

THE SCHPIEL

As U.S.-China Talks Meander, U.S.-U.K. Pact Could Revive Free Trade

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The uncertainty surrounding US/China trade talks is steering financial markets up and down more peaks and valleys than a drive through the Himalayas. Brighter, timelier prospects for free trade might lie in the hands of two husky, showy New York natives with bold blond hair and tame blue suits: U.S. President Donald J. Trump and U.K. Prime Minister Boris Johnson.

The United Kingdom's new leader was born — believe it or not — in Manhattan. From his early days on the Hudson, he now governs on the Thames. As a conservative nationalist, his fervent support of Brexit parallels Trump's skepticism about large, multilateral economic institutions. The two executives are temperamental cousins, resemble brothers, and seem like pals.

“He's a good guy. He's a friend of mine. I think we're going to have a great relationship,” President Trump told journalists on July 26. “Boris is going to be a great Prime Minister. Trump added. “He has what it takes. They needed him for a long time.”

These political and personal factors bode well for an Anglo-American free-trade pact. Optimists speak of concluding an accord that would commence on November 1, the day after Johnson promises the U.K. will leave the European Union — amicably, if possible, otherwise through a divorce as frightful as Halloween itself.

“I'm sure a new free-trade agreement, with Boris and your excellent ambassador in London, Woody Johnson, pushing it, will come quickly,” predicts Lord Borwick of Hawkshead, a Conservative member of the House of Lords and frequent visitor to America. He expects U.S. farmers will savor the result. “The Europeans prohibit American chickens because they are washed in chlorinated water, even though we wash our children in chlorinated water in every British swimming pool, and I never have seen an English tourist refuse to enter a Kentucky Fried Chicken shop.”

Lord Borwick hopes an Anglo-American bargain remains simple. He says: “If we make anything legal in the States legal in the U.K., and vice versa, then we have a free trade agreement that can be summarized in one sentence that everyone can understand.”

Daniel Hannan, a Tory member of the European Parliament, is considered the Father of Brexit. He also is a thoughtful and magnificently eloquent advocate of conservative ideas. Hannan argues that both sides should “emphasize the open nature of a U.S.-U.K. deal, to underline that it is about mutual recognition instead of standardization. This mutual recognition should apply to goods, services, and professional qualifications.”

“Now the really good news,” Hannan continues. “We have already done the work for you. Eleven British and American think tanks — including Heritage, Cato, Manhattan Institute, and the American Enterprise Institute — have produced precisely such a trade deal. Not just a proposal for a trade deal, but an actual treaty, drawn up by properly qualified trade lawyers and, in theory, ready to go the day after Brexit.”

American and British diplomats should grab this “Ideal U.S.-U.K. Free Trade Agreement,” as it’s titled, respect its text, and ready it promptly for Trump’s and Johnson’s signatures.

“With the U.K., we could do much, much more trade,” President Trump said. “I think we can do three to four, five times what we’re doing.”

“In the U.S., there are all sorts of opportunities we have to open up trade,” Johnson told Sky News, “but they still ban haggis, for heaven’s sake.”

Securing a U.S./Chinese trade compact now looks more elaborate than a Dongyang wood carving. Tit-for-tat taxes on imports seem to be slowing growth in both countries. The never-ending wait for a treaty is building a Great Wall of Uncertainty around thousands of bewildered businesses. And if Beijing harshly clamps down on Hong Kong’s raucous, freedom-loving capitalist stalwarts, Team Xi’s hands could be too bloody to shake in public.

While all of this sorts itself out — or doesn’t — two birds of a feather in Washington and London soon should sign a deal that will make Anglo-America great again.