Scots Independence Vote Heats Up as Salmond Wins Debate

By Rodney Jefferson and Svenja O'Donnell - Aug 26, 2014

Scottish nationalist leader Alex Salmond regained momentum in his push to win independence from the U.K. after viewers of a televised debate judged him the clear winner against No campaign leader Alistair Darling.

A snap poll of 505 people by ICM Research for the Guardian newspaper found 71 percent said Salmond won last night’s debate in Glasgow, while 29 percent favored Darling, the former U.K. chancellor of the exchequer. That represented a rebound from the first televised debate on Aug. 5, when Darling was judged to have won by 56 percent to 44 percent.


With postal balloting for the Sept. 18 referendum beginning today, the clash may buoy the Yes side on the doorsteps as campaigning heads into the final three weeks. While Darling’s Better Together leads the polls, enough people remain undecided to potentially tip the balance in favor of independence and trigger negotiations to break up the U.K. after 307 years.

As Darling again attempted to trap Salmond on the currency to be used in an independent Scotland, the Scottish National Party leader shifted the focus onto a defense of Scotland’s oil wealth and stewardship of the National Health Service. He attacked Prime Minister David Cameron’s Conservatives for “creeping privatization” of the NHS and sought to portray Labour’s Darling as pandering to the government.

“Salmond won on points,” said Matt Qvortrup, a senior researcher at Cranfield University in England and author of “Referendums and Ethnic Conflict.”

‘Notoriously Volatile’

North Sea oil was more of a focus of last night’s sparring than in the first televised debate on Aug. 5. Darling said revenue was “notoriously volatile and uncertain” and too much of a risk, as Salmond responded that the No camp was the only group to consider oil as a “curse.”

“It can’t be regarded as anything other than a substantial asset for Scotland,” Salmond, 59, said in the debate in Glasgow, in Scotland’s biggest city, broadcast U.K.-wide on BBC television. Darling, 60, said that an economy based on oil was a “huge gamble with our children’s future.”
With all three main political parties at Westminster opposing Scottish independence, Salmond sought to associate the former Labour chancellor with the policies of Cameron’s Conservatives, which hold only one U.K. Parliament seat in Scotland. He put Darling on the back foot over Better Together, accusing him of being “in bed with the Tory party” on policies that resonate in Scotland including welfare spending, shipbuilding jobs and the National Health Service.

**Oil Boon**

“You say you’re a Labour politician,” said Salmond. “Why are you standing here defending Conservative policies on a joint platform?”

Salmond, who is Scotland’s first minister, came under attack for claims over how lucrative North Sea oil will be for an independent Scotland.

“North Sea oil has been a colossal boon for this country for 40 years, but what you can’t get away from is once it’s gone, it’s gone,” said Darling.

The U.K. Office for Budget Responsibility in July reduced its forecast for long-term tax revenue from the industry by 24 percent, while the nationalists say production will increase more quickly and prices will remain higher.

**Wood Intervention**

The Scottish government is over-estimating the amount of recoverable oil left in the province by as much as 60 percent, Sir Ian Wood, former chief executive officer of Aberdeen-based oil services company John Wood Group, said in an interview with the BBC last week.

Salmond said even with those predictions there was “a thousand, thousand million pounds” of energy that can come out of the North Sea.

The Tories, their Liberal Democrat junior coalition partners and the main opposition Labour Party have all said they will refuse to share the pound with an independent Scotland as part of a formal union. The audience cheered when Darling agreed Scotland could keep any currency unilaterally.

“Darling’s admission that Scotland can use the pound was important and shows Better Together was wrong to focus on currency,” said Qvortrup.

**Protecting NHS**

Salmond defended his plan to keep the pound as Scotland’s currency and prevent changes to the health service he said were occurring in England.

“To protect the NHS we have to control it financially as well as in policy terms,” Salmond said, to more cheers from the audience.

The NHS in England, which is controlled from London, has under both the current U.K. coalition and
the last Labour government seen increased use of private companies for services. Supporters argue that has driven improvements and cut costs. Opponents, including the administrations in Scotland and Wales, have argued it represents the erosion of the principle of a state-run health service.

Darling pressed Salmond, who heads the semi-autonomous Scottish government, for his “Plan B” to keeping the pound. Salmond has said the U.K. stance was a “campaign tactic” and that Scotland had as much right to retain the currency as the rest of the country. Last night, he reiterated that position.

“I’m seeking a mandate in the referendum to go as first minister to argue what’s best for Scotland and that’s keeping the pound sterling,” Salmond said.

**Stiglitz Support**

The nationalists have cited a panel of advisers including Nobel-prize winners Joseph Stiglitz and James Mirrlees who reiterated last week on Bloomberg Television that a currency union would be the best option for both Scotland and England. Stiglitz backed Salmond’s argument that the main U.K. political parties were using the pound for political bargaining and it would be different in the event of a Yes vote.

Both sides claimed victory after the debate, as they did after the previous encounter when a snap survey for the Guardian newspaper suggested Darling had prevailed.

Opinion polls since the last clash suggested the performance had done little to galvanize support for the U.K. staying intact, with the Yes side regaining momentum.

An ICM poll for the Scotland on Sunday newspaper put the No lead at 10 percentage points. Excluding undecided voters, Yes support climbed two points to 45 percent and No dropped two points to 55 percent. A separate poll commissioned by the Yes campaign put the gap at four percentage points.

To contact the reporters on this story: Rodney Jefferson in Edinburgh at r.jefferson@bloomberg.net; Svenja O'Donnell in London at sodonnell@bloomberg.net

To contact the editors responsible for this story: Alan Crawford at acrawford6@bloomberg.net