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Broken Dreaming: The 2014 Scottish Independence Referendum

Introduction

This contribution considers the referendum that was held in Scotland on 18 September 2014, in which the people of Scotland were asked to answer the question "Should Scotland be an independent country?" The referendum failed, with 55 per cent of voters rejecting independence.[1]

The 2014 Scottish independence referendum can be approached in any number of ways. I will be focusing on two aspects in particular: the broad pro-independence movement considered as an alliance of forces, individuals, and groups that sought to imagine an independent Scotland as a different kind of country; and what I consider to be some of the key reasons for the failure of the referendum, which I find in certain critical weaknesses of the proposals for independence made by the Scottish National Party (SNP)-led official pro-independence campaign ("Yes Scotland").

First of all, I would like to give some context and background to the referendum.

To Be a Nation Again

The immediate cause of the calling of the referendum was the election in 2011 of an SNP majority government in Scotland. The SNP had made an independence referendum a manifesto promise, and was now in a position to fulfil this. The UK government acquiesced, and the Edinburgh Agreement was signed on 15 October 2012, in which "the United Kingdom Government and the Scottish Government […] agreed to work together to ensure that a referendum on Scottish independence can take place".[2]

But of course, the roots of the referendum go deeper. And the deepest is the oldest: Scotland is a "country", a "historic nation", a former kingdom in its own right. Without this legacy, it is hard to imagine that an independence movement would ever have emerged. Although the historical argument was generally downplayed by independence supporters during the campaign, it is

1 The results in full: "No" 55 per cent (2,001,926) votes. "Yes" 45 per cent (1,617,989). Turnout 84.5 per cent.

2 *Agreement between the United Kingdom Government and the Scottish Government on a referendum on independence for Scotland*, Edinburgh, 15 October 2012, at: https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/313612/scottish_referendum_agreement.pdf.

almost inconceivable that a secessionist movement would otherwise have emerged in Scotland.[3]

A further foundational factor is the strength of feeling that exists in Scotland concerning national identity. While a lot of claims were both made and refuted concerning supposed differences in attitudes and values between the Scots and the rest of the British population during the campaign,[4] there can be little doubt that on the question of identity, the Scottish people strongly tend to consider themselves Scottish rather than British. According to surveys conducted in 2011, when forced to choose, 75 per cent of Scots identified as Scottish and only 15 per cent as British. In the case of England, 42 per cent chose English and 43 per cent British.[5] Nonetheless, this relatively constant preference for Scottishness as a label has generally not translated into an equivalent level of support for independence, which has recently tended to hover in the 25-40 per cent range, only very rarely achieving anything near majority support.[6]

In the 307 years of the UK's existence, agitation for Scotland to secede from the Union has never been strong enough to make it appear a realistic possibility – not until the present day. What has changed? The first electoral successes of the SNP in the late 1960s and early 1970s coincided with Britain's entry to the European Economic Community (EEC), precursor to the European Union (EU), and the discovery of large quantities of oil in UK (largely Scottish) waters. In fact, this was no coincidence: The slogan "It's Scotland's Oil" was the SNP's chief battle cry during the 1970s; "Independence in Europe" was a later call to arms.

This was also the period when Britain's decline from great power status was most obvious. As the UK sought a new (post-imperial and post-industrial) role in the world, the possibility of Scottish home rule (autonomy or complete independence) took on a momentum that it had not possessed while Britannia had ruled the waves.

However, while the reaction to imperial and industrial decline and the promise of oil wealth and success as a small nation within the EEC/EU cer-

3 Scotland's status in the union is rather interesting. Most significantly, though the UK is a unitary state, Scotland has always possessed several key institutions of nationhood – the presbyterian Church of Scotland, Scots law (a hybrid system of "continental" style civil law and English-style common law), and a distinct education system, among other things. During the referendum debate, such markers of difference were cited by both supporters and opponents of independence – the former seeing them as evidence that Scotland was clearly a separate country that deserved independence, the latter as indicators that the distinctiveness of Scotland was being effectively preserved within the Union.

4 E.g. whether Scotland is more pro-European or more left-wing than the UK as a whole.

5 Cf. Government Office for Science, *Future Identities: Changing identities in the UK – the next 10 years*, London 2013, pp. 9-10, 13-14, at: https://www.gov.uk/government/ publications/future-identities-changing-identities-in-the-uk.

6 A survey of various polls from the period between the establishment of the Scottish Parliament in 1999 and the independence referendum is available at: http://ukpollingreport.co.uk/scottish-independence.

tainly played a role in triggering a boom in Scottish nationalism,[7] the key moment in the crystallization of the broader independence movement as manifest in 2014 was – perhaps paradoxically – the phenomenon that is often cited as the means by which the UK overcame its post-War decline – namely the key political phenomenon of the last 40 years of British history – Thatcherism.

Whatever one's personal opinion of the policies pursued by Conservative governments in the UK between 1979 and 1997, there is broad agreement that draconian reform of trade union law, the systematic destruction of the mining industry (and much of shipbuilding and steel), the start of the largest programme of privatization ever seen, the deregulation of financial services, the dismantling of elements of the welfare state, and the failed attempt to create a shareholding "entrepreneurial" economy indisputably represents the largest shift in post-War British history.

These policies were divisive throughout the UK, but particularly so in Scotland, where the unpopularity of the Conservative Party can be shown by their electoral decline during 18 years of rule, in which period the number of Scottish Tory MPs fell from 22 of 72 in 1979 (on 31.4 per cent of the vote) to none of 72 in 1997 (17.5 per cent). A single Conservative MP has been elected to Westminster from a Scottish seat at every subsequent UK election.

As I discuss below, it is my thesis that this moment is the most important factor in the forging of the broad popular and political movement that almost secured Scotland its independence in 2014.

While the initial beneficiary of the collapse of Scottish Conservatism[8] was the Labour Party, dissatisfaction with Labour has, more recently, also been growing in Scotland. There is a widespread perception that Labour has drifted far from its socialist roots in seeking UK-wide electability under Tony Blair and Gordon Brown. Furthermore, the overwhelming dominance of Labour in local government in Scotland's largest city and Glasgow's ongoing deep poverty has provided an opportunity for the SNP to blame Labour for its complacent party machine.[9] Indeed, it was remarkable that the four council areas that returned a majority for independence in the referendum included former Labour strongholds such as Glasgow and Dundee.

Yet it was the UK Labour government that brought about the largest major constitutional shift in Scottish political history since 1707 by creating the Scottish Parliament in 1999 on the back of the 1997 devolution referendum. Despite the claim of the then Shadow Scottish Secretary George Robertson (who was in charge of preparing Labour's devolution plans) that

7 In Scottish politics, the word "nationalist" is frequently used in a value-neutral way to refer to supporters of the SNP (and/or independence more generally). Unless otherwise specified, I use the word in this sense.

8 The Conservative Party in Scotland is officially known as the Conservative and Unionist Party.

9 For a brief discussion of Labour's crisis in Scotland, see e.g. http://www.nybooks.com/articles/archives/2014/mar/20/will-scotland-go-independent.

devolution would "kill nationalism stone dead",[10] this proved far from the case. While Labour initially dominated the parliament in Edinburgh ("Holyrood"), playing the leading role in coalition governments with the Liberal Democrats from 1999 until 2007, the SNP emerged as the largest party in 2007 and formed a minority government. In 2011, the SNP's perceived record of competent governance, coupled with the collapse of the Liberal and Labour votes (the former having experienced a deep drop in popularity following its entry into coalition with the Conservatives at Westminster in 2010) meant that the SNP was able to secure a majority of seats in the Scottish Parliament – something that had frequently been described as impossible.

Most recently, the austerity policies and deep unpopularity in Scotland of David Cameron's Conservative-led coalition government – regularly derided as a particularly elitist group even within the ordinarily elitist world of UK politics – has fuelled a further sense of disillusionment with the UK political scene. This time round, given not just their effectiveness in government, but also the lack of a credible alternative in a Labour Party that is seen as almost as distant as the Conservatives, and a Liberal Democratic Party whose electoral prospects have fallen sharply, the SNP has been in a position to take full advantage of dissatisfaction with the "Westminster system" and campaign for independence.

In sum: Building on a legacy of nationhood, a strong sense of national identity, and a deep disillusionment with British politics, the Scottish National Party found itself in a position to call a referendum on independence. The heterogeneity of the broader independence movement – the alliance of nationalists and other supporters of independence, most of whom could broadly be considered as "of the left" – is the subject of the next section.

Infinite Imaginary Scotlands

> "I propose the following definition of the nation: it is an imagined political community."
>
> Benedict Anderson[11]

> "Work as if you live in the early days of a better nation",
>
> Alasdair Grey[12]

If nations are imagined communities, independence movements are where the imagining of nationhood has free rein. As a heterogeneous alliance, the independence movement included a diverse variety of actors under the SNP-led

10 Cf. How Bulldog Brown Could Call Salmond's Bluff, in: *The Scotsman*, 6 May 2007, at: http://www.scotsman.com/news/how-bulldog-brown-could-call-braveheart-salmond-s-bluff-1-1418942.
11 Benedict Anderson, *Imagined Communities*, London 1983, pp. 5-7.
12 Alasdair Gray, *Unlikely Stories Mostly*, Edinburgh 1983, frontispiece.

Yes Scotland banner, but also in their own organizations, such as "Radical Independence".

What might be considered "fringe groups" in everyday UK (or Scottish) politics – i.e. parties that would not ordinarily hope to achieve representation in one of the national parliaments – played a far more prominent role in the referendum than they do in everyday politics. Indeed, it was one of the main talking points of the referendum that it led to a great flourishing of grassroots political participation not seen in the UK in recent years.

Of course, every pro-independence group sees independence as a means for it to achieve its own preferred ends, whether these are the realization of the historical destiny of the Scots people, the pursuit of social democracy, a green agenda, or even in the case of some libertarian supporters of independence, the prospect of a low-regulation, low-tax, small-state right-wing utopia.[13] On the whole, however, the pro-independence alliance was an alliance of nationalists and what might be characterized as "reformist forces". Except for the nationalist hard core, independence was not about "Scotland *über alles*", but was rather a means to an end – that of reform, change, democracy, social justice, green politics, and a break with the Westminster system, the UK establishment, the discredited old politics, and business as usual.

Whether the social-democratic credentials of the SNP stand up to scrutiny or not, and whether they are a matter of conviction or opportunism, the fact is that the party has managed to generate an image that fuses traditional nationalist concerns of autonomy with contemporary concerns about democracy, welfare, austerity, and inequality. Certainly, the SNP has succeeded in recent years in presenting itself as filling the gap left by the rightward drift of the UK Labour Party.

Of course, the SNP is by no means only a left-wing party, and has also built up a certain appeal as a centrist party of effective government in Scotland, while successfully combining this with a position as the representative of a radical alternative within the UK political scene. This paradox – that the SNP can be both the party of effective government and the outsider offering a radical alternative to the status quo – is an unexpected consequence of devolution.

Alongside the SNP, the Yes Scotland campaign was supported by the Scottish Socialist Party (SSP) and the Scottish Green Party. Among the most prominent civil society organizations were Radical Independence (an um-

13 Though certainly a minority voice within the independence campaign, there are those who do support such views, such as the Wealthy Nation group: http://www.wealthynation.org. In the mainstream debate, this kind of thinking was most prominent in terms of the SNP's policy on corporation tax – a proposed three per cent decrease – and the closeness between the First Minister Alex Salmond and certain representatives of big business, including Donald Trump, Rupert Murdoch, and Scottish entrepreneur – and anti-gay rights campaigner – Brian Souter; cf. Ian Dunt, *The right-wing business tycoons behind Alex Salmond's independence campaign*, Politics.co.uk, 15 September 2014, at: http://www.politics.co.uk/blogs/2014/09/15/the-right-wing-business-tycoons-behind-alex-salmond-s-indepe.

brella group in which many organizations and initiatives were represented, including the Greens and the SSP); National Collective (largely writers, artists, and performers); and the Jimmy Reid Foundation (and its offshoot Common Weal, which produced a large number of publications imagining various aspects of post-independence Scottish life and governance). There were also highly prominent political websites, including the republican and "left libertarian" Bella Caledonia,[14] and the provocative Wings over Scotland (whose crowdfunded "Wee Blue Book" was also a significant intervention).[15]

A statement by Robin McAlpine of Radical Independence sums up nicely the nature of this alliance: "You must have noticed that the real independence movement is now almost indistinguishable from the movement from social justice in Scotland."[16] Similarly, Common Weal describes itself as "an emerging movement which is developing a vision for economic and social development in Scotland which is distinct and different from the political orthodoxy that dominates politics and economics in London".[17]

The broad pro-independence movement in Scotland thus represents a (contingent) fusion of a historical potential for secession with a deep disillusionment with mainstream British ("Westminster") politics and the main UK political parties. The reform movement took a nationalist turn in Scotland simply because the option of independence is available there in a way that it is not in England, where widespread alienation and disillusionment have not led to calls for devolution, "home rule", or even more powerful local government, and where the strongest example of protest voting against the established parties has been in the recent surge in support for the anti-EU, anti-immigration, right-wing populist United Kingdom Independence Party (UKIP).

Concerns such as the UK parliamentary expenses scandal, the fear of NHS (National Health Service) privatization, the consequences of austerity (the "bedroom tax"), and so on were thus able to attach themselves to the SNP's age-old drive for independence in a way that was not possible in the rest of the UK.

To some extent, therefore, the broad independence movement has much in common with other contemporary grassroots movements and anti-establishment political parties, such as Occupy Wall Street and its offshoots, the Indignados and Podemos in Spain, and Syriza in Greece. It is a contemporary phenomenon that draws on deep-rooted alienation and dissatisfaction with the political establishment, and the fact that it has taken the form of calls for independence is merely a matter of historical contingency.

14 Cf. at: http://bellacaledonia.org.uk.
15 Cf. at: http://wingsoverscotland.com; http://wingsoverscotland.com/weebluebook.
16 Robin McAlpine, *Independence is the Only Option for a Better Scotland*, 19 October 2012, Radical Independence Campaign, at: http://radicalindependence.org/2012/10/19/independence-is-the-only-option-for-a-better-scotland.
17 *What is Common Weal?* Retrieved from http://www.allofusfirst.org/what-is-common-weal, no longer available as of December 2014.

Yet while this alliance between the SNP and reformist forces was nearly able to achieve a remarkable victory, the referendum failed to convince a majority of voters in Scotland to pursue this radical path. The reasons for this are what I wish to consider in the next section.

A Small Number of Difficult Questions

This section will consider the ways in which the imaginary nation-building exercise of the pro-independence campaign failed to adequately address several key concerns of the Scottish people and ultimately led to the defeat of the referendum.

Of course there are other causes of the defeat that could be mentioned – including the alleged "innate conservatism" of the Scottish electorate, particularly the older and wealthier sections; and the frequent allegations on the part of independence supporters of a campaign of deceit and propaganda on the part of the "UK establishment", including, critically, the BBC – but I will focus on the three issues I believe had the most impact:

- the SNP's position on the currency of an independent Scotland;
- the SNP's position on Scotland's membership of the European Union;
- the economic consequences of independence, particularly in terms of Scotland's giant financial sector;

While the broad pro-independence alliance was far more than just the SNP, Scotland's governing party was at its heart, and the 650-page White Paper "Scotland's Future – Your Guide to an Independent Scotland" its key document.[18] If the broad alliance was free to imagine utopian futures, the SNP government and its White Paper had the task of presenting the sober case for independence. Ultimately, if the cause of independence failed, it was not because of a lack of imagination regarding the possibilities that secession would open up – quite the contrary – but because key practical elements of the SNP's proposal for independent statehood did not convince enough of the Scottish public.

Two Countries, One Currency?

The question of what currency an independent Scotland would use dominated the referendum campaign from the publication of the White Paper in November 2013, right up until the second televised debate between SNP leader (and Scottish First Minister) Alex Salmond and Alistair Darling, a Labour MP and

18 The Scottish Government, *Scotland's Future – Your Guide to an Independent Scotland*, Edinburgh, November 2013, at: https://www.scotreferendum.com/reports/scotlands-future-your-guide-to-an-independent-scotland.

former Chancellor and the chair of the anti-independence "Better Together" campaign, on 25 August 2014, only 24 days before the referendum.

The White Paper and the position of the Scottish executive took their lead from the Scottish Government's Fiscal Commission, which recommended that an independent Scotland continue to use the UK pound as part of a currency union (thus giving Scotland some input into decisions of the Bank of England). As stated in the White Paper executive summary:

> "The pound is Scotland's currency just as much as it is the rest of the UK's.
>
> The expert Fiscal Commission Working Group concluded that retaining Sterling as part of a formal Sterling Area with the UK would be the best option for an independent Scotland and the rest of the UK.
>
> The Scottish Government agrees with that view. Using Sterling will provide continuity and certainty for business and individuals, and an independent Scotland will make a substantial contribution to a Sterling Area. We will therefore retain the pound in an independent Scotland."[19]

While other options – euro membership, an independent currency, unilateral use of the pound – were considered (and preferred by some voices within the broader independence movement), the line taken by the Scottish government was that a vote for independence would lead to a currency union.

The major problem with this, as demonstrated clearly by the reaction of the Better Together campaign, was that a currency union requires the co-operation of the UK government. When the main UK parties (Conservative, Labour, Liberal Democrats) all announced that, in their view, a currency union would not be in the interest of the UK and that they would oppose one, the debate degenerated into a highly unproductive rhetorical stalemate, in which the leadership of Yes Scotland accused the UK parties of bluffing, while Better Together and the big three UK parties insisted, *ad nauseam*, that the SNP needed to announce its "Plan B".

Whatever one's views on the possibility that the UK parties may indeed have been bluffing, it is impossible to deny that the overall effect of the currency union debate was to strengthen the Better Together position. While convinced independence supporters focused on denying the honesty of the Westminster parties' position, the failure of the pro-independence side to adequately address the rejection of a currency union by the UK parties can only have left neutrals with the impression that this crucial aspect of independent statehood was uncertain at best.

19 Ibid. p. 7.

Why did the SNP pursue the line it did – insisting that the UK parties were bluffing, refusing until exceedingly late in the day to countenance the possibility that an alternative to currency union might be necessary in the event of a "yes" vote not leading to negotiations on a currency union? One argument, which I find convincing, is that the SNP – facing an uphill struggle to muster a majority for secession in the first place – knew that the Scottish people would take fright at the uncertainty involved in unilaterally using Sterling without a currency union, joining the troubled euro, or establishing a new currency.[20] Essentially – and quite paradoxically in view of what independence is generally held to mean – the SNP's strategy in this, as in so much,[21] was to present independence as something that would result in minimal disruption (the same is true with regard to the SNP position on European Union membership, see below). In any case, the way that Salmond stuck to his guns on currency union to the point of embarrassment, suggests strongly that the SNP/Yes Scotland knew full well that the "fear factor" would rise to critical levels if the stability of sterling was removed from the equation. In tactical terms, there was little the first minister and his team could do, given the lack of support among the Scottish people for any of the alternatives.

As a footnote to this, in the final few weeks of the campaign, once the Yes Scotland campaign had more or less acknowledged that currency union was likely to be off the table, the fall-back position of unilaterally adopting Sterling meant that opponents of independence were able to point out that this would effectively result in a situation in which Scotland would have *less* control over monetary policy than it does at present as part of the UK. The same argument could also be applied to occasional hints on from the Yes camp at long-term plans to adopt the euro. Once again, the opponents of independence were able to point out that the SNP's plans for independence were not just risky, but amounted to a loss of autonomy or at least influence.

European Union Membership

The situation with regard to EU membership was similar. The White Paper stated that "it is the current Scottish Government's policy that Scotland remains part of the European Union",[22] arguing that a "seamless transition to

20 A Panelbase poll for the Sunday Times and Real Radio carried out on 6 February 2014 found that 46 per cent of respondents favoured a currency union, only twelve per cent preferred unilateral "sterlingization"; eleven per cent, a new Scottish currency, and four per cent joining the Eurozone (24 per cent stated that they did not have sufficient information to decide, and four per cent did not know), see: What Scotland Thinks, *Which currency option would be best for Scotland?* At: http://whatscotlandthinks.org/questions/which-currency-option-would-be-best-for-scotland.

21 The first sentence in the section entitled "What independence will look like" of the SNP's pocket guide to independence reads: "An independent Scotland will look pretty much as it does today", Scottish National Party, *Choice: An historic opportunity for our nation*, 2012, p. 11.

22 *Scotland's Future*, cited above (Note 18), p. 25.

independent EU membership"[23] would be possible on the basis of "continuity of effect".[24]

This position unravelled less quickly than the SNP's stance on currency union, as the number of actors with a voice on the various legal and administrative issues was large – including all the current EU governments, as well as the Commission and other EU bodies – many of which would not comment on what was seen as a domestic UK issue. Nonetheless, the weakness of the SNP's position was again abundantly clear, as they were never able to answer the various questions posed by sceptics regarding issues such as the timeframe and the possibility of a veto on Scottish membership being used by existing member states with their own secessionist movements, such as, most significantly, Spain. However, as in the case of the currency union, while the SNP's honesty – or at least its transparency – can be called into question, it is easy to understand why it adopted the tactic of insisting, once again, that – essentially – nothing would change. As well as serving to reassure Scottish voters, this also allowed Yes Scotland to make the EU a major theme in its campaign rhetoric, partly as a result of the popularity – in the UK as a whole, but not in Scotland – of the anti-EU UKIP (expected to poll maybe as much as 20 per cent in the 2015 UK general election) and the Conservative Party's promise of a referendum on Britain's EU membership if they are elected in 2015.

Opponents of independence, by stressing the uncertainty of both Scotland's continuing membership and of the possibility of an accelerated accession process (the White Paper suggests 16 months would be a realistic timeframe, thus allowing negotiations to be completed before the planned day of independence in March 2016), were able to raise the spectre of it being Scotland that could end up outside the EU – with all the risks that this entailed.

As in the case of the currency union, the SNP's position on EU membership was a gambit that relied on presenting a highly hopeful prognosis as if it were certain fact. By painting their opponents as fearmongers, and by emphasizing the risks of the UK itself exiting the EU after a proposed referendum in 2017, independence supporters sought to disguise the genuine uncertainty that existed about Scotland's post-independence future in the EU. While this kind of tactic can succeed in creating a powerful spirit of defiant resolution among the already convinced, it does little to persuade sceptics and neutrals. Given the stakes, it was thus one of the key weaknesses in the Yes campaign.

In the case of the EU membership question, as in the case of the currency union, the focus on this kind of "hope versus fear" rhetoric meant that practical questions – border regimes, Scotland's proposal to retain the UK's rebate, the requirement on new EU members to adopt the euro, etc. – were rarely discussed in depth. In general, I consider this a structural weakness of

23 Ibid., p. 220.
24 Ibid., pp. 221-222.

the format of the referendum. When issues of this magnitude are subject to such uncertainty, voters are being asked to buy a "pig in a poke", and it should be no surprise that factual debate played second fiddle to rhetorical posturing on both sides. One possible solution to this is for a two-step referendum process, in which, following a majority vote in favour of granting the Scottish executive the power to appoint a body to enter into negotiations and draft a concrete independence settlement (and a draft constitution), the proposed settlement would be put to the public in a second vote.

It's the Economy, Stupid!

If currency union with the UK and membership of the EU were two areas where those envisaging an independent Scotland came up against "hard facts" they were unable to overcome by force of imagination, the third key factor that I believe decisively influenced the referendum result is the area of hard facts, uncomfortable reading, and home truths *par excellence* – the economy.

While I do not wish to dwell on this topic, which is certainly not my area of expertise, it is significant precisely because the economy is the most globalized aspect of modern life, and thus the failure of the pro-independence side to win the economic argument represents an exemplary case of the national imagination failing to overcome supra-national forces.

In one regard, economic matters did not result in a decisive advantage for one side or the other for most of the independence campaign. The likely overall viability of an independent Scottish economy was even conceded by the Better Together campaign, perhaps in the awareness that denying this would have provoked patriotic outrage, boosting the secessionist cause. Nonetheless, in a number of ways, the anti-independence side had an advantage:

- the problematic nature of the SNP's figures (optimistic on the price of oil and on the possibility of financing an oil fund and using the oil to fund its budget);
- the pathetic showing of the most prominent pro-independence business organization, Business for Scotland, which failed to attract the support of any of Scotland's major employers;
- the suggestion by the Yes Scotland campaign that an independent Scotland might refuse to take on a share of the UK's national debt in the event of a refusal by the UK to allow currency union, which led to much speculation as to the impact such behaviour might have on the creditworthiness of the new state;
- the failure of the pro-independence campaign to allay fears at the consequences of independence for the (enormous) Scottish financial sector,

which accounts for a far greater proportion to GDP than even those of Iceland and Ireland prior to the financial crisis; and

- finally, a flurry of stories in the final few days of the campaign on potential job and/or revenue losses as major institutions announced contingency plans to relocate south of the border in the event of a "yes" vote.

While the viability of the Scottish economy was rarely called into question as such, supporters of independence were able to do little to address the sense that financial and business interests were, broadly speaking, not in favour of independence, and that the rather rosy picture being painted by the SNP was not to be trusted. Once again, the power of the imagination was set against hard facts of (economic) life over which no state has much control (the price of oil, the location of corporate headquarters, etc.).

No National Solutions to International Problems

Evidence of why people voted "no" is scant, and yet it is interesting to note that the most commonly cited post-referendum poll suggests that the key reason for people voting "no" was "the risks of becoming independent looked too great when it came to things like the currency, EU membership, the economy, jobs and prices"[25] (57 per cent of "no" voters).

What all three of the reasons for the referendum's failure that I have focused on have in common is their supra-national character: The desire for a currency union with the UK, for ongoing membership of the EU, and for economic stability all require the co-operation of powers outside the Scottish polity. And, in my view, it is because this co-operation could not be guaranteed that the people of Scotland chose to reject the September 2014 proposal.

The expressed desire of a plurality of Scottish voters before the final framing of the referendum question for full fiscal autonomy without breaking the ties of statehood (or assuming responsibility for foreign or defence policy – the option commonly known as "Devo Max")[26] indicates a widespread recognition that full independence was an undertaking fraught with risks. It has often been speculated that pragmatic, gradualist Salmond's own preference would have been for Devo Max, perhaps as a stepping stone towards independence in the longer term. This is certainly in character. There can be no doubt that the demand for "greater powers" continues to exist in the post-referendum landscape. The precise nature of these powers, and the myriad complexities of the various issues involved will be the subject of my conclusion.

25 Lord Ashcroft, *How Scotland voted and why*, Lord Ashcroft Polls, 19 September 2014, at: http://lordashcroftpolls.com/2014/09/scotland-voted.

26 See e.g. http://ukpollingreport.co.uk/scottish-independence, in which devo max wins two out of three polls, and http://www.thecourier.co.uk/news/politics/courier-poll-a-blow-to-snp-s-independence-hopes-1.54204, in which 41 per cent backed "greater powers".

In: IFSH (ed.), OSCE Yearbook 2014, Baden-Baden 2015, pp. 141-154.

Conclusion: No Sense of an Ending

Although the referendum failed, the situation in Scotland at the end of 2014 is very far from certain. The grassroots movement has, if anything, grown in strength, though its focus has necessarily shifted from calling for immediate independence to demanding further devolution. The SNP has seen an unprecedented increase in membership numbers and is now the third largest party in the whole of the UK, with membership rising from around 25,000 in September to around 100,000 at the time of writing.

In the immediate aftermath of the referendum, attention shifted from independence to the issue of greater powers for Holyrood. This has been an ongoing aspect of devolution since the creation of the Scottish Parliament,[27] but was felt particularly strongly in the aftermath of the referendum, especially given the prominence of the pledge made by the leaders of the three main UK parties two days before the poll.[28] Indeed, if there is one other major factor that is cited as being responsible for the failure of the referendum, it is this promise that Scots would enjoy "the best of both worlds" in the event of a "no" vote.

An all-party body established immediately after the referendum to make recommendations on further devolution of powers to the Scottish Parliament (the Smith Commission) reported in late November, recommending a range of increased powers, including broad powers to set income tax rates, to receive a portion of value added tax revenues raised in Scotland, to control several benefits, and to borrow larger sums.

But this is where things get complicated. Not only supporters of independence, but, according to polls, a majority of the Scottish population believe that these proposals do not go far enough. Furthermore, though draft legislation on the new powers is to be debated in the UK Parliament in January 2015, a bill will not be passed before the UK general election of 6 May – an election in which the SNP is expected to greatly increase its share of the vote – with observers warning that the SNP is likely to end Labour's dominance in terms of the MPs Scotland sends to Westminster.[29] The SNP may even hold the balance of power in the UK Parliament, which would certainly be an interesting situation for ongoing constitutional discussions.

27 The Calman Commission, set up in 2007 to review Scottish devolution, made recommendations for enhancing the powers of devolved Scottish government in 2009, which were passed into law in the 2012 Scotland Act and include the power to vary the rate of income tax and to borrow money (due to take effect in 2015).

28 This became known as "The Vow" after the headline in the Daily Record newspaper of 15 September 2014, cf. David Cameron, Ed Miliband and Nick Clegg sign joint historic promise which guarantees more devolved powers for Scotland and protection of NHS if we vote No, in: *Daily Record*, 15 September 2014, at: http://www.dailyrecord.co.uk/news/politics/david-cameron-ed-miliband-nick-4265992.

29 Cf. e.g. Tom Clark, Labour set for a bloodbath in Scotland in general election, poll says, in: The Guardian, 26 December 2014, at: http://www.theguardian.com/uk-news/2014/dec/26/labour-bloodbath-scotland-general-election-2015-snp-westminster.

The 2015 UK parliamentary election is also likely to see UKIP win between 15 and 20 per cent of votes, according to polls, with a chance to win at least a handful of seats. Although UKIP has some support in Scotland (there has been a single UKIP MEP in Scotland since 2014), it is broadly perceived as an English party (UKIP won 10.5 per cent of the Scottish vote in the 2014 European Parliament Elections, as opposed to 27.49 per cent for the UK as a whole, where it was the largest single party),[30] and a good showing for UKIP south of the border is likely to increase Scots' feelings of estrangement from the Westminster political mainstream.

UKIP's recent good showing has tended to be at the expense of the Conservatives, and embattled Tories who see their supporters turning to a more right-wing, more Eurosceptic party, are expected to urge their party leadership to move rightwards in ways that are unlikely to play well in Scotland – including David Cameron's promised UK-wide referendum on EU membership, which is likely to be a major issue in the 2015 UK election.

An outright Labour victory in May 2015 is the one option that might calm Scotland's turbulent political waters somewhat, as it would do something to split the alliance of nationalists and radicals that drove the independence campaign, though a Labour majority is currently considered an outside bet by most commentators, who see a parliament with no overall control as the most probably outcome.

A further issue is one that has been simmering since the 1970s – the so-called "West Lothian question"[31] of English votes for English laws (EVEL). David Cameron's decision to link calls for further Scottish devolution in the aftermath of the referendum to progress on EVEL can be seen as an attempt to take some of the wind out of the sails of those calling for more powers for Holyrood. Only time will tell whether there is a genuine desire for devolution within England.

And as if this wasn't enough uncertainty, a Scottish Parliament general election will be held on 5 May 2016. It may seem unlikely that a further independence referendum will make up part of the SNP's manifesto for that election,[32] but if a week is a long time in politics, a year and a half is an age.

30 The full results, including a breakdown for Scotland are available on Wikipedia, European Parliament election, 2014 (United Kingdom), at: http://en.wikipedia.org/wiki/European_Parliament_election,_2014_(United_Kingdom)#Results.

31 So named because it was raised in parliament in 1977 by the then MP for West Lothian, Tam Dalyell. The essence of the issue is that there is no devolution in England – laws that will affect England (and Wales, where not devolved to the National Assembly of Wales) are voted on by UK MPs, including those representing Scottish constituencies (though the SNP has a policy of abstention on such matters).

32 Though another referendum would again require the acquiescence of the UK government, which is unlikely to be so easily forthcoming, leading to a situation similar to that in Catalonia/Spain.