

## **Major blow to SNP campaign**

The SNP's proposed currency union between an independent Scotland and 'the rest of the UK' is coming under increased fire from the unionist side.

After the doubts expressed by the Governor of the Bank of England, Mark Carney, two weeks ago, there is now a concerted effort by the three main UK-wide parties to concentrate their attacks on it.

The Chancellor, George Osborne, is widely expected to rule out such a currency union later this week.

This is a major blow for the SNP campaign as the proposed currency arrangement is a cornerstone of its economic case for independence.

Opinion polls show that undecided voters are particularly sensitive to the economic aspects of independence and the uncertainty this creates might potentially be a turning point in the campaign.

The SNP's standard response is that an independent Scotland would refuse to take on its share of the UK debt if a currency union is denied.

That, however, would be a problematic strategy as Scotland would need the co-operation of the 'rest of the UK' on a range of issues, in particular regarding its EU membership, and could ill-afford a confrontational strategy.

The campaign has barely started and we can expect it to become increasingly contested in the run up to the September vote.