

Letter from Scotland



First Minister Nicola
Sturgeon drops a bombshell

Nicola Sturgeon has fired the starting gun on a second Scottish independence referendum. It's a huge gamble on her part but she will be cheered to the rafters for it at the SNP's spring conference in Aberdeen this weekend. The gunshot in Edinburgh, roaring out like the Mons Meg canon at the castle, made the Westminster establishment jump.

MPs were just voting down the Lords amendments to the Brexit bill. The Prime Minister was about to announce the official start of exit negotiations. And suddenly, all eyes looked north. What was the Queen of Scots up to now? Theresa May had to turn her attention from Brussels to Scotland. She hesitated, made angry remarks about the SNP's "tunnel vision" and then finally on Thursday said: "Now is not the time."

Ms Sturgeon wasn't suggesting the referendum should be held "now" but in 18 months' time, when the terms of Britain's exit from the European Union become clear. And her plans will be given the support of the Scottish Parliament next week when SNP and Green members vote to demand that Westminster grant Scotland a second referendum.

The SNP are banking on the Brexit terms being pretty horrendous and on building a momentum for independence which in 2016 very nearly carried them over the 50 per cent line. Right now, the opinion polls are showing little change from the 45 per cent achieved for independence last time and there's growing anger that a second referendum is being contemplated so soon after the last one.

But the Brexit vote has undoubtedly changed the political

landscape and there could be many more disturbances in the next 18 months. Westminster budgets could fall apart – as they have done this week over National Insurance contributions. The economy could go either up or down, probably down. As could the oil price. There could be a UK general election. The EU itself might change, as it did during David Cameron's "renegotiation".

Whatever happens, Nicola Sturgeon and the SNP have decided to cast themselves upon the waves, saying there may never be a better time to go for a second referendum. And they are probably right.

At the other end of the absurdity scale, there's been a second referendum among the gentlemen of the oldest golf club in the world. They have finally decided to admit women as members. The Honourable Company of Edinburgh Golfers was founded in 1744 and now owns Muirfield in East Lothian which has hosted the British Open Championship no fewer than 16 times.

It was the threat of losing the right to bid for the Championship in future which changed the gentlemen's minds. But just to show how cautious they are about coming to terms with the modern world, it could be at least two years – and possibly 12 – before the first lady member is accepted because of the long waiting list. It would be more gentlemanly if some of those on the list would give up their place to a woman immediately.....and much better PR.

Scotland's much disgraced banking and finance industry is in the news again. Lloyds, owners of the Bank of Scotland, are reported to be moving 500 IT jobs from Edinburgh to India or the Philippines. The Royal Bank of Scotland, still 70 per cent owned by the government, is in trouble over the closure of 40 branches in Scotland. The Green Investment Bank, based in Edinburgh, is being sold to an Australian investment company. And there are fears of job losses, not to mention a loss of competition, as Standard Life take over Aberdeen Asset

Management.

So, although the latest unemployment rate fell this week, to 4.7 per cent, the future for the Scottish economy is not all daffodils and roses. The uncertainty over Brexit, and now the Scottish referendum, plus the fall in the value of the pound and the slump in the oil industry, all make scary reading for the economic soothsayers. The latest, from Scottish Trends, suggests that a Scottish government would have to cut spending by £1,700 per person or increase taxes, to avoid a huge budget deficit (6.4 per cent of GDP) by 2020.

We were facing blustery conditions on the weather front too this week. Squally showers were the order of each day. On Tuesday, a lorry was blown over on the Forth Bridge. The driver was taking a chance by defying a warning of 55mph winds. No one was hurt but the bridge had to be closed for three hours. A very similar accident happened earlier this year. On that occasion the driver was charged and convicted with dangerous driving but there have been calls for the high wind warnings to be made more than just advisory.



Finally, the shape of this year's Edinburgh International Festival, the 70th, is becoming clearer. The theme will be the provocative one of "Europe." There will be orchestras from Turin, Bergen, Budapest and St Petersburg and dance troupes from Belgium and the Netherlands. The cultural re-awakening of Europe after the Second World War will be celebrated with a light and sound spectacular in the streets of the New Town.

This reminder of our European heritage will be a strange contrast to the Brexit negotiations in Brussels going on at the same time. And hopefully it will illustrate that whatever the configuration of our trade and political relationships across Europe, we share some important principles – like peace, democracy, equality, freedom of the individual, and a

human sense of fun and festival.