Author — Garry Macdonald is an independent policy consultant with experience advising political groups on Defence and Security issues. His background has involved training, project management and data analysis in the energy, pharmaceutical and defence sectors.
Key Points

- This paper advocates a holistic approach to security comprising four interlinked dimensions: human security, environmental security, economic security and institutional security.

- An independent Scotland’s present and future threat environment includes serious organised crime, cybercrime, terrorism, social unrest, coercion by state and non-state actors, military threat from a foreign state and natural or man-made disaster. The current threat is predominantly occupied by non-state actors as opposed to any existential or territorial threat. However a defence & security strategy should account for future risk assessment, without indulging a ‘climate of fear’.

- In the interim period following independence, Scotland should pursue ‘associate membership’ in NATO and the EU, allowing for a more flexible foreign policy while allowing integration in specific areas of mutual interest. This would take the form of joining the ‘partnership for peace’ programme in respect to NATO and the European Free Trade Association in respect to the EU, before considering full membership in the future.

- A framework for an independent Scotland’s Defence & Security Strategy should rest on five pillars: policy coherence (strategic integration across the various policy areas which affect defence and security); regional partnerships (forming strong relationships with like-minded countries, taking account of Scotland’s geopolitical position); a resilience model (ensuring Scottish society as a whole is resilient to shocks); a law enforcement focus (a presumption that law enforcement takes priority over military); and readiness and regeneration (an ability to respond quickly if the military threat landscape changes suddenly).

- A single, integrated Scottish Security & Intelligence Agency should be established, responsible for collecting, analysing and utilising information in support of law enforcement, national security and foreign policy objectives.

- Police Scotland will have to significantly enhance its Organised Crime & Terrorism Unit while its International Assistance Unit would take on increased significance in the context of independence.

- A Scottish Customs Agency would be required to tackle the economic and social impact of illegal trafficking on Scotland, working closely with law enforcement, intelligence and military forces.

- Scotland’s armed forces would comprise an Army, Air Force and Navy. It would be tasked with supporting civil agencies, defending Scotland against aggression and contributing to international security.

- A Scottish constitution would place constraints on the deployment of military forces domestically or overseas through a “triple-lock”: a clear mandate under international law; an articulated government strategy of how the use of military force would support a political resolution or prevent an imminent humanitarian catastrophe; and a vote in the Scottish Parliament to secure democratic approval.

- A Scottish National Security Centre should be established to act as a powerful co-ordinating body to ensure that law enforcement, customs and military forces have a joined up approach.

- The skills and expertise in the Scottish Defence industry will play a vital role in sustaining the supply chain of the Scottish Armed Forces, expanding the domestic industrial base. However, reliance on defence exports is not a sustainable economic strategy and does not fit with the principles upon which an independent Scotland’s Defence strategy should be pursued. This should be seen as an opportunity to transition highly skilled workers into alternative areas of engineering and manufacturing.

- Negotiations between an independent Scotland and the rest of UK would determine which Defence assets would be physically transferred and which would be transferred as an asset value instead. Operating on the basis of zero physical assets transferred, the asset value of Scotland’s share would be around £10bn. This could act as a start-up fund from which to constitute the institutions necessary for a Scottish Defence & Security strategy. Procurement costs would take up about half of the fund, with recruitment, training and infrastructure taking up the other half. An annual operating cost would likely be between £1.8-2.5bn.
Introduction

The primary objective of a Scottish Defence & Security Strategy can be summarised as “protecting Scottish citizens and institutions from threats of a malicious or disastrous nature”. In seeking to achieve this objective, such a strategy should give definition to these threats and outline the capability requirements and courses of action required to reduce or eliminate them.

This paper is intended to provide an overview of the following aspects of a Scottish Defence & Security Strategy:

- What is meant by ‘Scottish national security’
- What threats it would be required to address
- What framework it would operate under
- How Scottish foreign policy would impact it
- What institutions would implement it

The intent of this paper is not to serve as a finalised strategy but instead to provide a basis for further discussion and development.

Scottish National Security

Before assessing what constitutes a threat to Scottish national security it is first necessary to start with an overview of what must be ‘secured’.

The concept of security is a lens through which nearly any aspect of the world can be viewed. This paper advocates a holistic concept of security comprising four interlinked dimensions:

- Human security - the health, safety and wellbeing of citizens
- Environmental security - the effective functioning of ecosystems and sustainable use of natural resources
- Economic security - the effective functioning of economic systems in the interests of society
- Institutional security - the effective functioning of institutions within society such as democracy and the rule of law

Together these dimensions constitute a definition for what we mean by ‘Scottish national security’. The following examples highlight a few ways in which these security dimensions are interwoven:

- The health and safety of Scottish citizens (human security) is directly related to the presence of functioning and well-funded public healthcare institutions (institutional security) which is in turn dependent on a functioning and prosperous economy (economic security).
- A thriving and protected natural environment (environmental security) is vital to the health of Scottish citizens (human security) and the functioning of industries such as agriculture, fishing and tourism (economic security).
- The ability to protect processes of government from disruption by a malicious actor (institutional security) depends on an ability to protect both the people (human security) and critical infrastructure (economic security) on which these processes depend.

It is important to note that the most pressing threats to Scottish national security at present do not stem from any criminal enterprise or threat of military aggression. Rather it is systemic or structural issues within society which create the day-to-day ‘threats’ to well-being that many Scottish citizens will be familiar with. This can include social issues such as poor health, unemployment and poverty. Such issues require interventions in policy areas which go beyond the scope of this paper.

Threat Assessment

Any attempt to formulate a Scottish Defence & Security Strategy must include an assessment of present and future threats to national security stemming from malicious and/or disastrous sources. Together these threats constitute the ‘threat environment’ an independent Scotland would face.

Like other nations, an independent Scotland would face numerous probable and potential threats to its security including:

- Serious organised crime
- Cybercrime
- Terrorism
- Social unrest
- Coercion by state and non-state actors
- Military threat from a foreign state
- Natural or man-made disaster

Serious Organised Crime

Serious organised crime refers to any criminal enterprise involving the cooperation of multiple individuals, typically in a clandestine or covert manner and often with the aim of making a profit. Scotland currently faces a threat from a number of organised criminal activities including:

- Human trafficking
- Illicit goods trafficking (firearms, drugs, cigarettes, counterfeit products etc.)
- Extortion & kidnapping
- Money laundering
- Fraud (tax fraud, credit card fraud, identity theft etc.)
- Armed robbery
- Organised violence (gang violence, football hooliganism)

These activities represent a significant threat to both human security, through social harms from drugs, violence and slavery, and economic security, with annual losses to the national revenue base from illicit activities measured in the millions. They can also represent a threat to national security, particularly when it involves the extortion or collusion of state officials.

Trends in organised crime worldwide indicate that it is becoming increasingly transnational and increasingly digital in nature. Many criminal enterprises make their profits by trafficking people and illicit goods from one country to another, exploiting weaknesses and differences in customs. Scotland’s proximity to
Ireland and mainland Europe exposes it to multiple sources of trafficking where Scotland serves as either a destination, transit point or source of trafficked people and goods. Disrupting such transnational activities requires transnational collaboration and intelligence sharing through bilateral relations or via international organisations such as Interpol. Likewise, the increasingly digital nature of criminal activities, addressed in more detail in the section below, has allowed traditional forms of organised crime to evolve or new ones to develop. Given the extraterritorial nature of the Internet, such crimes can often involve victims and perpetrators in multiple different countries, creating jurisdictional challenges and further underscoring the importance of international collaboration.

An independent Scotland could face an elevated risk from organised crime as a new country with fledgling institutions, legislative gaps and possible resource shortfalls may present an appealing target to a number of criminal enterprises. In particular, the ability to combat transnational organised crime effectively may be compromised if relationships with law enforcement agencies in other countries cannot be cultivated rapidly. Conversely, an independent Scotland with a more regionally-focused defence and security policy may be better positioned to tackle organised crime. While the UK has focused on countering terrorism and state-borne threats, often through military as opposed to law enforcement efforts, it has allowed vital elements of national security such as customs and border controls to fall into a state of relative neglect. This has allowed the proliferation of trafficking in people and illicit goods which arguably constitutes a greater source of social and economic harm to citizens and communities at home and abroad. Furthermore, the linkages between such activities and terrorism is well-established whether through loose border controls allowing the transit of terrorist suspects or the use of revenues from illegal trafficking to finance terrorist activities. An independent Scotland could therefore take a different approach to the UK by directing its national security apparatus to focus on the most persistent and pressing organised criminal threats and disrupt them through law enforcement efforts.

Such efforts cannot be taken as a panacea however. Like legal enterprises, criminal enterprises seek to innovate and find new markets in which to operate. Efforts to displace one enterprise usually involve another moving in to take its place. While law enforcement efforts will be required to detect and disrupt criminal enterprises, reducing the overall level of threat from serious organised crime requires a strategy focused on tackling the root causes. By reducing the opportunities and incentives for people to engage in criminal activities the impact on society and the need for law enforcement is likewise reduced. Addressing such complex issues involves stepping into broader areas of social, economic and justice policies which are beyond the scope of this paper.

**Terrorism**

As with many European countries, terrorism will likely remain a persistent but low-level threat in an independent Scotland. It is possible, though not certain, that dissociation from UK foreign policy would reduce the threat from terrorism in Scotland.

However, this is based on the assumption that grievances with UK foreign policy will be the primary driver for terrorist actions. In reality, there are a wide range of political and cultural grievances that can motivate terrorist actions. A Scottish Defence & Security Strategy cannot be predicated on the hopeful assumption that leaving the UK will cause all of these grievances to evaporate overnight.

Global events and trends will be defining factors in the level of terrorist threat that Scotland will face in future. Unanticipated events can significantly elevate the terrorist threat with little warning. A large-scale economic crisis can give rise to domestic terrorist groups who direct violent actions towards those they deem responsible. For example, the economic crisis in Greece, and the resulting austerity measures taken by the government at the behest of the European ‘Troika’, have created just this kind of scenario. An increase in refugees and asylum seekers can lead to ethnic and cultural tensions or demographic changes which can give religious fundamentalist groups new spaces in which to operate or create a backlash from domestic far-right groups. This trend can be observed across much of Europe as a result of the sectarian conflicts gripping the Middle East.

In most cases it is improbable that Scotland will be in a position of sufficient global power to prevent such events so it must therefore ensure it can effectively mitigate the consequences for its own security. It is probable that a progressive foreign policy which avoids illegal wars and overt militarism could reduce the level of terrorist threat in Scotland. Likewise, domestic policies which reduce socioeconomic disparities and intolerance could deprive home-grown terrorism of the fertile ground it needs in order to thrive.

However, even if Scotland adopts policies that reduce its profile as a target the potential for transnational attacks or attacks on third parties will remain. Examples of this can include the following:

- **Individuals from Scotland going abroad to commit terrorist attacks** – (e.g. Scottish citizens joining Daesh in Syria or Iraq)
- **Individuals using Scottish territory to commit terrorist attacks on neighbouring countries** (e.g. Scottish citizens or foreign individuals entering Scotland to plan and carry out attacks against targets in the neighbouring UK)
- **Terrorist attacks being committed against third parties on Scottish territory** (e.g. the Lockerbie bombing targeting US citizens or attacks on embassies or foreign companies)

Again, Scotland will have little control over the world events that might motivate terrorist attacks on third parties. However, Scotland will be duty-bound to ensure that it is not perceived as a permissive space for terrorism against third parties lest its international reputation and relations with other countries suffer. While Scotland should adopt policies which reduce its exposure to terrorist threats it should be careful not to allow extremist minorities to dictate the terms of domestic or foreign policy.

**Cybercrime**

Cybercrime is rapidly becoming one of the most prevalent security threats of the 21st century. This is a trend that is likely to continue as more infrastructure, services and activities move...
into the digital realm. At present around half of all crimes in the UK involve some kind of cyber element and the estimated annual loss to the national revenue base is measured in billions. An independent Scotland would face much of the same challenges. Cybercrime is a wide-ranging and complex topic with a diverse array of actors, motives and methods. It can be loosely defined as crimes involving computers as targets or as tools to perpetrate a crime. The methods employed in cybercrime include the following:

- **Hacking** - gaining unauthorized access to a computer system either through malware or other techniques such as social engineering
- **Denial-of-service attacks** - DoS or DDoS, denying use of a network resource and/or systems attached to it by flooding targeted networks with superfluous requests
- **Malware** - short for 'maliscious software' involves the use of software for gaining access to, manipulating or disrupting computer systems. Computer viruses are a form of malware designed to replicate and in some cases adapt.
- **Spamming** - the use of electronic messaging services such as email or SMS to send unsolicited messages (spam) typically en masse. Spam is often used as a vector for malware.
- **Phishing** - the sending of electronic messages disguised as communications from a trusted entity, such as a bank, with the aim of obtaining sensitive information such as usernames, passwords or credit card details.

These methods can be used for a variety of motives, giving rise to different forms of cybercrime. These can be summarised as follows:

- **Fraud and financial cybercrime** - the use of cybercrime methods to carry out illegal activities aimed at achieving a financial gain such as fraud or theft.
- **Cyberterrorism** - the use of cybercrime methods to conduct attacks with a political motive. As with most terrorist acts cyberterrorism is often conducted with the aim of inflicting casualties or creating highly visible incidents for propagandist purposes.
- **Cyberespionage** - the use of cybercrime methods to illegally acquire information from computer systems. Often carried out by state agencies, terrorist or organised crime groups, activist groups, businesses or proxy groups operating on behalf of these actors.
- **Cyberextortion** - the use of cybercrime methods to extort money from people or businesses. Prominent examples include infecting computers with compromising material or encrypting files and demanding payment (also known as ransomware).
- **Industrial cybercrime** - the use of cybercrime methods to manipulate or damage computer systems used in industrial processes.
- **Cyberwarfare** - the use of cybercrime methods by a state and/or its proxies to undermine the social order, political process and/or military of another state. Cyberwarfare can include all of the different types of cybercrime listed above and is rapidly becoming a new norm in international relations as a useful lever of power with 'plausible deniability'.

Cybercrime is an ever-evolving landscape, with new methods, actors and targets emerging on a daily basis. Defending against such a rapidly changing threat requires both cross-sectoral and international collaboration on a large scale. In particular intelligence-sharing is vital to understanding what threats are out there.

### Social Unrest

Social unrest can be characterised as any activity involving a large amount of people which is disruptive to the functioning of the government, economy or social order. This can include protests, riots and strikes. Social unrest covers a range of behaviours ranging from the peaceful to the violent and can have a variety of causative circumstances. In the context of a Scottish Defence & Security Strategy it is prudent to consider when social unrest can represent a significant security risk regardless of the motivations behind it.

Peaceful forms of civil disobedience, civil resistance and nonviolent resistance should be welcomed and indeed celebrated as part of a vibrant political culture. The right to peaceful protest should be enshrined as part of a Scottish constitution. However, where social unrest can lead to disproportionate social and economic harms the government of an independent Scotland would be duty-bound to protect lives, liberties and institutions with appropriate law enforcement methods. This can include situations where protests put public safety at risk, such as trespassing on a runway or military site, or where protesters' methods turn to violence and vandalism. At the extreme end of the scale, protest movements can evolve into an insurgency utilising tactics such as terrorism, sabotage and guerrilla warfare.

Considering the security implications of social unrest does not detract from the potential legitimacy of some of the grievances motivating it. However, it should be noted that not all forms of social unrest are motivated by benign intentions. Rallies and protests by far-right sympathisers can often lead to or be accompanied by criminal behaviours, sometimes at a scale which can strain or overwhelm the capability of civil agencies to contain it. Therefore, institutions tasked with safeguarding Scottish security should be adequately resourced to handle instances of social unrest which break out into large-scale violence. In many European countries this can involve specialised gendarmerie forces for maintaining public order or using military forces to supplement civil law enforcement during such crises.

An independent Scotland would face a similar level of vulnerability to social unrest as other European countries. This risk can fluctuate depending on the prevailing social, political and economic conditions. For example, a post-independence Scotland may face increased social tension between unionist and nationalist segments of society. Demographic changes, driven by progressive immigration and refugee policies, may engender resistance from conservative and far-right movements. Economic turbulence, if not a cause in itself, can serve to exacerbate these conditions. The government of an independent Scotland could...
do much to address the root causes of social unrest but, like other countries, it would not have complete control over the global events and trends which drive it.

Coercion by state and non-state actors

Scotland would be a new entrant into the global pattern of strategic and economic competition between state and non-state actors. As a smaller state, it would inevitably be at the mercy of more powerful states unless it finds a suitable patron or coalition to provide it with protection. Like other states, Scotland would be subject to a range of overt and covert attempts to influence its policies, society, economy and defence capabilities in the direction of another state’s or non-state actor’s interest. This would range from ‘soft power’ methods such as diplomacy, lobbying and espionage to measures more traditionally considered ‘hard power’ such as economic pressures or sanctions.

The vast majority of these attempts at coercion are not illegal but can have a disproportionate effect on society if they are not sufficiently transparent. Others involve more clandestine methods which may be unethical or illegal.

Modern espionage is closely entangled with cybercrime in that computers are usually the target and/or the tool used to perpetrate the crime. The primary victims are often private enterprises and the intended target is usually intellectual property or commercially sensitive information, though attempts to penetrate government and public sector networks still occur regularly. While other more ‘traditional’ methods of espionage are still used, such as covert human intelligence sources, cyber-espionage is the most common expression of this activity in the digital age. Espionage can be conducted by a number of state and non-state actors though in the most persistent and sophisticated cases there is often a connection between the two, with a foreign state utilising hackers as proxies and providing tacit or direct support.

In cases of espionage, Scotland, as a sovereign nation, would be duty bound to detect, arrest and prosecute individuals who illegally access and disclose sensitive information or who carry out sabotage on behalf of another nation. This would require the establishment of counterintelligence capabilities, government-wide information security practices and a new legislative framework to try crimes of treason and espionage. Scotland would likely face a similar level of risk from espionage as other north European countries though its position on the British Isles may bring it more attention from other states if they see it as an easy ‘backdoor’ into conducting such operations against the UK.

Attempts by state or non-state actors to influence public opinion in Scotland can come through a variety of means, many of which are legal but unethical. This can include the use of disinformation or the funding of media organisations to propagate a narrative which is in the state’s interests. Such methods can be framed both in terms of ‘public relations’ or as ‘information operations’ depending on the context however the goal remains the same. The extent to which disinformation or ‘toxic’ narratives can influence public opinion is evident in recent events such as the Brexit vote and 2016 US Presidential election. This is not a new phenomenon however the advent of social media and the use of it as the primary source of information by many people has greatly amplified the threat it represents. In particular the use of inflammatory anti-immigration or anti-LGBT rhetoric by far-right elements in society creates a very real atmosphere of threat towards such minorities. Furthermore there is an increasing trend of states willing to use such methods to amplify messages surrounding divisive social issues in one state with the intended aim of sowing discord and tying down the political decision-making process with domestic issues.

Some countries may attempt to influence Scotland through economic measures such as trade embargoes, punitive tariffs, sanctions or other restrictive measures. This requires a degree of domestic economic resilience and an ability to weather disruption to global markets resulting from systemic shocks or intentional actions on the part of other states. In this regard, it should be noted that the nature of relations between states and their economic interdependencies will often dictate the incentive for one state to utilize certain coercive methods on another. As such, an independent Scotland would be most vulnerable to political and economic shifts or coercion from it’s closest trading partners, namely the UK, EU and USA. Trade with Asia will also likely increase as more ships are able to traverse the Northern Sea Route. This could increase Scotland’s exposure to instability in the Asia-Pacific region or coercion from powers like China.

As an actor on the world stage Scotland would be seeking opportunities of its own to influence other states in a direction favourable to its own interests. As part of the natural interaction between states Scotland may be able to use its own ‘soft power’ to negate the ability of other states to influence it or provide them with incentives not to do so. It is reasonable to assume that an independent Scotland would be able to build on existing close social, political and economic relations with its neighbours and closest trading partners to reduce its vulnerability to coercion. It should be noted however that a foreign policy built solely on soft power is unbalanced and incapable of addressing all the issues that may arise in international relations. States will seek to advance their own interests via whatever means they deem appropriate. Where cooperation will not give them what they want then other methods will be used to apply pressure on the parties whose actions they want to influence.

Military aggression by a state actor

It is a near-certainty that an independent Scotland would face no immediate military threat from any other state and therefore the threat to Scottish territorial integrity, in the near term, is extremely low. An independent Scotland would be surrounded by benign democratic neighbours with whom it would in all likelihood have good relations. The surrounding political and physical geography thus gives Scotland strategic depth from more unstable regions of the world where territorial integrity is less certain and international or intercultural tensions persist.

However, just because Scotland would not face military aggression or attempts by a foreign state to annex its territory in the near term does not mean that such a threat won’t emerge in the future. Geopolitics is about capabilities, not intentions. The political character of nations can change rapidly and one needs only look at European history over the past hundred years to see how dramatically such changes affect the threat environment. It would be the utmost hubris to assume that one can know for certain what the future holds and therefore contingency planning should account for this possibility.
There is certainly no shortage of political, social and economic trends that, together or in isolation, could fuel future confrontations and conflicts. Emerging political trends, such as resurgent far-right nationalism and the weakening of international institutions, are challenging the liberal democratic consensus. When combined with other trends like climate change, population growth, demographic changes and dwindling resources it is not hard to paint a picture of a world entering a period of heightened global instability. An independent Scotland would not be immune to the effects of this.

The only form of military confrontation that Scotland would likely face in the near future would be in the form of routine incursions of its air and maritime borders by Russia. Such actions are at the very extreme threshold of what can be considered aggression but they do constitute a violation of territorial sovereignty and carry the potential for escalation. At present the purpose of these incursions are as follows:

- To test UK (and by extension NATO) air defences, particularly radar coverage and reaction times
- To construct a political narrative, both at home and abroad, that Russia is a military power with global influence

It is unlikely that Russia would desist in these activities regardless of whether or not an independent Scotland joined NATO. Russia has a strategic interest in the high north that necessitates these flights though it may take a less confrontational approach if it sought to improve relations with an independent Scotland as means of building influence in the region. Conversely, if East-West relations were to deteriorate dramatically then the character of these incursions might become more aggressive. Unless strategic circumstances change, an independent Scotland should treat such incursions as an air policing issue given that they constitute more of a threat to air traffic (especially given Russian air force habits of switching off transponders or performing aggressive manoeuvres) than they do to national security. While they should be responded to with appropriate interception and escort manoeuvres it is important not to exaggerate the level of threat such activities represent to Scottish security.

Scotland’s proximity to the Arctic Circle is also especially pertinent to considerations on the prospect of future conflicts. The thawing of the polar ice caps is opening up new shipping routes, making mineral reserves accessible and thus contributing to a growing militarisation of the Arctic region. These developments could have a significant impact on Scottish security both directly, in the event of military conflict, and indirectly, if tensions lead to a restriction of maritime traffic through the Northern Sea Route. Again, Russian strategic interests in this region may impact on Scottish security but this would only constitute more of a threat to air traffic (especially given Russian air force habits of switching off transponders or performing aggressive manoeuvres) than they do to national security. While they should be responded to with appropriate interception and escort manoeuvres it is important not to exaggerate the level of threat such activities represent to Scottish security.

Preventing and responding to such events would primarily be the responsibility of civilian agencies such as the emergency services and civil resilience organisations. Businesses in the private sector would also play a significant role through their compliance with an independent Scotland’s regulatory framework for safety and emergency planning. However, a natural or man-made disaster which overwhelms the capabilities of civilian agencies or threatens the ability of the state to continue functioning may require the domestic mobilisation of military forces or the use of specialist military capabilities. The utility of a well-trained and
equipped source of manpower in such scenarios should not be underestimated. Aside from the obvious task of supporting law enforcement in maintaining order, military forces could perform the following functions in response to a major disaster:

- Assisting national and local government in decision-making and crisis management through the provision of advice and command and control infrastructure
- Medical support, particularly through rapidly deployable and mobile field hospitals
- Engineering and technical support to help restore damaged infrastructure or devise solutions to mitigate the consequences of a disaster
- Logistics support for the movement of aid and disaster response personnel
- Slaughter and disposal of contaminated livestock (as the British Army did during the 2001 foot and mouth outbreak)
- Provision of specialist capabilities such as pollution control ships for containing an oil spill or helicopters for search and rescue operations

The risk to Scotland from natural disasters is relatively low when compared to other regions of the world which suffer regularly from extreme weather events or seismic activity. However, the effects of climate change on the frequency and distribution of extreme weather events could present an elevated level of risk in the future. Disruption to the North Atlantic Current, a warm ocean current originating from the Gulf Stream, by melting polar ice could result in significantly colder and more severe winters in northern Europe.

The risk to Scotland from major man-made disasters is on a similar scale to most other industrialised nations. Scotland has a number of industrial sites where a major incident could pose serious repercussions for Scottish security. This includes a large number of offshore oil and gas facilities and undersea pipelines. High levels of road, rail, air and maritime traffic also create a number of potential risks, particularly where the transport of dangerous cargo is involved.

Increasing development in the Arctic region also heightens the risk of incidents arising from human activity in challenging conditions. The thawing of polar ice is increasing the traversability of the Northern Sea Route (NSR), creating shorter shipping routes to Asia, and making mineral reserves in the region easier to access. These developments will likely result in increased activity in or near Scottish waters, elevating the risk of incidents which could cause significant environmental damage or damage to offshore infrastructure.

Prioritisation

It is important to determine degrees of prioritisation for these threats based on the level of risk they represent towards the objective of the Scottish Defence & Security Strategy. For example, in the short to medium term, an independent Scotland would be unlikely to face an existential threat or a significant threat to its territorial integrity from another state. The current threat environment is instead occupied predominantly by non-state actors such as organised crime groups, cyber-criminals and terrorists. These threats are increasingly transnational in nature and represent a persistent source of social and economic harm to Scottish citizens and institutions. This assessment of relative risks within the current threat environment should inform the capability requirements for a Scottish Defence & Security Strategy.

However, a Scottish Defence & Security Strategy must also consider how geopolitical shifts and other trends can cause the threat environment to change, sometimes dramatically and with little warning. It is a common human bias to assume that what we have now will be what we have in future. A multitude of present-day trends including resource depletion, climate change and the resurgence of the far-right could culminate in a future threat environment markedly different from the relatively benign circumstances Scotland finds itself in just now. Long-term and contingency planning must therefore inform the capability requirements emerging from a Scottish Defence & Security Strategy alongside consideration of the current threat environment.

In formulating a Scottish Defence & Security Strategy to address these threats, the government of an independent Scotland should take an approach based on prudence and appropriate risk assessment. It should not pursue such a strategy based on a ‘climate of fear’ approach nor should it exaggerate threats in order to justify an industrial strategy.

Foreign Policy

Like any nation, Scotland’s foreign policy will significantly affect the threat landscape and therefore a Scottish Defence & Security Strategy will need to be considered in the broader context of Scotland’s character on the world stage. Given that it’s national security would be dependent on international relationships, an independent Scotland should be willing and able to pull its weight as a member of the global community and make positive contributions to collective security through the various instruments available to a nation-state. This includes contributions via foreign aid, diplomacy, trade, military and law enforcement efforts.

Given its regional focus, Scotland would have particularly close defence and security ties with its closest neighbours – the UK, Republic of Ireland, Norway and Denmark. As a late member to the ‘nationhood’ club, Scotland would be expected to integrate (or at least extensively engage) with the existing and well-established security cooperation structures in the region. It would be in the national interest to do this as soon as possible following independence as these countries will be looking to Scotland for continuity and reassurance. Failure to provide this could harm Scotland’s reputation as a serious national actor both regionally and globally. In the early years following independence, perceptions of Scotland’s national character would be a very real currency not to be squandered lightly.

However, while an independent Scotland would be somewhat constrained by the existing regional security cooperation
framework, it would not be completely without avenues to influence the development of this framework in directions conducive to its national interest. For example, organisations like NATO or the EU would view having Scotland as a member (or at least aligned) as in its strategic interest. Scotland's geographic position, combined with its ability to provide aerial and maritime surveillance of the high north area, would make it a valuable contributor to the defence and security of the northern European area. Without Scotland, these organisations and their member states would have a significant gap in their surrounding air and maritime picture. Furthermore, a renewed focus on regional security in the high north area might be a welcome change for NATO members such as Norway, Denmark and the US following decades of relative neglect by the UK as it has focused on the Middle East and North Africa. These points would provide Scotland with a degree of leverage when negotiating access to the regional security framework.

Membership in some international organisations such as the United Nations, Interpol or Council of Europe are unlikely to be controversial and would be seen as the expected responsibility of any sovereign European nation. However, Scotland's relations with other organisations such as NATO or the EU would fundamentally determine the character of its foreign, security and defence policies and membership therefore requires deeper consideration.

Both NATO and the EU have articles in their treaties which provide for collective defence. The international treaties to which Scotland would need to accede for membership in these organisations would confer demands and expectations on Scotland that might be viewed as contrary to its national interest. While providing access to resources and greater protection the responsibilities of membership would constrain national policymaking options. Therefore, given the implications, membership in such organisations should be subject to significant democratic debate and vote.

A recommended course of action in the interim period following independence would be to pursue ‘associate membership’ in these organisations such as joining the NATO Partnership for Peace (PiP) programme (like Ireland, Finland and Sweden) or the European Free Trade Association (EFTA) (like Norway and Switzerland), before considering full membership. This would allow for a more flexible foreign policy while allowing integration in specific areas of mutual interest. With regards to PiP membership this might involve an agreement with NATO on air defence integration, training, disaster response and information sharing on strategic threats.

It should be noted that, even as a full member of organisations like NATO or the EU, ultimate authority for the deployment of Scottish military forces would rest within Scotland. Therefore, the possibility of Scotland being dragged into foreign wars against its will simply by virtue of being a member of these organisations is unlikely. However, if Scotland is called upon by its allies to commit military forces to an operation seen as vital to collective defence and refuses to do so there would likely be repercussions for the country's security relations and potential damage to its international reputation.

This paper proposes a Scottish Defence & Security Strategy resting on a framework of five pillars:

- **Policy coherence** – As noted above, national security needs to be viewed as a holistic concept that includes human, environmental, economic and institutional aspects. A compromise in one aspect of security affects the others. While there are differences between systemic threats (such as Scotland’s exposure to economic or environmental risks) and malicious threats there are often connections between the two which require a ‘joined-up’ response across multiple policy areas. For example, the government of an independent Scotland would need to achieve policy coherence through its environmental, education and foreign policies to help tackle the root causes of instability and violence while retaining the necessary law enforcement and military capabilities to respond to threats from malicious actors.

- **Regional partnerships** – As a small nation, Scottish national security would depend on forming strong relationships with like-minded countries who share similar strategic interests and face common threats to their security. Scotland’s geographic position, surrounded by benign democratic countries, is arguably its greatest strategic asset, providing it with strategic depth from more unstable regions of the world and more aggressive foreign powers. Good relations with regional neighbours would therefore be a vital cornerstone of Scottish foreign policy. Much of the international security structures in Europe are already well-established through organisations such as NATO, the EU and Interpol. An independent Scotland would be very much expected to integrate, or at least heavily engage, with these structures in order to receive access to intelligence and shared resources. Given the transnational nature of most modern threats and the role of intelligence-sharing in countering them it would be detrimental to Scottish national security to avoid such engagement.

- **Resilience model** – A defence and security strategy can never be completely impervious. While law enforcement and military efforts can reduce the risk, it is impossible to predict, identify and intercept every possible threat. Furthermore, focusing disproportionately on security can have deleterious effects on society such as extensive curbs on civil liberties. Acknowledging that some threats will slip through the net, an alternative method is to embed ‘resilience’ into the fabric of Scottish society to improve the ability to recover from incidents such as a natural disaster, cyber-attack or terrorist bombing. Resilience can also mean Scottish communities and institutions that are better at resisting the effects of events that can’t be easily or effectively countered through law enforcement or military measures. This can include global economic shocks, attempts at coercion by a state or non-state actor and campaigns of misinformation and extremist propaganda.

- **Law enforcement focus** – Given the criminal nature of the most common malicious threats to Scottish national security it would be reasonable to assume that law enforcement and intelligence agencies would take priority over the military in a Scottish Defence & Security Strategy. That is not to say that the military would take on a lesser role in national security, simply that capability development and associated expenditure should acknowledge the importance of meeting immediate requirements,
such as preventing serious organised crime and terrorism from finding a ‘safe haven’ in Scotland, before addressing threats that could potentially emerge over the longer term.

- Readiness and regeneration – While Scotland currently faces no territorial threat from another state there are no guarantees that geopolitical shifts could not result in such a threat emerging in the long term. The threat landscape is fluid and a strategy to protect Scottish national security must therefore be flexible and capable of scaling up or down depending on the prevailing or predicted strategic circumstances. This requires embracing a strategy which maintains capabilities at different levels of readiness or in a state from which they can be regenerated if required. For example, Scotland could retain small cores of military capability which would have utility in a low probability scenario such as a major conflict in the high north region. Given that such a scenario would likely be preceded by a period of heightened strategic tension, Scotland would be better prepared to regenerate such capabilities or elevate them to a higher level of readiness from their present state than it would be able to if starting from scratch.

An independent Scotland would need to establish new institutions to be able to implement the framework proposed above and take sovereignty over decisions affecting its security. Alongside the obvious requirement for foreign affairs, law enforcement, intelligence and military capabilities, the government of an independent Scotland would need to build measures of resilience into the fabric of Scottish society and across the spectrum of policy areas. Such activities would involve discussions on education, healthcare and economic policies which goes beyond the scope of this paper. The following chapters will instead focus on the institutions which would need to be established or developed to counter threats predominantly of a malicious nature. This includes:

- Scottish Security & Intelligence Agency
- Police Scotland
- Scottish Customs Agency
- Scottish Defence Forces
- Scottish National Security Centre
- Scottish Defence Industry & Arms Control

These are the institutions which are associated with ‘traditional’ concepts of defence and security as they are those directly responsible for protecting citizens and national security from violent or criminal acts by deterring, disrupting, detaining or eliminating perpetrators. With the exception of Police Scotland, which already exists and would only need to absorb some national policing capabilities, the others would need to be developed largely from scratch as they cover responsibilities which are currently reserved matters for the UK Government.

Scottish Security & Intelligence Agency

Scotland would have a single integrated ‘all-source’ national intelligence agency responsible for collecting, analysing and utilising information in support of law enforcement, national security and foreign policy objectives. The Scottish Security & Intelligence Agency (SSIA) would be modelled to an extent on the Danish Politiets Efterretningstjeneste (PET), in that it would form a part of the national police service, but would be responsible for both domestic and foreign intelligence operations. The SSIA would be based at the Scottish Crime Campus in Gartcosh, with a satellite office in Edinburgh to advise policymakers and liaison offices in police divisions and Scottish embassies overseas. The SSIA would work closely with law enforcement agencies, the Scottish Defence Forces and the intelligence services of allied countries.

In support of its objectives and in accordance with the law, the SSIA would be capable of collecting and utilising intelligence from a number of sources including:

- Open Source Intelligence (OSINT)
- Human Intelligence (HUMINT)
- Signals Intelligence (SIGINT)
- Measurement and Signature Intelligence (MASINT)
- Imagery Intelligence (IMINT)
- Financial Intelligence (FININT)

While the vast majority of intelligence would be gathered from overt sources or government databases the nature of the SSIA’s work will involve the need to carry out covert surveillance and intelligence collection through the use of lawful interception capabilities. The SSIA would, with a suitable warrant, be able to:

- Access communications data from communications service providers (CSPs) in relation to a specific target or in bulk if required to identify target communications (a necessary requirement due to the nature of modern packet-switched communications networks)
- Access content data from communications service providers (CSPs) in relation to a specific target
- Engage in equipment interference (e.g. computer hacking) on a target device
- Access confidential government databases in relation to a specific target (e.g. medical records)
- Deploy surveillance teams to observe and follow targets or utilise covert monitoring equipment
- Deploy covert human intelligence sources (CHIS) to infiltrate target networks or gather intelligence on targets

While these are intrusive capabilities they are essential in the task of detecting, disrupting and dismantling criminal networks which hide amongst the civilian population and operate in a clandestine manner. Other law enforcement agencies would require similar capabilities to do their work effectively.

In order to ensure these capabilities are used lawfully and proportionately a robust series of safeguards and oversight mechanisms would be put in place. This would include:

- Judicial commissioners to review practices, procedures and conduct
- Requirement for a minister of state and a senior judicial official to sign off on an interception warrant
• Approval for a warrant application from the SSIA's internal legal advisors
• Approval for a warrant application from a senior intelligence officer
• Code of conduct on data collection, handling and retention
• Parliamentary committee to scrutinise the activities, expenditure and conduct of the SSIA
• An intelligence tribunal to make judgements in cases where complaints have been raised regarding the use of interception capabilities

The SSIA would require new legislation to give it a statutory basis and replace previous acts of the UK Parliament such as the Security Service Act 1989, Intelligence Services Act 1994, Regulation of Investigatory Powers Act 2000 and Investigatory Powers Act 2016. This legislation should detail the extent of lawful interception capabilities, the conditions under which they can be used and the oversight mechanisms in place to prevent abuse of these capabilities.

Given the transnational nature of modern threats the SSIA would need to work closely with regional and global partners. Membership in bilateral and multilateral intelligence-sharing agreements would therefore be essential in providing access to the information that Scotland would need to guarantee its own security. However strict safeguards would be implemented to protect the privacy of Scottish citizens.

The SSIA would also house the National Cyber Security Agency (NCSA) which would be tasked with protecting Scottish networks from cyberthreats. The NCSA would work across public and private sectors to build resilience to cybercrime, promote best practice and audit cybersecurity measures.

**Police Scotland**

This paper makes the assumption that Police Scotland will continue to be the national police force in an independent Scotland and that jurisdiction over crimes previously handled by UK agencies will fall within its remit. The full impact of Scottish independence on issues of justice and domestic law enforcement is beyond the scope of this paper. Instead, this paper will only make recommendations for the specialist capabilities that Police Scotland will require to address ‘strategic’ threats such as serious organised crime, cybercrime and terrorism. It should be noted however that, while such capabilities are necessary, the primary focus of Police Scotland should be on more common forms of crime such as street crime, sexual abuse or domestic violence.

Police Scotland would need to significantly enhance the capabilities of its Organised Crime & Counter-Terrorism Unit (OCCTU) to absorb the responsibilities of the National Crime Agency (NCA) and Counter Terrorism Command (CTC) in Scotland. OCCTU is currently part of the Specialist Crime Division and relies heavily on support from the NCA, CTC and UK intelligence agencies. This paper recommends that OCCTU be developed into a national agency in its own right with the responsibility for conducting operations to detect, disrupt and dismantle organised criminal and terrorist networks. OCCTU would also absorb a number of existing Police Scotland units including the National Human Trafficking Unit. This would necessitate a significant increase in investigative and tactical response capabilities.

OCCTU would be located at the Scottish Crime Campus in Gartcosh to facilitate inter-agency cooperation with the SSIA. OCCTU would also work closely with local policing divisions and other law enforcement agencies such as the Scottish Customs Agency. A number of armed tactical units would be in place across Scotland to provide a swift response in the event of a terrorist attack or to conduct raids against dangerous criminal networks.

The Police Scotland International Assistance Unit would take on increased significance, serving as the focal point between Police Scotland, foreign law enforcement agencies and international law enforcement organisations like Interpol and Europol. This unit would work with Scottish law enforcement agencies to investigate crimes against or involving Scottish citizens overseas. This would involve working closely with Scottish embassies to overcome the jurisdictional challenges involved in international investigations. Police Scotland should also consider developing an international training unit to help develop law enforcement capabilities in unstable countries and contribute to UN Police (UNPOL) operations.

**Scottish Customs Agency**

The issue of customs enforcement is of central importance to Scottish national security. Given the impact of illegal trafficking on Scottish communities, in both social and economic terms, the government of an independent Scotland should place an emphasis on interdiction and customs revenue collection. To this end, a Scottish Customs Agency would be required to lead such efforts. This agency would work closely with Scottish law enforcement, intelligence and military forces to combat smuggling and other illegal activities across Scotland’s land and maritime territory.

For an in-depth analysis of what a Scottish approach to customs and borders enforcement would look like readers should consult the previous contribution to Common Weal’s White Paper Project by Bill Austin and Peter Henderson - "An Independent Scotland's Customs and Borders — Principles and Approaches”.

**Scottish Defence Forces**

Scotland would have its own national armed forces, comprising the following service branches:

• Scottish Army
• Scottish Air Force
• Scottish Navy

The Scottish Defence Forces would be tasked with supporting civil agencies, defending Scotland against aggression and contributing to international security. This would include the
following operational profiles:

- Humanitarian assistance/disaster relief
- Peacekeeping
- Peacebuilding
- Peace enforcement
- Training and capability development

Given Scotland’s geostrophic position and strategic interests, the Scottish Defence Forces would be predominantly focused on air and maritime capabilities, with a comparatively smaller land capability. This would reflect Scotland’s pressing need for a coastguard capability to enforce customs laws and prevent trafficking of people and illegal goods.

The Scottish Defence Forces would comprise a mix of regular and reserve personnel. Recruitment would be open to any Scottish citizen over the age of 18 who is able to pass the relevant physical and mental aptitude criteria. Diversity would be encouraged to prevent the formation of a homogenous ‘white male’ military culture.

The Scottish Defence Forces would be overseen by a government department called Defence Scotland, the equivalent of the UK’s Ministry of Defence (MoD). Defence Scotland would work very closely with foreign affairs and international aid departments to ensure policy coherence.

**Deployment of the Scottish Armed Forces**

A Scottish constitution would place constraints on the deployment of military forces domestically or overseas. This would include measures often referred to as a “triple-lock”:

- International law – The Scottish Armed Forces could only be deployed if there is a clear mandate under international law. Examples would include the right to defend oneself in response to aggression, responding to a request from another national government for military assistance against a threat and supporting a UN Security Council resolution or UN General Assembly “Uniting for Peace” resolution.

- Support of Scottish Government – Even when a clear mandate exists under international law, the Scottish Government, in concert with the commanders of the Scottish Armed Forces, must be able to articulate a strategy for how the use of military forces can support a political resolution or prevent an imminent humanitarian catastrophe. Examples might include the deployment of forces to separate warring parties, disarm illegal militias or to protect refugee camps and humanitarian convoys. The Scottish Government can then make a recommendation for military forces to be deployed.

- Vote in Scottish Parliament – Once a recommendation of military deployment has been made by the Scottish Government it would require democratic approval in order to take effect. Providing that the nature of the crisis did not require an immediate decision, such a vote would be subject to extensive prior debate and deliberation. The triple-lock would be supplemented by additional safeguards including:
  - A Parliamentary Defence Committee tasked with scrutinising the conduct and expenditure of the Scottish Armed Forces and Defence Scotland.
  - An independent military justice system to ensure discipline, the legality of orders and appropriate conduct for members of the armed forces.
  - Ratification of the Rome Statute making the crime of aggression an indictable offence under Scottish law.
  - Prohibitions on the deployment, use or stockpiling of weapons of mass destruction as well as the use of Scottish territory for the transit or storage of such weapons.

Together these safeguards would constrain the ability of the Scottish military to be used for national or economic aggrandizement and ensure that they are only deployed when appropriate and necessary.

**Scottish Army**

The Scottish Army would be tasked with deploying land-based capabilities to support responses to domestic crises and provide a contribution to regional and international security.

The Scottish Army would be built around a number of light and mechanised infantry battalions with supporting artillery, reconnaissance, signals, medical, engineering and logistics capabilities. These battalions would operate on a roulement cycle to ensure a continuous ability to provide a battlegroup-sized contribution to international security efforts such as peacekeeping or humanitarian operations.

The Scottish Army would have a comparatively larger set of specialist capabilities relative to the size of its infantry. This would include engineering, logistics and medical units which have extensive utility across the operational spectrum, in both combat and non-combat scenarios. Such capabilities are also typically more difficult to regenerate than infantry combat power in the event of a crisis therefore retaining a larger set ensures that the Scottish Army is better able to adapt to emergent crises.

A small contingent of Scottish Special Forces would also be required to conduct counter-terrorist operations and other special operations, such as long-range reconnaissance patrol, in support of deployed forces. These forces would be similar in size and purpose to the Irish Army Ranger Wing and would train regularly with both national police and military forces.

The Scottish Army would be geographically dispersed across barracks in Scotland with a headquarters at Redford Barracks near Edinburgh. This would allow for a faster response in supporting civil agencies during a local crisis and would also allow the economic benefits that comes with supporting army bases to be distributed across the country.

**Scottish Air Force**

The Scottish Air Force would have responsibility for protecting Scottish airspace and providing air support and logistics to the other Scottish Armed Forces service branches, civil agencies and allied nations.

The Scottish Air Force would operate Scotland’s air defence radar network as part of an integrated air picture with regional neighbours such as the UK and Norway. Remote radar heads
in Aberdeenshire and the Outer Hebrides would be combined with civil air traffic data, information from regional allies and other data feeds to give a picture of Scottish airspace and the surrounding area.

The Scottish Air Force would have a number of air defence squadrons which would operate multi-role fast jet aircraft. These aircraft would primarily operate in the quick reaction alert (QRA) role, responding to potential air threats in or near Scottish airspace but would also be capable of supporting international security efforts through the provision of close air support to deployed Scottish or allied forces or as a contribution to an air policing operation.

A fleet of transport aircraft would provide the Scottish Air Force with the ability to ferry personnel, equipment and supplies long distances. Such aircraft have utility across the operational spectrum and would likely form an important part of Scotland’s foreign policy as an instrument for delivering humanitarian supplies to austere locations overseas.

The Scottish Air Force would operate a fleet of maritime patrol aircraft to monitor Scottish waters and provide support to civil agencies, the Scottish Navy and regional partners in customs enforcement operations.

A helicopter fleet would provide tactical air transport and support for Scottish Army, Marine and Special Forces units, anti-submarine support and airborne early warning for Scottish Navy vessels and search and rescue.

The Scottish Air Force would also have a number of aircraft, ranging from gliders to fast jet trainers, for training pilots, weapons systems officers, ground crews and airspace controllers. The Scottish Air Force would also oversee forward air control training for ground forces.

The Scottish Air Force would operate primarily from two bases – Lossiemouth and Leuchars – the latter of which would be reactivated as an airbase from its present role as an army barracks.

Scottish Navy

The Scottish Navy would primarily be responsible for protecting Scottish waters, supporting civil agencies and providing a contribution to international security. As a maritime nation, Scotland possesses over 11,000 miles of coastline, nearly 800 islands, critical offshore infrastructure and an Exclusive Economic Zone (EEZ) extending into the North Sea and North Atlantic. Given these geographic circumstances it is important that Scotland possesses suitable capabilities to respond to threats or incidents across its maritime territory.

The Scottish Navy would have a fleet of cutters, offshore patrol vessels and corvettes. These ships would function as a coastguard and carry out maritime constabulary duties such as protecting Scotland’s offshore interests (energy infrastructure, fisheries etc.), counter-piracy and counter-smuggling. They would be the workhorses of the Scottish Navy and would be primarily tasked with supporting domestic civil agencies as part of customs enforcement or environmental protection operations.

The Scottish Navy would have a number of frigates for contributing to international security efforts and providing a more robust defence capability when required. They would have a modular design, similar to the Danish Absalom-class, allowing them to be adapted for a number of operational profiles including anti-submarine, anti-air or sea lane control operations.

The Scottish Navy would have a support fleet comprising a range of specialist vessels including hydrographic survey, mine countermeasures, transport, tankers, tugs and replenishment ships.

The Scottish Navy would also include the Scottish Marines, a maritime infantry force tasked with providing fleet protection duties and conducting amphibious operations. They would utilise fast attack craft capable of operating from shore or Scottish Navy vessels.

The Scottish Navy would not initially require a submarine capability unless strategic circumstances change and warrant it, at which point procuring an advanced diesel-propulsion model would be an advisable option. If possible, much of the infrastructure required to support submarine operations from the Clyde would be maintained should this capability need to be regenerated in future.

The Scottish Naval Fleet would operate from two bases – Clyde and Rosyth – to provide optimal coverage of Scottish interests across the north, east and west stretches of its maritime territory. The Scottish Marines would primarily be based at RM Condor near Arbroath.

Scottish National Security Centre

Given the holistic concept of national security central to a Scottish Defence & Security Strategy it is important that the institutions tasked with implementing it provide a holistic response. A National Security Centre would act as a powerful coordinating body to ensure that law enforcement, customs and military forces have a “joined-up” approach to tackling threats to Scottish security.

At the strategic level, a National Security Council would set the broad direction and priorities for all Scottish security institutions. This body would take advice from across the policy spectrum and would be comprised of Cabinet members from the Scottish Government to provide political accountability.

At the operational level, a National Security Coordinating Group would take on the task of coordinating Scottish security institutions in the following areas:

- Resourcing - ensuring the optimal distribution of funding and resources across all institutions and where possible the sharing of capability pools.
- Capability development - ensuring that, where capability requirements are similar between institutions, synchronised efforts are pursued to avoid costly duplication through parallel development programs. This would also involve making sure that capabilities utilised by multiple parties, such as information systems, are interoperable.
Operational planning - ensuring that robust methods for capability tasking requests and information exchange are present between institutions. This would also involve organising joint training exercises and finding new ways to improve cooperation and solve jurisdictional challenges.

Scottish Defence Industry & Arms Control

In the context of supporting a Scottish Defence & Security Strategy it is important to recognise the value of the skills and expertise that are present in the Scottish defence industry. Such qualities will be highly sought after to sustain the supply chain of the Scottish Armed Forces and provide it with the equipment and services it needs to carry out its tasks.

However, as part of a move towards a resilience model it is equally important to recognise that reliance on defence exports is not a sustainable economic strategy and in the context of policy coherence it would be irresponsible to maintain an arms export control regime akin to the UK’s present one which involves selling to governments responsible for violations of international law and committing human rights abuses. Furthermore, the removal of Trident from the Clyde would negate a significant portion of the defence industrial base that has built up in Scotland to support it.

It is therefore inevitable that an independent Scotland would see a reduction in defence exports and a corresponding net contraction in its defence industry. This should not be seen as a cause for alarm however but rather as an opportunity to transition infrastructure and highly skilled workers into alternative areas of engineering and manufacturing.

Even with a more rigorous arms control regime Scotland could continue to be a small but significant player in the defence industry as there would still exist a large defence market in countries with well-established democracies. By focusing on innovation in areas of advanced engineering such as sensors, marine systems and robotics Scottish enterprises could maintain a qualitative edge against competitors not only in the defence sector but also in related civil sectors which utilise these technologies. Furthermore, the increased defence footprint in Scotland resulting from the creation of its own armed forces would result in an increase in the domestic industrial base required to supply and support personnel, equipment and base infrastructure in Scotland. This would go a long way towards reducing the economic impact of a reduction in defence exports.

The need to build vessels for a Scottish Navy would provide a period of certainty for shipyards on the Clyde however this would not last forever and therefore there would be a need to diversify into the civil maritime sector and renewables to provide a sustainable future for Scottish shipbuilding. This does not exclude the possibility of Scottish shipyards bidding to build military ships for the UK or other nations but success in these endeavours cannot be guaranteed and relying on this strategy alone would be unwise.

A Defence Industrial Strategy (as part of a broader National Industrial Strategy) should be published by the government of an independent Scotland at the earliest opportunity. This would give the defence sector an understanding of the capability requirements for the Scottish Armed Forces and the certainty it needs to conduct forward planning and orient their business structures accordingly.

Costing

Establishing these institutions will be a costly, though not impossible, challenge. Independence negotiations between Scotland and the UK would determine which defence and security assets would be physically transferred into Scottish ownership and which would be transferred as an asset value instead. Given that such negotiations would be heavily politicised it is impossible to forecast what the end result would be. Scottish negotiators should therefore start from an assumption that zero assets will be physically transferred and instead Scotland would receive the full asset value for its share of UK defence and security assets.

Though estimates vary considerably, an approximate figure for the asset value of Scotland’s share would be around £10 billion. This would constitute a significant ‘start-up fund’ from which to establish the institutions necessary to implement a Scottish Defence & Security Strategy. Annual operating costs would likely be within the £1.8 - 2.5 billion range depending on the fiscal realities facing an independent Scotland and the level of capability it opts to pursue.

Procurement costs for equipment would easily take up around half of the £8 billion start-up fund, with recruitment, training and infrastructure taking up the other half. There are however some caveats to this assumption:

- Not all equipment requirements would be procured right away so this wouldn’t necessarily all come straight out of the start-up fund. For the first decade or so, while capabilities and personnel numbers are still building up, a significant portion of annual operating costs could be directed towards procurement rather than on actually operating assets.

- The majority of the equipment would be procured ‘off-the-shelf’ from countries in Europe or the US. The impact of Scottish independence on exchange rates would be difficult to predict, particularly if the preferred monetary policy is to adopt a new currency.

- Building frigates and other vessels required for a Scottish Navy on the Clyde would likely cost more than procuring them from the likes of Denmark or Norway but this would be partially offset by the jobs and tax revenue it creates.

- Depending on the fiscal constraints an independent Scotland might initially face, lesser-capability/lower-cost options might need to be pursued if capital or operating costs prove unsustainable.
Conclusion

While further refinement is needed, it is hoped that this paper can serve as a discussion point on what a Scottish Defence & Security Strategy might look like. Understanding what capabilities Scotland needs to defend itself and can realistically afford within the confines of fiscal reality will better inform the position the independence movement and political parties make prior to a second referendum. In the event of a ‘Yes’ vote, such an understanding will also inform the suggested portfolio of UK defence assets which would be sought after by Scotland during independence negotiations.

ENDS