

The credibility gap

The devolved administrations of Scotland and Wales are restricted in many areas of spending, but their main problem remains one of trust

David Walker

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Scotland's new/old parliament has just reconvened after its summer break - whatever it has or has not accomplished, the Edinburgh operation is a lot more professional than Westminster's. But the mood north of the border is not sweet. It's more than national gloom at Scotland's pitiful footballing performance against the Faroes on Saturday; more than members' jitters in this, the final session before they enter an election in which a large number of Scottish residents will not bother to vote.

What is wrong is economic difficulty - Silicon Glen is laying workers off, the financial services sector has lost its sheen, tourism has had an indifferent year - compounded by absence of faith in the political class. As with its football, Scotland stares political and economic mediocrity in the face. Despite Irvine Welsh and the glitz of the Edinburgh festival (and the capital's surging house prices), Scotland fears becoming third rate - at the same time as it demands first-rate performance by its politicians. Not just New Labour, either; perceptions within and about the Scottish nationalists and Liberal Democrats are similar.

Part of the problem with the parliament is, as commentator Iain McWhirter says, naive idealism and, after a 300-year break, unreal expectations. Part of Scotland's political problem is its journalism; successive first ministers and their colleagues have been unfairly treated by that odd media duumvirate of Daily Record and Scotsman.

These are still very early days for such a grand experiment in self-government. It could yet go awry. Despite the apathy, next May's election could be crucial, and not just for Scotland. It is conceivable, though not likely, that Labour in London might have to deal with a non-Labour government in Edinburgh.

So far, however, devolution has made little difference to public services, nor will it as long as the inhabitants of these islands cleave to common commitments on security (some Scottish voices have lately been calling for UDI if the government attacks Iraq), market regulation and social welfare. European Union membership stops variation in such areas as farming. There is still a huge commonality in UK law. Scotland's parliament spends a lot of time - the Welsh assembly yet more - repeating what has already ostensibly been debated at Westminster. The merry-go-round of Scottish ministers - half of all MSPs have already served as members of the executive - has allowed civil servants to dominate policy-making, ensuring strong continuity.

But all this does not mean that the Scottish parliament and the Welsh assembly have been futile. A new study edited by the Institute for Public Policy Research*, based on work paid for by the Economic and Social Research Council, starts with the headline example of divergence: free personal care for the elderly. Similarly, students at Scottish universities face no upfront tuition fees, though graduates do eventually have to make a financial contribution to their education.

But isn't there something artificial about these divergences from the UK norm? As the academic, James Cornford, puts it, these could be afforded because of "resources derived from a perverse and inequitable fiscal formula". Scotland gets much more than its "fair" share of public spending (though you could say London does, too). The Treasury has, however, resisted an open and honest revision of the funding formula, making itself an unlikely ally of the devolved administrations - at least in Scotland and Northern Ireland, which would lose

from any objective study. That, to be precise, is the ministerial Treasury - Gordon Brown remains a formidable player in Scottish politics.

The chart shows the proportion of spending that is theoretically up for grabs in Scotland and Wales. As far as Whitehall goes, some departments such as work and pensions remain wholly UK while others, such as the Office of the Deputy Prime Minister, are now almost entirely "English".

Big differences show through in terms of language, notably the promotion of Welsh; in the structure of local government; and in education. Schooling in Wales and Scotland is a "producer" domain. They have rejected the "parent power" line adopted by education secretaries in London. The Welsh assembly scrapped school league tables. Business's voice in education is largely mute in Wales, and Scottish teachers are more generously paid. In health, significant pre-devolution differences in provision have not gone away. Per capita health and social services spending in 1999-2000 was £1,271 in Scotland against England's £1,041. That pays for more beds, more GPs and more prescriptions. But these are accidents of past spending patterns rather than a deliberately different approach to the public's health.

Scotland's first minister, Jack McConnell, recently urged reform of Scotland's notorious dietary habits - which in the land of the deep-fried Mars bar could have a huge impact on public health - but English ministers before him have found great difficulty translating such rhetoric into changed behaviour. If a precondition for change in policy is greater trust by people in their government, devolution - so far - may have reduced rather than expanded the scope for differentiation within the nations and regions of the UK.

• David Walker is on the advisory board of the ESRC research programme on devolution and constitutional change

david.walker@guardian.co.uk