



Scotland and Europe.

The referendum is formally about the United Kingdom but has become entangled with the UK's own constitutional question. Almost all the possible scenarios seem set to increase tensions.

The first scenario is that all four nations of the UK vote to withdraw. This seems unlikely as all polls show a strong majority in Scotland for 'remain'.

The second scenario is that England votes to come out and Scotland to stay in. English votes mean that Scotland has to leave the EU against its will. This represents the 'material change of circumstances' that could justify a new independence referendum. Yet such a referendum would be a hard sell. The issues of public finance, dependency on oil and the currency are even more acute now than in 2014. Sharing the Pound would be even more difficult if Scotland were within the EU and the UK outside. The whole point of the independence-in-Europe strategy is it lowers the cost of independence, guaranteeing open borders, access to markets and free movement of labour with the UK as well as Europe. With Scotland in the EU and England out, there would be a hard border between them.

Even if Scotland is obliged to leave the EU along with England, matters will change. Withdrawal from the EU means that powers will revert to the UK but many of these to Scotland rather than Westminster. This includes large swathes of policy in relation agriculture, fisheries, environment, justice and home affairs, higher education and social policy. Scotland could align its policies in these fields more with London or with Brussels, so retaining a connection with Europe if not a role in European policy making.

The third scenario is that Scotland votes decisively to stay in Europe and England votes by a small majority to leave, producing an overall majority to stay. England is then held in the EU against its own wishes. Brexiters tend to be English nationalists and this will enrage an English opinion already exercised about English Votes for English laws and financial matters.

The fourth scenario is that all four nations of the UK vote to remain within the EU. David Cameron's Brussels deal has made it clear that the UK's wholehearted engagement with the European project is at an end. The UK's exemption from the principle of 'ever closer union of the peoples of Europe' may look symbolic but it does mean that UK governments will henceforth pick and choose which bits of future agreements they will accept. Opt-out will be the norm rather than the exception.

Scotland may not wish to travel in the same direction. Scotland has a more positive view than England about the social dimension, freedom of movement, climate change and renewable and non-renewable energy. There are distinct interests in agriculture and fisheries. At present Scotland has a say in EU policy making through the Joint Ministerial Committee on Europe and Scottish ministers participate in the UK delegation to the Council of the European Union. These arrangements give Scotland a voice but not a vote as the final word on the UK negotiating position rests with the Her Majesty's Government. If differences between the two governments increase, the mechanisms could come under increasing strain.