

# THE UK IN 2070 A SCOTTISH VIEW

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# OUTLINE

1. Relevance
2. Modelling, scenarios
3. Devolution and the policy approach
4. Funding.

# RELEVANCE

1. HIGHLY RELEVANT, REGARDLESS OF IN OR OUT OF EU, IN OR OUT OF UK
2. NEW UK NARRATIVES AND SHORT TERM POLICY OUTCOMES INFLUENCE IN/OUT
3. SCOTLAND SOMETHING TO ADD HERE

# MODELLING, SCENARIOS

## MAJOR POINTS

- ▶ GROWTH FORECASTS SEEM HIGH GIVEN EMERGING GLOBAL CONTEXT
- ▶ MORE LOCAL, LESS GLOBALISED SCENARIO POSSIBLE: REGIONAL DISCONNECTS
- ▶ FISCAL CHALLENGES OF AGEING, IMMIGRATION
- ▶ HOUSING SECTOR ADJUSTMENTS, SEE MAJOR METROPOLITAN AREAS GLOBALLY
- ▶ NEED MUCH STRONGER SENSE OF LOCAL, LEARN FROM 1995-2005; INCLUSION

# POLICY

1. IMPORTANT TO EMBRACE A CLEAR REGIONAL, INCLUSIVE GROWTH PERSPECTIVE
2. THE NEW NARRATIVE AS MISSION, GOVERNMENT AS CREATING VALUE
3. WIDEN THE CONCEPTION OF 'REGIONAL POLICY'; EVERYTHING, WITH A SPATIAL DIMENSION
4. MAKE NATIONAL SPATIAL POLICY REAL (HS2 AND SCOTLAND?)
5. EFFECTIVE DEVOLUTION, AT MULTIPLE SCALES

# DEVOLUTION

- ▶ CAN MAKE MORE LOCAL TAX/SPEND CHOICES
- ▶ LINK SPEND, REGULATION AND TONE
- ▶ EFFECTIVE NETWORKS
- ▶ ALIGNING MAJOR INSTITUTIONS TO COMMON REGIONAL PURPOSE
- ▶ DEVOLUTION WITHIN REGIONS/PROVINCES
- ▶ LIMITS OF TAX, BORROWING POWERS
- ▶ POLITICAL COMPETENCE ON STRATEGIC CHOICES OF PLACE
- ▶ ADMINISTRATIVE COMPETENCE ON ECONOMY/INFRASTRUCTURE
- ▶ OVER-RIDDEN BY UK GOVERNMENT; CITY DEALS AND NPF; TAX CHANGES
- ▶ RESISTES MORE LOCAL DEVOLUTION
- ▶ FAILURE TO DEVELOP INTER-GOVERNMENTAL COORDINATION, SCOTLAND ALREADY DISCONNECTED FROM UK POLICY DEBATES

# RESOURCES

COMMISSION'S IDEAS ARE IMPORTANT AND QUITE RADICAL. THE FUNDING PROPOSALS ARE NOT.

AT £10BN PER ANNUM SCOTLAND COULD EXPECT ROUGHLY £1BN  
IN 2021 THE OBR AND SFC ESTIMATE TAX SHORTFALL FOR OVER SCOTTISH BUDGET  
WILL BE £1BN. NOT GOOD NEWS, BUT NOT END OF LIFE AS WE KNOW IT.

CAN WE EXPECT PLUS £1BN TO CHANGE SCOTLAND

EXPECT EMERGING FUNDING COMPETITION IN UK TO PUT SCOTLAND UNDER  
PRESSURE AS BARNETT ADVANTAGE GRADUALLY WHITTLED AWAY. INDEPENDENCE  
WOULD IMPLY BUDGET DEFICIT OF 10-12PC EVEN WITHOUT BREXIT NEGATIVES