

## The benefits of Union?

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Yesterday, as predicted by the polls, the people of Scotland rejected independence, opting to remain part of the United Kingdom, which also means that the EU does not have to face a Scottish application for membership. Some claim that this referendum has buried the question of Scottish independence indefinitely but this debate is probably not over: a UK referendum on EU membership would reopen the independence question, as Scotland tends to see the EU more favourably.

### Lessons for the EU

The Scottish independence question is not only connected to the question of EU membership, it has many parallels to the EU in-out debate in the UK, although some politicians seem to apply their arguments selectively to only one or the other question. One possible lesson might be that denying people the vote will increase their desire for independence: maintaining that a referendum is unconstitutional has done nothing to dampen Catalanian independence aspirations. In the Scottish case, providing the possibility of a referendum has in the end, led to a vote to maintain the Union. This might also apply to Brexit: maybe it is best to have a referendum in the near future, given that it has been put on the table.

In terms of who can vote, in Scotland there has been a decision that only residents would be able to vote, including EU citizens residing in Scotland. The argument that the rest of the UK is equally impacted, and should thus also get the vote, gained no traction. Equally, a UK in-out referendum will only involve UK voters, but not include EU citizens in the UK, although the argument could be made that the rest of the EU, and especially EU citizens in the UK, will equally be impacted by the UK decision.

### The strength of a Union?

One of the strongest arguments of the opponents of Scottish independence centred on the economic uncertainty implied by leaving the UK, including potential barriers to accessing the rest of UK market and the likelihood of lower corporate investments, as well as capacity to deal with financial and economic crises. These arguments apply equally to EU membership for the UK, even in a completely unreformed EU.

To counter the argument that Scotland would be more powerful as an independent EU Member State, many proponents of the United Kingdom have argued that being part of a large and powerful Member State offers more influence and the ability to secure special deals, for example on the EU budget rebate or Euro membership. Equally, it can be argued that only as part of the EU can the UK secure its international influence, particularly in the area of trade.

There have also been arguments about the negative impact a Scottish exit would have on the UK, in particular in terms of its ability to impact in the foreign policy and security field. The EU's role in promoting democracy, international cooperation and standing up to recent aggression in the East would surely also be weakened by Brexit.

There are also broader arguments for a Union such as the United Kingdom. As the Economist puts it, "the United Kingdom embodies the belief that people with distinct histories and identities can live together, and that their diversity makes their culture, their economy and their polity stronger." ('Don't leave us this way', 12.7.2014) Again, surely, this is an argument that equally applies to the EU.

### Reform of both sides

Despite the 'No' vote, the Scottish referendum is a starting point for change in Scotland and in the UK as a whole. It is already clear that Scotland will receive additional (fiscal) powers, implying that Scotland will have greater freedom to decide on taxation and expenditure, while at the same time becoming more responsible, and accountable, for its fiscal balance. It is far less clear what will change in the rest of the UK: while there are arguments that there needs to be a much wider review of what powers could be devolved to other parts of the UK, there isn't a political consensus for a way forward.

A similar argument applies to the EU. There should be consideration of what powers need to be at EU level and whether this applies equally to all Member States – in essence, a review of how differentiated integration can work in future. But there should also be a question of change within the UK: if there is an EU reform package and a vote in a referendum to stay in, what should be the UK's side of the bargaining? A possible element would be to allow the Eurozone to fix the shortcomings of European Monetary Union within the framework of the EU rather than inventing parallel structures or being limited by a veto on any EU treaty change.

### **A positive view of the future**

But the parallels go further than this. A strong criticism of the campaign against independence has been that it was extremely negative, focusing only on the risk of exiting the UK. The 'No' campaign did not seem to be able to offer a more positive view of the advantages of staying with the Union, let alone promote a Union based on a shared identity. This makes it very likely that the Union of the United Kingdom will be challenged again: if it looks likely that the UK is no longer an effective buffer against uncertainty, what will keep it together?

This is a lesson for the EU: it is not sufficient to have no economic alternative to membership. While this could win the specific battle of a UK referendum, it will not be enough to win hearts and minds, implying that the question will resurface again and again. Because of, and regardless of developments in the UK in the coming years, the European Union needs to find a positive proposition for what EU membership means for all of its Member States.

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