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THE SCOTSMAN

The Conductors pledge themselves for impartiality, firmness and independence...
their first desire is to be honest, the second is to be useful... the great requisites
for the task are only good sense, courage and industry

FROM THE PROSPECTUS OF THE SCOTSMAN, 30 NOVEMBER 1816



SNP's 'fast-track' line disputed

THE European Union has not gone away as a divisive political issue in Britain. Gordon Brown is under fire from the Tories (and many Labour MPs) for abandoning his party's manifesto commitment in 2005 for a referendum on the new EU constitutional treaty. The Lib Dem leader, Sir Menzies Campbell, is also under fire from the Tories (and many of his MPs) for suddenly demanding a referendum on EU membership as a whole. And now the new SNP government at Holyrood is involved in a political row after the EU Fisheries Commissioner, Joe Borg, flatly contradicted Alex Salmond's oft-repeated statement that an independent Scotland would be fast-tracked into full membership of the EU.

In an exclusive interview with *The Scotsman*, Mr Borg has stated that, in his view, an independent Scotland would remain outside the EU until it had completed the formal application process – which could be lengthy and subject to veto by existing members. He believes that, “legally speaking”, England and the rest of the UK would retain automatic and continuing membership. This is in contradiction to the SNP's view that Scotland is an existing member state and would continue to be so even if the UK broke up.

As there is no precedent in an existing EU member state breaking up, the exact situation which might result if Scotland was ever to be-

come independent remains a matter of speculation. It is possible to leave voluntarily – Greenland originally joined the EU as a dependency of Denmark, but left in 1985 in a dispute over fishing rights. International case law favours the notion that the larger entity in any political break-up is usually designated a “successor state” and inheritor of all treaty obligations. This would, theoretically, leave an independent Scotland having to negotiate not just membership of the EU, but of the United Nations, the WTO and every other multinational agency.

In truth, it is hard to imagine Scotland being rejected for membership by any of these bodies, especially the EU. To suggest so is to exaggerate the political problem. However, and contrary to the SNP's rosy picture of international affairs, there would necessarily have to be real negotiations. These not only take time – and so cause deep uncertainty for the economy – but also it is in the nature of negotiations that they end in compromise. An independent Scotland could not guarantee to get its own way – say, over EU fishing policy. It would be disingenuous of the SNP to pretend otherwise.

The bottom line is that breaking up the UK will not be an easy task to perform, even if the majority of the Scottish electorate showed any inclination to do so, which it does not.

Lesson of Northern Rock panic

THE immediate panic among savers with Northern Rock seems to have subsided, following Monday's announcement by the Chancellor and the Bank of England that the state would guarantee all deposits with the Newcastle-based bank.

There remain important questions to be asked as to why it took the Chancellor and the Bank so long to intervene decisively in a global financial crisis that has been going on since the beginning of August. However, it is important to note that confidence may be returning among savers and investors alike.

There is a broader lesson to be learned here. It is clear that many savers with Northern Rock

were moved to withdraw their deposits because they were unconvinced they were sufficiently safeguarded by the current Financial Services Compensation Scheme. This is effectively a state insurance policy which, in the event of a bank failing, guarantees the first £2,000 in any bank account and 90 per cent of the next £33,000.

In the modern age, this is insufficient protection for many ordinary families. A higher level of deposit insurance is clearly required. The UK should also consider adopting the US system whereby, if a bank goes bust, all deposits up to the insured ceiling are transferred immediately to another, solvent bank.

Treasured places in the frame

THE Royal Commission on the Ancient and Historic Monuments of Scotland (RCAHMS) is not one of Scotland's better-known public bodies. But since it was established in 1908, it has had the duty of being the memory keeper of the nation's ever-changing built environment. It was created at a time when there was a public outcry about the loss of older buildings and places of historical interest – so what is new? It is a job that still needs doing today, which is why RCAHMS is marking its centenary with an exhibition of photographs and drawings at Edinburgh City Arts Centre.

Allied to the exhibition, RCAHMS is asking the

public to vote on the ten “Most Treasured Places” from its archive of pictures built up over the last century. As the commission has catalogued more than 250,000 buildings, monuments and archaeological sites and has more than 60,000 images online, you will have a lot to choose from – everything from the Forth Bridge to the Falkirk Wheel, taking in Ayr Ice Rink along the way.

RCAHMS is one of those bodies that does excellent work for little praise. It deserves to be better recognised. Who knows? – among the “treasured places” we might find *The Scotsman* buildings, past and present.

Why Tories want to move from here to fraternity

The state is undermining society in many ways



Jesse Norman

SPEND a week on the west coast of Scotland, as I did this summer, and one is left amazed at the beauty and friendliness of the place.

The high point – and, yes, the low point – came when a friend and I chugged sadly back in a hired boat into the marina in Largs at close to midnight, having run aground on one of the area's numerous sandy beaches. “Er ... would there be anything extra to pay?” we nervously asked the poor man we had dragged out of bed. “Ah, it's nae bother,” he instantly replied with a smile.

But how can such a spirit of community be rekindled throughout Great Britain? That's the question David Cameron's Conservatives have set themselves. It would be hard to deny that there's a problem. Society is fragmenting, and people are losing trust in themselves, in others and – no offence, Alex – in their elected leaders.

Thus we have had the highest drug use in Europe for a decade in almost every major category, including cocaine, amphetamines, ecstasy and cannabis. We have by far the highest levels of binge drinking of the larger European countries. We have the worst record for teenage pregnancy and the highest proportion of children in houses without work. There is growing public concern at gun, knife and gang crime. In some parts of Scotland, average life expectancy is falling, not rising.

These facts force us to reconsider traditional views of the state as an engine of progressive social change. The state, far from always supporting society, is actually undermining it in many ways. After 54 quarters of unbroken economic growth, we are in not an economic recession, but a serious social recession. If this is what it feels like to succeed, one might ask: how will things be when the economy turns down and tax revenues dry up?

In response, the Conservatives have stressed the idea of fraternity – of rebuilding society from the inside out, through the human relationships and human institutions that compose it. But what does fraternity really mean?

In a book published this month, *From Here to Fraternity* (CentreForum), I argue that it implies a radical programme designed to restore public trust. We can think of this in three stages: reframing the rules, rebuilding institutions and renewing society. Together, they have the effect of massively devolving power from the centre, increasing personal freedom and

liberating social energy.

The first stage is to change the rules of the game, and this implies a fundamental rebalancing of power between the state and the individual. It includes the repeal of key parts of recent legislation, such as the Civil Contingencies Act 2004, which places a host of arbitrary powers in the hands of central government. It includes a programme of deregulation to reduce the powers of officialdom and the thicket of EU and other regulation governing British agriculture. And it includes a rolling back of Britain's present surveillance culture, including the repudiation of ID cards and a ban on the present practice of taking DNA samples from people, with or without their permission and whether they have committed a crime or not.

The second stage focuses on freeing up and reforming our institutions, and enriching the debate between them. Here, localism is a priority: reclaiming power and responsibility in key areas of national policy from the EU back to British (and Scottish) government, and devolving more tax and spending powers from Whitehall. This stage also includes huge simplification and reform of the benefit system, and greater devolution of planning controls. More radically, it might include local referenda for elected city and town mayors, with directly accountable police chiefs running local police forces.

A FURTHER theme is that of empowering existing state organisations. This might involve regenerating local community life through better-supported post offices, giving universities greater independence and allowing schools far greater freedom to teach and maintain discipline. And it might encourage the emergence of new institutions such as food co-operatives, the community-based organisations that bypass supermarkets to offer good local food at affordable prices.

The third stage is that of new policy-making. Here, the Conservatives' recent policy reports have left them with many – perhaps too many – ideas from which to choose. But the deeper point is this: notwithstanding all the recent political froth, a new and fascinating political agenda is starting to emerge. With the Scots' traditions of community and fraternity, do not be surprised if it gives the Tories real weight north of the Border.

● *Jesse Norman is one of the intellectual architects of the new conservatism. From Here to Fraternity is published by CentreForum.*