In Scotland, public appetite for further fiscal decentralisation is fuelled by greater levels of trust in Holyrood than in Westminster

By Democratic Audit UK

Popular pressure for further fiscal devolution from Westminster to Holyrood is less a matter of wanting to pursue a different policy agenda, says David Eiser, and more a matter of who the electorate trusts.

It has often been argued that further powers over taxes and welfare spending should be devolved to the Scottish Parliament because Scots have a different set of preferences for public services than people in the rest of the UK. This argument is often presented as a compelling case for further fiscal devolution to Holyrood. There is actually rather limited evidence that Scots are clamouring for significant changes in tax and welfare rates but they quite definitely want to see the powers over them devolved. This naturally raises a question of why a nation would want a power if not to use it. The answer would seem to be one of trust.

My colleague David Bell and I examined data on political attitudes in Scotland and the rest of Great Britain (rGB) from the British Social Attitudes (BSA) Survey, which covers England, Scotland and Wales. The BSA Survey asks respondents whether they agree with a variety of statements about their political views, such as ‘ordinary people do not get their fair share of the nation’s wealth’. Based on responses, the BSA survey develops an index of political attitude, which ranges from 0 (extreme left-wing) to 5 (extreme right-wing). The results of this survey suggest that there is no statistical difference between Scotland and rGB in terms of the average score on this index.

What about attitudes to welfare more specifically? Based on questions such as ‘The government should spend more money on welfare benefits for the poor, even if it leads to higher taxes’, the BSA points at similar conclusions. Although Scots do appear to be slightly more sympathetic to welfare than people in rGB, the difference is small, not statistically significant and has not widened since the questions were first asked in 2001.
Despite evidence of only slight difference in attitudes between Scotland and rGB, what is undeniable is the significant demand among Scots for further fiscal devolution to Holyrood. A survey of 1,300 Scots commissioned by the Centre on Constitutional Change in the aftermath of the independence referendum showed that 60% of Scots want the State Pension fully or partially devolved, 70% think unemployment benefits should be devolved, and less than one third of Scots think that taxes such as income tax, corporation tax and VAT should remain solely under Westminster control.

How can we explain this desire for fiscal devolution when there is apparently so little difference in political attitudes? To explore this further, our own survey asked 1,300 Scots if they would like to see various tax and benefit levers devolved to Holyrood and how they would like to see them used if they were.

In each case, the majority of people thought that tax and benefit rates should remain the same if they were devolved to Holyrood. Strikingly, even among those who were in favour of devolving a given tax or benefit lever to Holyrood, the majority did not want to see a change in rate following devolution.

So the evidence from attitudinal surveys poses a puzzle. There is considerable desire for fiscal decentralisation to Scotland, but little evidence for differences in preferences broadly, nor much appetite for deviation from current UK policy norms.

Does this undermine the case for fiscal devolution to Holyrood? No, because there is another set of arguments around the case for fiscal devolution. This set of arguments relates to issues of political accountability and control.

Repeated surveys show that Scots place higher levels of trust in the Holyrood Parliament than the Westminster Parliament. Part of the reason for this is that Scottish voters think they are more able to influence the policy decisions of Holyrood compared to the Westminster Parliament, in which they have a more partial stake. In this light, the desire for further fiscal decentralisation can be seen as form of insurance, against the risk that future UK policy changes in a way in which the Scottish electorate does not support.

Even if a devolved tax or benefit remains unchanged, the very fact of keeping the policy unchanged is a choice that the Scottish Government has made and is answerable for. Scots want Holyrood’s accountability to match the levels of trust they place in it, even if they support the policy status quo in the immediate future.

The argument for fiscal decentralisation on the grounds of accountability is more subtle, and harder to make, than one based on differences in preferences for policy. But it is no less compelling.

—

This post represents the views of the author and not those of Democratic Audit. Please read our comments policy before posting.

—

David Eiser is a Research Fellow at the University of Stirling. His Centre on Constitutional Change profile can be found here.