



# THE WEE ALBA BOOK

*The New Case for Independence*



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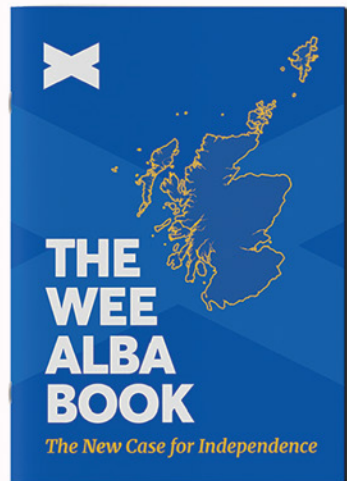


## It's about independence.

We know, we know, sometimes the two sides shouting at each other about independence means you can't hear yourself think.



## That's why we've written this book.



We support independence and we know we have many questions to answer.

## So here are our answers...

*We can't promise not to be biased (we are) but we can promise that we'll always try to be honest and give the best answer we can.*



*This is...*

# THE WEE ALBA BOOK

*The new case for  
Scottish Independence*

## So what is it all about?

*It's not just about what we want, it is about explaining why we think independence offers the best future for Scotland – whatever you want from that future:*

- Independence doesn't only give more **POWER** to Scotland, it gives more power **TO YOU**. You get much more say over the country you live in.
- Independence will make us **WEALTHIER**. How? It helps us to escape London's economic gravity, a capital city which sucks up far too much of the nation's money. It will finally give us the chance to run an economy which benefits Scotland. It is then for you to vote for the government you think will use that wealth to make your life better.
- For a rich country, the UK has an awfully disappointing record in protecting its citizens' **WELLBEING**. Small countries close to us have a much better track record - like Finland or Denmark or Ireland or Switzerland – and with independence, Scotland could too.
- Independence lets Scotland fight the **CLIMATE CRISIS**. Scotland has the most incredible natural resources with which we could become a truly sustainable nation – if only we had power over them.
- Independence would let Scotland build a really **POSITIVE** and constructive role **IN THE WORLD**, free from the reputation which goes with the illegal wars and dodgy deals we've been dragged into.
- In a risky, messy world with an uncertain future, an independent Scotland will be able to move faster and respond quicker to what happens, making us more **RESILIENT** and ready for what is ahead.
- Independence can create **TOGETHERNESS** in a nation which has much more that brings us together than pulls us apart.

**A nation absolutely overflowing with natural resources, human talent, energy and creativity should not fear creating its own future. There may be no other country which is quite as well equipped as Scotland to tackle the climate crisis, improve wellbeing quickly and create lots of prosperity in the process. We have everything we need to be really successful.**

**But can we afford to get there? Scotland has the resources to be an incredibly successful country, but does it have the finances? We will take on all the arguments and answer as many questions as we can:**

- Of course there is a gap between the money Scotland spends and the money it raises – because this is true of every single region of Britain apart from London. Right now Scotland is a **REGIONAL ECONOMY** in the country with the highest level of geographic inequality in Europe.
- That tells us very little about what an independent Scotland's finances would be like. The key is transforming from a regional economy to a **NATIONAL ECONOMY**. We'll explain why that will make an enormous difference and why we can be more than confident that Scotland can pay its way.

- What won't be a problem are **BORDERS** – as part of the UK Common Travel Area people will cross the border freely, smart borders mean that customs checks won't be onerous and will be done away from the border and financial transactions will be easy and cheap (if not free). The border won't stop Scotland being financially viable.

- But to make that transition and to meet any financial shortfall for the few years while it takes place we definitely need to be in charge of **OUR OWN CURRENCY** and have a central bank which can pay for emergencies like Covid or climate change, just like the UK's central bank did. So we will explain how to set up the currency and answer key questions about it.

- What we don't want to do is gloss over or fudge important questions. We know we need to **BE SERIOUS** and get this right, so we will then go over some of the main scare stories about finance and currency and explain why we don't need to be scared.

- Of course, all this work won't do itself and Scotland needs to get it right. So we'll run through how to get the work done and why it is essential to **BE PREPARED** to do this right.

Once you've read that, hopefully we have answered many of your questions, but even so we realise that there will be many things about Britain that you like and that you'd be sad to lose. Us too. So we'll do our best to reassure you that you won't lose them – in fact they could be even better, like:

- ✓ **How a written constitution will make our democracy stronger**
- ✓ **How the NHS and public services will be protected throughout**
- ✓ **How you can still have the freedom to move around like before**
- ✓ **How you will still have the television programmes you love**
- ✓ **How we'll make sure there is plenty electricity to keep the lights on**
- ✓ **How we will build up a Scottish Defence Force to keep you safe**

Even after all of this info we know you'll still have questions. So at the end we've collected as many of them as we could and answered them as clearly as possible.

- **How will we be recognised by other countries?**
- **Will we negotiate a good deal with the UK?**
- **Will we have inflation problems?**
- **Will the currency keep its value?**
- **Will we be able to borrow money cheaply?**
- **How will the border with England work?**
- **How big will our national debt be?**
- **Will we have to run a deficit?**
- **Will we become a one-party state?**
- **What will happen to your mortgage, your pension, your savings, your business?**
- **How could we join the EU or EFTA?**
- **Will you get a passport?**
- **Who gets to become a citizen?**

**We'll cover all of them.**



# Sooooo...

*By the end of all that you will hopefully have most of the answers you need. No rush – it's obviously a lot of information to take in and there is a lot of detail. But it's all there when you need it.*

*Scotland can be so much more than this, so much better than this. From our soil to our sea, our energy to our innovation, our prosperity to our people...*

*...we have everything we need.*

*We can take control of our future and we can build the future that the people who live here want. We can do it well, we can be prepared and we can be successful. There will be lots to do – but there will be lots of us to do it.*

*And we can do it. You can do it. Your loved ones can do it. Your community can do it. Your colleagues can do it. Scotland can do it.*

*Don't be afraid, be excited and be hopeful.*

*Don't be dependent.*

***Be independent.***





**SCAN HERE TO FIND OUT WHY THIS  
BOOK IS NEEDED TO EXPLAIN THE  
NEW CASE FOR SCOTTISH  
INDEPENDENCE**



# *How to use this book*

If you've made it this far you've read the summary – you can go back to that any time you want. If you want more detail then you'll find it in the rest of this book. Throughout the book you will find QR codes which link to short videos or other stuff which can help you to find answers to your questions. Just point the camera of your mobile phone at the code and your phone will do the rest.

If you want to know even more you will find references to all the statements made in this book at the end – you can follow these if you want to find out more detail and see the factual basis for every statement made. And if there is any subject area you want to go into in more depth there has been lots published on independence, the difference it can make and how we can make it successful. If you go to [www.indylibrary.scot](http://www.indylibrary.scot) you'll find loads more to read.

And if all that isn't enough, you can email us directly and ask us any question you don't feel has been answered. Send emails to

[weebook@albaparty.org](mailto:weebook@albaparty.org)



# Why should Scotland be independent?

Of course independence for Scotland is a challenge. So is all change – and sometimes doing nothing is the biggest risk of all. But it is easy to do nothing and harder to change, which means it is for those who want to bring change to explain their reasons.

So why should Scotland be independent?



# People Power

## *Independence gives us power.*

If you think about it, one of the most powerful things about you is your right to choose your government. The more say you have, the more power you have – so the less difference your vote makes, the less power you have. If you are one vote in five million that vote has ten times the power to choose a government than if you are one vote in fifty million. So if you're Dutch you have nearly four times as much power in deciding your government than if you're British, and if you're Danish you have nearly three times as much power than if you're Dutch. The power of citizens makes a real difference; it forces governments to respond to what the public wants and that is why, as we'll see below, a large majority of the most successful countries internationally have populations of five or ten million. What becomes of big, unresponsive democracies? Well there are only two countries in Europe whose populations have a lower level of trust in their parliament than the UK...

Independence gives Scotland power. Scotland gets just slightly more power in the UK parliament than its population share with about nine per cent of the politicians from a bit over eight per cent of the population.

But that is still only nine per cent of the power – England gets 82 per cent, Wales about six per cent and Northern Ireland a little less than three per cent. So if a decision is good for Scotland (or Wales or Northern Ireland) and bad for England, Scotland has no power to make that decision. This is why in the last 50 years there are only two periods when Scotland actually got the Westminster government it voted for.

Would an independent Scotland lose power? We don't think so. It has been argued that because Britain is bigger it has more power to negotiate on Scotland's behalf on the world stage. But that is only true if it negotiates on Scotland's behalf, and from Brexit to fishing policy to banking reform, Britain mostly negotiates on London's behalf. What makes you more powerful – power in your hands or your power in someone else's hands?

And the power of change is not only about what we can do with new powers or if we are no longer trapped by policies which are designed for London, not Scotland. The power of change is also the power to refresh Scottish politics. Many people feel that politics in Scotland have become stagnant, trapped between two groups of parties



which have adopted entrenched positions over the constitution, refusing to work together and far too happy arguing over independence to be really creative and innovative. An independent Scotland would break this cycle and allow Scotland's people to refresh our politics and allow a new generation of leaders to come forward. Scotland as a nation with a government is more powerful than Scotland as a region.

As a citizen of an independent Scotland you will wield more power than you can as a citizen of Britain. This makes smaller countries much better at representing and acting on the interests of their citizens. That is why the average size of population among the top ten countries in the world for quality of life is about 20 million with six of them having populations of ten million or fewer<sup>2</sup>.

# Wealth

**Scotland is a wealthy country – but it is not as wealthy as it should be.**

That is because Scotland is 'underdeveloped'. Underdevelopment is an economic term to describe a situation in which a country or a region has failed to use its resources effectively. It is usually used about poorer nations but it can also describe an advanced economy which isn't functioning as well as it should be.

How do we know Scotland is underdeveloped? There is too much evidence to explore it all here but one good way to understand the problem is the economic concept of 'productivity'. Roughly, productivity is a measure of how much 'wealth' an economy creates per working person. Many things affect productivity such as the skills of the workforce, the available natural resources, the level of technology, the financial system and the money in people's pockets.

If the factors which should make you productive are sound but your productivity lags badly, something is wrong. And in Scotland something is wrong. We

have higher skill levels than the UK as a whole, greater natural resources per head of the population, employers spend more on workforce training, we make more investment in universities (some of which are among the best in the world) and as a result have high levels of hi-tech innovation<sup>3</sup>.

But none of this translates into productivity – we still have lower productivity than the UK average and so wages are lower than the UK as a whole and 'progression' (people getting promoted) is lower. As we've seen, this isn't because Scotland doesn't have the 'raw ingredients' to achieve much better productivity. So what is going on?

There is one striking statistic that demonstrates the problem. On average in almost every country the amount of wealth per person in the capital city is larger than in the rest of the country because capital cities attract things like the national parliament, business headquarters and international

embassies which means there are better jobs and more investment. In fact, the capital city of the average current EU member is about 53 per cent wealthier per person than the average for the country as a whole. But in Britain, London is 590 per cent wealthier. London sucks up over six times more than its own share of wealth than anywhere else in Europe<sup>4</sup>.

This describes the problem. If London is hoarding the wealth and investment, other parts of the country aren't. This impacts on business investment and the wealth in people's pockets, two key factors in productivity. But it also impacts on resource use. So for example the UK electricity grid is run to provide cheap electricity to the densely-populated South East of England and so someone producing electricity in the north of Scotland has to pay what is probably the highest cost of anyone in Europe to sell electricity to the grid. In fact if you build a wind turbine in the north of Scotland it must pay a fee of over £26,000 every year just to connect to the grid. If you erected the same turbine in central London you would be paid about £4,500<sup>5</sup>.

Investment in high-tech industries tends to take place at the headquarters of the company and those aren't in Scotland. The financial markets are run in the short-term interests of the 'casino banking' of the City of London and not in the long-term interests of economic development in Scotland. And because the UK is one of the most unequal countries in the world<sup>6</sup> and keeps getting worse<sup>7</sup>, the average person has less money in their pocket than their equivalents in other countries.

Put as simply as possible, Scotland is less wealthy than it should be because of low productivity which can be shown to be a result of factors which are mostly to do with the way the UK runs its economy. You can tell it isn't Scotland's problem because every single region of the UK suffers from the same problem except London and the South East of England (they get £56,199 and £35,631 per head



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each compared to a UK average of £32,876 and every single other region gets less than the average<sup>8</sup>. All the current Westminster talk of "levelling up" will not even scratch the surface of these inequalities.

Scotland's economy has the potential to be so much more productive than it is, but that potential is not being realised in the UK because London comes first and a place like Scotland a distant second. It is only if we have the power to do the things that would unlock our potential that we can create that wealth, and that needs independence. Scottish independence lets us become more wealthy.

Take the current cost of living crisis which has been provoked in large part by rises in the international price of natural gas. As people are faced with a doubling of fuel bills in no time at all, we should reflect on why this is happening in a country already self-sufficient in renewable generation of electricity and which produces far more oil and gas than it needs. Why then are our people shivering in energy poverty in a land of energy plenty? Because our resources are controlled by big finance and big oil. This is what London allowed to happen to our oil wealth and the same thing will happen to our renewable wealth unless we change course and take power.

This doesn't mean all that wealth will necessarily flow into your pocket – that is about the government you elect and the policies it puts forward. But it does mean that the government you elect is in a much stronger position to do things which make you and your family wealthier.

# Wellbeing

**We believe an independent Scotland can create a better society for the people who live here.**

If you're born in the UK you will experience some of the worse infant health outcomes of any comparable country<sup>9</sup> – for example among the world's worst rates of breastfeeding, higher than average child obesity, stalling progress on infant deaths and girls will have the lowest life expectancy of any comparator country (and two out of five parents feel they can't spend enough time with their children<sup>10</sup>).

If you're British, for most measures of childhood wellbeing you will be in the bottom half of the international league tables and for half of those measures you'll be in the bottom third (almost the worst for risk among children)<sup>11</sup>. And your early adulthood won't be great either – Britain is one of very few countries in the world where the income of young adults isn't only failing to improve but where improvement has actually gone backwards<sup>12</sup>.

Once you're in work you'll live in a country which is in the bottom half of international comparators for wages and in the bottom third for job security<sup>13</sup>. You'll work the longest hours in Europe<sup>14</sup>, get

the second lowest number of holidays in Europe<sup>15</sup> and have the second worst trade union rights in Europe<sup>16</sup>.

Women get almost the worst maternity pay in Europe<sup>17</sup>, face the second highest childcare costs in Europe<sup>18</sup> and are in the bottom half of European countries on pay equality<sup>19</sup>.

If you end up out of work for any reason you'll face one of the most mean-spirited benefits systems of any rich economy in the world<sup>20</sup> and the worst in Western Europe<sup>21</sup>. If you're disabled you will get the fourth-lowest share of benefit spending in Europe<sup>22</sup>. In fact, if for any reason you're out of work your disposable income after housing costs will be the lowest in Europe<sup>23</sup>.

In contrast in Britain on average you'll pay one of the highest amounts for housing in comparable countries<sup>24</sup> and still end up living in the smallest houses<sup>25</sup>.

And when you retire, you'll end up in a country which spends among the very least in the world on pensions and is the third worst in Europe for the total amount it spends on pensions<sup>26</sup>.





Of course it's certainly not all bad living in Britain – we have a decent quality of life and there are other indicators where the UK does much better than those above. But the point is, that a country as wealthy as the UK should be able to deliver a quality of life that puts it somewhere towards the top of all of these measures. There is no reason we should be languishing at the bottom.

The reason is that the UK economy is scarred by low pay<sup>27</sup> and has faced decades of low wage-growth or no wage growth at all<sup>28</sup>. In-work poverty has been rising continuously<sup>29</sup> while social security benefits have been cut. This means that over the last 30 years we've had constant increases in economic growth but ordinary people have been getting a smaller and smaller share of the UK's wealth<sup>30</sup>. But because the rich keep getting richer<sup>31</sup> and corporate profits keep rising<sup>32</sup>, and because this happens in a country with very high levels of tax avoidance by corporations and the wealthy<sup>33</sup>, that means that the burden of tax falls on ordinary people – who get a smaller and smaller share of the UK's

wealth. It means that even high taxes don't raise the kind of public income that you see in countries with fairer pay distribution.

And because we raise less in tax from the tax rates we have, than if our wealth was more equally spread, there is less money to spend on public services.

All of this is the result of the kind of economy discussed above where low productivity creates poor-quality jobs and too much of the economy is financial gambling. It means that the UK could provide a much better quality of life for its citizens – but chooses not to in order to protect London's financial services sector and to allow corporations and the very rich to avoid taxes.

We believe Scotland can do much better than this. If we started manufacturing things again and focussed on high-skill industries and if we made the rich (and particularly big business) pay their fair share of taxes, an independent Scotland could provide better incomes and much better services and pensions than now.

# Climate Change

**There are very few countries in the world who are in a better position than Scotland to fight climate change.**

Climate change is a very real threat to our way of life already and it will just keep getting worse if we don't take action. For some countries this will be difficult, painful even. That doesn't need to be the case in Scotland. We can do the right thing and actually benefit from it.

It's because we have such an amazing

range of natural resources<sup>34</sup>. Scotland lost an awful lot of its population over the 20<sup>th</sup> century because of wars and emigration. It means we're sparsely populated, which means we have more resources to go round – we can generate way more renewable energy than we need, produce the construction materials we need, produce much more of the



food we eat in a sustainable way, create entirely new industries like bioplastics or sustainable fabrics and make much better use of the resources we have<sup>35</sup>. Not only that, but we can generate high-quality jobs and lots of prosperity while we go about it. It's not a sacrifice for Scotland, it's an opportunity. In fact to get an idea of the size of the opportunity, the recent ScotWind auction of the right to put wind turbines in Scottish waters will result in developments which will make between £3.5 billion and £5.5 billion every year<sup>36</sup>. That's ten per cent of the Scottish Government's budget. With the power of independence we should never make the mistake made with oil – handing over these enormous profits to foreign-owned big business. As Norway has demonstrated you need a public share right from the start of developing energy wealth if the people are to benefit.

But there are far too many of our resources that we don't control in Scotland and some of what Scotland would want to do is the opposite of what the UK wants to do. We are trapped – we have everything we need to become a truly sustainable nation except the powers to do it. Scotland should be leading the world in fighting climate change; independence will let us do what the future of the world demands of us.



# Reputation

**Scotland will be respected throughout the world.**

The UK's international actions over the course of centuries mean it is not going to be viewed sympathetically everywhere around the globe. But even among critics, the UK was seen as a respectable, reliable player on the international stage. That reputation is declining<sup>37</sup>.

From the dishonest and damaging role Britain played in the Iraq War, to Brexit, to its attitude to refugees, to renegeing on previous promises on international development funding, there are many examples of things which have dented

international confidence in Britain as a reliable partner.

For a short while Britain tried out having an 'ethical dimension' to its foreign policy before it reverted to making friends with some decidedly unsavoury regimes – so long as there were commercial interests involved. And of course along with participation in wars which were certainly illegal, Britain has an arsenal of Weapons of Mass Destruction which it is currently planning to expand.

We believe that an independent

Scotland could be a respected and useful country. Quite apart from our natural resources we have a population redolent in many skills and a large, influential expatriate community in with the bricks in many countries. Scotland will be a popular independent nation with which to engage and trade.

An independent Scotland could take the opportunity to remove nuclear weapons from its soil and this alone would have a major impact in achieving a denuclearised world.

It would abandon the pointless hostility to Europe that has been encouraged in the UK and, in living up to the spirit of its membership of the United Nations, would never again be involved in an illegal war against our will.

The potential for Scotland to play a more constructive and positive role in the world as an independent nation is very real and one that fills many supporters of independence with hope.



**SCAN HERE TO FIND OUT  
WHY AN INDEPENDENT  
SCOTLAND WILL BE  
RESPECTED THROUGHOUT  
THE WORLD**

# Resilience

**Being resilient has many aspects.**

The world has been through some very real shocks in recent years with climate change and the pandemic showing how vulnerable any society can be. These shocks have greatly increased global awareness of national resilience – the ability of nation states to protect the quality of life of citizens in the face of global crises.

Being resilient has many aspects – how you reduce your negative impact on your own environment, having and looking after the natural resources

which underpin our quality of life, your capacity to produce many of the key goods and services you require to maintain the wellbeing of your population, trust in your trading relationship with other nations and the skills of your population.

The UK has the second-worse track record on industrial decline of all the advanced economies<sup>38</sup> and is very reliant on there being no disruption to imports. Britain has only five days worth of gas available for heating houses<sup>39</sup>



and faces warnings of permanent food shortages<sup>40</sup> because of disruption in the global food trading markets on which it relies.

Britain is slow in taking concrete action to tackle climate change<sup>41</sup> and this puts future quality of life for residents at risk. It is not looking after its arable land on which soil is losing its fertility<sup>42</sup> and the UK now mines few of its own minerals<sup>43</sup>. It is reliant on imports for more than one third of all its energy needs<sup>44</sup>.

By comparison, Scotland is actually self-sufficient in the amount of calories of food it produces<sup>45</sup> and already produces as much electricity from renewable sources as it uses<sup>46</sup>. Scotland has almost half of the UK's forestry<sup>47</sup> and much of the potential for new forestry is here. Scotland's land and energy-based

resources can be expanded very significantly.

Scotland has enormous natural resources, lots of available land, many more energy resources than we need for domestic purposes, world-class universities and a highly-skilled workforce. All of this puts Scotland in a prime position to tackle its performance on climate change, produce much more of what it consumes domestically and create the high-quality jobs which would go along with both.

We just need to be free of an economic strategy geared around London's finance industries and the interests of the densely-populated South of England to be able to really make the most of our enviable resources. A properly managed Scotland could be a green energy powerhouse for all of Europe.

porting a vibrant culture and arts sector. We are deeply committed to the welfare state and none of our political parties want to undermine it. We are much more likely to see ourselves as European. We have a strong sense of justice and fairness.

There is a reason that Thatcherism never took hold in Scotland the way it did in England – we were instinctively hostile to its selfishness, its aggressiveness, the way it broke communities apart. There is a reason that while there are plenty of people in Scotland who voted for Brexit it didn't ignite the anger and hostility it did in England, not least because Scotland has never seen Europe as our enemy.

We recognise that the divisions over how we create the best future for Scotland are very real, but we don't believe that there is anything like that division over our view of what that future is. If Scotland does become independent we really believe that it can create a society with much greater togetherness, many more shared values. That togetherness is like gold dust in the modern world. But we also realise that it places a burden on independence supporters; not only do we need to win an independence vote, we need to do a really good job of creating the new nation we will all share. If we do, it can be a nation at peace with itself – and that is very much something to hope for.

# Togetherness

**Scotland is a strong, collective community and we have been for many hundreds of years.**

We know the independence debate can be polarising and people on both sides of the debate have strong feelings – as they should in a democracy. It is healthy to disagree so long as we do it cordially and constructively. But we really don't believe that an independent Scotland would be a divided nation. In fact quite the contrary. One of the great opportunities about Scottish independence is the chance to create togetherness.

That's because, in the end, Scotland is a strong, collective community and we have been for many hundreds of years.

Britain is now scarred by bitter divisions over what kind of nation it wants to be in a way that Scotland isn't. The issue of independence means that there is a clear disagreement about the best way to become the kind of society we want to become, but we are much more united about what kind of society that is.

Scotland has always had a strong tradition of caring for the most vulnerable, being open and friendly, trying not to leave people behind, being creative, ingenious and innovative, having cordial relations with other countries and sup-



# But can we afford it?

*These are our reasons for believing that independence offers Scotland its best future and we know many people agree with this. But we also know that many people have a fear that Scotland may not be able to afford it and opponents of independence have spent a lot of time and money promoting the idea that Scotland is too poor to be independent. So what is the reality?*

Turn the page  
to find out



# Being a region

***It is important to understand what Scotland is.***



Historically and culturally we may be a nation but economically we're a region of the UK. As we have seen above, not a single region outside the South East of England has managed to achieve even average UK economic performance over the last 20 years. Almost everyone in the UK outside London lives with economic outcomes which are below the average for the country.

This is not only because the UK is very centralised, but because more than any other European country the whole state is run in the interests of the capital city, even though what is good for London may not be (and often isn't) good for the rest of us. The flip side of London taking such a giant share of the wealth is that it then has to deal with the impacts of this inequality by transferring public finances to all the other regions. If every region but two have their economic growth harmed so they don't generate as much tax wealth and are then given hand-outs from the two successful regions, they are always going to be 'in deficit' (when you spend more than the income you generate).

Almost all of the UK is in deficit to London almost all of the time. So if you then measure how these regions are doing economically in comparison to London, you will inevitably find a permanent deficit. It's a bit like someone stealing money from your bank account, giving you a proportion of the money back and then telling you that you aren't able to live on your own because you need handouts.

Or, to think about it another way, try to imagine what would happen to a successful small European country if it was merged with the UK and turned into a UK region. It would see all its company headquarters move to London which would mean the major investment that is usually made in corporate headquarters would go too. It would lose its embassies and international profile so that would reduce further economic activity. A large number of jobs (civil service jobs, media jobs, the jobs that go with corporate headquarters) would move to London almost overnight. And the economic policies designed for that country's economy would be scrapped in favour of the economic policies designed for the City of London. It would be likely that very quickly that country would start to look exactly like all the UK's other regions – in deficit to London and in need of handouts.

That is the basis of the argument of opponents of independence. They take Scotland's economic and financial statistics as a region of the UK (you might have heard them mentioned as 'GERS') and claim that this represents the reality of what Scotland would look like if it was an independent country. It is not that the regional economic statistics of the UK are arithmetically wrong, it's that they only tell you what it is like to be a region of the UK.

And, since we know that being a region of the UK means permanent deficit, that's what those statistics will show. They tell us nothing about Scotland's potential as an independent country.



# Being a nation

**It is important to understand what Scotland can be.**



To understand why the finances of Scotland as an independent country would look different from the finances of Scotland as a region of the UK, it is helpful to think about some of the things which would happen immediately. For example, Scotland would have to recruit up to about 30,000 civil servants which we currently pay for but which are based in London. All those jobs and the tax they bring in would immediately move to Scotland.

The UK Government invests in 'national projects' which don't particularly benefit Scotland (like the big subsidy to the London Underground or 'HS2') and so Scotland would have its share of that money to spend. The UK spends much more on the military and defence than other comparable countries and Scotland would be very unlikely to do the same.

Businesses would want to set up headquarters in Scotland and embassies would locate there, bringing more jobs and economic activity. The UK's approach to tax is an invitation to the very rich and to big corporations simply to avoid paying anything at all, costing the public purse billions of pounds a year.

A more contentious question is what share of the UK's debt burden Scotland should accept. This is a complex issue as it is also linked to how many of the UK's assets we get, but at the heart of this question is the fact that the debt belongs wholly and entirely to the Westminster Government and Scotland has no legal responsibility whatsoever for repaying the debt. Indeed this point was accepted by the UK Treasury in the run up to the first independence referendum in January 2014. This doesn't mean we don't have any moral responsibility to some share of it, but it is almost certain that an independent Scotland's total debt costs would be lower than those being paid by the UK<sup>48</sup>.

But these are just some examples of the kinds of short-term changes that would happen very quickly after independence simply as a result of Scotland being its own nation or by the decisions almost certain to be made by any government in the short term. If you add them all together they greatly reduce or even remove the gap between the finances of Scotland and the UK as a whole.

And that's just the short term; the real opportunity for public finances and the 'affordability' of independence comes in the medium term. It is through the process of aligning the 'macroeconomic conditions' (the state of the economy as a whole) with Scotland's real economic needs by changing public policy – that is the big potential win for Scotland.

No-one disputes that Scotland has all the potential to be a successful small independent nation in the medium term. The debate about the affordability of independence is entirely about the transition between these two states – Scotland as a region and Scotland as a successful independent nation. It is making Scotland's economy work for Scotland rather than trapping Scotland in an economy designed to work for London, that will enable the creation of the prosperity that will make first-rate public services easy to afford.

There are far too many examples of the way UK economic policy is managed which are counterproductive to the Scottish economy to look at properly here, but taking one example illustrates the point. The UK economy is one of the most foreign-owned advanced economies<sup>49</sup> but the picture in Scotland is even worse. Over the years UK policy has led to barely a single major international company being truly headquartered in Scotland.

This matters a lot. Companies tend to invest most heavily in their home country – that is where the most senior jobs are and it is overwhelmingly where they make both their capital investment and particularly where they make their investment in innovation. That means that company headquarters generally create much more economic activity and so much more public income than does a company's branch offices. This is why Scotland is so far behind the UK in 'BERD' (business expenditure on research and development) despite being ahead of the UK in 'HERD' (investment in research and development in the university sector)<sup>30</sup>.

There is absolutely nothing wrong with Scotland's science base, but there is something wrong with the Scottish economy's ability to make the most of it, and business headquartering explains a lot of it. This matters because the place investment in research and development is made, is the place where productivity and salaries increase fastest, generating public income.

The question is then how long it will take to shift Scotland's macroeconomic policies, how quickly its business base can grow as a result and what measures can be taken in the interim. No two people will give you the same answer to these questions – it won't happen overnight but there is no reason for it to take decades. Paying for public services in the interim period is therefore purely a transitional question and, once the short-term changes outlined above are taken into consideration, the cost of bridging the financial gap in the interim period will certainly be much less costly than the cost of dealing with Covid and the financial crisis. These were paid for not through borrowing but through monetary policy (printing money), and even if Scotland was to use some borrowing to get through that transition period it would still end up with a much lower level of debt than the UK. This means that Scotland has lots of options to get it through transition while maintaining public services.

People often find economics confusing and these can be difficult arguments to understand. This fact is sometimes used by opponents of independence to scare people who don't understand economics and public finances well. There is no need to be scared. Scotland will make a rapid transition from being a region to being a nation and once it does it will manage its finances like any other modern advanced nation. Yes we will need to manage the transitional period, but the alternative is to be trapped forever in an economic system which is bad for our economy and needs hand-outs from London.



# Being Connected

**A national border between Scotland and England need not disrupt trade or travel.**

Another reason which is sometimes given for why Scotland can't afford to be independent and why its citizens can't afford to make the change, is the border. It is said that having what is described as a 'hard border' with England will disrupt trade, bring new costs to business and make it hard for people to work on the other side of the border. This (it is said) will harm Scotland's exports and so make it harder to afford public services. Is there any merit in this argument?

The easiest of these claims to address is that it will be harder for people to travel and work across the border. This is a strange argument given that there is already a UK Common Travel Area which most people have experienced. You can travel to the Republic of Ireland or the Isle of Man with no difficulty – and they have borders no 'softer' than that between Scotland and England will be. The idea of armed border posts and barbed wire is just daft – you will be able to travel and see your friends in England, tourists will be able to come to Scotland, people will be able to shop and work on either side of the border just as easily as if there was no border there.



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OUT WHY SCOTLAND  
COULD JOIN EFTA  
AND WHAT  
INDEPENDENCE  
MEANS FOR A BORDER  
WITH ENGLAND**



That's because there actually isn't such a thing as a 'hard border'. All borders are harder or softer to cross depending on what is crossing them. For example, it is much easier to cross a border if you're carrying a suitcase for your holidays than if you're carrying contraband. The modern world uses what are called 'smart borders' which differentiate between things that the two nations on either side of the border don't mind crossing (like someone from the Scottish borders going to England to do some shopping) and things they do mind crossing (like illegal goods).

So what will you see when you cross the border? There will be a sign saying 'Welcome to Scotland' (or England depending on which way you're going) and if you look closely, you'll also see a number of cameras reading number plates to know who is coming and going and whether they're transporting goods for sale. For the vast majority of people that will be the last you will see of border regulations.

But that doesn't mean objects can pass through willy-nilly. Countries make decisions about what they are willing to let into their countries. Few would let hard drugs in, or barrels of industrial waste, or dangerous consumer goods. So imported goods will be subject to potential checks. What that does not mean is that there will be queues at the border while this is done because no advanced economy does it like that nowadays. As far as possible, governments would rather work with businesses at their place of work to make sure they are not accidentally bringing in the wrong things, and unless they have good reason they will do that as little as possible.

To make sure people don't cheat there would be some random inspections of goods vehicles that cross the border – but not at the border. A location many miles into the country would be used to create an HGV inspection area (you will already have seen something like it if you've driven to Scotland from England – and you're paying attention...).

A small proportion of goods vehicles would be selected at random for a check which would be as simple and quick as possible. The number plate tracking cameras will identify any suspicious goods vehicles apparently avoiding random checks.

This is all the enforcement of regulations and the burden is on the government, not businesses or individuals. Hauliers could face the occasional five or ten minute stop while their cargo is checked – but that's it.

So if goods and people can cross borders, what about money? This is equally easy to dismiss – have you been abroad on holiday? Could you pay for things using your usual cards? Did it cost you a fortune? No! That's the modern world. Financial transactions are both easy and very low cost in the computer age. The price of making financial transactions between different countries is already very low and is getting lower and lower. In fact some countries have removed them completely – Sweden has passed a law so the Euro must be treated like the domestic currency (Krone) and so must carry no extra handling costs<sup>51</sup>. (Plus businesses which do a lot of cross-border trade usually keep bank accounts in each of the currencies they trade in and so would face no transaction costs at all.)

In any case about a third of Scotland's trade with the UK is either electricity or financial transactions such as an English homeowner having a mortgage with a bank registered in Scotland, neither of which are affected by borders<sup>52</sup>. Of the rest, the majority is services – Scottish people doing work in England. This will be little affected by a border. What is left is the actual trade in goods, and Scotland exports more in goods to the EU than it does to the rest of the UK, so the argument about trade barriers rather falls apart. Fast entry into the European Free Trade Area (EFTA) would give Scotland immediate access to the EU Single Market (more details can be found below).



Two examples can help us here. Switzerland is a country in EFTA but neither in the European Union or the European Economic Area. And yet three major economies with which it has a border – Italy, Germany and France – conduct a large volume of their trade with each other through Switzerland – a very large volume of trade which modern technology makes smooth.

Secondly the Northern Irish protocol is a political hot potato placing an administrative border in the Irish Sea but a free market with the rest of Europe. This is similar to the position that Scotland would be in as an EFTA member.

However, the protocol has not proved an economic obstacle with Northern Ireland in 2021 enjoying its best economic performance relative to the rest of the UK since records began. The surge in trade from the single market has been more important than additional form filling to send goods across the North Sea. This success has been seized upon by Northern Irish business leaders<sup>53</sup>.

A national border between Scotland and England need not disrupt trade or travel in any noticeable way and both countries have every incentive to co-operate in a mutually beneficial way on the exchange of trade in goods and services. It certainly won't harm Scotland's financial ability to be an independent nation.

# Being Equipped

**A modern nation must have control over the money in its economy and how it's managed.**

There is one feature of being a nation which can't be dodged – a modern nation must have control over the money in its economy and how it's managed. This is known as 'monetary policy' and it is crucially important. In fact even the biggest and most powerful countries in the world would have struggled with the twin crises of the financial collapses of 2008 and the pandemic of 2020 if they had not been able to turn to monetary policy. This covers everything from how much money is in the economy overall (money supply) to interest rates, to managing Foreign Currency Reserves. These are important and powerful tools which you use to support the economy when things are good and potentially rescue the economy if they ever get bad. But they are also tools which will help Scotland to get through the transition period and help it adapt from a regional economy to a national one.

So an independent Scotland will have to start our own currency. This is nothing like as hard as it sounds –



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AN EXPERT VIEW ON  
SCOTLAND'S  
FINANCES AND WHY  
WE NEED OUR OWN  
CURRENCY**

there are more than 20 countries in Europe that have changed their currencies since 1990<sup>54</sup> (some countries like Slovakia and Croatia have changed them twice) and the processes are well known. But to get it right, supporting the public and businesses to adapt to the new currency is crucial, especially with issues like pensions and mortgages.

This isn't the place to go into all of the details of how it is done (a lot has been written on this) but these are the basics. We need to set up a central bank to manage the currency. It then needs to go through a range of technical processes to create things like payment systems (like those used to transfer money to accounts), clearing systems (how banks send money to each other) and digital currency (this is how banks set up accounts in a new currency and so what lets people exchange a Scottish currency into other countries' currencies). But there are existing international standards that are followed for almost all of this and none of it is unusual.

Then Scotland needs its own bank accounts. There will be a transition to a new currency, probably about three years (as there was with the introduction of the Euro). This is the period when all the work gets done but it is also when households and businesses are helped to move to the new currency. All the big banks will want to keep their Scottish customers and since they already work in many currencies, it will be technically easy to do.

Customers then have two options – they can either change their existing account over to the new currency or set up a new account. They will have to have a bank account in a Scottish currency at the end of the transition period (to pay taxes and get paid) but they're absolutely free to keep two accounts, one in Sterling and one in the Scottish currency. No-one will force them to exchange their money. Standing Orders and Direct Debits will still work.

No-one will be forced to change their mortgage to a Scottish currency but since there is a legal requirement to allow people to move their mortgage, anyone who wants to can convert with their existing provider – or move. For private pensions there are two options – you can keep your pension in sterling or you can move it to a pension fund in the Scottish currency. Indeed you can do a combination of both if you want.

Almost all big businesses already operate in different currencies so adapting to a new currency will be straightforward for them. Small businesses, like customers, can choose to change their account or, if they do a lot of business in the rest of the UK, keep two accounts, one in sterling.

The last thing you do to switch currencies is get one of the 'printing and minting' companies to print the notes and mint the coins then, just before switch-over day, the new money would be distributed to shops and banks and at midnight the new currency would become legal tender in the shops. To give you an idea of how straightforward this is, it would be like the switchover to the new pound coin a few years ago – but for all notes and coins.





Give or take a few bits and pieces, that's the currency set up. Now we need to protect – so we need a Foreign Currency Reserve. This is financial savings a nation holds in the currencies of other nations (mainly major currencies like the Dollar, Euro, Yen and Yuan). It means that in a financial emergency, a government can always buy things from abroad. But one of its most important uses is to manage the value of a domestic currency. If you want to push the value of your currency up, you can buy up some of your own currency using another nation's currency and if you want to bring the value of your currency down, you can sell your own currency and build up your reserve. You can also spend it if there is a domestic emergency and you can invest it and get interest from it.

This would mean that for an interim period, Scotland could 'peg' its currency to Sterling, which simply means to keep them at exactly the same value so prices stay the same. Then eventually, we'll want to 'float' our currency, which means allowing it to rise and fall in value to match the economy. An independent Scotland will inherit most of its Foreign Currency Reserve from the UK if assets are divided and the rest will actually be cheaper to borrow than we are currently paying to the Bank of England to build up its own reserves. If assets are not divided then an independent Scotland will emerge into statehood with no liabilities and one of the best financial prospects in the world to establish a currency reserve through borrowing.

But that's it; that's how Scotland sets up a safe, secure currency.

# Being Serious

**Scotland is an advanced economy with strong legal and financial safeguards, not a dictatorship which might seize people's assets.**

So what are the big economic issues which opponents of independence claim would put the affordability and stability of Scottish independence in question? Let's have a look at two.

The first is 'capital flight'. Capital flight is an economic phenomenon where people have fears about whether their money or investment is safe or whether there is a risk that the value of their assets will drop. In these circumstances they can move their money somewhere else where they think it will be safer.

This can lead to a lack of available sources of investment in the country which can harm the economy and the ability of government to meet its costs.

Is this a realistic risk for Scotland? No, absolutely not. First, Scotland is an advanced economy with strong legal and financial safeguards, not a dictatorship which might seize people's assets. The only possible reason they might feel their money wasn't safe would be to do with the value of the currency. If a Scottish currency fell in value against Sterling then any savings held in the Scottish currency would also fall in value.



But this is a red herring because no-one will have their money converted to a Scottish currency automatically and it will be for people to decide for themselves how much of their money they want to convert. If they are worried about the value of a Scottish currency they can just keep their savings in sterling, so there just isn't any realistic risk of capital flight.

The second risk sometimes raised is that there would be a 'speculative attack' on a new Scottish currency. This happens when international currency traders believe that the value of a currency is 'artificially' high. The process is complicated but basically you bet against a currency and then you try and influence the value of that currency by selling lots of the currency to create a panic sale on money markets which causes the value of the currency to fall – and then you collect on your bet.

Is this a realistic threat? Not really. There aren't all that many speculative attacks made and the majority of them are unsuccessful<sup>35</sup>. There are two main ways to respond to an attack like this – you let your currency devalue a bit (which can be good for the economy anyway) or you defend it by doing the opposite of the speculator.

If they sell your currency, you buy it (using your Foreign Currency Reserves) to push the value back up again. And you only need to do this more than they do – it's like a game of bluff where they can only win if they can spend more than the country they are attacking, so a speculator needs to be very confident to try it. That is why most speculative attacks fail.

For an independent Scotland it is only any kind of risk if we peg our currency to sterling (which means keep the value exactly the same) which would probably only be a transitional arrangement. And during a transition period, speculators wouldn't be able to buy enough of the Scottish currency to mount a major attack anyway.

These are just two examples where it is important to bring serious analysis to scare stories about how Scotland can't afford to be independent. What they show is that, if we take a serious approach to understanding and assessing the scare stories, they melt away in front of our eyes.

# Being Prepared

***There is absolutely no reason for Scotland to be afraid of independence and no reason to fear it won't be a success.***

None of this is to be off-hand about what it takes to become a successful independent country and it would be foolish to pretend it doesn't involve a lot of work. If Scotland wants to maintain its reputation as a safe place to own assets or keep savings, there needs to be a properly-established central bank with staff recruited who are capable of managing a stable monetary policy. If we want to change the macroeconomic conditions in Scotland, we need a properly-resourced civil service to ensure that policies are properly implemented.

If we are to maintain a stable banking system we need all the digital infrastructure which supports modern banking and there needs to be a 'lender of last resort' which is equipped to intervene if the banking sector gets in trouble. If Scotland wanted to peg its currency to sterling and then have the ability to defend itself against a speculative attack (to deter any such attack from happening) then we need to set up a proper foreign currency reserve. And so on.

What this means is that to become successful as quickly as possible and to be as strong as possible during the transition period, Scotland must go into independence very well prepared and with a proper plan to put in place all of the infrastructure of a modern nation state. This is why ALBA proposes to set up a National Commission. This would do all the preparatory work needed before there is even an independence vote and then would work tirelessly between the point of a successful vote for independence and independence day itself, to make sure all of this work is delivered in a way that makes Scotland secure as a new nation.

There is absolutely no reason for Scotland to be afraid of independence and no reason to fear it won't be a success. But that relies on being prepared and getting the work right and that is why it is important to have such a strong focus on doing the work early and comprehensively.





# But I like things about Britain...

***We will remain different nations on an island and will have close and enduring links with each other.***



Hopefully this has shown not only that Scotland will gain major advantages in being an independent country but also that we can 'afford it' and that it is nothing like as hard to get going as some people have suggested. But what about the things we lose? We have explained many of the downsides of being in Britain above but there are plenty of upsides as well. Despite its many problems, the UK is a state with a comparatively high quality of life and has some much-loved institutions with which we are all familiar and on which we rely.

The idea that supporters of independence hate everything about Britain is just daft and none of us want to lose what we have. We will remain different nations on an island and will have close and enduring links with each other. No-one is going anywhere. So what are the things about Britain people really value and what will these things look like in an independent Scotland?

# I like democracy...

Britain's parliament is sometimes known as 'the mother of parliaments' because Britain was one of the earliest countries to undergo democratic reforms. Few would now argue that Britain is an out-and-out democratic success or that there aren't major problems,

well-established democracies and people rightly feel a degree of security because of their democratic rights in Britain. So how does Scotland ensure its citizens feel the same degree of security?

Well, we need to go one further than the UK. It does not have a proper written constitution and so any government can effectively change the constitution any time it wants. That's wrong – a constitution is there partly to set limits to the power of a government. In fact the UK is one of only two developed states which don't have a written constitution. Written constitutions define how democracy works, enshrine legal rights and make sure that there is a way to prevent the abuse of power of people in government. For example, women's rights to single-sex spaces are currently under threat in devolved Scotland. This could properly be guaranteed in a written constitution.



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OUT WHY AN  
INDEPENDENT  
SCOTLAND WILL BE  
MORE DEMOCRATIC  
AND SAFE AND  
SECURE**



First of all, it is so important to have a constitution in place from day one that we need to have an interim constitution ready even before anyone takes part in the independence vote. This acts as a 'guarantee to the people' that Scotland will be an open, democratic nation if they vote for independence. An interim constitution would define the basics – how elections are to be held, how parliament will work, enshrining the rule of law and so on.

But an interim constitution should be as short as possible and contain only the minimum detail. Constitutions are about more than just 'the rules' – they are also a statement of the kind of nation you want to be. They can be short and technical or long and filled with principle, more 'law' or more 'poetry'. It is our choice – but it must be our choice which means it must have the support of the population and in the modern world it is highly desirable that it is actually produced by the population in a participatory process.

There is very good international best practice on how to do this. It involves all sorts of initiatives like Citizens Assemblies, town hall meetings and discussion groups with ways to pull all views together.

So there will be an interim constitution before the independence vote as a 'guaranteed minimum'. Then if Scotland votes for independence we would run a large participatory process to find out what people want from their constitution and what they want in their constitution. At the end of this the final constitution should be put to the people in a referendum – if they felt it didn't capture their expectations and rejected it, there would then be the interim constitution to fall back on.

Not only will an independent Scotland's democracy be assured just like in Britain, it will actually be stronger.

Britain was one of the first countries in the world to create a welfare state. It created not only a health service and council housing but unemployment and disability benefits, pensions and more. These are some of the most beloved institutions in Britain. So how safe would they be in an independent Scotland?

In some ways this is like answering the question about 'can we afford independence' all over again. That argument claims there is a gap between how much Scotland spends on the welfare state and how much it raises in tax – but above we've shown that if there is any gap at all it is much smaller than opponents claim and can easily be closed while Scotland transitions to becoming a proper nation. This obviously means that all services can be maintained at their current level in an independent Scotland.

In fact most of them are already devolved so are already in the power of the Scottish Parliament just now. The NHS would continue as it is, care services would continue as they are – and so on. That means that there just isn't any need to worry about key public services. The only powers which would be new would be pensions powers and the powers over other benefits. Once again, the supposed 'affordability gap' for an independent Scotland already includes the current cost of pensions and benefits in Scotland so there is nothing to stop us continuing to pay them as they are. In Britain they are all 'pay as we go' benefits, so annual tax income pays for annual pensions and benefits. The infrastructure needed to actually manage and pay many benefits is already being set up in Scotland so expanding that to cover new benefits is not complicated. 'Affording to be independent' really means 'affording to have the same level of public services and benefits as Britain but not being in Britain' so the scare stories about the welfare state are just that, scare stories.

Take pensions for example, which are a favourite scare story of the unionists. Some of them even claim that the UK would not honour the contributions made by Scottish pensioners if we became independent. But the reality is that pensions are not funded by historic contributions but from current revenue and thus it is the Scottish Government which can and would guarantee the payment benefits. If the UK Government were to play politics with pensions in negotiations and renege on any obligations then remember that they have the legal liability for all the UK accumulated debt. The only real question about pensions in an independent Scotland is how quickly a Scottish Government will be able to increase them to bring them into line with the rest of Europe from the current miserable UK levels.

Of course, we've already shown that the UK is really miserable in its benefits and so in an independent Scotland, ALBA would want to see them rise as quickly as possible as we fix our economy.



## I like the welfare state...



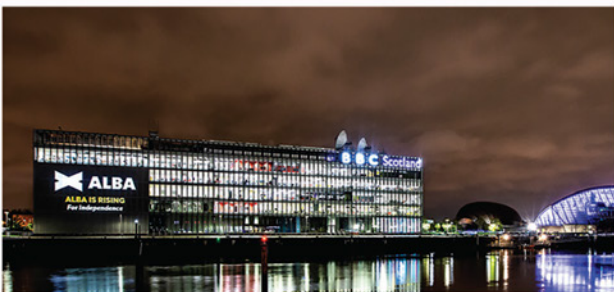
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WHY YOUR PENSION WILL  
BE GUARANTEED IN AN  
INDEPENDENT SCOTLAND

# I like the freedom to move around...

Another fear people have been encouraged to have, is about the ability to travel to and from England. We have already shown above how the border would work and so it is clear there will be no 'border checks' on people crossing from England. There will certainly be no physical barriers at the Scottish side. So would there be barriers on the English side? Clearly not. The UK already has a Common Travel Area agreement with the Republic of Ireland and it is inconceivable that Scotland would not be covered in that agreement. The right to live and work in the UK will be guaranteed.

Arguments that this isn't true because Scotland might have a different immigration policy and so act as a 'back door' to the UK for illegal immigrants, are also obviously dodgy given that the Republic of Ireland has a different immigration system.

The scare stories about not being able to travel to England are wholly and entirely without merit. Scottish citizens will be as free as citizens of the Republic of Ireland to travel to, live and work in the rest of the UK.



It is OK to like the BBC – everyone likes at least something about the BBC. It makes some of the best television programmes in the world and many supporters of independence would be desperately sad if they could never again see their favourite programmes. Thankfully, in the modern world this isn't a risk.

The BBC is free to licence payers in the UK but it is also a commercial organisation which sells TV programmes all over the world. People in the Republic of Ireland don't pay the UK TV licence but can watch many BBC programmes because the Irish national broadcaster buys them from the BBC. There is even a BBC channel in the United States of America people can watch.

Scotland will obviously want to set up its own public broadcasting channel to make proper news, current affairs, drama and entertainment programming for Scotland. But it will also spend a proportion of its budget buying BBC programmes.

This could mean different things – it could buy entire channels worth of programming, but this might not make sense given that programmes like the UK news or Question Time would no longer be relevant in Scotland. It is more likely that it will buy many of the most popular TV programmes and schedule them into its own timetables. This would be a choice for Scotland as it was setting up as an independent country, but it is certainly nonsense to say that Scotland will be 'cut off' from BBC programming. It simply won't.

# I like the energy grid...

The National Grid is, in its own way, a kind of miracle. It provides all the electricity you need whenever you need it. This may sound simple but behind the scenes an enormous amount of work goes into making sure that the supply of electricity carefully matches what is being used – and where it is being used. Would Scotland lose this if it went independent?

The answer to this is a simple no. The grid in Scotland is already managed separately than the grid in England and while they 'interconnect' (to share electricity when one or other is generating more power), the 'load management' (which is how they match supply and demand) is already done for Scotland in Scotland.





So all that has to happen is that this service becomes Scotland's 'Transmission Service Operator'. This is the technical term for the service that manages the load on the grid. In every other country in Europe the TSO is publicly owned and ALBA thinks this would be the best choice for an independent Scotland.

So will we run out of electricity? Well Scotland produces more electricity than it uses which it sells to England – but because a lot of it is renewable energy and so is generated when the wind blows, sometimes Scotland 'buys' electricity back from the rest of the UK to make up for this. But the UK is very reliant on Scotland to help it meet its renewable energy targets and can't afford to lose that. The UK will keep buying Scottish electricity so will keep selling electricity to Scotland as well.

Nothing will change – and in fact since renewable energy is now

cheaper than non-renewable, it will actually make electricity in Scotland cheaper too. Why should Scottish households be paying through the nose for power in this land of cheap and plentiful energy?

But this shouldn't be our only long-term aim. We will always sell power to the UK because Scotland has so many energy resources, but we would also want to be able to guarantee our own 'energy security' (making sure the 'lights never go out'). To do that we need to start building energy storage capacity on the National Grid. This will store renewable energy when we are generating too much and release it again when we are using more than we're generating. The Scottish people need a public say in energy provision so that our renewable wealth is not cleaned out as our oil and gas wealth has been.

## I like feeling safe...

Another thing that people sometimes say they like about Britain is the confidence of knowing that we have our own defence force – the British Army, Navy and Airforce. Will losing that mean that you feel less safe in your bed? Answering this properly is a big question and takes more space than is available here. But there is no need to fear sleepless nights in an independent Scotland.

There are lots of reasons for this, but by far the biggest reason is that no-one in the UK is at any kind of threat of invasion whatsoever. The British military hasn't undertaken any serious military defence in the UK since the Second World War. Britain's wars are all abroad, not at home.

An independent Scotland simply won't

want any part in those wars (though we will want to contribute to UN peace-keeping operations) so we will never need the kind of military the UK has. For example, since an independent Scotland won't be attacking other countries we don't need aircraft carriers or fast jets or bombers. Aircraft carriers do not make you safer in your bed so not having aircraft carriers doesn't make you less safe.

So Scotland is not made safer by having aircraft carriers and still less so by hosting one of the largest concentrations of nuclear weapons in Europe a mere 30 miles from the centre of our major city of Glasgow. The biggest risks to Scotland's security are issues like cyber attacks, terrorism or natural disasters. The biggest task at our borders will be to prevent organised crime, smuggling and human trafficking. It doesn't mean that we shouldn't be able to defend ourselves if there ever was an invasion – we certainly should. But even that won't look anything like the UK military. We still won't want fast jets or bombers, it'll be tactical helicopters and uncrewed drones. All of this simply makes Scotland like Ireland, or Norway, or Denmark, or Sweden, or Finland.

So how do we set up such a defence force and what do we do in the meantime? Getting a new Scottish Defence Force to full capacity will take time. Mostly we won't want to inherit military equipment from the UK for the above reasons so we will seek a cash-equivalent of our share of Britain's military hardware. This will enable us to buy equipment properly designed for Scotland's needs.

It will take a while to build and source it all but it won't cost us more than we already pay. Then there is recruitment – some Scottish soldiers currently in the UK military may want to move to a Scottish Defence Force but some may not. We will need to set up a training academy and build up our armed forces, which is why it will take time to get to full strength.

But that is not all we need to do. We need to set up a proper Intelligence Unit, we need a well-resourced Cyber Crimes Unit and we need a properly-equipped Coastguard. These should all be part of the National Police Service rather than in the military as these will mostly be dealing with criminal matters rather than 'national security' matters, but they will be our first line of defence. Scotland has the IT expertise to create a Cyber Crime Unit and the police already do intelligence gathering work so that just needs to be expanded. The UK gave up on a proper coastguard service a long time ago – there is virtually no law-enforcement in Scotland's seas because the UK doesn't have any patrol cutters (the kind of boats used by coastguards) in our waters. Once everything is fully set up, Scotland will be more secure, not less.

As for the interim period – well the UK has every incentive to prevent any major harm on what is currently the UK mainland so it is inconceivable that it will not want to agree proper transition arrangements. These will ensure that this remains the case while we get everything set up so we can fully carry our share of the responsibility of keeping the islands of Britain and Ireland safe and secure.



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SCOTLAND WILL BE SAFER  
WITHOUT NUCLEAR  
WEAPONS



### **I still have questions...**

The above should have explained why we think independence is by far the best future for Scotland, how we would go about it, whether we can afford it and whether people have any reason for fear. But we understand it is still a big step for many people and you may still have questions. Here are some quick answers to some of those questions – if you have more, please let us know by emailing [weebbook@albaparty.org](mailto:weebbook@albaparty.org) and we'll do our very best to answer them.

## **How will we be recognised as independent internationally?**

*It might seem surprising but there isn't actually a clear definition of what 'independence' is. In reality when the other nations of the world accept you as independent, you are. This generally means 'becoming a member of the United Nations' and for that to happen two-thirds of its current members need to agree. As soon as Scotland has an agreement with the UK after a vote for independence, the other major nations will all recognise Scotland and so the process will be straightforward.*

## **Doesn't all of this need a lot of negotiation?**

*Yes, it certainly does. That is why the independence movement has done so much work to set out its position in negotiations (this book is a summary of some of that work). The independence movement is determined that we will not make a totally incompetent job of negotiations, as the UK made with Brexit. That was a debacle because Britain went in unprepared, with a weak team and with unrealistic expectations. Scotland will learn from this and not make any of those mistakes. Being really well prepared is key.*

## **Will we have inflation problems?**

*Inflation is rising everywhere just now as demand outstrips supply in global markets. Scotland should be no worse affected than anyone else about this, and in addition, our abundant cheap renewable power will allow us to reduce electricity bills. But Scotland will have all the same powers as everyone else to tackle inflation (particularly setting interest rates). And anyway as Scotland becomes more resilient and so more self-sufficient we will be less reliant on the global markets which are driving inflation.*

## **Will the currency devalue?**

*What this question really means is will the value of the Scottish currency fall in relation to Sterling. This is a complicated question because there are both advantages and disadvantages to devaluation. For example, it is better for exports and worse for imports. Equally, it may be the case that Sterling is too high in value for Scotland, designed as it is for the City of London and its 'cheap money'. So we may not always want a Scottish Currency to have the same value as Sterling. But, for now, we can and will 'peg' the Scottish currency to Sterling and, if we need to, use monetary policy and a Foreign Currency Reserve to keep that peg solid. So if a Scottish currency either gains or loses value in comparison to Sterling, it will be because Scotland chooses it to.*



## Will we be able to borrow?

As a new country, Scotland will have no international 'credit history'. This means that, in the short term, we might pay very slightly more to borrow money than the UK. On the other hand, an independent Scotland will have much smaller debts than the UK so that will count in its favour and accordingly lower the costs of borrowing. And the global cost of government debt has never been lower – some countries are actually demanding that lenders pay them money to lend them money. Scotland will be able to borrow money fine – and with control over the currency we will have more tools of economic management.

## Will there be queues at the borders?

No. The border will be a modern 'smart border' and the UK, Scotland and Ireland will be in a Common Travel Area so there will be no form of barrier or check at the border at all.

## What will our national debt be?

This is not a straightforward question and the answer will come from what either side wants in negotiations. But whatever the outcome, responsibility for the current UK debt will remain entirely and wholly

with the UK. If we choose to make a contribution to that it will not be by transferring the debt to Scotland, but by helping to finance it, in return for the transfer of our proper share of other assets.

## What will happen to my mortgage/pension/savings/business?

The answer is that a new currency doesn't mean you need to change everything into the new currency. You can keep your mortgage, savings and private pension in Sterling if you want to or you can change them into the new currency. It's up to you. Many businesses already deal in more than one currency and will continue to do so in the future. Whatever you choose it will also be your choice.



## What about our deficit?

There may be a bit of a deficit during the transition period, but every nation in the world has been operating with deficits so Scotland will be no different.

## What about joining the EU?

Scotland has been taken out of the European Union against its will, that's the reality. It means we will need to apply if we wish to get back in. This can be a drawn-out process but it might be accelerated given that Scotland's citizens will all have been former EU citizens. But ALBA believes we should approach this pragmatically and democratically. We can join the European Free Trade Area (EFTA) very quickly and we should. This will give us a range of pre-arranged trading deals with the EU and others. This will make trading with the EU much easier than it is being in Brexit Britain. If, after a while, we think it is in our interests we can then apply to join the European Economic Area (EEA). This gives full membership of the European Single Market without being a full EU member. From there, again, if and when we feel it is in our interests we can apply to join the EU. ALBA believes that it is important to wait and only to do this at the point where we will get the best terms of entry, which would have to be put directly to the people. And if we want we can stay in EFTA. Again, this will all be up to us.

## What about travelling abroad?

Setting up Scottish passports is easy – there is a global standard for producing passports and, as soon as we are recognised by the United Nations, all of the world's nations will recognise those passports. Setting up embassies and consulates is also pretty straightforward – these are just the agreement of the host nation to recognise a building as being 'Scottish territory'. Scotland won't require to have a full embassy in every country in the world (though we may want to have a consulate in most). We'll identify the main countries Scotland trades with or where Scots travel to, buy a property in those countries and agree a recognition deal with the host nation to turn it into an embassy.

## Will Scotland be a one-party state?

No. There will be elections to decide who governs Scotland immediately after we're independent and at those elections and future elections it is then up to Scotland what parties it elects. Right now Scotland is 'deadlocked' between two groups of parties arguing over the constitution. Independence would give voters the chance to refresh Scottish politics and let a new generation of leaders emerge. Plus our

constitution could adopt a voting system which is even more proportionate than the one we currently use, making dominance by a single party even harder. Scotland is a thousand years old – surely we can see beyond just now and imagine what we are really capable of as a society.

## How will we grant citizenship?

The plans for how to manage Scottish citizenship were set out at the last referendum and still apply. Anyone born in Scotland or born to Scottish parents or grandparents will have an automatic right to citizenship as will people resident at the time of independence. After that, it is simply a matter of basic immigration and citizenship policy who else we allow to become a citizen. Scotland would fully support allowing people to maintain dual nationality with the rest of the UK.



## It's OK not to be certain...

We're sure you may have more questions than this. You might want more information about why we think independence is such a good idea for Scotland. There could be things that you're still not clear on from the above. This is all a lot to take in and not all of it is the kind of thing which might pop up in your everyday conversations.

But we hope this all makes sense and that, at the very least, you can get the gist of it. We really believe that the opportunities of independence are enormous and we really believe that all questions can be answered if we are serious about getting this right and we are properly prepared well in advance.

Whatever else, we hope this has been helpful to you in making up your mind or thinking more about this most crucial question. We know that everyone in Scotland wants the best for our country and we also know that this decision sometimes lies heavily on your shoulders. Whatever you finally conclude, feel proud about your decision. Whatever it is, whatever happens, we will all continue to live in this wonderful country and work together to make it the best place it can be.

Thank you.





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## ABOUT THIS BOOK



In the 2014 referendum campaign, there was one publication which had more impact than any other in shifting opinion towards independence.

That was the Wee Blue Book, which offered Scots information about independence and indeed, about their country. Many felt it provided these insights for the very first time.

A lot has happened in the world since 2014 and thus we thought it important to outline the new case for independence, taking account of all of these changes.

One thing does remain the same. This book, like its predecessor, tries to present information shorn of individual party political policies. It is not an ALBA manifesto. For that you should consult the ALBA website.

It is rather the factually based information, that every Scot should have available, about the potential of our country as an independent nation - as the time for decision approaches again.

I said in 2014, that the real guardians of progress were not politicians of any hue, but the activism of tens of thousands of Scots who would "refuse meekly to go back into the shadows". So it has proved, and it will continue to be so.

Please consult, discuss and question the contents of this book - as it is information which holds the key to our future.

Yours for ALBA

A handwritten signature in white ink that reads "Alex Salmond".

ALEX SALMOND

  
**THE  
WEE  
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BOOK**