

I've been reading about the Barnett Formula this week. For those of you not in the know, it's how Westminster work out what share we in Scotland get of the UK tax proceeds.

Now I know you may prefer to be reading something a little bit more light-hearted. I could write about the Beckham's marriage or the Atkins Diet, but this really is important.

Whenever there is a discussion about independence, and rest assured there will be many such deliberations this year, the main debate ought to focus on something called fiscal autonomy.

There are many good arguments both for and against an independent Scotland, and although I quite definitely come down on one side, I can see the reasoning on the opposite side as well. Both sides claim financial benefits to their proposals and, unfortunately we just have to take the experts' word for it. No-one outside the government or civil service, and many of those in it, has a hope of understanding the taxation and spending system. And yet when we come to vote for or against independence we will be influencing decisions over public spending, investment and ultimately our own pockets.

Whenever there is talk of independence or increased autonomy for Scotland's finances, the merits or otherwise of the Barnett Formula are always referred to. The formula was created in the 1970s as a short-term way of justifying giving extra money to Scotland to head off the threat of the Nationalists. They tried to throw money at Ireland in the late 19th century for the same reason, but that never worked either.

Lord Barnett, who devised it, is allegedly no longer proud of his formula and is trying unsuccessfully to have it disassociated from his name. It was only intended as a temporary measure until they could find something better.

Basically what happens is; the pot of tax money gathered across the UK gets divided between the four countries – Scotland, Northern Ireland, England and Wales. There is a basic block grant that each of the countries get and the Barnett formula allows for the distribution of additional funds, based on relative population, biased in favour of Scotland but against Wales (who presumably were less likely to want independence). Eventually, the mathematicians assure us, spending will converge until all countries receive an equal share, but so far that hasn't happened.

One reason for this is because, when the politicians in charge of these things fear that the formula will give a settlement that they don't like, they change the rules or introduce some new way of allocating funds that bypasses the original formula. Thus, education funding can be done through the education departments (which are subject to the formula) or through the department of trade & industry which is not. The upshot being that you and I have no hope of understanding the fairness or otherwise of increases or cuts to spending.

If you followed the debates for the London Mayoral elections, you would have heard a great deal of discussion about the Barnett Formula, and some quite vicious jibes about Scotland sponging off English wealth. The border areas of England too feel quite strongly about the balance as they can see differences in spending in the towns just across the border. In contrast, Mr Salmond waxes lyrical about how our oil revenues are being stolen by our southern neighbours, pointing to the relative wealth of countries like Norway.

At times it sounds like children arguing over pocket money, each claiming they help more in the house than their sibling does. Or pointing out why they need to have more as their needs are somehow greater. At the end of the day, their parents

decide and the children just have to get on with it, powerless to argue against a greater force.

This is no way to run a country. If the people who pay for it all (us) cannot understand how our money is being spent, then what hope is there for sensible decisions being made about how we are governed? A sentimental attachment to the Queen, or a pride fired by The Proclaimers is not the basis for deciding our future. The Scottish Government needs to work with Westminster to clear up the mess that is Barnett, and put in place a clear process for distributing funds. Once that happens, we can all see how our money is being spent, and then challenge our leaders over the choices to be made. And when the time comes to vote on independence, we can consider the real financial implications for ourselves and not have to rely on political spin fed to us by those who may or may not have our best interests at heart.