]

But which are the “better-off parts of the UK” that’ll be having this money taken away from them if Labour win in 2015? The answer can be found in Scottish Labour’s own devolution document, on page 70 [97]:

We’ve added the red underlining, but the rest is untouched. Labour’s plan, in their own words, is to redistribute wealth from the better-off parts of the UK (ie Scotland) to the poorer areas (ie nearly everywhere else).

What that means in practice is that Scotland’s money will go to London, and poorer areas will just have to hope that London distributes it to them - something that hasn’t happened in the last few decades, as the city has greedily hoovered up more and more of the UK’s resources, to the extent that the UK government’s business secretary Vince Cable told the BBC in December 2013 that the capital was "a giant suction machine draining the life out of the rest of the country" [98].
So here, in a nutshell, is what “more powers” really means for Scotland: Holyrood will have to make huge spending cuts OVER AND ABOVE those already coming down from Westminster, in order to pay for a lot of unnecessary tax bureaucracy, and even more of Scotland’s wealth will be taken away to the Treasury.

All three UK parties are promising variants on the same plan if they win the 2015 election, differing only on the proportion of tax they want Holyrood to have to collect. In practice, because all those plans mean Holyrood having less money at its disposal, they amount to LESS power for the Scottish Parliament, not more.

**Sources:**

All links at http://wingoverscotland.com/weebluelinks.htm
4. Europe and the world: (i) The EU

Anyone, on either side of the debate, claiming to know as a matter of certainty what would happen to an independent Scotland’s EU membership status is a liar. Nobody knows for sure whether an independent Scotland would be admitted directly, because although the EU has offered to answer that question, it will only do so if asked by the UK government, and the UK government refuses to ask.

“The UK government has said it would not ask the European Commission’s view on whether an independent Scotland would remain a member of the EU.

The statement follows confirmation from the commission that it would offer its opinion if asked to by a member state.” [99]

It’s very difficult to imagine why the UK government would refuse to ask that question if it was confident that its position (namely that Scotland’s membership would be delayed for years) was correct.

What is certain is that no serious politician, commentator or EU bureaucrat has ever suggested that the EU - an expansionist organisation - wouldn’t want resource-rich Scotland as a member state. So the only real debate is on how Scotland would go from being part of a member state to being a member state in its own right, and if you accept the premise that the EU wants Scotland in, then it’s clearly in everyone’s interests to sort that out as quickly and smoothly as possible.

For that reason, most impartial experts, and even honest Unionists, expect the process to be made very quick and easy - not as a special favour to Scotland but because it’s the common-sense plan, and also because the alternative would be to cast the entire continent into unimaginable, unprecedented and completely needless chaos from which absolutely no-one would benefit.

Scotland is currently in the EU (as part of the UK), which means that hundreds of thousands of Scots live abroad, and hundreds of thousands of EU citizens live in Scotland. Were Scotland to be ejected even temporarily, millions of people - including Scots living in England and vice versa - could lose their rights of residence overnight and have to be thrown out of their respective countries.

No mechanism exists within the EU for ejecting existing citizens against their will. The administrative mayhem would last for decades, which is why the pro-Union MP Eric Joyce dismissed the idea in February this year as:

“Manifest nonsense. I want Scotland to remain part of the UK, but not on the basis of an argument deploying blatant threats and lies.” [100]

Graham Avery, the Honorary Director-General of the European Commission and senior policy adviser at the European Policy Centre in Brussels with four decades of experience in negotiating EU enlargement (including the UK’s own entry), told the UK Parliament in 2012 that:

“From the political point of view, Scotland has been in the EU for 40 years; and its people have acquired rights as European citizens. If they wish to remain in the EU, they could hardly be asked to leave and then reapply for membership in the same way as the people of a non-member country such as Turkey.

The point can be illustrated by considering another example: if a break-up of Belgium were agreed between Wallonia and Flanders, it is inconceivable that other EU members would require 11 million people to leave the EU and then reapply for membership.” [101]

In 2014 he also told Holyrood’s European committee:

“A situation where Scotland was outside the European Union and not applying European rules would be a legal nightmare for the people in the rest
of the United Kingdom and the British Government has to take account of that.

I think it would be very, very unfortunate for the rest of the United Kingdom if Scotland was not a member from day one of independence.” [102]

In February 2013 Lord Mark Malloch-Brown, former Deputy Secretary-General of the UN and a Foreign Office minister in the last UK Labour government, told the BBC that:

“Whatever the legal formalities, in terms of the political will if Scotland were to vote for independence, I think Europe would try to smooth its way into taking its place as a European member.” [103]

In July 2014, Sionaidh Douglas-Scott, professor of European law and human rights at Oxford University and author of a book on EU constitutional law, agreed:

“Despite assertions to the contrary from UK lawyers, EU lawyers and EU officials, any future independent Scotland’s EU membership should be assured, and its transition from EU membership as a part of the UK to EU membership as an independent Scotland relatively smooth and straightforward.” [104]

And the same month, European Commission president Jean-Claude Juncker was reported as saying Scotland would be treated as a “special and separate case”, rather than a new applicant [105].

Scotland currently has no seat at the table in the European Union or the United Nations. Its interests are represented by the UK, and the UK’s duty is always to look after the greatest number of its own people.

With just 8.4% of the UK population, any time that Scotland’s interests conflict with the rest of the UK’s, the UK government must always put Scotland’s interests second to those of the majority of the UK.

“Secret papers, released today, have revealed how the Scottish fishing fleet was betrayed by the government 30 years ago to enable Britain to sign up to the controversial Common Fisheries Policy.

Prime Minister Edward Heath’s officials estimated that up to half the fishermen in Scottish waters - then 4,000 men - could lose their jobs, but the decision was taken to go ahead with plans to sign up because it was believed that the benefits to English and Welsh fishermen would outweigh the disadvantages in Scotland.” [106]

The UK government continues to behave in the same way today. In November 2013 it decided, against the views of ALL parties in Holyrood, to distribute £182 million in extra EU funding to farmers across the whole UK, although it arose solely and specifically from the low level of Scottish subsidies and should have all gone to Scottish farmers. [107]

Only a Yes can get Scotland its own voice in Europe.

Questions

Q: “What if I don’t want Scotland in the EU or NATO?”

A: See Chapter 1. Independence doesn’t make policy decisions, it just gives Scotland the right to choose for itself. If you want out of the EU or NATO, vote for a party that has that as its policy in 2016. Scotland’s proportionally-elected parliament is far more democratic than Westminster, so you have far more freedom to vote constructively for a party that shares your views and have them win seats.

Q: “But haven’t the Spanish said they would veto Scottish membership in order to avoid stirring up the independence movement in Catalonia?”
A: No, they haven’t.

“Spanish Foreign Minister Jose Manuel Garcia-Margallo insisted his country would not raise any objection to European Union recognition - if Scottish independence was accepted by Westminster.” [108]

And the Edinburgh Agreement commits Westminster to accepting the referendum result.

Q: “But won’t we lose our EU rebate?”
A: The rebate is a sum of money paid by the EU to the entire UK, including Scotland. It’s therefore a moveable UK asset, and as such will be part of the independence negotiations like any other asset. Scotland is entitled to its share.

Q: “But won’t we have to join the Euro?”
A: No. EU member states CANNOT be forced to join the Euro. In order to do so, states must first join the ERM2 (“Exchange Rate Mechanism”) programme for a minimum of two years, and membership of ERM2 is entirely voluntary [109]. All an EU member has to do to stay out of the Euro is not sign up for ERM2 [110].

The European Commission’s website notes that:

“Bulgaria, Croatia, Czech Republic, Hungary, Poland, Romania and Sweden do not currently have a target date for adoption of the euro”. [111]

In fact, Scotland couldn’t join the Euro even if it wanted to, as it doesn’t meet the qualifying criteria [112].

Q: “But why do people like Jose-Manuel Barroso keep saying it would be very difficult for Scotland to become an EU member?”
A: For their own personal reasons. Snr Barroso wanted the UK government to support his ultimately unsuccessful bid to become Secretary-General of NATO [113]. Snr Barroso will leave office this September, so his view is of no relevance anyway.

Q: “But don’t the SNP want to flood Scotland with immigrants?”
A: The SNP won’t necessarily be the government of an independent Scotland - see Chapter 1. But Scotland won’t be “flooded” with immigrants either way. Like most countries in the developed world, Scotland has an ageing population, and needs new people to come in, work and pay taxes to maintain public services. (Immigrants are economically beneficial because they’re more likely to be in work than native citizens and less likely to claim benefits.) [114]

The UK government estimated in June 2014 that an independent Scotland would need net migration (including people from the rest of the UK) of 24,000 a year [115]. The No campaign has attempted to misrepresent this figure as an INCREASE of 24,000 over the current figure, but the average net immigration to Scotland over the last decade has been 22,330 [116].

That means that even at the UK government’s most extreme estimate, Scotland would need just 1,670 extra immigrants a year - fewer than five people a day, including those from England, Wales and Northern Ireland. (At that rate it would take 190 years for Scotland’s immigrant population simply to
Scotland has one of the lowest immigrant populations in the world. At just 7%, according to the most recent census [117], an independent Scotland would rank 107th in the list of countries with the highest percentage of immigrants [118]. Even without considering the vital contribution those born abroad make to our culture as well as our economy, we can easily absorb another five people a day.

Sources:
All links at http://wingsoverscotland.com/weebluelinks.htm

(ii) NATO

A similar common-sense argument applies to Scottish membership of NATO as to the EU. Scotland occupies a strategically crucial geographical position at one end of the so-called “GIUK Gap” [119] in the North Atlantic, with Greenland and Iceland at the other end.

Iceland is a NATO member, despite having no army and only three coastguard vessels by way of naval forces [120], and Greenland has no native military at all [121]. It’s therefore inconceivable that NATO would obstruct Scottish membership, as Scotland would have the only effective armed force capable of patrolling the Gap.

Professor Michael E Smith, an American military and foreign-policy expert and Chair of International Relations at the University of Aberdeen, said in an August 2013 interview that:

“With Scotland’s strategic sea position, it is ludicrous to think that Western allies would refuse to help defend Scotland against a major foreign attack, even if NATO did not exist.” [122]

While some Unionist politicians claim that the SNP’s pledge to remove nuclear weapons from Scottish territory would obstruct membership, Prof. Smith disagrees:

“The US would rather have more conventional-weapons spending in the UK/EU, not nukes. So, like some other stories coming from the unionist side, the Trident issue comes very close to scaremongering.” [122]

His view echoes that of “a senior American official” quoted in the New York Times in April 2013:

“[Britain and France] are struggling to maintain their own nuclear deterrents as well as mobile, modern armed forces. The situation in Britain is so bad that American officials are quietly urging it to drop its expensive nuclear deterrent.” [123]

The UK’s stockpile is insignificant on a global scale, at slightly over 1% of the world’s nuclear arsenal [124]. Its loss would make no strategic difference to NATO at all. An independent Scotland will be welcomed enthusiastically into the organisation, because NATO simply won’t contemplate leaving the North Atlantic undefended.

Sources:
All links at http://wingsoverscotland.com/weebluelinks.htm
(iii) Borders and Passports
There are no guarded land borders in the EU. Citizens pass freely between member states without being required to stop and show passports or submit to customs checks [125]. This is because of a treaty called the Schengen Agreement, to which the UK is not a signatory.

However, the UK’s only current land border, with the Republic of Ireland, is also completely open - as part of an arrangement called the Common Travel Area - despite the historic danger of terrorist attacks.

The UK government claims [126] that an independent Scotland would have to sign up to Schengen, which would in turn require border posts to be set up between Scotland and England to comply with the Agreement’s rules and to protect the rUK against mass illegal immigration through Scotland.

There are all sorts of complex and technical reasons why none of this would be the case [127], but again the common-sense analysis is the simplest and clearest.

The Scotland-England border is almost 100 miles long, with little to nothing in the way of natural physical barriers. The expense and manpower required to build a fence or wall and police it would be astronomical, as well as politically and economically inconceivable. Once again, pro-Union MP Eric Joyce makes the point bluntly:

“Why would England choose to make itself look like a banana republic, pointlessly spend billions of pounds and make itself a laughing stock across the world?

Not for reasons of security, because all the security arrangements at present on the UK mainland would still be in place with a common UK travel area. Simply, apparently, to make some kind of weird psychological attack on their immediate neighbours.

And would English taxpayers and travellers stand for that? Would the businesses behind the Tory party accept the logistical nightmare their government wished to inflict upon them? Would the security bods, who know what happens when bordering states don’t co-operate, accept such a dangerous situation? No, of course they wouldn’t.” [128]

If your intention is to prevent illegal immigration, only a full-length and permanently-patrolled fence or wall would suffice, because otherwise the immigrants would of course simply walk into England across the fields - dodging only the occasional sheep - rather than going through checkpoints on the roads. And such a barrier just isn’t going to happen.

There will be no border posts at Berwick.

Sources:
All links at http://wingsoverscotland.com/weebluelinks.htm
(iv) EMBASSIES

The UK government and No campaign have both tried to threaten Scotland with the idea that Scots on holiday or working abroad might find themselves without diplomatic assistance if something went wrong. This is a flat-out lie. Should Scotland not have its own embassy or consulate in a particular country, those of every other EU member state are obliged under EU law to offer exactly the same assistance they would give their own citizens. [129]

If Scotland were also in the Commonwealth (as it surely would be), its citizens would also have the right to consular assistance from UK embassies [130], even if the rUK were to be outside the EU.

Sources:
All links at http://wingoverscotland.com/weebluelinks.htm
Unionist politicians like to give the impression that should Scotland vote Yes, the UK would be an angry, hostile negotiator seeking to punish Scots for their ingratitude. In November 2013, for example, the “Better Together” campaign director Blair McDougall told a debate audience in Dundee that:

“UK ministers are not going to fall into the trap of acting against Scotland until Scotland decides to leave the United Kingdom” [131]

The claims that the rUK would refuse a currency union, impose border controls and decline to order naval vessels from Scottish shipyards are all part of this tactic. But if you’re trying to stop someone from doing something, you don’t tell them that you’ll be reasonable and sensible if they do it. You try to frighten them by telling them all the terrible things you’ll do to them unless they do what you want.

Threats, however, are meaningless after the bluff is called. What matters when it comes to negotiations is who holds the best cards, and Scotland has a very strong hand indeed. Let’s take a look at each side’s bargaining chips.

THE rUK

The main weapon in the rUK’s armoury would be to veto Scotland’s membership of the EU. Yet such a threat would have no credibility. Scotland being out of the EU would certainly hurt Scotland, but it would massively damage the rUK too in several very obvious ways.

The rUK refusing to support Scotland’s international recognition by other countries would go directly against the terms of the Edinburgh Agreement, and therefore also against Article 1 Clause 2 of the UN Charter regarding “the self-determination of peoples”. [132]

It would be disastrous for rUK businesses, but more to the point it would cause bureaucratic chaos the likes of which has never been seen on these islands, as 400,000 English, Welsh and Northern Irish people suddenly lost the automatic right to live in Scotland and a similar number of Scots risked expulsion from the rest of the UK. (See Chapter 4(i) and 4(iii) for more detail.)

It’s barely an exaggeration to say that the whole of Britain would grind to a halt. People wouldn’t know who they could do business with and who might be deported the next day. Both countries’ immigration and emigration agencies would be swamped with a backlog that could take decades to clear.

And that’s before you even consider the rest of the EU’s (and the world’s) reaction, the legal challenges and the catalogue of other absurd impossibilities that would arise.

The threat to veto Scotland’s membership of the EU (and other international organisations) is a bit like the Trident nuclear missile system - it’s all for show, because actually using it would mean mutually assured destruction for everyone. It won’t happen.

And the same applies to almost any threat of non-cooperative measures from the rUK, eg over trade or citizenship. All of them would damage Scotland, but in doing so would also hurt the rUK, and the rUK’s economy is simply far too fragile to survive any self-inflicted wounds.

SCOTLAND

Scotland, on the other hand, has some rather more credible firepower in its arsenal. In 2012 the Daily Telegraph reported the views of a senior Ministry of Defence source on Trident:

“MoD insiders believe that, after an independence vote, ministers in London would have no choice but to strike a deal with Scottish leaders allowing the Navy to go on using Coulport and Faslane until an
alternative was ready. That would give Scotland’s new government bargaining power over other issues like their share of the UK national debt and other financial liabilities.

‘Maintaining the deterrent is the first priority for any UK government, so ministers in London would have to pay Salmond any price to ensure we kept access to [the Clyde bases],’ said a source. ‘It would be an unbelievable nightmare.” [133]

Forcing the rUK to remove Trident within weeks of independence rather than years wouldn’t hurt Scotland, but the rUK has nowhere else to put it [134], which means that that one card alone trumps most of the rUK’s hand. While the Scottish Government has said it wants to take on a fair share of the UK’s debt burden, in hostile negotiations it could also walk away from accepting any, which would be disastrous for the rUK economy. The UK government has already accepted that it is solely responsible for the debt [135], and only goodwill compels Scotland to accept a share at all.

Scotland’s third big bargaining chip is pensions. As noted in Chapter 3(iii), the UK government has admitted that it’s obliged to keep paying the pensions of anyone who’s already qualified for the UK state pension, even if they no longer live in the UK. Scottish pensioners would be in the same situation as anyone who retires to Spain or France. The White Paper says the Scottish Government wants to take over that responsibility, but in hostile negotiations it could abandon that policy - Scottish pensioners paid their National Insurance to the UK government and are entitled to be paid by it - and leave the rUK carrying the can. That’s worth more than £6 billion a year [136], and in conjunction with rejecting a share of UK debt would mean the Scottish economy would definitely be in a very comfortable surplus of billions of pounds every year - even on the most pessimistic estimates of oil revenue. That means that even if international lenders wanted to set interest rates higher because Scotland was deemed to have “reneged” on its debt share (even though it wouldn’t have), it wouldn’t matter because Scotland wouldn’t NEED any borrowing, or very little.

The reason the Scottish Government doesn’t want to do those things is that damaging the rUK’s economy would of course also hurt Scotland’s, because a large percentage of Scotland’s trade is done with the rest of the UK. But if it came down to it, Scotland’s big budget surplus would protect it from a lot of that damage, as Professor Gavin McCrone suggested way back in 1975.

Make no mistake - one of the reasons the UK government is so frantic to prevent a Yes vote is that it knows Scotland would hold the whip hand when it came to horse-trading and haggling over the terms of the divorce.

Questions

Q: “But the Scottish Government uses the removal of Trident as an argument for independence. Doesn’t that take out Scotland’s main trump card instantly?”

A: The Scottish Government’s policy is for Trident to be removed as soon as “safely” possible [137]. In good-faith negotiations, that term is flexible enough to allow a few years for the UK government to come to alternative arrangements for the system. If the negotiations are hostile, it can be defined as the time taken to deactivate and transport the warheads, which is a matter of weeks. [138]

And of course, either way Scotland would stop PAYING
for Trident immediately, and could redirect hundreds of millions of pounds to other things.

Q: “But if Scotland didn’t accept any of the UK’s national debt, wouldn’t it be punished by the international markets? Why would anyone lend Scotland money?”

A: Because it’s not Scotland’s debt. Scotland had no say over it being taken out - it’s the UK government’s debt, the UK decided where to spend it and the UK has already accepted full liability for it [135]. If you’re living in a rented flat and the landlord defaults on his mortgage, YOU don’t get a bad credit rating.

Lenders don’t care in the least about the UK’s internal political wrangles - they lend based on whether they think they’ll get paid back or not, and Scotland is a wealthy country with plenty of security for any debt it took out. It would be a very low risk for any lender.

But as we explored in Chapter 2, an independent Scotland would be likely to need far less lending anyway, so even if it had to pay slightly higher interest on its borrowing it could afford to do so.

Sources:
All links at http://wingsoverscotland.com/weebluelinks.htm
In this book we’ve tried to answer all the reasonable questions that people might want to ask those of us on the Yes side. (If we’ve missed any, see the Appendix.) But here are a few questions you might like to ask your local Unionist MP, MSP or No campaigner, and see how direct and convincing the replies they give you are. Because if you wait for the media to ask them on your behalf, you might be waiting a very long time.

1. Does Scotland - including its oil revenues, of course - contribute a larger share of the UK’s income than the share of UK spending it gets? (And specifically the SHARE, not the AMOUNT - debt which has to be paid back doesn’t count as “spending”.)

2. Regardless of whether YOU think it would be a good idea or not, is it true to say that an independent Scotland could continue to use Sterling as its currency if it chose, no matter what happened?

3. Your campaign keeps saying that independence would make our family and friends in the rest of the UK “foreigners” [139]. Even if we accept that’s true, what’s wrong with foreigners? Would you love your granny or your nephew or your sister any less if they became “foreign”? If not, why does it matter?

4. In your view, would the rUK really build and patrol a 100-mile long physical barrier of some sort across the border if an independent Scotland had a different immigration policy? (Because obviously road checkpoints alone couldn’t stop illegal immigrants, who’d simply cross on foot.) And if so, what would you estimate as the construction, manning and maintenance costs of such a barrier?

5. The McCrone Report was kept from the Scottish public by successive Labour and Conservative governments for 30 years to prevent them knowing how rich Scotland would be if it were independent. Are you aware of any similar documents relevant to the independence debate which are currently designated secret?

6. In the event of a No vote in September, can you guarantee that in five years’ time Scotland will still be in the EU?

7. In the event of a No vote, can you guarantee that in 10 years’ time Scotland will still have a fully publicly-funded NHS?

8. In the event of a No vote, can you guarantee that the “Barnett Formula” used to calculate the Scottish Government block grant will still be in force by 2020 and set at the same proportions?

9. What will be the approximate set-up/annual costs of the tax-collecting bureaucracy your party plans to implement in the event of a No vote?

10. In the event of a Yes vote, will the UK government have an obligation to pay the pensions of everyone in Scotland who has ALREADY qualified for the UK state pension, as would be the case if current pensioners emigrated to (say) Spain or France or Australia? I’m not interested in the Scottish Government’s position on the matter, I want to know what the UK government’s responsibilities are, since they’re the ones all the contributions were paid to.

You can easily contact your local MP, MSPs, MEPs and councillors via WriteToThem.com [140]. We’re not saying you’ll get straight answers. But if you don’t, perhaps that might tell you something.

Sources:
[139] Various [140] Write To Them
All links at http://wingoverscotland.com/weebluelinks.htm
APPENDIX

We wanted to keep this book a manageable size, so we've only covered the most important things, and we've tried to cut to the chase. If you've got a question about anything else, or a more detailed question about anything we HAVE discussed here and which isn't covered by the more in-depth articles in the “SOURCES” sections, drop us a line and we'll do our best to help. And as always, we won't ask you to take our word for it - we'll give you links to all our sources so you can see for yourself.

http://wingsoverscotland.com/ask-wings/
http://wingsoverscotland.com/reference/

If you’re reading the print version of this book and you’d like the digital edition, with clickable links and text search, you can download it here:

http://wingsoverscotland.com/weebluebook

CREDITS/ACKNOWLEDGEMENTS

Text by Rev. Stuart Campbell.

Special thanks to Lindsay Bruce, Douglas Daniel, Dr Morag Kerr, Andrew Leslie and Scott Minto, without whom the Wee Blue Book, and many other things, wouldn't have been possible. Or would at least have taken a lot longer and not been as good.

Election graphics by Stewart Bremner.

“The greatest gifts you can give your children are the roots of responsibility and the wings of independence.”

- Denis Waitley

Author
Scotland is served by 37 national or daily newspapers. Not a single one supports independence. (The only publication to back a Yes vote is a weekly.) Almost all of them are owned and/or controlled outside Scotland.

When Scotland faces a decision as important as the one it’ll make on September the 18th, the press being so overwhelmingly skewed to one side is a problem for democracy.

To be blunt, a great deal of what Scots have been told about independence in the last few years by Unionist politicians and the media is a tissue of flat-out lies, half-truths, deliberate omissions and misrepresentations.

In this book - using fully-referenced, impartial sources that you can check for yourself - we’ll fill in the gaps so that you can see the whole picture.

“Wings Over Scotland is arguably the most exciting, invigorating, and innovative entrant to the Scottish media world in recent years.”
- STV News, 20 June 2014

“Irreverent, brave, challenging, intelligent and often brilliant analysis.”
- Journalism.co.uk, 19 February 2014

“The writing on Wings Over Scotland is of a very high quality and often surpasses what appears in paid-for titles.”
- The Observer, 30 March 2014

“There are no pro-union campaigns on the web to rival those of independence supporters such as Wings Over Scotland.”
- The Sunday Herald, 20 July 2014

“The Mumsnet of the independence movement.”
- Ross McCafferty (Mirror Online), 14 June 2014