SCOTLAND AND EUROPE:
BACK IN THE MAINSTREAM
Introduction

We are linked by history. I stand in the hall of this great and ancient university where Scots lawyers studied and shaped the law of our land. I speak under the title of the William and Mary Lecture; a Dutch king who with his Stuart consort acceded to the joint crowns of Scotland and England. That I have been invited to deliver this lecture tonight is witness to the fact that our paths still run together.

Scotland has embarked on a new era. We have witnessed a rare event: the creation of a new Parliament in a settled democracy. That is a profoundly important change for Scotland. But it is a change which has been watched with profound interest in Europe and elsewhere in the world. This lecture is one manifestation of that interest. I witnessed the strength of that interest at first hand in the warm welcome given to the opening of our new office - Scotland House - in Brussels.

This interest I find heartening. I see in it evidence of goodwill towards Scotland and towards the programme of constitutional change on which we are embarked in the United Kingdom. But it also puts a responsibility on us. As other parts of the world struggle to democracy, as other peoples strive to find a path of prosperous coexistence, our experience in Scotland can stand as an example of peaceful and successful democratic renewal. That gives me the main theme for my address tonight.

The title of this talk is „Scotland and Europe: back in the mainstream“ – unusually for me I will stand close to that theme. Devolution for me is not about Scotland’s domestic affairs alone. It is and has been also about Scotland’s place in a wider world: in the UK naturally enough, but also in Europe and beyond. It is my deeply held belief that the changes we have experienced since May 1997 have brought Scotland back into the European mainstream. That says much about Scotland, about the UK and about Europe. That is the territory I want to explore tonight.
Scotland in Europe

We can all be guilty of parochialism, of taking the narrow view. I have found it salutary in speeches I have made over the years to remind my audience of Scotland’s European heritage. Geographically we may be on the north-western periphery of Europe. But in all dimensions of our life, culturally, socially and economically, our ties to our fellow Europeans are strong. I say that not to prove a point, but to celebrate our European identity.

Sometimes I find the time to indulge my curiosity for our history. Again and again, I am struck by the richness of Scotland’s European role. Sometimes we act as though international exchange arrived only with the jet plane. But in many ways we are still re-learning the ease of interchange which came naturally to our predecessors.

I have already mentioned the passage of Scottish lawyers through this university. It intrigues me to learn that one of our fundamental legal texts, the Institutes of the Law of Scotland, was published by the Lord Stair, James Dalrymple, while he was in exile in Leiden from 1682 to 1688. He returned in the ship that took William of Orange to Torbay and the crown of two countries. Stair’s Institute is the great foundation work in Scots law – ordered, rigorous, comprehensive. He picked his way through the political ambushes of Cromwell’s Commonwealth and the Restoration – a man of principle though it is recorded his prudence did not at all times allow him to make a noise!

Leiden University was home to many Scots – a long tradition of friendship and mutual interest – Gilbert Jack reached Leiden in 1603 teaching philosophy and physics there for upwards of 20 years. He had the good taste to turn down the Chair of Moral Philosophy at Oxford in 1621. The connection with the law was remarkable - famous names (in Scottish terms at least) like Sir John Clerk of Penicuik who in the 1690s studied under Johanes Voet. Between 1661 and 1750 nearly 40% of the advocates admitted to the Scottish bar had studied law in the Netherlands. It is an astonishing figure. I should add in case the connection is seen as too civilised that Scots mercenaries plunged with a will into the religious wars of the 17th century in this country. They were liberally sprinkled through the
struggles of the period and one learned monograph calculates - how I
know not - that they made up as much as 7% of the Dutch army of
the period.

The web runs both ways. Europe was greatly influenced by the
thinkers of the Scottish Enlightenment in the 1780s such as Adam
Smith, David Hume, Francis Hutcheson and Dugald Stewart. The
books of our great romantic novelist, Walter Scott, found their way
onto many a European library shelf. In Scotland our monarchs brave-
ly tried to build Renaissance palaces, our east coast merchants and
tradesmen copied Dutch vernacular architecture.

There are moments when this richness of interchange is distilled.
Not three weeks ago, I was involved in successful moves to secure the
retention in Scotland of the great Botticelli painting, „The Virgin
Adoring the Sleeping Christ Child“. Some cried foul. Why should we
spend good Scottish pounds on Italian art? That is to betray our past.
The cultural revolution which Botticelli represents was as important
to Scotland as the thought of Adam Smith was and is to economic
theory in this century.

Some might wonder whether Scottish ties run these days more to
the west than the east. Twenty million Americans, after all, claim
Scottish ancestry. But one does not deny the other. We can celebrate
the richness of culture and endeavour which Scotland sent, and con-
tinues to send, into the English-speaking world. But when the off-
spring of the Scottish Diaspora return, they come back to a place
rooted in its European identity.

Devolution and subsidiarity

If I claim that we have brought Scotland back into the European
mainstream, I must believe that for a while we were adrift. In what
way? Whatever the turmoils of the past, our common membership of
the European Union has drawn the political currents in the member
states closer together. From the clamour of disparate and often dis-
cordant political traditions, we have coalesced around a single polity -
liberal democracy.

One vitally important strand, apparent across the continent over
the last three decades, has been the principle of subsidiarity. It is an ungainly word for an elegant concept. Derived, I believe, from the Catholic social thinkers in Germany in the late 19th century, the practical expression is simple: that public decision-making should take place at the most appropriate level. You do not manage the emptying of the bins of Leiden from the Hague; you do not attempt to formulate a European defence policy from the town hall.

That strand of political theory found concrete expression across the continent in the 1970s, ‘80s and into the ‘90s. Some federal states like Germany had long enshrined constitutionally the division of power and the role of their regions. In other states like France and Spain there was an active process of devolution of power and authority to regional assemblies. For too long, the United Kingdom stood aside from that trend. By the 1990s, I think it fair to claim that the UK was the most centralised state of the European Union.

We were out of kilter. We were losing the benefits of the rich developing layer of regional politics in Europe. This was given formal expression in the European Union through the creation of the Committee of the Regions. But it has a far more vivid existence through the dynamism of individual regions and the interchanges between them.

Those who lost most from this increasing divergence of UK from continental experience were the Scots themselves. They voted in election after election for parties committed to the devolution of power to Scotland. For year after year, they saw their own MPs outvoted on Scottish issues and Scottish legislation in the Westminster Parliament. It is easy to argue that the majority rules. The system did not take account of the distinct religious tradition, different administrative structures, the existence over the 300 years since the Union of the Parliaments of a totally separate body of Scottish domestic statutes passed into law by Westminster.

The reforms introduced by the Labour Government since May 1997 have redressed the balance. We have recognised the legitimate democratic aspirations of the different parts of the UK. We have done away with the anachronism of hereditary peers voting in the House of Lords. We have established Regional Development Agencies in
England. We will have a mayor in London. We have an Assembly in Wales, a Parliament in Scotland and – perhaps the biggest breakthrough of all – a power-sharing Executive in Northern Ireland.

What does devolution do? Simply put, it restores to democratic control in Scotland those things which are best managed in Scotland. Our Parliament has powers over education and health, transport and economic development, agriculture and the environment, housing and planning. This is decision-making at the right level. This is about finding Scottish solutions to meet Scottish needs. We have had our modest controversies on route. The learning curve has been steep. But when we look back with the safety of hindsight, I believe that which will impress most is the speed with which a working Parliament and Executive has been established.

The ground had been well prepared by the Scottish Constitutional Convention representing a wide sweep of Scottish opinion. But when we came to power in May 1997 we had a mountain to climb. We had to translate the hopes and aspirations of the Constitutional Convention and of the Scottish people into hard edged legislation. We had to design a new Parliament and a new system of government. We had to manage a Bill through Westminster, negotiating hard with every Department in Whitehall. We had to create a stable settlement around the myriad of issues which are the concern of modern government. We had to shine a light into many dark corners which had lain hidden from view in the complexities of the old regime. We had a Referendum to win, an election to organise and run. We had a Parliament and an Executive to bring into life and full function.

I think that we can claim some modest credit for the success of that process. We have taken risks certainly when measured against the settled, patterns of British politics. We have introduced a proportional voting system reflecting again the mainstream of European politics. It was an example of political masochism or high principle according to taste. My own party abandoned the comfortable first-past-the-post bonus which saw a party taking 40% of the Scottish vote taking 60% and more of the seats. The indefensible situation which saw the Conservative party taking near 20% of the vote and winning not a
single seat has gone but with it the stability, the clear and simple power of majority government has been undermined. In the new Scottish Parliament Partnership, coalition administration has come. A new agility is required.

But we are already seeing results. A programme of eight Bills before the Scottish Parliament where before we were lucky to see two. A Programme for Government, capturing the spirit of our coalition and our common endeavour, setting out the key objectives on which the Executive will deliver in the lifetime of this Parliament. A programme to build social justice, setting out a rigorous plan with milestones and targets towards our objective of eliminating poverty in Scotland.

I said that devolution has been about Scotland’s place in the wider world – in the UK as well as in Europe and beyond; about a return to the mainstream in Europe. We have also regained our proper standing within the United Kingdom. In the over-centralised pre-devolution state, all important links had effectively to be with London. Now that has changed – two events this month mark the extent of the change.

First, within the United Kingdom we have now established Joint Ministerial Committees over areas of policy which throw up shared problems. Politicians in devolved administrations and in Central Government will sit down together to seek agreement where they have joint responsibilities for such contrasting areas as poverty and information technology. Co-operation must be the key to success. If poverty is to be checked and rolled back the Scottish Executive must deliver on child care, pre-5 education, an effective health service and decent housing. But this is not enough in itself. Fiscal and Social Security policies are an essential complement.

Devolved government strengthens our democracy but in no way weakens the central need for co-operation and co-ordination. As a result of long wished for progress in Northern Ireland we now have a new institution, the Council of the Isles, which will bring together the leaders of Scotland, Northern Ireland, Wales, the island groups of the United Kingdom and the UK itself for joint discussion and deliberation. These developing links should not be built on narrow political
issues but on common interests which I know already exist – the environment, tourism, higher education exchanges and interests relating to business and trade. I am reminded by this that there can also be a return to traditional links with countries, regions, ports, towns outside the United Kingdom. Historically we have been close but over the years we have allowed the traditional connections to lapse. This is devolution showing its mettle. This is devolution working. And it will continue to work for Scotland, because it is right for Scotland.

The UK and Europe

There has been another re-engagement, another way in which we have returned to the European mainstream. When we came to power in May 1997, the influence of the United Kingdom in the affairs of Europe was at a low ebb. Relations had been soured by the BSE saga. That was about more than beef. It carried with it a wave of frustration and anger at the indecision of the then Government over its European role. British policy was for a time held to ransom by a faction with a visceral antipathy to Europe.

We wanted to put that right. Tony Blair has talked about ending the ambivalence of the United Kingdom towards Europe. He has worked hard and patiently to rebuild, to re-establish the trust of our partners in our commitment to the common endeavour. And there has been welcome movement. We have successfully argued the case to make economic reform a European priority. Together with our partners, we have pioneered a new European employment policy. We used our Presidency to inject new momentum into the Single Market. With key allies, we have managed to cap the growth in EU spending.

In all of this, we have protected legitimate UK interests. Without hysteria and tantrum, we have protected our rebate. We have safeguarded our national border controls. We won a good deal for the UK in the reform of the structural funds. We have hopefully achieved the ending of the beef ban. Scotland is getting the benefits of this constructive engagement. Our exporters will benefit from a strengthened Single Market. The people of the Highlands and Islands will
benefit from the settlement agreed in the negotiations on the structural funds. Scottish beef will lead the way back into European markets.

This is how it should be. This is where our interests lie. The big numbers speak for themselves. Scotland’s huge success as a place for inward investment as a base within the European Union. The hundreds of thousands of jobs which depend on the Single Market; the sixty per cent of our exports which leave for destinations in other member states. Predictably our biggest market for manufactured goods and services is the rest of the United Kingdom but Europe as a whole is becoming our arena as the internal market grows and integrates. The UK is back at the table. Devolution ensures that Scotland plays a full part.

I spoke earlier of the opening of Scotland House in Brussels. That is the visible symbol of our engagement with the European Union. It brings together the Scottish Executive and other Scottish interests in Brussels to provide a coherent focal point for our engagement with matters European. Scotland House is one part of a web of relationships which ensures the protection of Scottish interests. Appropriately, Scotland House stands over the road from the home of the United Kingdom Permanent Representation in Brussels. We work together with the rest of the UK to advance UK interests and are the stronger for that. The devolution settlement ensures that the voice of the Scottish Executive is heard in the formulation of UK policy, that Scottish Ministers can join the UK delegation to the Council of Ministers.

But there is more to Europe than negotiation and legislation. It would be a poorer place if co-operation stopped at the political level. Beneath the legislative crust, there is a burgeoning of exchange and interaction, often mediated from region to region. Already we have Finnish and Swedish regions working from Scotland House. We have well developed links to other parts of the EU. Now with our own Parliament, we can make the most of the enthusiasm for the opportunities in Europe.
Challenges

This is Scotland back in the mainstream. A Scotland benefiting from the devolution of power so long enjoyed in other parts of Europe. This is Scotland in a reinvigorated United Kingdom, re-engaged with Europe. In this Scotland, we look to three levels of identity: Scottish, British and European.

Many of you here will share those different levels of loyalty, to your locality and region, to your country and to Europe. For me, it is a positive relationship, a dynamic synergy of interest where each enriches the other. But it is not without challenge. There is the challenge from the Eurosceptics. To be truly British, I cannot be European. There is the challenge from the nationalist. To be truly Scottish, I cannot be British.

These challenges betray a common mindset. What is it that links them? It is the urge to reinstate the boundaries, to strengthen the barriers which divide people from people. Do not be taken in by the words, the special vocabulary. The Eurosceptic call for „renegotiation“ of our membership of the European Union is code for exit from the European Union. The nationalist slogan „Independence in Europe“ is close to a contradiction in terms, a nationalist schizophrenia - openness to Union at one level while denying it at another.

The Eurosceptic challenge

What is the Eurosceptic argument? – a confused mix of prejudice and fear. They insist that the Earth is flat when we all know that it is round. They ignore the logic of the world in which we live. Put simply, the European Union has been the anchor of peace and prosperity in Europe for these last 45 years.

Nothing succeeds like success. The countries of east and central Europe and beyond look to become members of the European Union because they know that it will help to guarantee their stability and their economic growth. The benefits cascade into so many areas where we share a common interest. Into the world of trade where we can together forge a European presence in the globalised market
place. Into the world of foreign policy, where the European Union gives us the framework in which we can learn to act together to project a common European voice. Into the Single Market, where we have built together a market place of 380 million citizens, working to one set of enforceable rules, not complicated by 15 different jurisdictions. Into the sphere of the environment, where common action is trying to tackle the threats of pollution and environmental degradation which respect no boundary.

This is a massive enterprise. The path has not always been smooth or easy. The compromises and political deals which edge the European Union forward can often seem opaque, even threatening, to the citizen. The machinery can appear remote, the decisions arbitrary. We have been poor at explaining the benefits. There are of course times when all governments have to take into account the reality of national interest. Take the United Kingdom and the Euro. The position of the UK Government is clear. There are no constitutional barriers to membership. But the economic conditions must be right. To join at the wrong moment, when economic cycles are at the wrong point, would do no one any good. To join at the right time will benefit both the UK and Europe.

The European Union has had to learn to move forward while accommodating national interest. I have faith in that continued capacity. It will keep the European Union strong into the next century. It will defeat the warped ideology of the Eurosceptics.

The nationalist challenge

If the Eurosceptics are the Flatearthers, what are the nationalists? Their world is more complex than that of the Eurosceptic. The nationalist roots run deep, back through the centuries. Nationalism has been both the rallying cry for oppressed minorities and the cause of bitter conflict. Both varieties are still to be seen in Europe today, blurring at the edges in the frightening complexities of the Balkans and in the Caucasus further to the east. Happily, the nationalism we face in Scotland is of neither ilk. Some nationalist hearts might beat quicker to the Braveheart drum but British and indeed Scottish poli-
tics are tolerant. A nation which provides the Chancellor of the Exchequer, the Foreign Secretary, the Secretary of State for Social Security and the Lord Chancellor – and some might even claim the Prime Minister himself – in the UK Government can hardly be said to be dispossessed. Nor is our nationalism a nationalism of bomb and gun. It is based on a simpler premise: that Scotland would be better off apart from the UK. Simple, but like the Flat Earth Eurosceptics, a defiance of all logic. Where the Flatearthers deny that the Earth is round, the nationalists attempt to defy gravity, the gravity which holds us in the United Kingdom.

Let me explain why. That separation would benefit Scotland is an untested assertion. All the evidence shows that separation would be economic pain and no gain. Look at the international level. The reality is that we are part of an international economy and an international polity where we can contribute, punch our weight. Our trade interests are negotiated in the World Trade Organisation. Our defence is assured through NATO. Our interests in world peace are mediated through the United Nations. In trade, increasingly in defence and foreign policy, and in so many other spheres, we work together with our partners in the European Union.

What gain for Scotland in peeling away from the UK? Surely no gain in influence in international affairs. Rather a loss of the security we get from working together with the rest of the United Kingdom as one of the European Union’s bigger member states, a leading member of NATO, a member of the G7 and of the UN Security Council. The Nationalists protest their allegiance to a Scotland “independent in Europe”. There is and always has been the smack of expediency. Europe was for many in the party endorsed as an insurance against the charge of separatism. The leaders were anxious to rebut the accusation that their party stood for isolation committed as it is to withdrawal from both the UK and NATO. The European vision and the claim of a seat at the top table offered some protection.

In recent times the “independent” Scottish pound has become a more and more troublesome concept. Faced with the prospect of shadowing the English pound loyalty to the Euro provides a useful escape route. Nationalists object to interests rates being set on a uni-
form basis across the UK but are happy to accept that a common rate should run across Europe. It is an old heresy in a party which has always stressed the right to set an internal rate for Scotland alone as a definitive necessity.

Another powerful force is the energy released by devolution. Through the Scottish Parliament, we have the power in Scotland to grow our economy. Increasingly, growth potential is released through the dynamism of regional economies. Devolution gives us the chance to access that dynamism. At the moment in Scotland inflation is stable, mortgages and long term interest rates historically low, productivity increasing in both the manufacturing and service sectors, the unemployment claimant count at its lowest level for 23 years. The opportunities are there.

Through the Scottish Parliament, we have the power in Scotland to make the difference; to manage those things best managed in Scotland. We have the power to get our health record right. We have the power to make our educational system a world beater. Separation would add nothing to our efforts there. Nationalism does not provide a deus ex machina to magic away the problems we face. We already know the challenges before us. We have the power - and the responsibility – to face them.

These are essentially negative reasons for opposing separatism. It adds nothing. There is no gain. But it also takes away. I believe that the union that is the United Kingdom brings incalculable but real benefits to Scotland. With separatism, we would face the pain and the loss of those positive benefits. England and Scotland have grown to political and democratic maturity together. We have together assured the rule of law, built a welfare state, encouraged our communities.

This is about more than sentiment. It is about a mutual protection of a common interest. Common action to build and maintain stability. Common action to tackle poverty. On all these fronts, action is better at the UK level. That is why economic policy, taxation and benefit awards which run evenly across the land are reserved to the UK Government. Because we are better off working as a team. You don’t share the same house for nigh on 300 years without gaining a certain familiarity, a certain intimacy. There is a line on a map which
marks the border between England and Scotland. But it is a line which Scots and English cross freely, without let or hindrance, to live, to work, to do business, to study, to play and to marry. Why unlearn what so many in the world are desperately seeking to learn, the will to live as one with our neighbour?

Conclusion

Two challenges, the Eurosceptic and the nationalist. Two challenges which resonate to different degrees in different parts of Europe. I do not underestimate their residual strength. But I am optimistic that their challenge will be seen off. Why? Because I see Eurosceptic and nationalist, both, stranded by the shifting course of history, both defying logic, both defying the best interests of Scotland, both shouting their ineffectual slogans from the sandbanks.

I claimed earlier three identities. I am Scottish, I am British, I am European. I will carry those identities into the new year and into the new century, confident that they will endure. Endure because each, individually and together, lends us the strength we need to prosper in this world in which we live.