

# NewStatesman

## Liam Fox's American friends

**The trade secretary's trans-Atlantic connections point to the Brexiteer dream of opening up the UK to US capitalism.**

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As May's proposed deal with the EU dominates headlines, her trade secretary was talking up a different deal this week, with Trump's America. It's not the first time.

In July, Liam Fox gave a lecture to the Margaret Thatcher Center for Freedom at the conservative US think tank the Heritage Foundation. In Washington, the international trade secretary spoke passionately about his belief in free trade and talked up the chances of "frictionless trade" across the Atlantic.

Many of the themes of Fox's lectures were echoed in a radical free market blueprint for Britain's post-Brexit relationship with the US published last month. The paper suggested that the NHS could be opened up for competition and that consumer and environmental regulations could be watered down in the "ideal UK-US free trade deal."

These proposals came from Initiative For Free Trade – the brainchild of Tory MEP Daniel Hannan – and the Cato institute (a libertarian think tank funded by the plutocratic Koch family). But the policies were shaped by a host of conservative think tanks on both sides of the Atlantic, including the Institute of Economic Affairs (IEA), the Adam Smith Institute, and the Heritage Foundation.

The Guardian reported that the researchers behind the paper had "exceptional access to ministers in both the Department for International Trade and the Department for Exiting the European Union." This is not surprising – as openDemocracy reported earlier this year former trade minister Greg Hands arranged monthly meetings with Shanker Singham, head of the IEA's trade unit. Singham also had frequent undisclosed catch ups with former Brexit minister Steve Baker.

But of all the Brexiteers, the one with the deepest – and longest – connections to the world of conservative think tanks is Liam Fox.

Back in 1997, when the Conservatives were routed at the hands of Tony Blair, Fox set up an organisation called Atlantic Bridge, to bring together right wing and pro-corporate groups in the USA and the UK, and to fight against "European integrationists who would like to pull Britain away from its relationship with the United States". Margaret Thatcher agreed to be its president, and the group hosted meetings and awards ceremonies for people including Henry Kissinger, and Rudy Giuliani, and was briefed in George W Bush's White House by Karl Rove.

The main funder of Atlantic Bridge was the billionaire hedge-fund manager Sir Michael Hintze, whose companies include CQS Cayman Islands Limited, based in George Town, Cayman Islands. Hintze has given just under £4m to the Tory party and was also a donor to Vote Leave. (He also funds the climate change denying campaign group “the Global Warming Policy Foundation”). Hintz has reportedly lent Fox his private jet in the past too. Atlantic Bridge also had a staff member paid for by the American pharmaceutical giant Pfizer.

The American end of the project was called the Atlantic Bridge Project. This was founded by the American Legislative Exchange Council (ALEC), who push the radical de-regulation policies favoured by big American business, such as union busting, privatisation of schools and hampering action on climate change. The group is so radical that, in 2015, Shell resigned its membership of ALEC over its opposition to action on climate change.

A decade and a half after founding Atlantic Bridge, Fox found himself as Defence Secretary in Cameron’s government. By then, Atlantic Bridge had forged close links with the growing radical right Tea Party Movement. And its chief executive was a man named Adam Werritty, who listed the charity’s address at Fox’s office in parliament.

Werritty was a close friend of Fox, having been his flatmate and best man at his wedding. In 2011, it transpired that, as well as being chief executive of Atlantic Bridge, he was attending almost half of Fox’s official meetings as defence secretary, including on a number of visits overseas. Werritty’s time with Fox was paid for by a number of private firms including an international investigation company staffed by ex-M16 employees. Fox was forced to resign as a result of the scandal, in advance of a report from cabinet secretary Gus O’Donnell into the affair. After an investigation of Atlantic Bridge by the charity commission, and the organisation was shut down.

But Fox has returned to cabinet, and with a Trump administration in power in Washington, the former defence minister now has some notable connection: Rudy Giuliani, Trump’s attorney spoke at an Atlantic Bridge event in 2007; Fox and John Bolton, Trump’s security adviser, crossed paths at an event in Bahrain in 2013 where they were trying to rally support for the Bahraini king as his forces rounded up, tortured and killed teenage democracy activists.

The Heritage Foundation, where Fox spoke in July, has long been a leading force on the US radical right, railing against environmental protections, undermining American trade unions, and promoting a free market in healthcare. It has also supported Britain’s exit from the EU for more than a decade, seeing a chance to pull the UK towards a more American style, deregulated economy.

Similarly, Fox brought into government with him various figures from the US/UK right-wing think tank nexus he helped to build. Among them is the aforementioned Institute for Economic Affairs trade spokesperson, Singham, best known for pushing hard Brexit and forced to resign from Fox’s committee of advisers after open Democracy revealed that he was being employed by a private lobbying firm at the same time as helping shape government trade policy.

Fox’s desire to replicate American capitalism on this side of the Atlantic is hardly a reason to be cheerful. US business is, on the whole, less carefully regulated than companies in the EU. Safety and environmental protection standards are significantly lower, and workers can’t expect basic rights like parental leave or decent holidays. American pharmaceutical and agribusinesses in

particular see the chance for major profits from unfettered access to a deregulated post-Brexit UK market.

When the Obama administration tried to negotiate the Trans-Atlantic Trade and Protection Partnership, they pushed for clauses that would make it harder for governments to take services back into public ownership if they had been outsourced, creating a ratchet to push European healthcare and education systems into the hands of American companies.

TTIP was blocked for now, but instead, Fox wants to sign Britain up to its Pacific equivalent, CPTTP. This trade deal includes a legal tool called an Investor State Dispute Mechanism, which allow foreign businesses to sue a government in a corporate court if a policy damages its anticipated profits. As researchers at the charity War on Want have pointed out, a similar mechanism in the North American Free Trade Area allowed, for example, American businesses to demand millions of dollars from the Canadian government when Quebec tried to ban a dangerous pesticide and impose a moratorium on fracking.

Launching his bid to join CPTTP and submit Westminster to the legal authority of these corporate courts, Fox said it was a “hugely historic moment for the British people who voted to take back control”. His plans look a lot more like handing control straight to his friends on the other side of the Atlantic.