

DEFENCE AND SECURITY IN AN INDEPENDENT SCOTLAND

About the Scotland Institute

The Scotland Institute is a progressive and independent think tank set up to deal with the changing face of Scotland. It aims to investigate the implications of devolution while finding innovative solutions to the old problems of social exclusion, and to encourage Scotland's competitiveness in the global market. Through high-quality comprehensive research and policy making it hopes to put Scotland on a path towards a more competitive, progressive, and optimistic future.

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Statement from the Executive Chairman – Scotland Institute

I am delighted to present the Scotland Institute's flagship report on *Defence and Security in an Independent Scotland*. Independence, should it arrive for Scotland, would mean a resurrection of sovereignty and with it the conferment upon the new Scottish state of the duty to defend its citizens. The question of how that might be done should be central to the debates that will precede the referendum due in September 2014. This report will make a signal contribution to those discussions and aims to be the foremost publication on the subject.

Its starting point is that an independent Scotland would, without question, have the ability to organise some kind of defence capability. What is at question is whether anticipated changes to that capability speak for or against Scottish independence.

Our conclusions are clear: independence would not make Scotland either cheaper or easier to defend. The most likely result would be a very small military force, able to perform a limited number of niche functions such as protecting Scotland's fisheries and oil refineries. An independent Scotland would find it difficult to maintain an air force of any consequence and would possess a truncated navy stripped of submarine forces. It would also be at some disadvantage in the gathering of intelligence and in meeting cyber security challenges. Creating and sustaining Scottish armed forces, meanwhile, would have to contend with problems of recruitment and limited career progression. Defence infrastructure located in Scotland (as well as the defence industries which support UK defence) would come under scrutiny. The SNP is, of course, on record, as wanting to see the back of the Trident ballistic missile submarines based on the Clyde. Such a move would have popular resonance but would entail a major reorientation of foreign policy priorities and complicate an independent Scotland's relationship with NATO.

A reduced capability and a downgrading of Scotland's military role will place a premium on international collaboration. Yet ties to NATO cannot be taken for granted. An independent Scotland will not automatically assume membership of the Alliance and a process of accession would need to be navigated, one involving possibly protracted negotiations and a series of compromises with the government in London.

Whatever the outcome of any such talks, independence would nonetheless carry the same consequences: a limited military capability and a diminished ability to carry out international missions, whether under the auspices of NATO or any other body.

We find, in the end, that whilst an independent Scotland would, in some limited form, be able to provide for its defence, the manner of that provision is likely be less comprehensive and effective had Scotland remained in the UK.



Foreword by Major-General Andrew Douglas Mackay CBE Chair of Panel of Experts

The relationship between its people, government and armed forces forms the foundation of a nation's prosperity and security. For many hundreds of years' the United Kingdom has benefited from those relationships both in adversity and peace.

When I agreed to chair the compilation of the report 'Defence and Security in an Independent Scotland' I did so having served for 27 years as a soldier in the British army; my most recent operational experience was as Commander of British Forces in Afghanistan. I served not just as a proud British officer but so too as a very proud Scot. And so I wanted to explore, in as forensic detail as possible, the issues and challenges of breaking apart the United Kingdom's armed forces.

I approached the task with a full understanding of how political, public and emotive an issue this might be and sought to ensure that the report's analysis would be bi-partisan. This has, I think, been achieved notwithstanding that the evidence and conclusions weigh heavily on retaining the Union to safeguard our collective security. The report manages to be dispassionate in its analysis but passionate in its conclusions.

Having chaired the working group that examined naming conventions, uniforms and traditions for the creation of the Royal Regiment of Scotland, I gained a good understanding of some of these sensitivities and how deeply sacred traditions, history and values matter. The Royal Regiment of Scotland has subsequently gone on to resounding success on operational tours in Iraq and Afghanistan, and today is an integral and important part of the United Kingdom's order of battle. However, it has remained uniquely Scottish and has retained its proud Scottish heritage.

From my early days as a young platoon commander being tutored by my Platoon Sergeant – a Borders man- I have learnt that we Scots are indeed a warrior race. Scotland has always provided a disproportionate number of soldiers to the United Kingdom armed forces and I suspect there is barely a unit that does not have a Scottish presence. Some of those units are instantly recognisable as Scottish units whilst many thousands of Scots serve in intelligence, logistics, communications, and in the Royal Navy and Royal Air Force. For over a decade now, these men and women,

along with their English, Welsh, Irish and, latterly, Commonwealth colleagues have served with distinction in Iraq and Afghanistan; it is an unbroken line of service which can be traced back through peacekeeping missions, numerous crises, two World Wars and beyond.

The synergy of our shared traditions, history and heritage has always been far stronger than its individual components and as the report you are about to read, and contemplate, makes clear it is not at all obvious the loss of that synergy serves anyone's interests, least of all the Scottish people. If Scotland becomes independent, servicemen, and their units within the rest of the UK, and in an independent Scottish nation, will have to forge new identities. Some will advocate that this will be for the better; I have concluded it will not.

The United Kingdom armed forces are currently in the midst of considerable and painful reductions in manpower and capability. Although it is by no means clear that Scottish servicemen and women would actually choose to join the armed forces of an independent Scotland, their potential loss would add to and extend that period of turmoil for many years to come. I am clear that risking our nation's security in exchange for such a lengthy period of uncertainty is too high a price to pay.

As we see in other European states of comparable size, their armed forces do not enjoy the status or recognition of our own; they are invariably restricted to home duties and exercises. What few international operations they can undertake are normally very limited in scale and scope. There are exceptions of course and I considered myself fortunate to have a Danish battalion under my command in Helmand. However small countries such as Denmark built up their military capability over many years when defence spending was considerably higher. As the report makes clear, the armed forces of an independent Scotland are unlikely to gain such operational experience. One might imagine some forces being available for peacekeeping duties perhaps or the provision of smaller units in specialist roles. But it is hard to see what more the deployable elements of the Armed Forces of an independent Scotland could do.

It is of course highly unlikely that Scotland will ever come under existential threat of invasion or subjugation. Today the British armed forces' remit extends far beyond conventional 'defence'. Instead they are employed in a range of general security related roles; counter-terrorism, cyber security, aid to civil powers, defence diplomacy, disaster relief to mention but some. The list of tasks in a world of hybrid conflict and multiple risks is long and growing. Pursuing these tasks helps secure the UK against very real 21st Century threats, man-made and environmental. Very few, if any, might be considered existential but all can have a profound effect upon the United Kingdom's citizens and their day-to-day lives. To meet this multiplicity of challenges the United Kingdom has forged, over many years, extensive and deep collective

relationships with international organisations, such as NATO, and much more personal ones through the placement of individual officers and training teams abroad.

Our defence attaches, for example, work alongside their diplomatic colleagues in most embassies around the world, driving forward security and defence cooperation for mutual benefit, and gaining influence in global policy decisions. Within NATO we have large numbers of soldiers, sailors, airmen and marines serving in important and senior roles. The influence of these individuals is considerable and it stems from their experience, education and training in the United Kingdom armed forces. Across the Atlantic our very special relationship with the United States of America is founded largely on a unique intelligence and defence partnership. This sees us gaining huge amounts of intelligence material to aid the campaign against international terrorism, to prevent the spread of chemical and nuclear weapons and to deal with serious issues such as organized crime, the drugs trade and people trafficking – all of which, unfortunately, can have profound effect upon our day to day lives. Much of this work goes on in the background, away from public scrutiny, but it is important and very often the partner of choice for such work is the British military soldier.

These are all endeavours which an independent Scotland would have to start from scratch. I cannot see how slicing up a competent and well established military will aid either the United Kingdom or an independent Scotland. Indeed I see very real risks to the people of Scotland, be it from the loss of jobs and the local economic impact that the inevitable removal of the Faslane naval base would bring, the huge costs necessary to start building the armed forces from afresh, the loss of access to sensitive intelligence materials and the inevitable dilution in the quality and number of the armed forces of this small island, which to date have had such a profound effect upon the course of world events.

The greatest wisdom that I have gleaned over 27 years as a soldier is that the best strategy is to win without necessarily having to fight: but when you do have to fight and you are required to engage the nation's blood and treasure you do so with a full and unerring commitment. You have to show that you are not afraid to fight and that you have the capability to carry through your convictions. As your capability reduces, so do your strategic options. Deterrence and security is a function of scale. It is easy to argue- from within the comfort of a nearly 300 year old union- that an independent Scotland would only require a small fighting force. It is not likely to be so comfortable after you have jettisoned your allies and you are on your own.

Executive Summary

Separating an independent Scotland (IS) from the rest of the UK (r-UK) would be a monumental task. Nowhere would that task be greater and more complex than in the areas of defence and security. Here, the advocates of Scottish independence have yet to demonstrate how separation would be beneficial. Our report concludes that the consequences of separation will, in fact, be deleterious: IS will not be able to reach the level of defence that Scottish citizens currently enjoy within the UK. As such, it will be less prepared and less able than the UK (or a Scotland in the UK) to discharge the fundamental responsibility of protecting its citizens. Separation, in short, will only compromise Scottish security.

That conclusion is derived from the following central findings:

- **Burdens and benefits** - Advocates of independence argue that Scotland shares more of the burdens and less of the benefits of defending the United Kingdom. This report shows that this argument is fundamentally flawed. It is premised on the assumption that Scotland is defended by the assets and capabilities that are in Scotland. This is clearly not the case. The United Kingdom does not organise its defence posture based on the defence and security interests of any particular region of the UK but rather for the whole of the state.
- **New facilities** - IS would have to develop its own fleet of ships, face a strategic imperative to reinvigorate the Rosyth base, and open an armed forces headquarters, defence research establishment, defence academy and Ministry of Defence. These moves would be costly, and there is no reason to think they would make Scotland any safer.
- **Economies of scale** - The SNP's intended defence spend would be able to deliver a notional Scottish Defence Force. However, its roles would be limited and modest, and it would lose some of the economies of scale currently enjoyed by the UK Defence Forces. Materially, IS would be no better positioned to promote Scottish security interests than the UK.
- **Armed forces recruitment and retention** - Scottish independence will lead to difficulties in recruitment and retention. The Royal Regiment of Scotland's infantry battalions have already suffered long-term difficulties in this area, and an even more limited international role than at present would make service in an IS Scottish Defence Force an unattractive proposition to ambitious recruits. If an IS did find it hard to fill its ranks, it would need to either disband its battalions or fill them with foreign recruits.

- **Intelligence** - UK intelligence structures are, to a large degree, state of the art, complex, expensive and depend on privileged relationships, not only through the bilateral relationship with the US, but as part of the Five Eyes intelligence arrangement, with the US, Canada, Australia and New Zealand. IS would likely have to both pay for and set up its own facilities as well as make its own alliances. This would be far beyond the proposed defence budget for an IS. It would likely mean considerable uncertainty in exchange for no extra security.
- **Cybersecurity** - The SNP has said that cyberattack is one of the main threats facing Scotland, but it would take years and billions of pounds of investment to reproduce the intelligence and cyber security arrangements which already protect Scotland as part of the UK. If instead IS were to gain access to r-UK facilities, there is no reason to think it would be left any more secure than at present.
- **NATO** - IS would have to carefully navigate the diplomatic issues related to joining NATO. If negotiations between the r-UK and Scotland were deeply problematic, the Alliance would be apprehensive towards importing r-UK and IS acrimony into the organisation. A likely dispute over Trident would also make accession tricky. In the final analysis, Scottish membership of NATO (even if it is accomplished) would add nothing to Scottish security that is not already enjoyed through UK membership of the Alliance.
- **Defence contractors** - Independence would threaten Scotland's defence contractors. At worst, this would lead to the dismantling of an industry on which billions of pounds of turnover and thousands of jobs depend. At best, it would require a very proactive defence industrial strategy on the part of a future Scottish government, but even that would be very unlikely to pump in sufficient demand to compensate for lost orders. Further, independence would leave the Scottish defence industry having to compete against outside markets in a way that it currently does not. There is no reason to think that independence would be good for Scotland's defence industry.

If a Scottish government is prepared to dedicate the political will and financial resources to the task, then, ultimately, an independent Scotland would be able to provide for its defence and security in some form. Our view is that this would be no better – indeed, significantly worse – than the provision currently enjoyed by Scotland as part of the UK. Having separated, IS would be characterised by a diminished defence capability and a small role in international affairs. The attenuation of security that would result hardly adds to the case for independence.

1

Why Independence Matters

Should Scotland become independent, its government will assume new powers in the areas of defence and security, arguably, the two most fundamental prerogatives of the state. These are areas currently off-limits in a devolved Scotland. The powers accorded to the Scottish parliament under the Scotland Acts of 1998 and 2012 do not include foreign affairs, defence and national security, all of which are defined as ‘reserved matters’ of the UK parliament.¹ The Commission on Scottish Devolution noted in its final report that ‘[n]ational security and defence’ are ‘irreducible functions of the State’; and so the derogation of these areas to some current ‘embedded’ part of the UK would be incompatible with the survival of political union.²

The preference of the Scottish National Party (SNP) for independence thus necessarily carries with it a demand for ‘full responsibility [in] matters of defence, security and resilience’.³ But this is not a position supported by a majority of Scots. Majority opinion does support Holyrood taking precedence on essentially domestic concerns – education and health (already subject to devolution) and levels of taxation and welfare benefits (currently reserved to Westminster) – but believes devolution has its limits on matters ordinarily regarded as external and of all-UK significance.⁴ The domains of security, defence and foreign policy are thus critical to the independence debate.

In the UK context, those who oppose independence regard it as essential that these matters remain the preserve of Westminster and Whitehall. The argument here is clear: Scotland’s defence cannot be disaggregated from the UK without a significant loss of Scottish capability. In a recent memorandum, the UK Ministry of Defence noted that Scotland gains ‘significant benefits from the provision of defence on a UK-wide basis.’ Equally, ‘Scotland as an integral part of the UK’ plays ‘a key role in the defence of the UK.’ That mutuality, it argued, stemmed from the tightly integrated nature of policy planning and implementation, as well as of ‘capabilities and facilities’. Scotland consequently receives the ‘full benefits of [...] the protection and security’ afforded to other parts of the UK. Further, as part of the UK, Scotland benefits from the extension of British influence. UK membership of NATO and the EU, its permanent seat on the

¹ Scotland Act, 1998, Schedule 5, at: <http://www.legislation.gov.uk/ukpga/1998/46/schedule/5>

² Commission on Scottish Devolution, *The Future of Scottish Devolution within the Union: A First Report* (December 2008), p.32 at: <http://www.commissiononscottishdevolution.org.uk/uploads/2008-12-01-vol-1-final--bm.pdf>

³ *Your Scotland, Your Voice: A National Conversation* (Edinburgh, 2009), paras.8.34-8.36 at: <http://www.scotland.gov.uk/Publications/2009/11/26155932/10>

⁴ R. Ormston and D. Curtice, *More Devolution: An Alternative Road?* (Edinburgh: ScotCen Social Research and London: Electoral Reform Society, 2013), pp.9-10.

UN Security Council, and the close bilateral relationship with the US allow the UK ‘to exercise significant global influence’ and, in so doing, to promote Scottish interests in a manner unavailable to Scotland alone.⁵

The SNP takes issue with that position, as a matter both of principle and practicality. The defence and security interests of Scotland, it argues, can be determined anew following independence and a Scottish government will be able to furnish the resources necessary to promote their fulfillment. Scrutiny of such claims forms the main purpose of the remainder of this report.

⁵ ‘Written Evidence from the Ministry of Defence’, *Defence Implications of Possible Scottish Independence* (House of Commons Defence Committee, September 2012) at: <http://www.publications.parliament.uk/pa/cm201213/cmselect/cmdfence/writev/483/contents.htm>

2

SNP Proposals for Defence and Security in an Independent Scotland

Considerable uncertainty hangs over Scotland's political future; at this stage the outcome of the 2014 referendum can be no more than a matter of speculation. Should a vote in favour of independence be the outcome, the defence and security policies of any future Scottish government will be conditioned by a host of unavoidable legacy issues. These we consider in subsequent chapters. For now, our premise is that discretion and choice in the transition toward independence will follow from the policy priorities of the party most likely to govern Scotland in the event of independence. Understanding the position of the SNP (and, by extension, the current Scottish government) on defence and security is, therefore, crucial.

The SNP has yet to publish a definitive and comprehensive assessment of the defence and security needs of an independent Scotland (IS) and the means by which these will be provided. That report is promised for November 2013. Despite the delay, there is now sufficient material on the record to suggest that a reasoned set of policies has begun to emerge and that the Scottish government has given serious thought both to Scotland's long-term defence and security needs, and the manifold complications of any transition away from UK-wide structures.

An IS government would enjoy the benefit of determining the defence and security priorities of the new state. There should be no assumption that it would adopt the position of a 'shrunk version of the UK' – maintaining a scaled-down version of the land, sea and air forces possessed by the UK commensurate with an ambitious strategic orientation and sense of international responsibility.⁶ Indeed, the SNP regards the UK's international posture as, in many ways, mistaken. The desire to rid Scotland of Trident is emblematic in this connection and is considered at greater length below. Equally, the SNP has argued that UK involvement in military adventures such as the Iraq operation is something it would avoid at all costs. Overseas interventions carried out in the teeth of public opposition, SNP MP Peter Wishart has suggested, are 'one of the most compelling reasons for Scottish independence.'⁷ There is a good deal of

⁶ P.P. O'Brien, 'Defence of the New Realm', *Sunday Herald*, 9 June 2013 at: www.heraldsotland.com/comment/columnists/defence-of-the-realm.21279148

⁷ Statement made on 17 March 2013 and available at the SNP website at: <http://www.snp.org/media-centre/news/2013/mar/iraq-war-10-years-labour-must-apologise>

political mileage to be had in such claims but they also imply a realistic appreciation of how limited power projection will be for IS.

This is not to say, however, that the SNP prefers an entirely minimalist approach. In one of the most thorough analyses of Scottish defence, Stuart Crawford and Richard Marsh have argued that ‘the chances of a credible military threat to an independent Scotland would be close to zero’. Defence against non-traditional threats (terrorism and cyber attack) is still imperative but the need ‘for armed forces in the classic sense’ is less than obvious.⁸ IS could, as a consequence, opt for what Paul Cornish in a written submission to this report, referred to as ‘an “Ireland-Plus” posture [...] a token effort at security and defence self-sufficiency’ with no force projection capability and little ability to contribute to international stabilization missions.⁹

The SNP has, however, eschewed this position for several reasons. First, the party clearly carries with it a sense of Scotland’s international significance. The historic and contemporary cultural, political and economic contributions of Scots and Scotland are trumpeted loudly by its leadership. For party leader and Scottish First Minister Alex Salmond, ‘[a]n independent Scotland would not be a global superpower. But [it] would be a good global citizen.’¹⁰ The possession of a credible defence policy and viable armed forces to support it is in line with that thinking. Second, there is an awareness of Scotland’s significant geographic and geostrategic circumstances. While its population makes up only around 8.5 per cent of the UK total, Scotland constitutes a third of UK territory and half of the UK coastline. It also occupies a position adjacent to Europe’s ‘high north’ – a region less important now in relation to strategic competition with Russia, but of growing importance in light of ‘global warming, demographic changes and resource scarcity’.¹¹ According to Crawford and Marsh, Scotland ‘is well placed to exert influence over the sea routes from the North Sea into the Atlantic and also the northern exit from the Irish Sea. It also lies directly under transatlantic air routes ...’¹² The SNP defence spokesperson, Angus Robertson MP, has, in this light, argued that much greater priority be accorded to Scotland’s northerly perspective and to Arctic issues.¹³ Matters of location and size, in turn, account for a third influence on

⁸ S. Crawford and R. Marsh, ‘A’ the Blue Bonnets: Defending an Independent Scotland’, *Whitehall Report* 3, 2012 (London: Royal United Services Institute), p.3.

⁹ See also the oral evidence of Phillips O’Brien (Scottish Centre for War Studies, University of Glasgow) to the House of Commons, Scottish Affairs Committee, 12 September 2012, Q1433 at: <http://www.publications.parliament.uk/pa/cm201213/cmselect/cmsscota/139/120912.htm>

¹⁰ ‘Scotland as a Good Global Citizen’ (address by First Minister Alex Salmond to the Brookings Institution, Washington D.C., 9 April 2013) at: <http://www.scotland.gov.uk/News/Speeches/scotland-global-citizen>

¹¹ R. Arnadottir (rapporteur), ‘Security at the Top of the World: Is there a NATO Role in the High North?’ (NATO Parliamentary Assembly, Report 213 DSCTC 10E, 2010), para. 6 at <http://www.nato-pa.int/Default.asp?SHORTCUT=2082>

¹² Crawford and Marsh, ‘A’ the Blue Bonnets’ (note. 8 above), p.4.

¹³ R. Boswell, ‘Scottish MP Pipes Up with Arctic Claim’, *National Post* (Canada), 29 November 2011 at: <http://news.nationalpost.com/2011/11/29/scottish-mp-pipes-up-with-arctic-claim/>

the SNP's position. The party leadership, Edinburgh-based scholar Colin Fleming has noted, 'has highlighted Nordic defence models as a legitimate template for Scotland to follow.'¹⁴ Denmark, Norway and Sweden are of particular interest here and not only because two of these states are in NATO (a matter to which we shall return to below); all have modern and deployable armed forces. Lastly, Scotland's inheritance also exerts some pull. The integration of Scots within the UK armed forces means there is a long history of overseas deployment and combat, and thus the generation of a martial tradition. This probably means little to the SNP itself (which carries an influential strain of pacifism) but it does matter to parts of the Scottish electorate. More practically (as we will detail below), Scotland is already the site of extensive UK military facilities, the presence and purpose of which have to be taken into account in forward planning. In a rare admission, the positive relevance of that inheritance has even been admitted by the Scottish First Minister who has suggested that UK government plans for the 'configuration of the army in Scotland [...] looks exactly like the configuration you'd want for a Scottish defence force. ...'¹⁵

The most authoritative SNP statements on Scottish defence and security to date are the 2009 Independence White Paper *Your Scotland, Your Voice* and the resolution on foreign, security and defence policy passed by the party conference in October 2012. The first of these outlined the responsibilities that would fall to IS:

- 'to uphold national sovereignty and secure the territorial integrity of the country
- to secure internal security in the face of threats and risks
- in partnership with other nations, to help to prevent and resolve conflicts and war anywhere in the world
- in partnership with other nations, to further peaceful development in the world with due respect for human rights,'¹⁶

Despite their blandness, these proposals carried with them (especially the third and fourth points) a certain hubris, forgivable only insofar as they were drawn so widely as to be operationally meaningless. More specific were claims that IS would wish to support UN peacekeeping and disaster relief operations, as well as peace-enforcement operations 'like those in the Balkans' (a inadvertent reference to NATO¹⁷

¹⁴ C. Fleming, 'In Our Defence. What Model Can a Independent Scotland Take for Its Defence?', *Holyrood*, 28 January 2013 at: <http://www.holyrood.com/2013/01/in-our-defence/>

¹⁵ Cited in S. Carrell, 'How Would An Independent Scotland Defend Itself?', *The Guardian Scotland Blog*, 1 March 2012 at: <http://www.guardian.co.uk/news/reality-check-with-polly-curtis/2012/mar/01/how-would-an-independent-scotland-defend-itself>

¹⁶ *Your Scotland, Your Voice* (note. 3 above) para. 8.36.

¹⁷ While the UN, the OSCE and the EU have all been heavily involved in the Balkans, only NATO has been engaged in peace enforcement.

given that in 2009 the SNP was still committed to leaving the organisation). The document also suggests Scotland would ‘actively participate in the European Security and Defence Policy of the European Union’¹⁸ – which implied a presumption, first, that Scottish membership of the EU would be forthcoming and, second, that an independent Scotland would be capable of contributing to missions conducted far afield (as well as in the Balkans and the Middle East, a significant number of missions of what is now known as the *Common* Security and Defence Policy of the EU have been in Africa). No costs were attached to these tasks, although by ridding Scotland of a nuclear deterrent and avoiding overseas deployments of the Iraq and Afghanistan variety, Scotland, it was claimed, would be able to meet them by spending a lower proportion of its GDP on defence than the UK.¹⁹

The 2012 conference resolution puts a little more flesh on these bones of policy. IS, it suggests, ‘will require military capabilities’, including ‘a cyber security and intelligence infrastructure’ in order ‘to fulfill current defence and security responsibilities and improve collective regional arrangements.’ ‘Current’ is placed somewhat ambiguously in the text and apparently refers both to existing territorial commitments undertaken by the UK (patrolling Scotland’s coastline and offshore islands, and protecting ‘critical under-sea and offshore infrastructure’) as well as NATO’s collective interest in ‘the High North and Arctic Region’. That the text speaks warmly of ‘[s]ecurity cooperation in our region function[ing] primarily through NATO’ reflects the SNP leadership’s conversion to the cause of membership of the Alliance. The resolution also repeats the desire to participate in limited international missions – mounted by the UN and the EU (specific support for out-of-area NATO operations is not mentioned). An annual defence and security budget of £2.5bn is noted as supporting these tasks, one that would sustain a Scottish armed forces comprising ‘15,000 regular and 5,000 reserve personnel’. These, it is suggested, would break down into naval, air force and regular ground forces as well as special forces, marines and a multi-role brigade for overseas deployments. Such forces, it is assumed, will be equipped ‘with Scotland’s share of current [UK] assets’ and capability gaps will be filled through a Scottish defence industrial strategy, joint procurement with the rest of the UK (r-UK) and sharing arrangements coordinated with r-UK and other allies (modeled on existing NATO practices).²⁰

Since the 2012 conference, little has been added to these essentials.²¹ The SNP’s 2013 spring conference did not deal with defence matters. A paper by the Scottish

¹⁸ *Your Scotland, Your Voice* (note. 3 above) para. 8.38.

¹⁹ *Your Scotland, Your Voice* (note. 3 above) Box.14.

²⁰ Scottish National Party, Foreign, Security and Defence Policy Update at: <http://www.moraysnp.org/p/snp-defence-policy-update.html>

²¹ Thus the SNP’s defence spokesperson Angus Robertson, in a keynote address to the Royal United Services Institute in May 2013, dedicated a good proportion of his presentation to a verbatim reading of the 2012 SNP conference resolution. See: <http://www.youtube.com/watch?v=E8xqiaT2oMI>

government on a written constitution for Scotland noted a preference for ‘a constitutional ban on nuclear weapons being based in Scotland’ and the right of an independent Scotland to sign international treaties and enter international organizations. No information, however, was provided on the configuration or control of Scottish defence forces.²²

This paucity of detail has given rise to some withering criticism. The view of the House of Lords Select Committee on Economic Affairs (in a report published in April 2013) that ‘[t]here is not enough information about the defence policy of an independent Scotland to enable Scottish voters to make an informed judgment in [the 2014] referendum’²³ is not, however, entirely fair. By this point, matters of detail were certainly lacking, but the broad aspirations were clear. The SNP leadership (and notably its Defence and Foreign Affairs spokesperson, Angus Robertson) have also not been silent on the relevant issues (as we detail below). What matters – and to this we now turn – is the coherence and viability of the proposals themselves.

²² *Scotland's Future: from the Referendum to Independence and a Written Constitution* (Scottish Government, February 2013). The quotation is at p.9.

²³ House of Lords, Select Committee on Economic Affairs, *The Economic Implications for the United Kingdom of Scottish Independence* (London: the Stationery Office, 2013), p.45.

3 The (il)logic of (dis)integration

Should independence follow a referendum, the division of defence and security assets between an IS and r-UK would become an urgent matter. It is possible that any negotiations would be complex, lengthy and indeterminate. The SNP's starting point here is unlikely to be the 2012 conference resolution (one assumes that by the time of the referendum this will have been refined into something more detailed). Even so, as Professor Tim Edmunds in a submission to this report has made clear, the Scottish negotiating position is likely to bring with it 'real points of contention [...] from the future of Trident at Faslane and Coulport to responsibility for the UK's defence financial commitments, to the division of key assets [...].' 'It seems unlikely', he continues, 'that an independent Scotland would be able to have [...] its own way in dictating the terms of a military divorce, and in this context, much work remains to be done to translate [its] vision into reality.' As for the UK government, its position is categorical: it assumes that the referendum on independence will result in a 'no' vote and that the status quo will continue to apply. According to Sir Nick Harvey, formerly Minister of State for the Armed Forces, there is no need 'to prepare for a contingency that we do not expect to arise.'²⁴ Such a position may seem politically short-sighted but it is constitutionally sound. As a recent Command Paper has noted, the UK government has neither a legal responsibility nor a political mandate to negotiate away its sovereign assets, and unless and until an independent Scottish government is legitimized²⁵ it has no legal interlocutor with which to engage. Demonstrating that it is preparing for the eventuality of independence by laying out plans for defence separation would be at odds with its stated political preferences and with the duty of the UK government to serve the interests of all UK citizens.²⁶ As the advocate of the most fundamental change to the UK political settlement since the creation of the Irish Free State in 1922, it is for the SNP (not the UK government) to demonstrate how change will be effected and why.

The SNP's case is hamstrung by the current, highly-integrated nature of UK forces. Assets in Scotland do not serve Scottish purposes but UK-wide ones and, by extension, those of NATO. The UK does not organise its defence posture for the good of any

²⁴ House of Commons, Scottish Affairs Committee, *The Referendum on Separation for Scotland, Session 2012-13. Oral and Written Evidence* (London: the Stationery Office, 2012), Ev.48.

²⁵ 'Legitimized' as opposed to 'formed' in that negotiations could conceivably occur in the interim between the referendum and the formation of a first post-referendum government.

²⁶ HM Government/Secretary of State for Scotland, *Scotland Analysis: Devolution and the Implications of Scottish Independence*, Cm 8554 (London: the Stationery Office, February 2013), p.31.

particular region of the UK but for the whole of the state. The SNP, of course, regards that very situation as a problem – arguing that Scotland is not best served by the pursuit of a UK national interest and that greater access to regionally-based assets would be to the benefit of Scots.²⁷ Yet the notion that assets in situ can be cherry-picked for the use of an independent Scottish government is without merit. As Professor Malcolm Chalmers has made clear, military bases in Scotland

are not free-standing units, able to be rebadged as Scotland's armed forces in the way that schools or hospitals or police forces have been. They are part of an integrated whole, organized on a Union basis. The British army has several thousand soldiers, based around a brigade headquarters, in Scotland. But the transport aircraft and helicopters needed to carry them around, the staff colleges needed to train them, the organizations that buy and maintain their weapons, and the strategic headquarters needed to command them are all in the rest of the United Kingdom. All these functions would have to be newly created for Scotland to have a functioning national army.²⁸

That basic logic has tended to be lost sight of as debates on Scotland's defence have often focused on cuts rolled out as a consequence of the 2010 Strategic Defence and Security Review (SDSR). Here, the SNP is not alone in its criticisms. The decision, for instance, to cancel deployment of the Nimrod MRA4 maritime patrol fleet of aircraft was described in a House of Commons Defence Committee report as opening up a 'capability gap' in anti-surface and anti-submarine warfare as well as search and rescue and maritime surveillance.²⁹ In the absence of this replacement for the ageing Nimrod MR2 fleet, RAF Kinloss in Scotland ceased flying operations in July 2011 (although its runways continue to be maintained by 39 Engineer Regiment). While the Defence Committee viewed this as a loss of UK capability, the SNP's Angus Robertson (whose constituency was home to the base) regarded it as of 'particular importance for a maritime nation like Scotland and the challenges it faces.' 'If the UK government', he continued, 'does not take this capability gap seriously a Scottish Government with defence decision making powers certainly will.'³⁰

The case for a reinstatement of maritime surveillance capacity at Kinloss is not without merit. The question is whether IS would be best placed to undertake that task. There are alternatives to the Nimrods which might be purchased, such as

²⁷ SNP defence spokesperson, Angus Robertson, cited in S. Carrell, 'How Would An Independent Scotland Defend Itself?' (note. 15 above)

²⁸ M. Chalmers, 'The End of "Auld Sang"'. Defence in an Independent Scotland', (Royal United Services Institute), *Briefing Paper*, April 2012, p.4.

²⁹ House of Commons, Defence Committee, *Future Maritime Surveillance, Fifth Report of Session 2012-13, Volume 1* (London: the Stationery Office, September 2012), pp.3, 11-12.

³⁰ House of Commons, Defence Committee, *Future Maritime Surveillance, Fifth Report of Session 2012-13, Volume 2, Written Evidence at*: <http://www.publications.parliament.uk/pa/cm201213/cmselect/cmdfence/110/110vw07.htm>

the Lockheed P-3 Orion or the more sophisticated Boeing P-8A Poseidon. These, however, do not come cheap (\$45 million and \$175 million apiece respectively). Any commitment to develop a fleet would thus make a major and probably unsustainable dent in an independent Scotland's modest defence budget. And there should be no assumption that this capability could be restored through a negotiated access to remaining UK assets. As the UK government has been forced to concede, 'deleting Nimrod' has meant accepting 'a capability gap and increased risk'. While it claims this remains 'within tolerable levels',³¹ it would be difficult to imagine a r-UK, even with reduced maritime requirements in light of Scottish secession, wanting to hand over a share of its remaining and fully-stretched maritime reconnaissance force.

Separation, then, is not the answer to a restoration of defence capability – a point that pertains equally to other recent defence reforms that have impacted on Scotland. The UK Defence Rebasing Programme launched in 2011, as well as confirming the closure of RAF Kinloss, also foresaw the closure of RAF Leuchars and the transfer of its Typhoon force to RAF Lossiemouth. Lossiemouth would thus become the sole RAF base in Scotland responsible for both Typhoons and Tornado fighter jets.³² Separate decisions announced by the MoD in March 2013 saw Joint Combat Aircraft (F-35) earmarked for basing at Lossiemouth being transferred to RAF Marham in Norfolk, and air-traffic responsibilities of the control centre at Prestwick in Ayrshire being moved to the London Air Traffic Control Centre (which, in light of technical advances, was now capable of UK-wide coverage).³³ The SNP has seen these moves through a specific national lens – they are a 'betrayal' by Westminster and mean 'that Scotland['s] defence needs are simply not [being] met by Westminster politicians'.³⁴ Such a claim implied that these bases are in Scotland for Scottish purposes (something that is clearly not the case) and, by extension, that their reconfiguration ought to take into account a Scottish not a UK national interest (something that lacks substance as the SNP has failed to demonstrate exactly why Scotland, as opposed to the UK writ large, needs Joint Combat Aircraft).

Challenges of separation also arise with naval forces. IS maritime missions have yet to be outlined in detail. Given the SNP's recent conversion to NATO membership, these could well entail a commitment to patrols in the North Sea (although IS could opt out of more ambitious roles involving participation in naval coalition forces on international missions). IS would also be interested in the protection of fisheries and

³¹ House of Commons Defence Committee, *Future Maritime Surveillance: Government Response to the Committee's Fifth Report of Session 2012-13* (London: the Stationery Office, December 2012), p.13.

³² C. Taylor, 'Defence Basing Review', House of Commons Library, *Standard Note*, SN06038, 15 November 2011, p.3.

³³ Ministry of Defence, *Defence Estate Rationalisation Update* (March 2013) at: https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/167929/wms_de_rationalisation_update.pdf

³⁴ <http://www.snp.org/media-centre/news/2013/mar/30-jobs-lost-mod-closes-raf-prestwick>

maritime oil and gas installations, as well as in maritime rescue and the provision of escorts and safe passage for friendly vessels. The forces needed to service these various roles would not be inconsequential. One study has suggested a force of two Type-23-class frigates, 'half a dozen' offshore patrol vessels, six mine counter measure vessels plus a number of other smaller ships giving a count of 'twenty or so vessels' and 1,500 – 2,000 personnel.³⁵ These vessels would either have to be built, purchased or extracted by negotiation from the Royal Navy. Access to the only functioning naval base in Scotland, Her Majesty's Naval Base (HMNB) Clyde, would be a presumption of IS but would be complicated by negotiations over Trident and the terms and length of UK withdrawal (see Chapter. 8). Even assuming IS obtained access to that base, as an independent country it would face a strategic imperative to reopen at some cost the Rosyth base (closed in 1995) on its east coast to avoid 'putting all of Scotland's naval eggs in one basket'³⁶ (something much less compelling for Scotland in the UK given the presence of two other operating bases at Devonport and Portsmouth).

Other problems of separation are even more clear-cut. Scotland would be without the benefits that flow from UK-wide coordination of intelligence and counter-terrorism (something we explore in detail in Chapter. 6). It would also initially lack a Ministry of Defence, armed forces' headquarters, defence research establishment, defence academy or officer training facilities.³⁷ The first two of these are important symbols of sovereignty, would have to be created from scratch and would bring with them considerable start-up costs. The latter three might be subject to negotiated arrangements with, respectively, the Defence Science and Technology Laboratory at Porton Down, the UK Defence Academy at Shrivenham and the commissioning academies at Sandhurst, Dartmouth and Cranwell. But these negotiations might prove difficult. Why should officers in an IS get preference at internationally-renowned institutes such as Sandhurst when other foreign officers are queuing up? And if access is not forthcoming, exactly how would IS train its officers in the absence of Scotland-based facilities?

UK-wide defence means that separating a part from the whole leaves both parts less well off. The analysis thus far has suggested that any losses from separation would be felt principally in IS, but r-UK would be impacted adversely also. As well as the naval base on the Clyde, Scotland is also currently the site of other major defence installations whose 'continued use by the armed forces of the rest of the UK would

³⁵ Crawford and Marsh, 'A' the Blue Bonnets' (note. 8 above), pp.8-9.

³⁶ Crawford and Marsh, 'A' the Blue Bonnets' (note. 8 above), p.9. Until 1995, Royal Navy minesweepers and fishery protection vessels had operated of the Rosyth base. The docks at Rosyth currently host seven decommissioned nuclear submarines and (as we shall see in Chap 7) ship assembly and refit facilities.

³⁷ M. Chalmers and S. Crawford, Oral Evidence taken before the House of Commons Defence Committee, 3 July 2012, Q19., at: <http://www.publications.parliament.uk/pa/cm201213/cmselect/cmdfence/c483-i/c48301.htm>

be in doubt' upon Scottish independence.³⁸ These include RAF Lossiemouth (see above) as well as parts of the UK's integrated air defences- two remote radar heads at Benbecula (Outer Hebrides) and Buchan (Aberdeenshire), and the remote radio site at Saxa Vord in the Shetlands. These stations feed into the UK Air Surveillance and Control System (ASACS) overseen by RAF Boulmer in Northumberland (and ASACS, in turn, contributes to NATO Air Policing Area 1). The isolation and terrain in much of Scotland, meanwhile, means a good deal of land is held over to the UK's Defence Training Estate (DTE). DTE Scotland is one of the six regional training areas that cover the UK and includes some of the largest and most significant training areas available to the British military. Cape Wrath in Scotland's far north, for instance, covers some 25,000 acres and is described by the MoD as 'the only range in Europe where Land, Sea and Air training activities can be conducted simultaneously.'³⁹ Cape Wrath forms an important part of the twice-yearly Operation Joint Warrior. Involving UK forces and NATO partners, and mounted across Scottish land, sea and air space, this is the largest exercise of its type in Europe.

While some of what Scotland offers to UK defence could be compensated for by recourse to facilities in r-UK, three general considerations should be borne in mind. First, the loss of Scotland to the UK would cause political damage to r-UK's international reputation. Second, as Malcolm Chalmers has argued, 'Scottish independence [...] would not substantially reduce the tasks that the UK armed forces are asked to fulfill. Because their capabilities are now largely optimised for expeditionary operations, a reduction in territorial defence requirements [would] make little difference to defence requirements.'⁴⁰ And third, an independent Scottish force could not be relied upon to operate alongside UK forces. These three factors would, therefore, put pressure on the r-UK to maintain a defence budget comparable to that of a pre-independence UK, not to reduce it in light of Scottish separation. Given upward pressures also on an IS defence budget, combined defence spending of the two entities would, therefore, likely be higher than that afforded to the UK armed forces- with no gains in efficiency or operational abilities in either part.

³⁸ House of Lords, Select Committee on Economic Affairs, *The Economic Implications* (note. 23 above), p.37.

³⁹ <https://www.gov.uk/public-access-to-military-areas#cape-wrath-training-area>

⁴⁰ House of Lords Select Committee on Economic Affairs *The Economic Implications for the United Kingdom of Scottish Independence: Oral and Written Evidence* (London: the Stationery Office, 2013), p.78.

4

Cost and Capability

IS would enter the international arena as a small state and, as such, its strategic choices would differ markedly from those of the UK. Mikkel Rasmussen, in a submission to this report, has argued that IS will, like all states, be required to defend its borders, but it need not ape the great power traditions and military posture of the UK. There is no obvious requirement for IS to develop a full spectrum of forces and an expeditionary capability, and it could instead opt for what is, essentially, a homeland security approach. 'From one perspective', Rasmussen suggests, a small northern European state such as Scotland 'does not really need much more than an effective coast guard, a reliable police force and a good intelligence service to secure its citizens.' This capability would come reasonably cheap, would mark a break with the martial traditions of the UK and would allow an IS to concentrate its resources on pressing social and economic priorities. Such an approach, however, is not one the SNP is steering toward. It has certain pretensions in security and defence which go beyond the minimal and which imply a not insignificant (but, hence, costly) maritime and air-based component. The new-found desire to seek membership of NATO also implies that an IS will have to establish its credentials as a reliable ally, willing and able to contribute to the Alliance and not simply to free ride on it. All this comes at a price, and this, to its credit, the SNP is increasingly aware of. It has consciously sought to model the defence of an IS on two existing northerly members of NATO (Denmark and Norway).⁴¹ It has also put a price tag on this effort – 'an annual defence and security budget of £2.5bn' according to the 2012 party conference resolution.⁴²

The admiration for Scotland's Nordic neighbours brings with it certain implications: one, crudely put, is that an IS does not intend to go the Irish route toward defence, resting on neutrality, minimal forces and a defence spend incapable of sustaining any sort of domestic defence industry or defence economy.⁴³ But if not Ireland, why Denmark and Norway? That choice can partly be explained by geographic proximity, partly by an emerging sense of shared strategic location and partly by political credibility – both countries are long-standing NATO allies and both are role models of stable domestic government and economic prosperity. The SNP's budget pledge on defence and security also approximates what these two currently spend – as is illustrated in the following submission from Tim Edmunds of the University of Bristol.⁴⁴

⁴¹ Two non-NATO Scandinavian states, Finland and Sweden, are also occasionally mentioned.

⁴² Scottish National Party Foreign, Security and Defence Policy Update (note. 20 above).

⁴³ Phillips O'Brien, Oral Evidence to the House of Commons Scottish Affairs Committee, *The Referendum on Independence from Scotland: Defence*, 12 September 2012, Q1433, at: <http://www.publications.parliament.uk/pa/cm201213/cmselect/cmsscota/c139-ix/c13901.htm>

⁴⁴ See also <http://www.bristol.ac.uk/global-insecurities/news/2013/214.html>

The [SNP's] commitment to a £2.5 billion budget for defence [...] exceeds most of the earlier predictions of defence spending in an independent Scotland. The £2.5 billion figure would place an independent Scotland in the top six of NATO countries in terms of defence spending per-head in the armed forces (on 2011 defence budgets⁴⁵). On the basis of a regular force structure of 15,000 personnel, the proposed budget would deliver £166,667 per service man or woman. This is less than the current UK figure of £226,938, but relatively generous compared to other comparators; Denmark for example spends the equivalent of £163,421 per head, Norway £163,051, Ireland £84,166, Belgium £70,061 and the Czech Republic £61,461. Of comparable countries only the Netherlands (£194,123) and Sweden (£189,078) spend more.

According to Professor Edmunds, a spend of £2.5 billion would equate to between 1.7 and 2.0 per cent of an independent Scotland's estimated GDP,⁴⁶ 'again, in the upper echelon of NATO and EU member states.' The most recent figures published by NATO indicate that Norway spent 1.5 per cent of its GDP on defence in 2011, and Denmark 1.4 per cent. The NATO Europe average stood at 1.6 per cent.⁴⁷ The IS projection is, therefore, 'an entirely honorable state of affairs' to cite one well-travelled defence analyst.⁴⁸

As Professor Edmunds and others have been at pains to point out, however, once one looks at how these monies might be spent, the comparisons break down. Norway and Denmark built up much of their current capabilities over a period of many years – including during the Cold War when expenditures were much higher than at present. These countries, therefore, go forward with the benefit of years' of investment whereas IS will face considerable start up costs. As Malcolm Chalmers has consequently noted, '[e]xpectations that Scotland could quickly obtain military capabilities on a par with those of other north European states [...] are likely to be over-optimistic.'⁴⁹ Both Denmark and Norway, moreover, have well-established strategic cultures and a well-articulated set of defence priorities. This is not to say debate is absent (the role of Danish troops in the NATO ISAF force in Afghanistan has been a source of considerable political controversy) but there is a clear sense of the strategic direction of travel that is currently absent in Scotland.⁵⁰

⁴⁵ All data taken from *The Military Balance* (London: International Institute for Strategic Studies, 2012). US\$ = 0.62 UK£.

⁴⁶ Scottish government figures on 2011 GDP: <http://www.scotland.gov.uk/Topics/Statistics/Browse/Economy>

⁴⁷ *Financial and Economic Data Relating to NATO Defence COMMUNIQUE PR/CP(2012)047-REV1* April 2012, Table 3, at: http://www.nato.int/nato_static/assets/pdf/pdf_2012_04/20120413_PR_CP_2012_047_rev1.pdf

⁴⁸ F. Tusa, 'Defence and an Independent Scotland' (ISN ETH Zurich), 30 November 2012, at: <http://www.isn.ethz.ch/isn/Digital-Library/Articles/SpecialFeature/Detail/?lng=en&id=155379&tabid=1453404676&contextid774=155379&contextid775=155368>

⁴⁹ Chalmers, 'The End of an "Auld Sang"', (note. 28), p.10.

⁵⁰ Interview with Angus Roberston, Newsnight Scotland, 16 July 2012 at: http://article.wn.com/view/2013/04/06/SNP_say_talks_continue_over_Nato/#/video

Reference to such countries is, in part, the consequence of the SNP leadership's new found support of NATO. Norway and Denmark, Angus Robertson, has suggested illustrate just how important small states can be in promoting international security. The comparisons with IS, however, do not stretch far. It seems odd, for instance, to praise Denmark and Norway's ability to engage in force projection in Libya (even if the SNP supported the operation in principle)⁵¹ for it implies a level of ambition IS will simply not be able to achieve. The Danish and Norwegian air forces are at levels totally unsustainable for Scotland. Norway possesses at present 58 F-16 jet fighters and Denmark 30. Norway is due to replace these planes with a fleet of 52 F-35 Joint-Strike Fighters by 2024, at an estimated cost of some \$10.65 bn⁵² (Denmark is expected to reach a decision on a suitable replacement in 2015). Norway may be comparable to IS in terms of spend per head of assumed service personnel (see above), but what matters – as this example illustrates – is how these expenditures can be utilized. Norway is able to dedicate far more resources to modernization and procurement than an IS, which will find itself preoccupied with the costs of restructuring and force realignment. Whatever air force (or, indeed, navy) IS acquires, under current spending plans this will not be able to contribute in any meaningful sense to NATO or coalition operations out-of-area.⁵³

A detailed analysis of what an IS might actually do with its committed £2.5bn is hamstrung at present by an absence of information on what share of UK assets IS might inherit in the event of independence. That figure is crucial because it will determine how much IS will have to spend on procurement. Yet, however this process develops, the options for Scotland are limited. Experts at the Royal United Services Institute have estimated that IS is likely to have an equipment budget of between £272- £336 million per annum, 'roughly speaking the cost of one submarine.'⁵⁴ A more

⁵¹ 'Nicola Sturgeon Talks Independence', 29 October 2011 at: <http://www.snp.org/blog/post/2011/oct/nicola-sturgeon-talks-independence>;

⁵² H. Stolen and N. Adomaitis, 'Norway Extends Period for Buying F-35 Fighter Jets', Reuters, 26 April 2013 at: <http://www.reuters.com/article/2013/04/26/us-norway-f-idUSBRE93P13I20130426>

⁵³ IS might acquire some aerial capability in negotiations with r-UK, although we expect that to be small. Equally, it might take the route of leasing fighter aircraft, which is a cheaper option than purchasing. Analysts sympathetic to independence have provided the example of the Swedish-made SAAB JAS-39 Gripen, which has been leased by NATO members Hungary and the Czech Republic. There is no public SNP or Scottish government position on that possibility at present, however.

See G. Kereven, 'Can Independent Scotland Pay for Its Own Defence?', Newsnet Scotland, 7 July 2012, at: <http://newsnetscotland.com/index.php/affairs-scotland/5341-can-independent-scotland-pay-for-its-own-defence>

⁵⁴ T. Taylor and H. Heidenkamp, 'A Submarine Construction Capability for Scotland', supplementary written evidence submitted by the Royal United Services Institute to the House of Commons Scottish Affairs Committee, January 2013 at: <http://www.publications.parliament.uk/pa/cm201213/cmselect/cmsscota/139/139we14.htm>

generous figure of up to £1 billion was cited in a recent House of Commons Scottish Affairs Committee report – the approximate cost of a single Type-45 class destroyer or 14 Chinook helicopters.⁵⁵

Figures such as these have provided the UK government with an easy target. According to Defence Secretary Phillip Hammond- ‘for all the bluster and false outrage from those proposing independence, we now know that the SNP would spend less on defence, deliver less still, and the security of the Scottish people would be near the bottom of their government priorities.’⁵⁶ Hammond’s position is clearly conditioned by a political agenda and is weakened somewhat by his own Ministry’s record of waste and profligacy.⁵⁷ Our own view on the credibility of SNP pledges is derived from expert opinion. We contacted a number of independent defence and security specialists in order to assess IS spending assumptions. Their views are extracted below. A consistent view emerged that the intended spend could deliver a notional Scottish Defence Force (SDF), but that the roles of such a force would be circumscribed and modest and, in the opinion, of some ineffectual. An SDF that lacked ‘deployability, lethality and/or depth’ hardly constitutes an armed force in any meaningful sense. Beyond that, the picture was uncertain, owing to the paucity of the SNP’s policy statements, the uncharted territory of negotiations on separation with r-UK , and the difficult of estimating IS start-up costs and losses in efficiency as all-UK structures are wound down. None of these uncertainties, however, works in favour of the case for Scottish independence; in fact, the reverse. At best, it remains unproven that an IS force would be more capable of promoting Scottish interests than is the case currently under UK arrangements.

⁵⁵ House of Commons, Scottish Affairs Committee, *The Referendum on Separation for Scotland: How Would Separation Affect Jobs in the Scottish Defence Industry? Eighth Report of Session 2012-13* (London: The Stationery Office, April 2013), p.8.

⁵⁶ Cited in S. Carrell, ‘Scottish Independent Military Plan a Fantasy, Says Defence Secretary’, Guardian website, 14 March 2013, at: <http://www.guardian.co.uk/politics/2013/mar/14/scottish-military-fantasy-defence-secretary>

⁵⁷ See statement of Margaret Hodge MP, Chair of the House of Commons Committee of Public Accounts, 22 February 2011 at: <http://www.parliament.uk/business/committees/committees-a-z/commons-select/public-accounts-committee/news/mod-major-projects/>

[T]he £2.5bn is perhaps too low to accommodate the military structure – especially the air force and navy parts of that structure – envisioned in the [SNP’s] ‘Foreign, Security and Defence Policy Update’ paper [...] especially if the air and sea platforms envisioned in the Policy Update paper, such as ‘ocean going vessels, fast jets [...] transport aircraft and helicopters’ as well as ‘new frigates, conventional submarines, and maritime patrol aircraft’ are to be maintained, procured, periodically upgraded, exercised, and/or operated near or far from Europe. If all this is on the menu, then £2.5bn could easily be £0.5 to £1.0bn off the mark [...] The alternative to increasing the defence budget beyond £2.5bn is a military force – across all services – that would most likely lack deployability, lethality, and/or depth, severely limiting its ability to protect an independent Scotland’s interests and those of its potential NATO allies.

Professor J.R. Deni,
Strategic Studies Institute, US Army War College⁵⁸

On the face of it, a £2.5 billion defence budget would seem more than adequate to fund a [... small] territorially focused SDF. Even so, this level of defence spending would preclude an independent Scotland from many of the higher-end capabilities currently in service with or under development for UK armed forces and close down some of the economies of scale to be found in larger force structures. Items such as the Astute class submarines, [aircraft] carriers and Joint Combat Aircraft would be likely beyond the capacity of an independent Scottish Defence Force to sustain, as too might be nuclear submarines in general, the Type-45 Destroyer and perhaps even Typhoon. A persuasive argument can be made that such capabilities would in any case exceed the requirements of the more modest strategic posture proposed in the [the SNP conference] resolution. However, obvious alternatives are not necessarily available in the current UK inventory, raising the question of where more appropriate platforms (for example diesel-electric patrol submarines) are to be found and how they will be paid for. While the resolution talks in very general terms about ‘joint procurement with the rest of the UK and other allies’, it is far from clear how smoothly such arrangements would work in practice, particularly given the potentially different strategic requirements of the SDF and r-UK armed forces.

A force structure of only 15,000 personnel would place the SDF amongst the smallest armed forces in Europe. The proposed size of the SDF would represent a significant constraint on their capacity for independent deployment in

⁵⁸ These views are the author’s alone and do not necessarily reflect those of the US Army, the US Department of Defence or the US Government.

multinational missions and the nature of tasks they could undertake therein. Given the need to rotate troops in and out of theatre, as well as to provide for territorial defence, training, logistics and other support functions at home, and across land, sea and air environments, the number of actual combat troops which could be deployed to operations would likely be very modest.⁵⁹ Of course, there are a number of countries with comparably sized or even smaller armed forces, who remain active in UN peacekeeping and NATO operations, including Denmark, Estonia, Ireland and the Slovak Republic. A small but comparatively well funded SDF could probably offer limited but high quality contributions to multinational operations. As with many other smaller states, in most cases these would need to be integrated within contingents from larger contributors.

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⁵⁹ There is a big difference between the actual size of a defence and security force measured in its totality and compared to how much of that force is deployable at any given time. If we take the UK as an example, the Army deploys its units on a rotation system for only six months every two years. This itself is a very heavy load due to the need for training and recovery processes. Usually no more than 25 per cent of a complete defence force is deployable at any given time.

5

Forming a Scottish Defence Force

As we have seen, the size, funding and purpose of a putative SDF are matters still to be fully determined. The same can also be said for how that force is to be recruited. The 2012 SNP conference resolution notes that

‘[t]he Scottish armed forces will comprise 15,000 regular and 5,000 reserve personnel [... a]ll current bases will be retained to accommodate units, which will be organised into one regular and one reserve Multi Role Brigade [...] Regular ground forces will include current Scottish raised and restored regiments, support units as well as Special Forces and Royal Marines.’⁶⁰

The SNP is also on record as supporting the continuation of ‘historic Scottish recruited army units [... including] Black Watch, the Argyll and Sutherland Highlanders and the Royal Highland Fusiliers’,⁶¹ and reversing the amalgamation of Scottish regiments undertaken by UK governments going back to the mid 2000s.⁶² The Royal Regiment of Scotland, the Scots Guards and the Royal Scots Dragoon Guards are seen as the core components of an independent Scottish army.⁶³

At face value, this makes sense insofar as a significant proportion of those enlisted in these units are Scottish nationals.⁶⁴ This need not bring with it, however, a presumption that those personnel would want to serve in an independent Scottish force. Although survey data are non-existent, one assumes that when the current cohort enlisted the vast majority did so on the basis that they were joining the British army with all the prospects for career progression, deployment, pension rights and so on that this afforded. And the complexities of transition do not stop there. Two battalions of the Royal Regiment of Scotland are currently based outside the country (one in Canterbury and one in Fallingbommel, Germany), while the Scots Guards and the Royal Scots Dragoon Guards are based, respectively, in Yorkshire and

⁶⁰ Scottish National Party Foreign, Security and Defence Policy Update (note. 20 above)

⁶¹ P. Wishart MP, ‘Protect our Scottish Regiments’, SNP website, 31 May 2012, at: <http://www.snp.org/blog/post/2012/may/protect-our-scottish-regiments>

⁶² *Elect a Local Champion* (SNP Manifesto, 2010 General Election), p.20, at: <http://www.general-election-2010.co.uk/2010-general-election-manifestos/Scottish-National-Party-Manifesto-2010.pdf>

⁶³ E. Barnes, ‘Alex Salmond Reveals Vision for Scottish Armed Forces’, *The Scotsman* website, 20 January 2012, at: <http://www.scotsman.com/news/politics/top-stories/alex-salmond-reveals-vision-for-scottish-armed-forces-1-2067235?commentssort=1>

⁶⁴ We are being generous to the Scottish case here as the British army does not collect data on intra-UK nationality. It would seem a fair assumption, however, at least for the three regular battalions in the Royal Regiment which are based in Scotland. Information on the structure of the Royal Regiment of Scotland can be found at: <http://www.army.mod.uk/infantry/regiments/26339.aspx>

Germany. The Dragoon Guards are scheduled to move to Leuchars but it is a quite different proposition to move all these units to a Scotland that was en route toward independence. And even assuming the politics permitted it, the logistics would remain difficult and time-consuming. The alternatives, meanwhile, are no more straightforward. One possibility is that IS assumes command over forces *in situ* in Scotland once independence becomes a reality. We have already explored the issues around this in respect to naval and air forces and it is no easier with land forces. There will inevitably be disillusioned non-Scots in place who will seek to leave at the first opportunity, and that number is unlikely to be compensated for by a movement of Scots in r-UK wishing to move in the opposite direction (most, having made a career in the UK armed forces, will – for reasons we outline below – regard IS forces as unattractive). One should also bear in mind the presence of ‘English’ units based in Scotland (2nd Battalion the Rifles in Edinburgh and 39 Engineer Regiment at Kinloss) which are unlikely to form part of an independent Scottish military. The total military footprint in IS is, therefore, likely to shrink (a process that will accelerate should r-UK decide not to locate returning personnel from Germany there after an independence vote). As of April 2012 total service personnel (land, sea and air) in Scotland numbered just under 11,200 (plus 4,700 MoD civilians).⁶⁵ Taking these transitional movements into account, it seems highly unlikely, therefore, that a new SDF will add up to the 15,000 desired by the SNP.⁶⁶

Problems are also likely to persist after any transitional period. First, the battalions which make up the Royal Regiment of Scotland have suffered long-term problems of recruitment and retention, hardly a portent for a flourishing Scottish army.⁶⁷ Unable to fill the ranks, an IS will have to either disband these battalions or fill them with foreign recruits. Such personnel may be English, Welsh and Irish personnel, but from wherever they hail a recruitment drive will need to be followed through. That, in turn, will give rise to certain technical issues. Will an IS assume the costly pension entitlements of former UK personnel recruited into the ranks of the SDF? And who will be responsible for the redundancy costs of personnel who either leave the new SDF or are deemed unsuitable for the needs of an IS?⁶⁸

⁶⁵ Written evidence submitted by the Ministry of Defence to the House of Commons, Scottish Affairs Committee, at: <http://www.publications.parliament.uk/pa/cm201213/cmselect/cmsscota/139/139we08.htm>

⁶⁶ The figure of 15,000 seemingly refers to uniformed personnel only, making it an even more ambitious target for an independent Scotland.

⁶⁷ Figures released in June 2012 by the Ministry of Defence showed that the Highlanders (4 Scots Battalion) had a 24 per cent short fall of its establishment of 608 soldiers; the Argyll and Sutherland Highlanders (5 Scots Battalion) a shortfall of 20 per cent and the Royal Highland Fusiliers (2 Scots Battalion), 15 per cent. See J. Kirkup and T. Harding, ‘Army Cuts: Scottish Units at Greatest Risk’, *Daily Telegraph* 20 June 2012 at <http://www.telegraph.co.uk/news/uknews/defence/9345214/Army-cuts-Scottish-units-at-greatest-risk.html>

⁶⁸ A. Dorman, Written Evidence, House of Commons *Defence Committee, Defence Implications of Possible Scottish Independence* (Session 2012-13) at: <http://www.publications.parliament.uk/pa/cm201213/cmselect/cmdfence/writev/483/m17.htm>

Second, recruitment will also be challenged by the structure and purpose of the nascent SDF. A Royal Regiment of Scotland in an IS will have a very different role from that same regiment when part of the British armed forces. The active battalions (and their immediate predecessors) which make up the Regiment have in recent years seen tours of duty in Bosnia, Kosovo, Afghanistan and Iraq as well as exercises in Kenya.⁶⁹ From the SNP's perspective, change would be no bad thing if it takes the policy tack of avoiding extended overseas operations. However, the current experience and skill set of these battalions (not to say their more intangible sense of mission and strategic culture) may not sit easily with a reduced role limited to missions of territorial defence or small-scale peace-support missions. The Scottish people may well want their independent armed forces to play a less engaged role internationally, but this comes at a price. As operational deployment diminishes so too will the ability and functional know-how of its military personnel.

Further, given Scotland's long tradition of expeditionary military culture it is likely that Scottish recruits may well find r-UK forces a more attractive proposition than local Scottish ones.⁷⁰ This will apply to potential fast jet pilots, submariners, special forces and generally anyone seeking to join a military that has a distinct tradition (or sense of mission) that involves extended periods of service in overseas locations or on challenging operations. In the words of one contributor to this report, 'if armed forces personnel have to make a decision on where there are going to commit their military careers, many will wonder if the SDF will be under-manned, under-funded, under-deployed and if it is specialist enough for their ambitions?'⁷¹ If many believe this to be the case, a SDF would have to do a lot of hard recruiting.

Major (rtd.) Edward Mountain in a submission to this report has suggested that Scottish land forces – if they were to be self-sufficient – would require '[i]nfantry, armour, artillery, special forces, logistical support, engineers, mechanics, medics, police, chaplains and education staff.' The more limited career prospects available in an attenuated Scottish force would, however, have serious consequences.

Soldiers in any unit in the SDF would not have the option of a 22 year career that is currently available to them in the British Army.

Officers in any of the Regiments (Infantry, Armour, Artillery and Engineers) would also not have a stable and progressive career path. In each of these Regiments, 18 or so captains will be reduced to five majors, who will be reduced to one Lieutenant Colonel. This will leave six Lieutenant Colonels from the Regiments to fight for the one Brigadier appointment.

⁶⁹ Information derived from the Royal Regiment of Scotland's website at: <http://www.army.mod.uk/infantry/regiments/23992.aspx>

⁷⁰ This assumes that r-UK will be open to recruiting Scots. The precedents here are favourable, in that Irish citizens are still recruited into the British armed forces. This, however, begs another unanswered question which is how Scottish (as opposed to UK) citizenship is defined.

⁷¹ Interview with a retired senior UK military officer.

Every two to three years a senior officer will hope to be promoted. The Majors who don't get promoted to Lieutenant Colonel would find themselves without a career at the age of 38. For those that gained promotion to the one Brigadier position they will still look at being forced to retire at the age of 46.

The personnel in the smaller units of the SDF will see from the outset that they cannot have a full career. For example, the highest non-commissioned rank a soldier could reach in the Military Police will be Staff Sergeant and there is only one of these appointments. Thus all 29 soldiers in the Military Police platoon would be competing for one position which they should reach after 12 years' service. They would have this position for two years and be forced to retire possibly at the age of 34. An officer commissioned into the Military Police, Signals or Medical units would reach his career ceiling immediately upon appointment!

The current system with the British Army also results in a steep career pyramid. However, as there are training establishments and the Territorial Army, and as a result of having a larger Army with more Headquarters, it is possible for officers to have a career until they are 55 years old and for soldiers to complete 22 years' service.

Major (rtd.)Edward Mountain

Many of the trends above can only be best guesses in the absence of detailed Scottish proposals on the force structure needs for an IS. It is also difficult to predict how any negotiations between Edinburgh and London will play out on a division of personnel. That said, two broad observations can be made with some confidence. First, an IS will be able to form an SDF and that force will benefit from the training, experience and *esprit de corps* its personnel have acquired as part of the British Armed Forces. It is plausible that on this basis such forces could be adapted to the defence and foreign policy needs of an IS. In this they will be helped by the fact that any such policy is likely to be less ambitious than that of either the UK or r-UK. Plausibility does not, however, equate to certainty. There will be considerable problems of transitioning to a SDF and sustaining that force over the long-term. Second, it is not at all clear how the SDF will bolster a specific Scottish identity. The British Armed forces are precisely that – *British* and thus a powerful symbol of the United Kingdom's political cohesion and international standing. No one is proposing that a specifically Scottish force be created *ab initio*. Instead, it will be extracted from the British military. Thus, inherent within one of independent Scotland's new-found constructs of sovereignty will be a lingering sense of Britishness. This is likely to be passive rather than disruptive (the British military is possessed of a strong sense of hierarchy and unit loyalty as well as deference to civilian authority). Nonetheless, a Defence Force that is Scottish in spirit, as opposed to one that is merely Scottish in command, will take many years to cultivate.

6

Intelligence

In January 2013, Scotland's Deputy First Minister, Nicola Sturgeon, suggested that the main threats facing Scotland included international terrorism, cyber attack and 'serious international organized crime'. Countering such threats, she continued, would require an 'independent domestic intelligence machinery.'⁷² The SNP's 2012 conference resolution notes similarly that IS would 'maintain [...] a cyber security and intelligence infrastructure to deal with new threats and protect key national economic and social infrastructures.'⁷³

Little information has been forthcoming from the Scottish government or the SNP on what this capability would look like, what it would do and how much it would cost. In fact, IS would inherit virtually no capacity, would find it extremely difficult to set up an effective intelligence arm quickly, and would, in the process, be foregoing many of the intelligence assets and benefits that flow from being situated in the UK. The relevant detail we outline below, but it is worth emphasizing at the outset the risk an IS would court: absent proper intelligence gathering and cyber-defence capabilities, a Scotland outside the UK will find itself that much more vulnerable to terrorist and cyber attack.⁷⁴

The coordination of intelligence and counter-terrorism efforts currently entails a 'vast cross-governmental network [...] provid[ing] law enforcement agencies in every part of the UK with relevant information and intelligence [...].'⁷⁵ The UK's intelligence community includes the three security and intelligence agencies- the Government Communications Headquarters (GCHQ), the Secret Intelligence Service (SIS or MI6) and the Security Service (MI5) – as well as Defence Intelligence (DI), the Joint Intelligence Committee (JIC), the Joint Terrorism Analysis Centre (JTAC) and intelligence staff in other government departments. None of these bodies have their headquarters in Scotland, and all are answerable ultimately to ministers in the UK government. As such, their concern is with monitoring and averting UK-wide threats: cybercrime, terrorism, environmental catastrophe, the outbreak of pandemics and

⁷² House of Commons Foreign Affairs Committee, *Foreign Policy Considerations for the UK and Scotland in the Event of Scotland becoming an Independent Country. Sixth Report of Session 2012-13* (London: The Stationery Office, May 2013), Ev.61-62.

⁷³ Scottish National Party Foreign, Security and Defence Policy Update (note. 20 above)

⁷⁴ This is the view not just of present and former Home Secretaries (Theresa May and John Reid, for instance) but also of persons within the intelligence community we contacted in researching this report.

⁷⁵ House of Commons *Foreign Affairs Committee, Foreign Policy Considerations for the UK and Scotland* (note. 72 above), p.50 (emphasis added)

damage to critical infrastructures, including satellite and communication malfunction. This complex of 'UK-wide criminal or security agencies' would, according to the Secretary of State for Scotland, 'be virtually impossible to replicate' 'between two separate states.'⁷⁶

One solution for IS in this light would be a sharing arrangement, whereby a limited Scottish capability operates in tandem with a more sophisticated and extensive r-UK one. This would be a cheap option for Scotland while also providing certain benefits to r-UK (the threat assessments of both states would be similar and both, of course, would sit as close neighbours). Any such arrangement would be subject to negotiation but most observers are sceptical it would allow IS access to premium UK resources such as GCHQ, MI6 and MI5. R-UK cooperation would be conditional, discretionary and limited to narrowly-defined areas of activity (counter-terrorism, for instance). In a submission to this report Dr Robert Dover, an expert on UK intelligence, suggested that '[i]t is highly unlikely that a British government will be equitable about sharing office space, human resources, archives, methodologies, technologies, and the rest of the intelligence panoply.' Further, serving intelligence officers (even if Scottish) would not be released to any nascent Scottish intelligence service – '[t]here are so many barriers' to such an arrangement Dr Dover concludes, 'it seems hardly worth rehearsing this possibility: the short-hand is that it is legally and operationally impossible for London to allow it.'

The extent of any support from r-UK will also depend on how well (or how badly) the IS/r-UK relationship develops over time. One can imagine cooperation being an early victim to a dispute over Trident for instance. It is also conceivable that r-UK agencies could find themselves engaged in collecting intelligence on IS, a state of affairs which would then lead a Scottish government to eschew cooperation on certain matters, fearful that its political independence was being compromised. And even assuming such practices were avoided, a Scottish government might, nonetheless, be allergic to deep cooperation in the first place knowing the intelligence agencies remained answerable ultimately to r-UK ministers.⁷⁷

For both practical and political reasons, then, IS might find itself with little alternative but to develop its own capability. Making a virtue out of a necessity, this is a position the SNP recognizes. Any capability would, however, labour under some very real constraints. It is hard to envisage how UK intelligence infrastructure – both human and material assets – could be apportioned according to some sort of nominal Scottish share. A Scottish capability could not, therefore, simply be decoupled from UK facilities. Replicating these facilities, meanwhile, would be prohibitively expensive.

⁷⁶ *Scotland Analysis: Devolution and the Implications of Scottish Independence* (note. 26 above), p.27.

⁷⁷ G. Rose, 'Independent Scotland a "Terror Risk"', *Scotland on Sunday*, 29 April 2012 citing Graeme Pearson MSP (former Director General of the Scottish Crime and Drugs Enforcement Agency), at: <http://www.scotsman.com/scotland-on-sunday/politics/independent-scotland-a-terror-risk-1-2263860#>

Much UK capacity is state-of-the-art and the intelligence agencies as a whole are currently funded to the tune of £2.1 billion per annum. IS would not need such a comprehensive programme – but it would need something akin to it – a ‘mini-GCHQ’ according to former Cabinet Permanent Secretary, Sir Richard Mottram.⁷⁸ The cost of the new GCHQ building plus the running costs of the facility have been estimated at £1.5 billion and £200 million per annum, respectively. Even assuming a much scaled-down version, this is something far beyond what Scottish coffers could produce or sustain.⁷⁹

An independent Scottish government would thus face painful choices. It might, as a consequence, give very little priority to an external intelligence agency and rely instead on partnership with external networks. This, however, is hardly a substitute for the relationships currently enjoyed by the UK as Professor Paul Cornish’s submission to our report makes clear.

Bluntly put, the US will hardly commit to intelligence sharing with an IS intent on nuclear disarmament, and the r-UK, in turn, would be unwilling to act as a conduit passing on privileged material if this were to jeopardise the London-Washington axis. As an alternative, both NATO and the EU have provisions for intelligence sharing among member states. Within the EU, for instance, is the Joint Situation Centre (SitCen), Europol, the Intelligence Division of the EU Military Staff, and the EU Satellite Centre (SatCen) as well as less formal arrangements such as the Club de Berne and the Budapest Club.⁸⁰ NATO, meanwhile, incorporates systems of operational military information (the NATO Intelligence Fusion Centre) and, since 9/11, has taken steps toward greater intelligence pooling on counter-terrorism. Assuming IS obtains membership of these two organisations (not itself a foregone conclusion),

Is it supposed that independent Scotland will assume full membership of the ‘Five Eyes’ global intelligence and communications network involving Australia, Canada, New Zealand, UK and the United States? This would not be possible without very serious investment in the collection, analysis and handling of secret intelligence-the services currently performed by the UK’s Secret Intelligence Service (MI6) and the Government Communications Headquarters. Or perhaps the assumption is that Scotland will be included in the distribution of largely US and UK intelligence for old time’s sake? Judging by the way the United States guards the sharing of its intelligence with even the most militarily capable of its friends and allies, this too seems unlikely.

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⁷⁸ G. Rose, ‘Independent Scotland a “Terror Risk”’ (note. 77 above).

⁷⁹ Crawford and Marsh, ‘A’ the Blue Bonnets’ (note. 8 above), p.21.

⁸⁰ Mai’a K. Davis Cross, ‘EU Intelligence Sharing & The Joint Situation Centre: A Glass Half-Full’ (paper presented to the annual meeting of the European Union Studies Association, Boston, March 2011), p.4.

intelligence benefits would only accrue to Scotland if it was in possession of its own agencies able to siphon information up to the international level or be the recipient of such information travelling in the other direction. The composition of these Scottish agencies, or how much resource an IS would commit to them, has not yet been articulated by the SNP. Even a modest capability, however, will require an effort of considerable political and financial will.

The importance of these various considerations weighs particularly heavily in relation to cyber security. The UK National Security Strategy refers to 'hostile attacks upon UK cyber space by other states and large scale cyber crime' as a Tier One Priority Risk.⁸¹ At its worse, this could entail a debilitating state-sponsored attack and thus an act of war. Cyber-crime at the national security level also entails targeted disruption to communications networks, which are essential to UK business, as well as critical infrastructures relating to transport, energy and water supply.⁸² 'The cyber threat is', according to a House of Commons Defence Select Committee Report, 'one which has the capacity to evolve with almost unimaginable speed and with serious consequences for the nation's security.'⁸³ As a recent Chatham House report notes, '[c]yber warfare can be a conflict between states, but it could also involve non-state actors in various ways. In cyber warfare it is extremely difficult to direct precise and proportionate force; the target could be military, industrial or civilian or it could be a server room that hosts a wide variety of clients, with only one among them the intended target.'⁸⁴

A bootstrapped new intelligence architecture in Scotland would require some very rapid growth across all intelligence activities (human, signals, imagery intelligence for example) and in utilising some high-end scientific endeavour from [Scottish] universities. It will, in short, be an effort that runs across sectors and disciplinary backgrounds and [will] entail large investments of time and money. It certainly is not impossible, but to achieve early effectiveness the new intelligence architecture will require the government of an independent Scotland to be pragmatic and active in finding the best of the worst solutions to all of these problems. If all governments need to demonstrate competency as a core function, then intelligence might be one of the most problematic for a newly independent Scotland.

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⁸¹ HM Government, *A Strong Britain in an Age of Uncertainty: The National Security Strategy* (London: the Stationery Office, 2010), p.27.

⁸² E. Downing, 'Cyber Security: A New National Programme' (House of Commons Library), *Standard Note SN/SC/5832*, 23 June 2011, p.3.

⁸³ House of Commons Defence Committee, *Defence and Cyber-Security: Sixth Report of Session 2012-13* (London: The Stationery Office, January 2013), p.43.

⁸⁴ Paul Cornish et al., *On Cyber Warfare* (London: Royal Institute of International Affairs), November 2010, <http://www.chathamhouse.org/publications/papers/view/109508>

There is no reason to suppose that an IS will be immune from these problems. According to Sir Richard Mottram, an IS would need to design a specific and coherent government policy designed to meet the challenge as well as the ‘capacity to understand the problem and to tackle it’.⁸⁵ Meeting that challenge would be difficult enough, but matching the facilities of the UK would be nigh on impossible. Currently, the UK has the ambition of being a world-leader in combating cyber threats. It articulated a Cyber Security Strategy in 2009 (updated in 2011) and has developed a wide range of civilian and military bodies with responsibilities in this field.⁸⁶ These include policy coordination through the Cabinet Office and strategic analysis through GCHQ. In early 2011, the UK government launched the National Cyber Security Programme with funding of £650 million over four years (£259 million had been spent by the end of 2012, including £157 million through UK security and intelligence agencies).⁸⁷ The UK also enjoys a developing relationship with the US in countering cyber threats and as a member of NATO has taken a lead role in the development of allied cyber defences since the mid 2000s.⁸⁸ The EU Cyber Security Strategy adopted in February 2013 affords the UK a similar set of cooperative arrangements at the European level.

The SNP is publicly committed to cyber protection, but precisely how it would go about that important task is not yet clear. It would take years to reproduce, even at a lower-scale, existing instruments that are already available for the protection of Scotland within the UK. Should sharing arrangements be sought with r-UK, the shape these would take and what modicum of assistance they would provide is at present a complete unknown. And, even if IS were to gain access to r-UK facilities, the question would then be posed: what has been gained if IS has simply had to negotiate its way back into arrangements which a Scotland in the UK already enjoyed? Given the risk and uncertainty that surrounds both cyber protection and intelligence matters for IS, these are policy domains which add little or nothing to the case for independence.

⁸⁵ House of Commons Foreign Affairs Committee, *Foreign Policy Implications of and for a Separate Scotland* (Corrected Transcript of Oral Evidence taken 4 December 2012), Q130 at: <http://www.publications.parliament.uk/pa/cm201213/cmselect/cmfaaff/c643-ii/c643.pdf>

⁸⁶ For details see Downing ‘Cyber Security’ (note. 82 above) Appendix 1.

⁸⁷ For details see Downing ‘Cyber Security’ (note. 82 above) Appendix 1 and The Cabinet Office, ‘Progress against the Objectives of the National Cyber Security Strategy’ (December 2012) at: https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/83755/Cyber_Security_Strategy_one_year_on_achievements.pdf

⁸⁸ NATO’s increasing role in this area is detailed at: http://www.nato.int/cps/en/natolive/topics_78170.htm

7 Implications of independence for the Scottish defence industry

UK defence has historically provided a significant subsidy to the Scottish economy. This is not simply through the indirect effects of stationing nearly 16,000 service and MoD civilian personnel in the country. Over 15,000 jobs in Scotland depend directly on the defence industry, with the largest proportion of these stemming from UK government contracts and much of the remainder from exports of equipment already tried and tested through sales to the MoD.⁸⁹

The fate of this industry has been central to the debate on independence. Prime Minister David Cameron has argued that ‘Scottish defence jobs are more secure as part of the United Kingdom.’⁹⁰ The House of Commons Scottish Affairs Committee concluded as far back as 2008 that ‘the possibility of constitutional change will throw into doubt the long term sustainability of the Scottish defence industry.’⁹¹ That same committee concluded some five years’ later that ‘[t]he impact of separation upon the Scottish defence industry will be substantial and distinctively negative.’⁹² The SNP’s view is diametrically opposite. Angus Robertson has claimed that the SNP has a ‘positive vision [...] for the defence industry- the exceptional skill base, industrial capacity and strong supply chain the defence industry has in Scotland means that the sector would continue to thrive in an independent Scotland.’⁹³ The SNP’s defence and security platform is also upbeat, suggesting that ‘[a] Scottish defence industrial strategy and procurement plan will fill UK capability gaps in Scotland’ and that ‘[j]oint procurement will be pursued with the rest of the UK and other allies.’⁹⁴

The reality of the situation is that a defence industry of some sort will probably

⁸⁹ House of Commons Scottish Affairs Committee, *The Referendum on Separation for Scotland: How Would Separation Affect Jobs?* (note. 55 above), p.5,

⁹⁰ Guardian web site, 4 April 2013, at: <http://www.guardian.co.uk/politics/2013/apr/04/cameron-commits-scottish-defence-jobs>

⁹¹ *Employment and Skills for the Defence Industry in Scotland. Sixth Report of Session 2007-08* (London: The Stationery Office, June 2008), p.22.

⁹² House of Commons Scottish Affairs Committee, *The Referendum on Separation for Scotland: How Would Separation Affect Jobs?* (note. 55 above), p.3.

⁹³ Cited in ‘Real Threat to Independent Scotland’s Defence Sector Revealed’, 22 November 2012, SNP website, at: <http://www.snp.org/media-centre/news/2012/nov/real-threat-scotlands-defence-sector-revealed>

⁹⁴ Scottish National Party, Foreign, Security and Defence Policy Update (note. 20 above)

survive in an independent Scotland, but it is unlikely to be anywhere near its current size: jobs and economic growth in Scotland, therefore, are very much at stake. The most important set of considerations relate to shipbuilding. Three large shipyards are located in Scotland employing nearly 4,000 workers. Two are operated by BAE Naval Maritime at Govan and Scotstoun on the Clyde. These have built seven warships for the Royal Navy since 2004. The continuing economic viability of these yards depends upon winning a contract to construct the new fleet of thirteen Type-26 frigates for the Royal Navy in design by BAE Systems since 2010. Historically, UK governments have shunned building naval warships abroad, a position endorsed as a strategic necessity by the Labour government's 2005 Defence Industrial Strategy and subsequently reaffirmed by the Terms of Business Agreement (TOBA) developed between the MoD and BAE Systems in 2009. These positions remain extant under the Coalition government and mean, in effect, that an expected reduction in military orders in the coming years will be managed in such a way as to sustain a viable UK shipbuilding industry.⁹⁵

The TOBA guarantees BAE Systems a minimum level of work in building surface vessels for the Royal Navy up until 2024. Whether BAE builds the Type-26 Frigate on the Clyde or at its other major shipyard in Portsmouth is a matter closely tied to the outcome of the 2014 referendum. While the MoD has not made any formal political linkage, it is reluctant to conclude a contract until Scotland's future is clear. The yards on the Clyde have the better facilities and workforce for the job and in a UK context BAE would no doubt take that option. Signing a contract before the referendum, however, carries the risk for the MoD that the Type-26 Frigate ends up being built in what could become a foreign country. Its preferred option, therefore, is to await the outcome of the referendum and sign a contract for a build on the Clyde in what is still a Scotland in the UK. Should a 'yes' vote in favour of independence materialize then the calculation changes. A contract signed with BAE would, perforce, require the build to be undertaken on home soil in Portsmouth.⁹⁶ And in the unlikely event that the r-UK government decided to go to open tender for the Type-26 Frigate (and reverse its preference for home construction), yards on the Clyde would face stiff competition from Poland and South Korea.

Similar vulnerabilities would apply to Scotland's third major shipyard at Rosyth. This

⁹⁵ *Defence Industrial Strategy: Defence White Paper* (presented to Parliament by the Secretary of State for Defence, December 2005), p.8; House of Commons, Public Accounts Committee, *The Major Projects Report 2010* (supplementary written evidence from the Ministry of Defence) at <http://www.publications.parliament.uk/pa/cm201011/cmselect/cmpubacc/687/687we05.htm>

⁹⁶ House of Commons, Scottish Affairs Committee, *The Referendum on Separation for Scotland: Separation Shuts Shipyards. Seventh Report of Session* (London: the Stationery Office, January 2013), pp.5-16. See also S. Macnab, 'BAE Shipyards in Govan and Scotsoun could Face Closure by the End of the Year', *The Scotsman*, 27 November 2012.

is currently the assembly site for the Royal Navy's two Queen Elizabeth class aircraft carriers (constructed, in part, at Govan and Scotstoun). Rosyth also plays an important role in refit and maintenance and is in the frame for the contract to maintain the new carriers. This, it has been estimated, could provide work for up to five decades. However, as the then Minister for Defence Equipment, Peter Luff MP, explained to a recent parliamentary enquiry, '[w]e would not be able to maintain complex warships in a country where we could not guarantee our freedom of action. It is as though [an independent] Scotland would disqualify itself from the maintenance of ships.'⁹⁷ The local Labour MP, Thomas Docherty, has been even blunter – 'separation puts 50 years of refit work in Rosyth in jeopardy.'⁹⁸

In the absence of r-UK orders, would these yards survive through alternative sources of work? There is the possibility of some construction, refit and maintenance work provided by whatever Scottish navy takes shape. What that would entail has yet to be spelled out by the SNP although we can assume it will not be comparable to UK orders and will only support a much diminished workforce.⁹⁹ Scottish yards could also compete on the international market for shipbuilding, although the chances of winning sufficient orders to keep the yards open at full capacity is at best an untested proposition.

Outside of shipbuilding, Scotland also hosts a number of defence-related firms. This includes SELEX Galileo in Edinburgh, 'the UK's largest defence electronics manufacturing centre';¹⁰⁰ Thales Optronics (supplier of targeting and range-finding devices to the UK and other armed forces) whose main UK site is in Glasgow; Vector Aerospace Component Services based in Perth; and BAE Systems in Fife. These are significant employers (SELEX is home to 2,000 workers and Thales 650) and are also vulnerable to the consequences of independence. A r-UK government is unlikely to contract work to high-tech companies located in Scotland and will instead place contracts either with subsidiaries south of the border or with entirely new suppliers.¹⁰¹ Hence, SELEX, which provides parts for the RAF Typhoon and F-35 aircraft is, in the event of independence, likely to move south to 'where the money is' – any contracts

⁹⁷ Cited in House of Commons, Scottish Affairs Committee, *The Referendum on Separation for Scotland: Separation Shuts Shipyards* (note. 96 above) p.17.

⁹⁸ *Rosyth Today* 8 February 2013, at: <http://rosythtoday.co.uk/?p=1892>

⁹⁹ House of Commons, Scottish Affairs Committee, *The Referendum on Separation for Scotland: Separation Shuts Shipyards* (note. 96 above), pp.18-20.

¹⁰⁰ Scottish Development International, 'Aerospace, Defence and Marine', at: <http://www.sdi.co.uk/sectors/aerospace-defence-marine/adm-sub-sectors/avionics/strengths.aspx>

¹⁰¹ House of Commons, Scottish Affairs Committee, *The Referendum on Separation for Scotland: How Would Separation Affect Jobs?* (note. 55 above), pp.9-14.

with the r-UK being far more significant than with the nascent armed forces of IS.¹⁰² Companies remaining in IS will not find it easy obtaining overseas contracts by way of compensation as they will have lost the administrative advantages (security clearance and verification) of working through UK government channels. They are also likely to see the cessation of significant MoD research funding going to their Scottish-based operations. Professor Paul Cornish in a submission to our report has noted

The SNP has, in fact, made a detailed and compelling case that the defence industry – in ‘Aerospace, Defence and Marine is one of Scotland’s highest value industry sectors.’ Yet, ironically, that case has been articulated most fully by reference to the 2010 SDSR and thus within the context of UK defence. The SNP itself recognizes, in other words, the critical dependency of parts of the Scottish economy on MoD orders.¹⁰³ That position has been articulated in parallel with an argument that the defence spend in Scotland as a proportion of the UK whole has diminished in recent years. But even so, the ‘defence footprint’ is still considerable. The SNP’s own figures

There is as yet no such thing as a ‘Scottish defence industry’, although there is certainly ‘UK (or, more accurately, international) defence industry located in Scotland’. It remains to be seen whether companies such as BAE Systems, Finmeccanica, Raytheon and Lockheed Martin will stay in Scotland, even if offered generous tax incentives to do so. These companies have not positioned themselves in Scotland in order to service an actual or potential Scottish defence market. With the likelihood that Scotland’s buying power will be vanishingly small they might well decide to move south, even if only to send positive signals to the only serious customer on the British mainland [...] Another question concerns funding for science and innovation in the security and defence sector. How much of the £2.5bn [Scottish defence budget] would be allocated to high-risk spending on research and innovation? Without some investment in this area, a country’s relationship with international manufacturers drops to the second level at best – sales only, rather than industrial partnership – with all the strategic dependency and employment implications that entails.

Professor Paul Cornish
University of Exeter

¹⁰² Defence industry specialist F. Tusa, cited in House of Lords, Select Committee on Economic Affairs, *The Economic Implications for the United Kingdom of Scottish Independence*, Oral and Written Evidence, 30 October 2012, Q743., at <http://www.parliament.uk/documents/lords-committees/economic-affairs/ScottishIndependence/OnlineEvidenceVolume2New.pdf>

¹⁰³ Scottish National Party, *Strategic Defence and Security Review. Submission* (September 2010), pp.14-19 (the quotation is at p.14).

refer to a 'total turnover of c. £1.8bn and GVA [gross value added] of c. £726m' as of 2009.¹⁰⁴ In the event of independence, that contribution to the Scottish economy will diminish owing to accelerated reduction in demand and the possibility of company relocation. At worse, this will lead to a wholesale dismantling of an industry which is at present a vital employer and technological asset to the Scottish economy. At best, it will require a very pro-active defence industrial strategy on the part of a future Scottish government. Yet even that will not be able to pump in sufficient demand to compensate for lost orders. It is also an open question whether any such strategy would be able to prompt diversification into the civilian sector necessary to preserve current levels of economic activity.

¹⁰⁴ Scottish National Party, *Strategic Defence and Security Review. Submission* (note. 103 above), p.13.

8

The Issue of Trident

Her Majesty's Naval Base (HMNB) Clyde is home to the four Vanguard-class Trident equipped submarines (at Faslane) as well as the storage depot for the nuclear warheads (at Coulport). '[O]ne armed submarine is on patrol at any one time' making up the UK's Continuous at Sea Deterrence (CASD). The entire Royal Navy nuclear-powered submarine fleet is due to be stationed at Faslane by 2017 and the current Vanguard-class submarines are due for replacement starting in 2028 at an estimated total cost of £20 billion.¹⁰⁵

As part of the UK, a Scottish government is at present 'unable to decide whether or not nuclear weapons are based' in Scotland, a position which the SNP would seek to overturn with independence.¹⁰⁶ At its 2013 spring conference, the party passed a resolution in favour of a constitutional ban on nuclear weapons in an IS. The desire to rid Scotland of Trident is fundamental to the SNP and, according to the Deputy First Minister Nicola Sturgeon is, 'not negotiable'.¹⁰⁷ The position of the UK government is the exact opposite. According to Sir Nick Harvey (former Minister of State for the Armed Forces), 'the UK Government are not making plans for independence ... and hence we are not making plans to move the nuclear deterrent or indeed the submarines from HM Naval Base Clyde'.¹⁰⁸

We recognise that the continued deployment of Trident is a divisive issue and one that deserves proper attention. The possession of nuclear weapons is for many (both in Scotland and the UK more widely) a moral issue that can only be resolved by removal. There are also very real safety concerns. According to one source, as of 2009 there had been 'at least eight radioactive leaks [at Faslane] in the last ten years, bringing the total number acknowledged [...] over the last three decades to more than 40'.¹⁰⁹ We do not wish to minimise these sorts of issue, however, what concerns us here is how Trident directly affects the debate over Scottish independence. The fate of nuclear weapons in Scotland is connected in some way to all the other major issues considered in this report. Its strategic, political and economic significance

¹⁰⁵ House of Commons, Scottish Affairs Committee, *The Referendum on Separation for Scotland: Terminating Trident - Days or Decades? Fourth Report of Session 2012-2013* (London: The Stationery Office Limited, October 2012), pp.5-6.

¹⁰⁶ The Scottish Government, *Your Scotland, Your Voice* (note. 3 above), p.114.

¹⁰⁷ House of Commons, Foreign Affairs Committee, *Foreign Policy Considerations for the UK and Scotland* (note 72 above), Ev. 48.

¹⁰⁸ Cited in House of Commons, Scottish Affairs Committee, *The Referendum on Separation for Scotland: Terminating Trident* (note. 105), p.14.

¹⁰⁹ R. Edwards and S. Carrell, "Failure after Failure at Home of Trident Fleet," *The Guardian*, April 27, 2009, <http://www.guardian.co.uk/environment/2009/apr/27/nuclear-waste-scotland>.

means Trident is the central question, even a ‘deal breaker’, in any future negotiations between an IS and r-UK.¹¹⁰

A recent Scottish CND report has stated that any future Scottish Government ‘could establish a timetable for the de-activation of Trident, within days and weeks, followed by the removal of all nuclear warheads from Scotland within two years’.¹¹¹ This claim has been authenticated by the House of Commons Scottish Affairs Committee which notes that ‘it is possible to deactivate Trident within a matter of days, and for the nuclear warheads, missiles and submarines to be removed from Scotland within twenty four months’.¹¹² As for the SNP, according to Nicola Sturgeon, it ‘would not want to impose a time scale that was unsafe and we would not do that. We would have sensible discussions with the UK Government but on the basis that it is about the speediest safe removal’.¹¹³

From such statements, one can assume that the SNP is thinking in years and not decades when it comes to the removal of Trident. Such a position, if followed through, would have significant implications for the UK’s ability to operate its CASD. A recent House of Commons Foreign Affairs Committee Report stated that ‘the UK Government has adopted a firm position that the emergence of Scotland as an independent country would not result in the unilateral nuclear disarmament of the UK [...]he Minister of State told us that the “strategic nuclear deterrent would be maintained” with the r-UK taking “whatever measures [...] were necessary in order to do that”’.¹¹⁴ However, Professor Sir David Omand has suggested that a precipitate demand upon r-UK would, in effect, force ‘the UK out of the nuclear business’.¹¹⁵ The Trident capability cannot be easily relocated and, should a sovereign Scotland insist on a swift removal, there may be no alternative but to decommission.

Consider in this connection, the most likely r-UK replacements for Faslane: Barrow (Cumbria), Milford Haven (Pembrokeshire) and Devonport (Devon). All three of these are less than perfect as submarine bases either because their waters are too shallow or they sit near industrial facilities that would have to be relocated. Severe problems would also arise in locating the nuclear warhead sites that would be needed alongside

¹¹⁰ Professor Sir David Omand, cited in House of Commons Foreign Affairs Committee, *Foreign Policy Considerations for the UK and Scotland* (note. 72 above), Ev. 29.

¹¹¹ Scottish CND, *Disarming Trident, A Practical Guide to De-activating and Dismantling the Scottish-based Nuclear Weapon System*. (Glasgow: The Scottish Campaign for Nuclear Disarmament and Scotland’s for Peace, June 2012), <http://banthebomb.org/ne/images/stories/pdfs/disarmingtrident.pdf>.

¹¹² House of Commons Scottish Affairs Committee, *The Referendum on Separation for Scotland: Terminating Trident* (note. 105 above), p.25.

¹¹³ House of Commons Foreign Affairs Committee, *Foreign Policy Considerations for the UK and Scotland* (note. 72 above) Q296.

¹¹⁴ House of Commons Foreign Affairs Committee, *Foreign Policy Considerations for the UK and Scotland* (note. 72 above), p.29.

¹¹⁵ House of Commons Foreign Affairs Committee, *Foreign Policy Considerations for the UK and Scotland* (note. 72 above), Ev 25.

or within a short distance of the submarine docks. Barrow and Devonport have large civilian populations that would rule out nuclear storage on safety grounds and Milford Haven is a risk because it is home to a large liquid gas facility. Further, even if these locations were deemed acceptable, the period of time it would take to plan and construct the necessary replacements for Faslane and Coulport could take anything between ten and twenty years.¹¹⁶ Other options have been proposed including ‘sharing facilities’ in either the United States or France. However, the UK Government is on record as saying that ‘operations from any base in the US or France would greatly compromise the independence of the deterrent and there would be significant political and legal obstacles’.¹¹⁷

In light of these various problems, one possibility worth considering is a leasing agreement between IS and r-UK. This would have the benefit of delaying a permanent removal up to the point at which r-UK had organised satisfactory alternatives. Such an arrangement would also be of considerable advantage to an IS in that it would avoid the prospect of what could be a major deterioration in relations with r-UK. UK officials have made clear that a forced removal of Trident from Scotland would affect discussions ‘across the whole piece’ of pan-governmental negotiation and so r-UK would be seeking to offset the cost of the move in relation to other ‘bills’ to the UK taxpayer that might arise from separation.¹¹⁸ IS claims to UK conventional force assets could well fall victim to such a linkage as r-UK might prove less than willing to cooperate with SNP plans to convert Faslane into what Angus Robertson has referred to as the main site of the ‘conventional naval forces’ of IS.¹¹⁹

There are also wide-ranging economic considerations to be borne in mind. The UK Government claims that HMNB Clyde is ‘the largest employment site in Scotland’ and employs in the range of ‘6,700 military and civilian jobs’.¹²⁰ The SNP suggestion that the Clyde would become a conventional naval base would only compensate in part for the withdrawal of the Royal Navy and the defence contracts it provides to local industry and surrounding communities. According to former Secretary of State for Defence Liam Fox, ‘[by] the time you add in MOD spending that goes on projects such as Carriers [...] the Type 45 [destroyers ... and] the £0.25 billion a year that comes into

¹¹⁶ House of Commons Scottish Affairs Committee, *The Referendum on Separation for Scotland: Terminating Trident* (note. 105 above), pp.15-18.

¹¹⁷ *The Referendum on Separation for Scotland: Terminating Trident-Days or Decades?: Government Response to the Committee’s Fourth Report of Session 2012-13 - Scottish Affairs Committee* (January 2013) at: <http://www.publications.parliament.uk/pa/cm201213/cmselect/cmsscota/861/86104.htm>

¹¹⁸ Nick Harvey MP cited in House of Commons Scottish Affairs Committee, *The Referendum on Separation for Scotland Terminating Trident* (note. 105 above), p.17.

¹¹⁹ BBC News Website, “Trident Move ‘Would Cost Billions’,” BBC, January 9, 2013, <http://www.bbc.co.uk/news/uk-scotland-scotland-politics-20955611>

¹²⁰ *The Referendum on Separation for Scotland: Terminating Trident-Days or Decades?: Government Response* (note. 117 above).

the local economies through Faslane, there is quite substantial spending'.¹²¹ There is something of a disjuncture on SNP thinking in this regard. While the party is adamant that Trident needs to go it has failed to articulate how it will make good the economic downsizing that will result. On the one hand, it is critical of the diminishing UK defence footprint in Scotland but on the other, it advocates a course of action that will see the single-largest UK defence spending commitment shipped out of the country.

A leasing arrangement, if it could be negotiated, would have the benefit from a Scottish perspective of preserving some of these local economic spin-offs. Any agreement – whatever its ostensible benefits to both parties – would require considerable compromise. An IS government would, in effect, have to voluntarily cede sovereignty over part of its territory for a period of time. And, in so doing, the SNP would have to dilute its commitment to denuclearisation. The r-UK, meanwhile, would have to accept the risk of basing its entire nuclear deterrent capability on foreign soil. It was only as recently as 1938, in the lead up to World War Two, that a neutral Ireland demanded the closure of the Royal Navy's three 'treaty ports' on Irish soil. Professor Chalmers rightly asks, 'would the r-UK want to continue to base its only nuclear deterrent in a foreign country on which it might not be able to rely in times of intensified threat?'¹²² The temporary basing option comes under further scrutiny by the fact that deterrence itself is primarily about signalling. How credible is the UK deterrent if it cannot even be located on home soil?

For all these reasons, we accept that a grand bargain between IS and r-UK with a leasing arrangement at its centre is a very difficult proposition. In the event of independence, however, it may be the least worst option to follow. What it demonstrates once more is that the case for independence is complicated by defence. Even on an issue that is a strong suit for the SNP, an IS will need to navigate a complex political process. That process is much less straightforward than the SNP's public declarations suggest. If dealt with precipitately, it will lead to a major dispute with r-UK that may redound to the considerable disadvantage of IS and, as we shall see in the next section, in its relations with important overseas partners.

¹²¹ House of Commons, Scottish Affairs Committee, Minutes of Evidence, 7 June 2011, Q149 at: <http://www.publications.parliament.uk/pa/cm201012/cmselect/cmscotaf/580/11060701.htm>

¹²² House of Commons Foreign Affairs Committee, *Foreign Policy Considerations for the UK and Scotland* (note. 72 above), Q 122.

9

Scotland and NATO

Should independence occur, Scotland will face a security setting detached from the multilateral partnerships that are essential to the coordination of security in the contemporary international arena. It is probable that IS will have negotiated certain bilateral arrangements with r-UK during the transition period between a referendum and independence. It may also have engaged in talks with other interested partners – its north European neighbours and the US- which would bear fruit once formal diplomatic relations are established. What will be lacking upon independence is membership of Europe’s premier international organizations. Obtaining entry to two of these – the Council of Europe and the Organisation for Security and Cooperation in Europe (OSCE) – would be reasonably straightforward. While there should be no assumption that IS would accede automatically as a successor state of the UK (see the discussion below), the criteria for membership of these bodies (based largely on democratic conditionality) are ones it would easily fulfil.

Much more problematic is entry into NATO and the EU. Detachment from these bodies is not an option for IS. Excluding parts of the former Soviet Union, all European states are either members or are seeking to join, one or both of these organisations. The exceptions are few and idiosyncratic – Switzerland (which, in any case, has special treaty arrangements with the EU), Northern Cyprus and micro-states such as Andorra and Monaco. To become part of the European mainstream requires entry into the continent’s organisational framework. To do otherwise is to court political marginalisation and with it a sense of insecurity. This, of course, need not mean entry into both EU and NATO: for two reasons. First, many states continue to eschew membership of the Alliance and retain a sense of well-being and security nonetheless – this includes Ireland (Scotland’s closest neighbour outside the UK), Finland, Sweden and Austria. Second, the EU alone offers considerable security benefits. That function is often unfairly rubbished (or overlooked) in the UK, but the EU has pursued a Common Foreign and Security Policy (CFSP) since the Treaty on European Union entered into force in 1993. It has also possessed a European/Common Security and Defence Policy since 1999, which has undertaken some 32 civilian, police and military missions in Africa, the Middle East, Afghanistan and elsewhere. These only affect the security of EU member states indirectly, but they do offer a platform for middle and small states to demonstrate their international credentials (Finland, Sweden and Ireland, for instance, are keen contributors). The EU even affords its members a nascent collective defence guarantee under Article 42.7 of the Lisbon Treaty.

This tends to matter more to those EU states not in NATO¹²³ but it is an important statement of solidarity nonetheless. Much more concrete is the extensive cooperation of EU members in the ‘Area of Freedom, Security and Justice’ (mandated by Articles 3.2 and 67 of the Lisbon Treaty). This includes judicial and police cooperation as well as provisions for joint policies on border control, asylum and immigration (and, by extension, counter-terrorism). The UK currently has ‘opt outs’ in this broad policy area, but acceding members to the EU are expected to fully align with the appropriate ‘body of law and practices.’¹²⁴

An IS could conceivably have taken a line of entry into the EU only. The SNP has, however, since its 2012 conference, formally committed itself to NATO also, thereby signalling a historic reversal of party policy. Notwithstanding our comments on the EU above, NATO membership has played largest in the defence debate on Scottish independence. It also has the clearest connection to many other matters considered in this report – the mission of the SDF, Scottish foreign policy priorities, relationships with regional partners, and the vexed issue of Trident. While we would not want to minimise the importance of the EU, it is for these reasons that this chapter concentrates on Scotland’s relationship with the Alliance.

At its party conference in October 2012, the SNP voted by 426 to 332 in favour of an independent Scotland acceding to NATO. The size of the opposition reflected a largely anti-nuclear sentiment – hence, the important caveat contained in the resolution that IS would only join the Alliance ‘subject to an agreement that Scotland will not host nuclear weapons.’¹²⁵ Within the SNP, the case in favour of membership has had to contend with NATO’s status as a nuclear body and a view of many in the party that NATO is a body associated with UK defence and misplaced foreign adventures. In response, NATO’s supporters within the party have made three key claims. First, that membership is compatible with a future Scotland’s non-nuclear status (a point we shall return to below). Second, that Scotland’s defence is made both more viable and effective through cooperation.¹²⁶ This point certainly has some merit. It is more productive, for instance, to deal with favoured partners such as Norway and Denmark through Alliance mechanisms than repeated and time-consuming bilateralism. Entry into NATO also gives access to efficiencies and sharing arrangements otherwise unobtainable – this is relevant to NATO coordination of maritime and submarine patrols in the North Sea and the Arctic, as well as of air policing. The Baltic states of Estonia, Latvia and Lithuania have, for instance, benefited from a combined NATO air

¹²³ A. Rettman, ‘Sweden: Who Needs NATO, When You Have the Lisbon Treaty?’, euobserver, 22 April 2013, at: <http://euobserver.com/defence/119894>

¹²⁴ ‘Europa: Summaries of EU Legislation’ at: http://europa.eu/legislation_summaries/justice_freedom_security/enlargement/

¹²⁵ The resolution having been passed became SNP policy – see Foreign, Security and Defence Policy Update (note. 20 above)

¹²⁶ A. Robertson, ‘The Case for Staying in NATO’, *Sunday Herald*, 26 August 2012.

policing mission since they joined the Alliance in 2004. Indeed, the whole of NATO Europe is covered by a comprehensive air policing network under the command of the Supreme Allied Commander Europe. NATO, further, has decades of experience in promoting standardization and inter-operability and is currently in the throes of a programme of 'smart defence' aimed at rationalizing defence procurement and sharing capabilities across its cash-strapped members. All of this is attractive to any government seeking to develop a modern and efficient military.

The third argument in favour of entry to NATO is one of credibility. As Kenny MacAskill, Scottish Justice Secretary, noted in the 2012 conference debate, NATO membership is symbolic of the responsibilities of power that rest upon an independent state.¹²⁷ In relations with its neighbours, 'Scotland', the SNP's Angus Robertson has argued, 'will take our shared responsibilities seriously, and that includes mutual defence commitments'. '[C]ountries such as Iceland, Denmark, Norway, and indeed the US – would prefer it if we signaled our intention to be part of the NATO Alliance as an independent country.'¹²⁸ Alex Salmond made a similar argument during a trip to Washington in April 2013.¹²⁹ And it is not hard to see why. Defence analyst Francis Tusa has suggested that '[t]he biggest single defence issue that would affect an independent Scotland in the next ten years is the polar regions.' NATO members Canada, Denmark and Norway are all increasingly focused in a northerly direction. 'If Scotland just sat in the middle of that jigsaw' Tusa continues, 'going "not us mate", it would be a bit of a nonsense.'¹³⁰ And there is arguably an even more blunt calculation at play. According to Michael J. Williams, staying outside NATO would be perceived as 'a direct affront to countries that Scotland might want to court post-independence.'¹³¹

The case for membership is persuasive and the SNP leadership is to be commended for orchestrating a significant shift in policy on the issue. To concede that point is not the same, however, as to accept the case for independence. The simple fact remains that all the benefits that might accrue to IS from accession to the Alliance are already enjoyed by a Scotland that is within the UK. Further, independence is only likely to complicate the relationship with the Alliance. To understand why, it is worth considering two connected sets of issues. The first relates to the process of accession itself. How might this occur? And how likely is it, therefore, that an IS will one day sign up to the North Atlantic Treaty and stand alongside NATO's other twenty-eight members? The second concerns what added value, if any, IS would bring to the

¹²⁷ <http://www.bbc.co.uk/news/uk-scotland-scotland-politics-19993694>

¹²⁸ 'The Case for Staying in NATO' (note. 126 above).

¹²⁹ Address to the Brookings Institution, April 2013 (note. 10 above)

¹³⁰ House of Lords Select Committee on Economic Affairs *The Economic Implications for the United Kingdom of Scottish Independence: Oral and Written Evidence* (note 40 above), Q748, p.180.

¹³¹ Michael J. Williams, Written Evidence, *Defence Implications of Possible Scottish Independence* (House of Commons, Defence Committee, October 2012), at: <http://www.publications.parliament.uk/pa/cm201213/cmselect/cmdfence/writev/483/contents.htm>.

Alliance. We have seen that NATO offers much to Scotland, but does the benefit run in the other direction?

On the first of these, the SNP's position is clear enough. According to the 2012 conference resolution '[o]n independence Scotland will inherit its treaty obligations with NATO. An SNP Government will maintain NATO membership [...]'¹³² The logic here, according to Alex Salmond, is that Scotland would accede to the Alliance as a previously constituent part of the UK – '[w]e are a member [of NATO] by virtue of our membership of the United Kingdom, and we [will] notify [our intent to remain a member] in that period between the referendum, and a successful vote, and the adoption of Scottish independence about 18 months later.'¹³³ That position, however, is flawed. It assumes, wrongly, that Scotland has a legal personality derived from the UK. This is not the case. Currently, the UK not Scotland is a member of NATO and it enjoys that position as a signatory to the North Atlantic Treaty. The rights and obligations of the treaty inhere in the UK not in any of its constituent parts. Should Scotland obtain independence, it will have to do so as a new state, not as a successor to the UK.¹³⁴ R-UK, meanwhile, would assume the status of the UK's continuing state. Standard assumptions of international law suggest that a continuing state sits in the international arena 'with its international rights and obligations intact.' A new state, meanwhile, 'commence[s] international life free from the treaty rights and obligations applicable to its former sovereign.' The presumption, therefore, is that the continuing state will retain membership of international organizations, while the new state is required to negotiate entry according to whatever specific procedures are appropriate.¹³⁵ In the NATO context, clarity on this matter has been provided by the Alliance itself:

¹³² Foreign, Security and Defence Policy Update (note. 20 above)

¹³³ BBC News, Scotland Politics, 'Scottish Independence: Alex Salmond 'Certain' on NATO Membership', 10 April 2013, at: <http://www.bbc.co.uk/news/uk-scotland-scotland-politics-22089955>

¹³⁴ This position is contested by the SNP, who have argued that the precedent of Czechoslovakia's 'velvet divorce' in 1992 could be followed. In this instance two new states – the Czech Republic and Slovakia – were created. This is not, however, a relevant comparison in that prior to the dissolution of Czechoslovakia there was agreement on state succession using existing legislative mechanisms. The UK government is on record as stating it would not be amenable to such a solution (one assumes this would also be the position of the UK parliament) and views the r-UK in whatever form as the continuing state of the UK. An independent Scotland, ipso facto, would not be able to successfully claim continuity or succession with the UK and so would come into being as a new state. See *Scotland Analysis: Devolution and the Implications of Scottish Independence* (note. 26 above), p.83. The SNP's position has been outlined by Nicola Sturgeon in evidence to the House of Commons Foreign Affairs Committee. See House of Commons Foreign Affairs Committee, *Foreign Policy Considerations for the UK and Scotland* (note. 72 above), Ev. 48-50.

¹³⁵ M.N. Shaw, *International Law* (sixth edition) (Cambridge etc.: Cambridge University Press, 2008), pp.974, 985.

It appears widely agreed that, as a matter of law, a Scotland which has declared its independence and thereby established its separate statehood would be viewed as a new state. In the NATO context, the definitive determination on this question would be made by the member states, acting in the North Atlantic Council.

A new state would not be a party to the North Atlantic Treaty, and thus not a member of NATO. If it were to choose to apply for NATO membership, its application would be subject to the normal procedure, as outlined in Article 10 of the Treaty.¹³⁶

Assuming formal negotiations commence upon independence (Scotland would not have statehood until that point), then IS would measure up reasonably well against many of the criteria for entry.¹³⁷ It will be a functioning democracy and will have as good a claim as existing NATO members in its ability to promote 'economic liberty, social justice and environmental responsibility.'¹³⁸ There are considerable uncertainties about the functionality and integrity of a hypothetical SDF and this may well require IS to enter into a formal process of conditions-based monitoring and mentoring with NATO (the standard processes are an Intensified Dialogue and a Membership Action Plan). However, given that the nascent SDF would, in large measure, be premised on former UK equipment, infrastructure and personnel, it would have already gone a long way to meeting NATO standardization requirements. Similarly, while the SNP's spending pledges on defence and security currently fall below the NATO norm of two per cent of GDP, that is unlikely to be an obstacle to accession as very few Allies meet that target, including the vast majority of states who have entered the Alliance in recent years. Scotland's geostrategic position, meanwhile, is significant and existing NATO members will have been reassured by the SNP's pledges to strengthen cooperation with its neighbours in the surveillance and patrol of the northern maritime regions. It would also be in the best interests of r-UK to have an IS inside NATO. IS would join Alliance integrated command structures and, as such, would be expected to take part in or host multinational staffs, multinational headquarters, and status of forces agreements. This would be a route whereby r-UK might preserve access to training facilities, radar systems, and perhaps even air bases. This could be achieved, of course through bilateral arrangements, but doing it through NATO might be politically less controversial and would serve a wider NATO (and not simply r-UK) interest.

¹³⁶ NATO spokesperson cited in S. Carrell, 'NATO: Scotland Would Have to Apply to Join as New State', *The Guardian*, 11 April 2013.

¹³⁷ NATO tends to shun the term 'criteria' in order to allow it flexibility in membership negotiations. The best guide to the requirements of accession is the *Study on Enlargement* published by the Alliance in 1995, see: http://www.nato.int/cps/en/natolive/official_texts_24733.htm

¹³⁸ *Study on Enlargement* (note. 137 above), paragraph.72.

Article 10 of the North Atlantic Treaty stipulates that new members must be ‘in a position to contribute to security in the North Atlantic Area’. For the reasons summarised above, IS could make some claim to have met that condition. To what degree would, however, be a matter for the members of NATO to determine. Admitting a new member to NATO requires the unanimous agreement of the existing membership. And, within NATO, bringing everyone on board matters: Greece, constituting a minority of one, has successfully blocked Macedonian entry into NATO for several years. Some NATO officials interviewed for this report mentioned that ‘there are plenty of nations in Europe that would have big concerns over Scotland splitting from the UK and then gaining UN/EU/NATO membership’,¹³⁹ owing to concerns with separatism within their own borders. Spain and Turkey, for instance, would fall into this category. Over and above this, NATO members would want Scotland’s separation from the UK to be as complete, amicable and cooperative as possible; Alliance cohesion could be threatened by the importation of any outstanding disagreements between IS and r-UK.

All of these issues, however, are secondary when set against the SNP’s stance on nuclear weapons. This matter, more than any other, is likely to delay if not prevent IS joining NATO. The SNP, having undergone a u-turn on the matter of NATO membership, as we have seen, remains steadfastly committed to a non-nuclear defence policy. For many years such a position, by the SNP’s own admission, ruled out any desire to join the Alliance – ‘[a]n SNP government’, the 2005 general election manifesto declared, ‘will not be part of a nuclear-based commitment such as NATO.’¹⁴⁰ The SNP leadership has thus had to square the circle of a non-nuclear Scotland in a nuclear alliance. Its case has been premised on what one might call the logic of possession and relinquishment. NATO, Angus Robertson and Alex Salmond have argued, is an alliance in which only a small minority of states actually possess nuclear weapons (the US, France and the UK) or have them on their territory (US tactical nuclear weapons are currently based under NATO sharing arrangements in Belgium, Germany, Italy, the Netherlands and Turkey). The possession of nuclear weapons is thus not essential for membership as the majority of Allies are without them. Moreover, some states have managed to get rid of them (Canada in 1984 and Greece in 2001 both saw the removal of US tactical nuclear weapons), and others (Norway, for instance) refuse to have them on their territory at all. There is also a vocal group of states within NATO (including Poland and Germany along with Norway) that has used Alliance forums to advocate nuclear disarmament.

¹³⁹ Interviews with Senior NATO Officials at NATO Headquarters in Brussels; interviews with Senior NATO Officials at NATO SHAPE in Mons Belgium.

¹⁴⁰ SNP, *If Scotland Matters to You, Make it Matter in May. Manifesto 2005*, p.35, at: <http://www.snp-bannockburn.org/Francis/minispreads.pdf>

Anti-nuclear sentiment is thus alive and well within NATO. The Scottish case is, however, exceptional. An IS, if established, would be the site of *strategic* nuclear weapons and relinquishing these would present very demanding logistical challenges (see Chapter. 8). What is clear is that their relocation is not likely to occur quickly; if IS wanted to insist on a nuclear-free Scotland as a precursor to membership it might be waiting a very long time. The most likely outcome is an IS which, in parallel with negotiations on entry into NATO, undertakes negotiations with r-UK on the removal of Trident. One can imagine a variety of outcomes from this process. IS may accede to NATO in parallel with an agreement (with r-UK) in principle that Trident is relocated subject to a lengthy transition period. Equally, IS might be faced with the prospect of a r-UK (or even US) veto on NATO membership unless and until it agreed to some sort of leasing arrangement. The latter, as we saw in the previous chapter, would be a tough call and at odds with the SNP's historic positions. An IS government would thus be faced with an unpalatable dilemma – membership in NATO with the continued presence of Trident, or no entry to NATO at all.

Over and above the particulars of nuclear weapons in IS, there is a broader issue of NATO strategy. NATO has been able to tolerate individual Allies distancing themselves from nuclear weapons, but it is a fundamental staple of Alliance cohesion that all accept the utility of these weapons as a general principle. NATO's keynote statement on enlargement could not be clearer: '[n]ew members will be expected to support the concept of deterrence and the essential role nuclear weapons play in the Alliance's strategy of war prevention.' The 2010 Strategic Concept (agreed by all NATO's members and an update of documents agreed in 1991 and 1999) affirmed that 'as long as nuclear weapons exist, NATO will remain a nuclear alliance' – adding for good measure that 'the independent strategic nuclear forces of the United Kingdom and France, which have a deterrent role of their own, contribute to the overall deterrence and security of the Allies.' Study on NATO Enlargement (note. 137 above), paragraph. 45. The Defence and Deterrence Posture Review (DDPR) agreed at NATO's Chicago summit in May 2012 used an identical formulation.¹⁴¹ The SNP leadership has been careful thus far to limit the discussion of nuclear matters to the specifics of possession and not the issue of strategy. It is not, in other words, on record as saying it is opposed to the nuclear clauses of the Strategic Concept or the DDPR. Such a position might be read as either naïve or astute: naïve because it shows an underestimation of true import of committing to NATO; astute because it allows a future Scottish government to have it both ways – committing to NATO but retaining its anti-nuclear credentials by insisting on Trident's removal.

¹⁴¹ Paragraph.9, at: http://www.nato.int/cps/en/natolive/official_texts_87597.htm?mode=pressrelease

Yet, however one views the SNP's position, it is fraught with difficulty. An IS will simply not progress along the accession route unless and until it accepts NATO nuclear strategy.¹⁴² By one interpretation, having done so it could still reject Trident. But this may play very badly with certain Allies, not least the US which would view the Scottish position as weakening NATO's nuclear stance and as indicative of a lack of solidarity with r-UK, historically its most important ally in Europe.¹⁴³ It is entirely possible also that, whatever benefits r-UK might derive from a Scotland in NATO, in the absence of a suitable set of understandings on Trident London will prove uncooperative in facilitating IS entry into the Alliance.

Our conclusions on the issue of NATO, therefore, are clear. Scottish membership would benefit IS, r-UK and NATO itself, although in many instances this would only be a route to mend the disruption caused by Scottish secession. Membership itself, however, would not be automatic. It would involve a formal accession process of some sort, a process which, if nuclear controversies are to be contained, would require diplomatic flexibility from all concerned. An IS in NATO adds nothing to Scottish security which is not already enjoyed through UK membership of NATO. IS would gain the political advantage of joining the Alliance with decision-making rights as a sovereign state, but even that will be a mixed blessing if Scotland enters on the back of a prolonged dispute over Trident and of strains between Edinburgh, on the one hand, and London and Washington on the other.

At present, the most compelling argument in favour of Scottish independence centres on political entitlement – the right of a nation to govern its own affairs. Governance, however, brings with it a need for both responsibility and capability. We do not doubt the commitment or competence of Scottish nationalists – the devolved Scottish government has been a proving ground here and the SNP has demonstrated an effectiveness that many once doubted it possessed.

Independence, however, is different: quite simply because the policy arena opens up into new, untested areas, and because transition brings with it hugely complex matters of policy management. The latter have increasingly come to the fore as the date of the referendum on Scottish independence looms closer and detailed scrutiny has been given to the consequences of separation. Here, manifold problems have been detected. These include questions over IS's continued use of Sterling in

¹⁴² This is the view of Lord Robertson who was involved in negotiations with seven prospective NATO members while Secretary General between 1999 – 2004. See: <http://www.telegraph.co.uk/news/uknews/scotland/scottish-politics/9985086/An-independent-Scotland-would-have-to-support-nuclear-weapons-to-gain-access-to-Nato.html>

¹⁴³ There is no declared American position on these matters. The analysis here is based on off-the-record background interviews conducted in Washington D.C.

a currency union with r-UK,¹⁴⁴ the over-exposure of the Scottish banking sector,¹⁴⁵ and the loss of income Scottish universities would suffer through a withdrawal of access to UK research councils.¹⁴⁶ It is more and more evident that independence from the UK would be of great practical disadvantage to Scotland and those living within its borders. Fulfillment of political ambition may be some consolation in these circumstances, but this is not how the SNP is selling its case. The arguments put forward by the SNP leadership claim that independence will be beneficial to Scots in a practical as well as a political sense. That claim when applied to matters of defence and security, however, has been seen to be wanting. Having looked in detail at a range of issues in this report our conclusions are clear and are worth re-emphasizing here by making two very broad points.

First, it seems evident that the SNP has yet to acknowledge the full significance of its demand – as part of independence – that Scotland pursue its own defence and security policies. This is evident in the still sketchy nature of its public pronouncements on the matter. True, no party has yet produced detailed plans for Scotland post-referendum. But it is the SNP which is advocating constitutional change and it is incumbent upon it, therefore, to provide persuasive evidence as to why change is desirable and workable – a challenge it has yet to adequately face up to on a range of technical (but still enormously consequential) issues. The SNP, to date, has published a small body of authoritative statements on security and defence which have been subject to withering criticism and charges of naiveté. The u-turn on NATO is emblematic of this search for policy, a search that is still unfinished. A comprehensive SNP statement is promised later in 2013, but in its absence the argument in favour of UK-wide provision remains compelling.

Indeed – and this is our second point- detailed consideration of UK versus IS security and defence suggests that independence would result in significant losses to Scotland. We do not dispute that the defence footprint in Scotland has been reduced in recent years (a central claim of the Scottish government), but the integrity of Scottish security and defence within the UK still remains even at reduced levels. Exit from the UK would not be a means to make good any perceived loss of capability. In fact, it would make matters worse by closing off access to previously amalgamated UK resources and expertise. Bilateral coordination with r-UK would occur in some sense but this would be narrowly defined (intelligence cooperation especially so) and would only serve the

¹⁴⁴ M. Dickie, 'Scotland May Seek Currency Union with UK', *Financial Times*, 11 February 2013; C. Brown, 'Debating a Scottish Currency' (University of Edinburgh, 10 May 2013), at: <http://www.referendum.ed.ac.uk/debating-a-scottish-currency/>

¹⁴⁵ HM Government/Secretary of State for Scotland, *Scotland Analysis: Financial Services and Banking*, Cm 8630 (London: the Stationery Office, May 2013).

¹⁴⁶ D. Mathews, 'State of Independence Could Prove Costly, Scots Warned', *Times Higher Education*, 23-29 May 2013, p.10.

purpose of restoring what had been relinquished by separation. The same argument goes for membership of NATO. IS will find itself initially outside the Alliance, but with a commitment to get back in it: and, despite the SNP's public pronouncements on the matter, the route back would be neither automatic or guaranteed.

In essence, then, the case for independence on the grounds of defence and security is unpersuasive. IS would be less prepared and less able than the UK (or a Scotland in the UK) to discharge the fundamental responsibility of protecting its citizens. With a referendum due in September 2014, we leave it to the Scottish electorate to draw its own conclusions on how much of a risk that entails.

10

Conclusions

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