

I've never been a federalist - and No kept me awake las...

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I am nervous this morning and lost sleep last night, which is relatively rare for me. I can do stress, but it usually leaves me alone at night. So I had to ask myself what I was worried about.

I am not worried about Scotland voting Yes. I think its economy is sufficient for it to survive as a state. I think there is sufficient self identity for it to be a nation. I guarantee problems. But potentially only a few more, for a while, than would have happened anyway. That, of course, is a best guess.

What is not a guess is that a No vote could be very much worse. Tory MPs are queuing up to wreak havoc on Scotland - which they already consider a Scottish country only of use for grouse shooting. There is, as a result, no certainty that the promises of the No campaign will be delivered. And if they are separate taxation and major independent borrowing powers within a monetary union are problematic, to say the least.

But more problematic will be the calls for federalism. London will demand the power to tax. That power will be granted to Wales and Northern Ireland and maybe the North. Labour thinks it's down to big City states. And in every scenario three things follow.

The first is a race to the bottom on corporate and business taxes to supposedly lure business to relocate. Internal tax haven UK will have its foundations in a No vote. No wonder business wants it. The tax burden will shift still further from business to labour.

Second, there will be increasing inequality as take yields are steadily localised so that wealthy areas reduce tax by in turn reducing their cross subsidy to poorer areas of the UK. Inequality will increase.

And third? As the idea of the UK - and most especially England and Wales - working as a whole falls apart so will national infrastructure and with it the cohesion of the economy. We will all pay for that. GDP will fall. The green agenda will suffer. And social tension will rise with the variation in regional supplies of essential services.

There are good reasons for devolving some more powers in the UK. And there are

incredibly good reasons for reforming local taxation - because what we have is deeply regressive. But the deliberate construction of a state built on the theory of the firm where each area competes when what we need is a nation that pulls together with the strongest helping the rest, and each feeling they are part of a whole, is the last thing we want.

But that is what I fear we will get.

And that is enough to keep me awake at night.

No might be very much worse than you feared.