

# Scotland, independence and Brexit

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Scotland's independence debate, and its eventual choice of whether to stay within the UK or not, has been strongly impacted on by Brexit. That impact will not disappear in the coming years. Brexit has also shown up many weaknesses in the existing devolution settlement across the UK, not least in the lack of influence over the UK government's decision-making by the Scottish parliament and the Welsh parliament (with the Northern Ireland Assembly suspended during the entire Brexit talks).<sup>1</sup>

## The polls

Scotland and Northern Ireland both voted 'remain' in 2016 – Scotland by 62% to 38%. Polls since then have tended, if anything, to show higher support for remain in these regions – reaching two-thirds or more in some polls.<sup>2</sup> About one-third of Scotland's 'leave' voters in 2016 also supported independence, so there was not a simple 'remain/yes, leave/no' divide. However, in the four years since the vote, there has been some tendency for 2016 remain voters who also opposed independence to shift towards support for an independent Scotland in the EU. This tendency may well strengthen now that Brexit has happened, and if the UK continues to head towards a relatively hard Brexit.

Some recent polls show support for independence in Scotland increasing from its 45% level in 2014 to 50%-52% at the start of 2020; some of this increase has been driven by remain voters choosing independence in the EU over staying in the UK. There is also a very strong demographic character to support for, and opposition to, independence in Scotland. Younger voters are strongly

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pro-EU and pro-independence: those under 50 years old, polls suggest, support independence by a two-thirds majority, while those over 65 are most opposed,

with about two-thirds against. EU citizens in Scotland are also now more likely to back independence than in 2014.

## A changing independence debate

Although the EU figured in the 2014 Scottish independence referendum debate, it was not the decisive issue. There was certainly debate about whether and how quickly Scotland could rejoin the EU, or even remain through some type of ad hoc ‘holding pen’ arrangement (given that it would have been an independent state that was formerly a sub-state of the UK, itself an EU member state). But the main focus of the debate was self-determination, the potential advantages of statehood versus economic doubts not least over currency, the welfare state and pensions.

The fact of Brexit means that there are now different questions in the independence debate. Scotland, of course, left the EU with the rest of the UK at the end of January 2020. Arguments from the Scottish government after the 2016 vote fell on deaf ears in

London. The UK has not aimed for a softer Brexit nor (for now) a longer transition.

The Scottish government’s arguments for a differentiated deal for Scotland – potentially asking the EU if Scotland could stay in the Single Market while the rest of the UK (rUK) did not – were also rejected by London (and may well have been by Brussels, too, but they were never asked).<sup>3</sup> Even a repeated request from the Scottish government for a different or differentiated migration policy for Scotland – which has benefitted strongly from, and depends in many sectors on, EU migration – was rebuffed without discussion or consideration.<sup>4</sup> Overall, the fact of Brexit means that the possibility of an independent Scotland rejoining the EU has become an even more important issue in the independence debate than it was in 2014.

## A recentralisation

Meanwhile, from early in the Brexit process, there was a major debate between London, Edinburgh and Cardiff over a ‘power grab’ of devolved powers. In passing the EU Withdrawal Act, which brought EU law into UK law on Brexit, London had proposed bringing EU laws in devolved areas, including agriculture, environment, and fisheries, first into UK law. Both the Scottish and Welsh governments protested strongly. A compromise was put forward

proposing that this centralisation of powers would only be in some areas and only last for up to seven years, while common UK frameworks were established in key areas. The Welsh government and assembly (now parliament) accepted this compromise, the Scottish government and parliament did not. Nonetheless, it went ahead. And yet, even now, any common UK frameworks are still to be established.

As Brexit talks start, there is little chance for any real influence from the devolved governments – any more than there was during the UK-EU withdrawal negotiations, first under Theresa May and then Boris Johnson. There has been formal interaction between London and the Scottish government through the so-called Joint Ministerial Committee (European Negotiations), but neither before nor after the 31st January has this amounted to any serious advance or detailed consultation over negotiating positions.

And so, in many ways, Brexit has led to a recentralisation in the UK, something that has not gone unnoticed in Scotland and that will also continue to impact on the independence debate. Currently, the UK government under Boris Johnson (as it did under Theresa May) is refusing the Scottish government's proposal to hold another independence referendum. How this stand-off will unfold is an open question. And the politics of it will certainly be influenced by the results of the Scottish parliament elections in May 2021 (still currently expected to go ahead despite the COVID-19 crisis). It also underlines the inequality of power between Westminster and Holyrood. But it is well understood in Scotland that any future independence referendum must be legally and constitutionally valid if Scotland is to be recognised as an independent state and for its prospects of future accession to the EU.

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## Where now for the independence debate?

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The COVID-19 crisis and its aftermath may yet impact on Brexit in various ways: will Brexit take longer, and could it take a different form? Certainly, as in other countries, it means politics-as-usual has been suspended – and that has applied to the independence debate in Scotland, too.

Whether the transition period, which concludes at the end of 2020, is extended is perhaps crucial to both questions. The longer the transition period lasts, the more chance there could be for political pressures to grow for a softer Brexit that kept the UK closer to the EU – in its Single Market and/or in its Customs Union. It is hard to envisage that happening given the political complexion of the current UK government, but with a new Labour leader in opposition, and if public opinion shifted strongly, it is not impossible. If that does not happen then, sooner or later, the UK will continue down its path of a hard

Brexit, aiming to negotiate a fairly basic free trade deal with the EU, or moving towards a no-deal Brexit on World Trade Organization terms.

The Scottish government has been strongly committed to its policy of independence in the EU. Debate over whether an independent Scotland might rather join Norway in the European Economic Area has occurred from time to time. But Brexit, for now, has if anything strengthened the emphasis on joining the EU – not least seeing how Ireland played its diplomatic and political hand in the talks, and the support it got from other EU member states.

There is a Brexit conundrum in the independence debate. The fact of Brexit has increased support for independence and may yet increase it further. But it also poses new challenges that were not there in 2014, which may make independence more challenging and impact on the debate.

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An independent Scotland in the EU, with rUK having a basic free trade deal with the Union, would face a fairly hard border with rUK. The Scotland-England land border would be an external border of the EU – with Scotland in the EU’s Customs Union and Single Market and rUK outside it. This would create friction and have a downside in terms of economic impact, given that rUK-Scottish trade is bigger than Scotland-EU trade. At the same time, Scotland would benefit from free movement of people within the EU and might be a much more attractive base for foreign direct investment. Of course, if the COVID-19 crisis changed UK politics in such a way that the UK shifted towards a softer Brexit, this would also ease the border challenges an independent Scotland would face.

Scotland, in applying for EU membership, would also surely – like Ireland – ask for an opt-out from Schengen to enable it to stay within the UK and Ireland’s common travel area (with their agreement, too). If it got this, then there would not be a hard border for movement of people between Scotland and England, but there would be a hard border and barriers for goods and services. While this would clearly not be as sensitive in political and security terms as it is for the Irish border, there would nonetheless be both political and economic impact and debate around the need for a border.

There are also challenges around the sensitive issue of which currency an independent Scotland would use. The Scottish National Party’s current policy is to use the pound sterling initially (even without the UK’s agreement) and then to move to a Scottish currency as economic conditions allowed. However, for an accession candidate to be using the currency

of a non-member state raises an unfamiliar question for the EU. Would Brussels and the member states insist that Scotland cannot join the EU until it had its own currency (and, of course, made a commitment to

join the euro)? Or would there be some sort of transition period agreed such that, if Scotland did not have its own currency at the point of accession, it would move to it within a few years?

## Where next?

It has frequently been suggested that Brexit is a problem whose roots lie in English nationalism. This is an argument that is well understood in Scotland. Brexit has sharply underlined the stark differences of politics and of public opinion in England and Wales on the one hand and Scotland and Northern Ireland on the other. Scotland is divided by its independence debate, but it was not riven over Brexit as England was.

In the face of the COVID-19 crisis, there is now more uncertainty both over what the future UK-EU relationship will look like and over what domestic policies the current Conservative government will focus on during the challenging economic times that lie ahead. These issues may sharpen the

divide between a more Conservative England and more social-democratic Scotland, but the nature and depth of the COVID-19-related recession will pose challenging questions for the economics of independence.

Scotland, with its own parliament, its proportional representation voting system and its pro-EU majority, looks rather similar to other EU states of its population size – Ireland, Finland, Denmark and others. Whether Scotland will eventually become an independent state in the EU remains an open question. But Brexit has opened up a major political challenge for the UK as a state, leaving its politics fractured. Whether that fracture will finally lead to it breaking apart, time will tell.

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<sup>1</sup> The Northern Ireland Assembly was suspended for three years, from January 2017 to January 2020, after political disagreements in the context of the so-called Renewable Heat Incentive scandal.

<sup>2</sup> See *Survation*, "[Survey Archive: 2018](#)" (accessed 02 June 2020).

<sup>3</sup> See Scottish Government (2016), "[Scotland's Place in Europe](#)", Edinburgh.

<sup>4</sup> Scottish Government (2020), "[Migration: helping Scotland prosper](#)", Edinburgh.