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**First Minister of Scotland**

**“Scotland’s Place in Europe”**

**College of Europe**

**Brugge**

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It's a great pleasure to speak here today - to this audience in Brugge, and to those of you watching from the College's campus in Natolin in Poland.

The College of Europe was the first university to offer postgraduate studies and training in European affairs. It continues to be one of the best places anywhere in the world to study the subject – which is why the Scottish Government funds three scholarships every year for outstanding students from Scotland.

Brugge is a city which has had close links with Scotland for centuries. As one of the great commercial centres of Europe in the Middle Ages, Brugge was at times the staple or entry port for wool being exported from Scotland to the rest of Europe. A community of Scottish merchants settled here more than 700 years ago.

It's just one indication of the way in which Scotland's prosperity over centuries has been bound up with the ability to trade, travel and work in Europe. And just as Scots have always worked and lived in Europe, so there are now 160,000 people from other EU states who have chosen to live and work in Scotland. They make a massive contribution to Scotland's economy and culture.

These European connections are an essential part of who we are. Scotland has always been a nation that looks outwards – to Wales, England, Ireland and Northern Ireland; to the other nations of Europe; and right across the globe.

And we're comfortable with the idea of overlapping identities – we know that you can be Scottish and British, Scottish and European, Scottish and Polish or Scottish and Pakistani.

Tartan is the distinctive national cloth of Scotland. It's made up of patterned threads of different colours. I like to think that Scottish identity is like the tartan. There are many colours, many threads, many strands to the Scottish tartan of identity.

I'm emphasising this point for two reasons. It's fundamental to the main message of my speech today – that an independent Scotland would be an enthusiastic, engaged and committed contributor to European progress.

But it's also fundamental to understanding the nature of the campaign for Scottish independence. Ours is a peaceful, inclusive, civic – and above all a democratic and constitutional independence movement. It has been cited as such internationally, and is in sharp contrast to the profoundly anti-democratic processes we too often see elsewhere.

And our vision for our nation includes and welcomes all those who want to call Scotland their home. Of course, this inclusiveness extends to our elections. Scotland is one of the few places in the EU to allow other EU nationals to vote in our national Parliament's elections. They will also have a vote in the referendum on Scottish independence on 18 September. All 160,000 of them. That tradition is long-standing in our politics. Before the European Union was founded, citizens of the Irish republic were allowed to vote, as indeed they and citizens of other Commonwealth countries still are.

Our civic nationalism promotes internationalism; our independence movement embraces interdependence. We seek sovereignty, knowing that we will then choose to share that sovereignty.

In many ways, in fact, Scottish independence is a cause which has been profoundly influenced and strengthened by the European Union – an institution which enables countries of all sizes to contribute as equal partners, and which is an enduring rebuke to any notion that independence might mean isolation.

And our referendum process is founded on consensus. It was agreed with the UK Government and confirmed by the Edinburgh Agreement I signed with David Cameron 18 months ago. One of the many reasons why the outgoing President of the European Commission prompted surprise, even ridicule, from so many people across Europe when he recently compared Scotland to Kosovo, is that he erroneously confused our consented constitutional process with what was a contested unilateral declaration of independence. The background circumstances are also of course totally different.

The case for independence rests on a simple but overwhelming truth - that the best people to take decisions about the future of Scotland are the people who live and work in Scotland. That applies to domestic policy – how we create a fairer and more prosperous country. And it applies to international policy, how useful Scotland can be to the world– including decisions about when we pool sovereignty with others.

But at present, our ability to take those decisions is constrained by our constitutional position, as part of a state where Scottish members make up less than 10% of the total in the Westminster Parliament. The leading party in the UK Government has but one seat out of the 59 Scottish constituencies at Westminster. In fact, for more than half of my life, Scotland has been governed by parties from Westminster which could not command a majority in Scotland.

That's a profound democratic deficit. It affects all areas of Scottish life. And because of the rising influence of a virulent strain – not just of Euroscepticism, but of Europhobia - at Westminster, it now poses a real threat to Scotland's place in Europe.

The College of Europe invited Prime Minister Margaret Thatcher, in October 1988, to speak about the United Kingdom's place in Europe. Her speech is known in Britain as the Bruges speech. At that time, it was seen as a deliberate rebuke to proposals being put forward by the European Commission on social policy.

It is a mark of how much the debate has moved that Margaret Thatcher's Brugge speech seems almost commonplace now and not the radical departure it seemed at the time. But there is no doubt that it helped to inspire and empower a strain of Euroscepticism which has had an enduring and damaging influence over UK government policy ever since. The Conservative Party started to fracture almost immediately and remains divided to this day.

In 1989 a Bruges Group of Europhobes and Eurosceptics was established in the UK which quickly gained considerable leverage within the Conservative Party. More recently, UKIP has become a serious political force in England, again exercising a substantial degree of influence over Westminster politicians.

The consequences of these developments are becoming clear. Every single one of the four prime ministers since Margaret Thatcher has pledged to put Britain "at the heart of Europe". Yet the reality has been quite different. Today Britain sits at the margins of European influence, and if Scotland remains governed from London, we face the prospect of an in-out referendum on whether to be part of the European Union at all.

Interestingly, it is unlikely that Margaret Thatcher, as Prime Minister, would ever have endorsed such a course of action. She questioned how Europe worked – not whether to be in Europe. But David Cameron’s proposal is to hold just such a referendum in 2017. It is a position which no politician in Scotland would ever have considered to be reasonable. There is virtually no support for this step in the Scottish Parliament.

In these circumstances, people in Scotland would almost certainly vote to stay in the EU - but the result for the UK as a whole is much more doubtful. A Yougov poll last week found that in Scotland, voters support staying in the EU by 2 to 1; elsewhere in the UK, there is almost a 50-50 split.

And so because Scotland makes up just over 8% of the UK population, it is conceivable that unless we choose to change our circumstances this September, we could be dragged out of the European Union against our will.

Therefore the real risk to Scotland’s place in the EU is not the independence referendum in September. It’s the in-out referendum of 2017.

That decision on Europe isn’t the primary reason for seeking independence – the main reason for seeking independence is a desire to gain the powers any normal nation has; the powers we need to build a fairer and more prosperous country.

But the contrast we now see – between playing a full and equal role in Europe as an independent state, or potentially leaving it against our will – is an important additional factor in the Scottish constitutional debate. It highlights a fundamental truth: that the best way to make a positive contribution, is as an independent and equal partner to other nations.

The Scottish Government recognises that continued membership of the EU will require negotiations on the specific terms. That is only right and proper. But these negotiations will be completed within the 18 month period between a “yes” vote in September and achieving independence in March 2016. You don’t have to depend on the Scottish Government for that opinion. I can cite Professor James Crawford, the UK Government’s own chosen legal expert on such matters. The Professor told the BBC’s “Today” programme that an 18 month timetable is “realistic” – that was on the same day that his report for the UK Government was published.

Sir David Edward, of course, is the former judge of the European Court of Justice; one of the true architects of the European Union. It is Sir David who has said that during the 18 months between the Scottish Yes vote and independence “there will be an obligation to negotiate a solution that does not lead to the absurd result that is being suggested” of Scotland being required to leave the EU only to immediately re-apply for membership.

And there’s another reason why James Crawford is right in saying that the 18 month timetable is realistic. Scotland will ask for continued membership on the basis of “continuity of effect”, and at no detriment to other members.

So there need be no reopening of the EU budget agreed last year to 2020. Scotland would take responsibility for its share of UK contributions and receipts – which means that we would still be a net contributor to the EU. We would remain within the Common Travel Area of the British Isles, as we are at present. And as a senior UK Government minister acknowledged to the Guardian newspaper last month, “of course” we will continue to share a currency with the rest of the UK.

We propose a practical, common sense approach to membership, which means that there is no detriment – none whatsoever – to any other member of the European Union as a result of Scotland’s continuing membership. And the alternative – the fishing fleets of 12 countries being denied any access to Scottish waters and as a consequence, their access to Norwegian waters, which is also dependent on Scottish access; 160,000 EU workers and students, and of course voters, in Scotland suddenly uncertain about their status; five and a quarter million people ceasing to be EU citizens against their will – this alternative, as Sir David Edward points out, is clearly absurd. But it is more than absurd. There is simply no legal basis in the EU treaties for any such proposition. And it is against the founding principles of the European Union.

The outgoing President of the Commission has defined “European values” as being *freedom, democracy, rule of law and...solidarity*”

There is no concept of solidarity, which could cause Scotland to be refused inclusion in the EU, for following a free, democratic and lawful process of self-determination.

It is why the European Movement, the oldest pro-European campaigning group in the UK, last week described it as “*inconceivable that the EU collectively would wish unilaterally to withdraw citizenship from 5.3 million of its citizens who have participated in the European project for 40 years.*”

So let's take it as read that every one of us in this hall in Brugge is a committed European. Nobody will gainsay the agreed outcome of a peaceful and consensual referendum on independence.

Let's focus on the real issues; what Scotland can contribute how useful we would be to the rest of the European Union. An independent Scotland would take its seat at the top table in the EU alongside 28 other Member States – 12 of which are the same size as Scotland or smaller.

In 1946 Winston Churchill made a famous speech in Zurich, which helped to inspire early enthusiasm for European co-operation following the Second World War. He said that a stronger European partnership would “*make the material strength of a single state less important. Small nations will count as much as large ones and gain their honour by their contribution to the common cause.*”

Recent years have done much to bear out this claim. The EU has become an organisation where negotiation trumps ultimatum; where the strength of your ideas can matter more than the size of your population.

Ireland's presidency of the Council of the EU last year was a major success – concluding negotiations on the EU's finances until 2020. Two years ago, Denmark used its presidency of the Council to lead major reforms to the Common Fisheries Policy.

Scotland worked closely with Denmark on that - on issues such as discard-free fisheries, the recovery of cod stocks and more regional-level decision making. But we had no capacity to lead the development of reforms in the same way that Denmark could. Nor to broker the final deal as Ireland did.

Scotland has one of the largest national shares of Europe's total fishing grounds. 12 national fleets fish in our waters. Yet we have less formal say in fisheries policy than landlocked countries such as Austria and Slovakia!

Independence will change that. It allows Scotland to develop and pursue clear priorities - such as energy and climate change, the environment, agriculture, fisheries, research, digital technology and the creative industries. When we share the same objectives as the rest of the UK, we will work with them, but where we don't, we will no longer be bound to a position which harms our interests. We will set our own priorities, build our own alliances, and put forward our own positive vision of Europe.

We're already contributing. For example the Cabinet Secretary for Health and Wellbeing, Alex Neil, is in Brussels on Wednesday. The reason he's there is because of the role of our health and care services on the European Innovation Partnership on Active and Healthy Ageing. We are leading the specific work on ICT-enabled integrated care.

That work addresses a fundamental question: how do we use technology to help to provide care for older people at home and in the community – protecting their independence and quality of life, reducing public healthcare costs, and providing the best possible treatment when and where it is needed? As the proportion of older people in the population grows, it's a vital challenge across Europe and around the world.

Or to take a second example, let's look at youth employment. Scotland was blighted by mass unemployment in the 1980s. So we have taken urgent action over the last six years to prevent that same criminal waste of human potential. We have the only youth employment minister in Europe – we have recently made her position a Cabinet post, but, in common with other European countries, there is much more to be done.

Our Opportunities for All guarantee means that all people between the age of 16 and 19 have a chance of employment, training or education. We would welcome adding our voice, our weight, to the other countries which have endorsed the European Youth Guarantee. But we can't - because the UK Government disapproves of the idea of fully endorsing such an ambitious vision for our young citizens.

Or let's look at the greatest challenge of all facing the planet – global warming. We have a key role to play in providing energy security for Europe, and in developing the low carbon technologies the world will need for the future.

Glasgow is Europe's leading centre for offshore wind energy research, and the world's leading centre for marine energy research is based in Orkney – at the European Marine Energy Centre. We have more than 60% of the EU's oil reserves, a quarter of its offshore wind and tidal power potential, and 10% of its wave power potential. Not bad for a country with 1% of the EU population.

In a Europe of energy insecurity, Scottish resources are both extraordinary and vital. Last year, as a result of Scotland's lobbying alongside other European partners, ocean energy was recognised as a priority area within the European Union's Strategic Energy Technology Plan.

At the moment, the European Union is discussing renewable energy generation targets for 2030. I am meeting Commissioner Potocnik to discuss them later today. In Scotland, renewables will produce 100% of our net electricity demand by 2020. We know that it's not practical for all countries to achieve that – or, in some cases, to even come close - but we believe that it is important for the EU to be ambitious.

However the UK has only recently come round to supporting any targets for renewable energy and its aims are still less ambitious than those of the European Parliament. As an independent country, Scotland could be doing much more to build coalitions and set the terms of the debate – as a devolved nation, we're still trying to persuade even the UK Government.

With the new Commission taking office in November, there has to be the impetus for greater action on renewable energy. We need to support low carbon technologies so that they can produce energy cost-effectively at scale. And we need to establish grid networks that span Europe - to transport solar energy from the south and hydro, marine and offshore wind renewables from the north, to meet the continent's need for secure and sustainable energy.

This is no time for timidity in tackling climate change. Scotland will be an ambitious and constructive voice for progress; and a sustainable and secure powerhouse of clean energy.

In summary, Scotland's vast natural resources and human talent make it one of the lynchpins of the European Union. We have a key role to play in providing energy security for Europe. As one of the wealthiest countries, Scotland is a net financial contributor to the EU and will remain so as an independent member. We have more top universities, per head, than any other member of the EU and our academics collaborate with partners across Europe. We have one of the largest national shares of Europe's total fishing grounds. The EU's fisheries policy would unravel without Scotland.

Earlier this year the Viviane Reding, vice-president of the European Commission, described two great Scottish judges, Lord Mackenzie-Stuart, and Sir David Edward, as true architects of this Europe.

Perhaps more than any of this, Scotland shares and promotes the values of solidarity, freedom and democracy that are the heart of the European ideal. As such, an independent Scotland, as an equal member state, will bring a positive, cooperative voice to the EU, in contrast to the often sullen, disengaged voices that have spoken on our behalf since Margaret Thatcher's speech in this city more than a quarter of a century ago.

Not being at the top table in Europe has harmed Scotland's interests for four decades. Within the UK, we are occasionally consulted. With independence, we would contribute as equals. And in contributing as equals, we would make proposals to address the democratic challenges that Europe faces today.

The financial and economic crisis in which the EU has been trapped over the past 6 years has allowed radical Euroscepticism to secure a significant political foothold in many EU Member States. We see this reflected in opinion polls in some parts of Europe, and may see it in the forthcoming elections for the European Parliament.

If we are to restore public trust in the European Union's governance, and its ability to materially improve people's lives, I believe we have to succeed on two fronts.

First we must prioritise economic policies that stimulate sustainable growth, while having in place social policies that ensure that everyone can benefit from that growth. In the UK we have seen how widening disparities in wealth have corroded the fabric of our society -

causing deeply damaging inequalities in life expectancy, educational outcomes and employment prospects.

In some areas of policy, the EU makes addressing these disparities more difficult than it needs to be. For example, the Scottish Government is committed to tackling low pay. We currently have no control over the UK's minimum wage, but we have pledged that in an independent Scotland it would increase at least in line with inflation every year– the UK minimum wage, currently £6.31 an hour, has declined in value in real terms over the last six years.

The Scottish Government has introduced a living wage - £7.65 an hour - in the public sector across our country. A living wage gives individuals and families enough income to meaningfully participate in society, rather than merely afford the basic necessities. But EU law prevents both us and Scottish local authorities from making that living wage a requirement in public sector contracts.

What made Margaret Thatcher's speech of 25 years ago look so out of kilter is that back then Europe commanded strong popular support in its moves towards a social Europe, in contrast to the free market ideologies of the 1980s. In Scotland, for example, Europe's approach was far more in tune with the prevailing social democratic ethos, than the policies imposed by Margaret Thatcher's government of the day.

And so people across the continent, who want to see Europe rebalancing the economy and addressing inequality, will ask themselves why we are in a position where EU law prevents us from increasing the living standards of EU workers. I will be asking the Commission that question later today. Perhaps they will have an explanation – certainly they should have a rethink.

Secondly, we have to restore public confidence in the democratic credentials of the legislative and policy-making process in Brussels. I take the view that this can be achieved by improving the quality and sensitivity of EU governance rather than through yet another round of Treaty reform. The levers of subsidiarity and proportionality were included in the Treaties to protect EU citizens against over-burdensome and unnecessary rules and regulations. We have to make these levers work more successfully.

Thirdly we need a practical but compelling and visionary European project such as the marine renewables supergrid, which will give Europe a justification with transcends the commonplace and the transient.

These issues are of lasting significance. Scotland will play a constructive role in helping to address them. But there's a key difference between our approach to reform and that of the UK Government. Scotland will make proposals about the type of Europe we want to be part of; the UK Government is considering whether it wants to be part of Europe at all.

Ladies and gentlemen, a 19<sup>th</sup> century UK Foreign Secretary, George Canning, said once that "*I called the New World into existence to redress the balance of the Old*". He was talking about how events in South and Central America were helping to change the balance of power in Europe.

Now, there is a new world developing in Europe. It is a world where people want to be independent and interdependent: to address global and social challenges; to build a fairer and more prosperous society; to assess people and nations by their contribution - the positive difference they make - rather than by their status or their power.

But unfortunately, too much of the debate on this new Europe at Westminster, is being distorted by the dreams of an old empire. Those dreams have little allure now for Scotland. Europe enriches our culture, our economy and our society. We cherish the freedom it gives us to share, to travel and to exchange.

But we also seek the freedom to contribute. To contribute our voice as an equal partner on the world stage. To contribute to the future success of the European project from which we gain so much. To contribute our talents and innovation to the challenges that Europe, and the world, face in the future.

So when our small nation asks for the freedom to contribute, we will meet a welcome from around Europe. And we will gladly make those contributions – and more - when an independent Scotland, takes its full place in the European family of nations.