ANDREW MARR:  
It’s been a big week in Scotland, of course, and perhaps a big week for the entire UK with the agreement on the terms of an independence referendum. There’s going to be a straightforward yes or no question, but exactly what independence would mean is rather more complicated. Details about the currency, how the economy would be run, membership of the EU have all got to be worked out. Well Scotland’s First Minister and Leader of the SNP, Alex Salmond, has two years to make his case, and he joins me now from the SNP conference in Perth. Good morning, Mr Salmond.

ALEX SALMOND:  
Good morning. I’m actually in the Royal Scottish Geographical Society here in Perth today, Andrew. It’s a wonderful building, well worth visiting.

ANDREW MARR:  
With a good warm fire behind you, as I can see. Let’s start talking about your job over the next two years because you know the polls still show quite a substantial majority to maintain the union. You have got to shift quite a bit of public opinion. How are you going to do that?

ALEX SALMOND:
Well maybe that process is starting, Andrew. I mean a couple of weeks ago we were
told the yes side was 25 per cent behind. In this morning’s Sunday Times that gap has
been reduced to 8 per cent. Indeed it becomes 4 per cent if people think there’s going
to be a Labour Government at the next General Election and there’s a yes gap or an
advantage for yes of 11 per cent if people think there’s going to be another Tory
Government after the next election. Does that mean that the yes side is going to win?
Absolutely, definitely no. It means it’s all to play for. It’s game on. But there is some
substantial indication over the last two weeks that the momentum lies with the Yes
Scotland campaign.

ANDREW MARR:
Let’s talk about some of the specifics. Let’s start with defence. Your party conference
has voted (albeit it narrowly) to stay in NATO in an independent Scotland, and yet
some people would say well on the other hand you are against nuclear weapons and
indeed would make that a constitutional requirement of an independent Scotland and
that, therefore, there’s something rather hypocritical of using NATO’s nuclear shield
but not being part of it.

ALEX SALMOND:
Well 25 out of the 28 member states of the North Atlantic Treaty Organisation are
non-nuclear countries, so if that’s a hypocritical stance then Norway’s hypocritical or
Denmark’s hypocritical or Canada’s hypocritical. The stance in Scotland …

ANDREW MARR:
(over) But they didn’t have nuclear weapons to start with.

ALEX SALMOND:
I mean nobody … Well but, Andrew, nobody seriously believes that Scotland as a
country of five and a quarter million people, it would want to be in possession of
nuclear weapons. I mean that would be a bad thing for Scotland.

ANDREW MARR:
Well …
ALEX SALMOND:
I think it would be a bad thing for nuclear proliferation across the world. So our opposition to stationing or hosting nuclear weapons in Scotland is unconditional. What we do say, however, because we have substantial indications that our friends and allies want cooperation, that we’d be happy to be a member of NATO on a non-nuclear basis …

ANDREW MARR:
Sure.

ALEX SALMOND:
… like the other 25 countries who are in that position just now.

ANDREW MARR:
Well I wasn’t suggesting that Scotland have its own nuclear submarine, but the reason I’m interested in this obviously is that the Faslane …

ALEX SALMOND:
(over) Well what are you suggesting? That another country …

ANDREW MARR:
Sorry? The Faslane nuclear … Sorry, let me … The Faslane nuclear base …

ALEX SALMOND:
Yeah, sure …

ANDREW MARR:
… is hugely vi… important to the current Trident programme of the UK. If you talk to ministers down here in London, they say the costs of moving Trident to Devonport or somewhere in England would be prohibitively expensive. So either they can have some kind of agreement with you to keep the Trident base in Scotland open under a sort of Guantanamo Bay or Cyprus style leaseback arrangement or it’s curtains for Trident.
ALEX SALMOND:
Well far better it be curtains for Trident, I would say. And that would give the rest of the UK government two choices. They could either relocate Trident to another facility in the rest of the UK or, alternatively, they could use the nuclear facilities in America or in France for that matter. Nuclear facilities incidentally in America - because Trident is effectively an American weapon. Or alternatively, of course, they could decide on what would be a much better policy, which would be to decommission the weapon system. But you know that would be a matter for the London Government, but that doesn’t mean that we’re going to think it amenable to lease out part of Scottish territory in what you describe as a Cyprus situation. If Scotland by majority doesn’t want nuclear weapons, you’re quite right. The SNP proposal would be to write that into the constitution of the state, so that would make the possession of nuclear weapons illegal in Scotland. But that’s a perfectly reasonable choice for any country to make and the idea there’s not choices then for a London Government is ridiculous. I mean if they want to lease out part of Scotland like Cyprus, then what’s the problem with stationing the Trident system in the east coast of American bases which were actually built for that exact submarine system.

ANDREW MARR:
So one way or another, if Scotland becomes independent the system of basing Trident submarines in Scottish waters is over, will never come back, and that’s absolutely clear and can’t be revised?

ALEX SALMOND:
Well that’s clear from an SNP point of view. I mean we are not … don’t have any god given right to be the government of an independent Scotland, but that would be the policy of the SNP.

ANDREW MARR:
Right.

ALEX SALMOND:
Of course we do say in the motion that the removal of Trident would be as soon as could be safely arranged because we’re not going to compromise anybody’s safety in that matter. But, nonetheless, that’s the SNP policy which you rightly set out.

**ANDREW MARR:**
Let’s move onto the question of EU membership, a vexed and problematic one. You would expect there to be a presumably quite difficult negotiation with the rest of the EU about the terms on which Scotland became an independent member of the EU. Do you think there are circumstances in which Scotland might not be a member of the EU?

**ALEX SALMOND:**
No, we are part of the European Union. We’ve been part of it for forty years. We’d be negotiating our position from within the context of the European Union and I don’t think there’s any doubt about that. I don’t think it’ll be a vexed negotiation at all. Why on earth should it be? There’s a huge amount of good will towards Scotland in the rest of the European Union. I mean if you ask people in the rest of the European Union which part of these islands seems to be hankering towards leaving the European Union, it’s not the northern part of these islands, Andrew; it’s the southern part of these islands.

**ANDREW MARR:**
Well every country which applies to join - and this would be, a new country therefore, applying to join - is obliged also at the moment to be part of the euro, and yet you don’t want to be part of the euro at least for the time being. Why is that?

**ALEX SALMOND:**
Well let me dispute the premise of your question. There’s an entire difference between a country applying to join the European Union from outside and a country becoming a member state from inside the European Union. You’d be negotiating your position from inside. But nor is it the case, incidentally, that countries which have joined have automatically joined the euro. I mean Sweden joined under these circumstances and didn’t join the euro because, apart from anything else, it doesn’t fulfil the requirements for the euro of being in the Exchange Rate Mechanism for two
years. So the two things again don’t follow. But in terms of euro membership itself, then, you know when the facts change, you change your mind. I mean the Labour Party, even the Tories and certainly the Liberals until very recently were in favour of euro membership, but quite clearly the problems within that currency system, caused by the divergent productivity between the Ruhr Valley and the southern tip of Greece and other areas, mean that the euro membership doesn’t seem a sensible economic option, which is why we put forward the policy for some years now that we’d retain membership of a sterling area.

ANDREW MARR:
But do you accept that that would require some kind of pact between an independent Scotland and the Bank of England - a fiscal stability pact of some kind, an agreement on maximum amounts of borrowing - exactly the same kind of agreement that has caused tensions inside the Eurozone, albeit possibly for other reasons?

ALEX SALMOND:
Well I think “other reasons” is very important, Andrew. I mean there’s a lot of evidence that Scotland and England would be an optimal currency area because industrial productivity in Scotland and England is almost identical. Export productivity in Scotland is higher, service productivity in England is marginally higher, but basically identical. So some of the tensions that have existed within the Eurozone wouldn’t exist within a sterling zone. But you know it’s a perfectly reasonable proposition. What I don’t accept is this idea that this is going to bind Scotland hand and foot. I mean if you look at the last year for which figures are available, then that would still give you the flexibility of a 2.7 billion relative surplus. That is the strongest fiscal position that Scotland had compared to the United Kingdom in 2010/11. And, believe me, we could do a lot with 2.7 billion in Scotland at the present moment. We could invest more, we could borrow less - which might be a good idea - or a combination of the two.

ANDREW MARR:
There is, as you know, a very detailed argument about the possible nature of the divorce when it comes to the money, when it comes to the size of the debt and so on. There is a view among ministers in London that once that nego… If Scotland votes to
become independent and there is then the negotiation with the London Government about the terms on which that happens, that agreement must then be put to a referendum of the whole of the UK. How do you respond to that?

ALEX SALMOND:
Well Clause 30 in the Edinburgh Agreement, which was signed this week and I expect in good faith by the London Government - certainly we’ll treat it in good faith - says of course the referendum will be decisive. It will be binding on both governments. The process has been agreed, the result will be accepted, and both governments will then work in the best interests of the people of Scotland and the rest of the United Kingdom. Now I’m sure the Prime Minister …

ANDREW MARR:
(over) So you would regard a referendum …

ALEX SALMOND:
(over) … signed that in good faith.

ANDREW MARR:
And you’d regard the referendum in England …

ALEX SALMOND:
(over) Sorry …

ANDREW MARR:
… as a breach of good faith then?

ALEX SALMOND:
Well I’m not sure which referendum you’re talking about. But I mean what the Edinburgh Agreement does - and this is the game changer, Andrew, is it not - we now have an agreed process by which Scotland can become an independent country? And both governments (I think sensibly) have agreed the process, agreed to accept the result, and to work in the best interests of the people of Scotland and the rest of the United Kingdom. Now I’ll abide by the letter and the spirit of that agreement. I’m
sure the London Government will as well.

**ANDREW MARR:**
There is a big debate going on in London about immigration at the moment and the problems of the Schengen area and so on. The prospect possibly of passport controls between Scotland and England could, therefore, not be ruled out, could it? (Salmond sighs) I know you don’t like talk… I mean this is not a subject you like, but it’s not unreasonable.

**ALEX SALMOND:**
(over) Well no I can talk … No, well you say not unreasonable. I mean I think if I remember correctly, Andrew, you’re a regular visitor to the Irish Republic. I’m quite certain you didn’t take your passport last time you visited because you don’t need your passport because we’ve been part of a common travel area not just between Scotland and England but between Scotland, England and the Irish Republic since before the Second World War, if I remember correctly. Certainly from immediately after the Second World War. That common travel area would continue when Scotland’s independent. That is the primary travel area to which we would look. And of course the treaties that established that and the Acts of Parliament that established that would be inherited by the Scottish Government.

**ANDREW MARR:**
David Cameron got his yes or no question. You won in terms of the timing of the referendum and also the process by which that question will be agreed. Did you put one over on him?

**ALEX SALMOND:**
Let’s … I mean, look, it’s a very good agreement, I think. It’s good that the governments were able to agree. I think it’s a respectful agreement. I would have preferred the Scottish Parliament to decide the issue of whether there should have been a second question. That was the position. On the other hand, this is very much a referendum made and built in Scotland in terms of the process. As you rightly say the timing, the franchise, all of that will be decided in the Scottish Parliament, as it should be …
ANDREW MARR:
Yes.

ALEX SALMOND:
… on behalf of the Scottish people.

ANDREW MARR:
You want to keep the Queen as Queen of Scotland. Do you think that would be the same when we get to King Charles III or whatever he calls himself? Would he be as welcome as the King of Scotland as the current Queen would be as Queen of Scotland?

ALEX SALMOND:
Yes I do. I mean the Duke of Rothesay (as his title is in Scotland) is a great friend of Scotland and I’m certain that would the case. Incidentally, I keep hearing that the SNP have changed their policy on the monarchy. We actually adopted our policy in favour of the monarchy in 1934, which was before even I was in politics and before you were …

ANDREW MARR:
Just, just, just.

ALEX SALMOND:
… commenting on it, Andrew.

ANDREW MARR:
Do you think the Queen would want to stay as Queen of Scotland? Do you know that she would want to stay as Queen of Scotland?

ALEX SALMOND:
Well I think the BBC got in trouble quite recently for trying to put words into the mouth of Her Majesty the Queen, but yeah I mean I think Her Majesty the Queen would be proud to be Queen of Scots, as her ancestors were. And of course, as you’re well aware, it was actually James VI, King of Scots, who became King of England as
James I, and of course there was hundred years in which Scotland and England had the same monarch but were two independent countries. I’m sure Her Majesty the Queen (and I certainly wouldn’t put words in her mouth) is as well aware of history as you and I are, Andrew.

**ANDREW MARR:**
Indeed. Alex Salmond, thank you very much indeed for joining us this morning.

**INTERVIEW ENDS**