

Trump's focus on UK trade could sideline EU, Democrats fear

Warning over damaging US relations with Europe and the time it could take to conclude a British deal

Patrick Wintour

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Tensions have emerged between Democrats and Republicans over the wisdom of Donald Trump prioritising a bilateral trade deal with the UK and leaving the European Union by the wayside, <u>and the speed</u> at which such a deal could be struck.

<u>Democrats</u> addressing a joint foreign affairs congressional hearing were wary of the US president's enthusiasm for a bilateral deal, describing it as either unrealistic or likely to damage US relations with Europe.

It was the first public discussion of the issue on Capitol Hill since <u>Theresa May met Trump in Washington</u>.

Others at the hearing were more bullish. Nile Gardiner, director of the Margaret Thatcher Foundation at the Heritage Foundation, said a deal could be struck within 90 days of the UK leaving the EU in 2019. Such a deal would be "a force generator for economic liberty through genuine bilateral free trade based upon the principles of sovereignty and economic freedom", he said.

Bill Keating, the lead Democrat on the foreign affairs committee, said he was concerned by suggestions that maintaining a special relationship with Britain would come at the expense of maintaining robust relationships with the rest of <u>Europe</u>, which accounts for 80% of US transatlantic trade.

"US-UK ties are unique, but they need not be exclusive," he said. "There is a danger in having a prioritised bilateral agreement and leaving the rest of Europe by the wayside including allies like Germany."

Gregory Meeks, a Democratic congressman from New York, also said talk of a UK-US trade deal was "very theoretical" adding that a presidential soundbite supporting a deal was easy but in reality "it may be much more difficult for negotiators acting solely in their national interest".

He defended the EU as "a peace project firmly allied with American interests and designed to protect our liberal ideals".

Brad Sherman, a Democrat, said he saw nothing inherently better in a bilateral deal over a multilateral trade deal, and suggested a trade deal might weaken UK wage levels, environmental protection and labour laws. The NHS might also feel under threat, Sherman added, since it "made Obamacare look like something that came from [rightwing thinktank] the Cato Institute".

In contrast, the Republican committee chairman, Ted Poe, said a UK-US trade deal would be "a great place to start a new round of bilateral deals that set the gold standard for the future". The Obama administration's threat to put the UK at the back of the queue for a trade deal was "a snub to our greatest ally" and "the opposite of what we should be doing".

He predicted the US would not have to "sell the ranch" to get a deal, adding similar wage rates meant US manufacturers "would not have to build factories in the English countryside".

Dana Rohrabucker, a former Reagan speech writer, applauded the Brexit vote "as as affirmation by the British people that the system needed disruption for their wellbeing. Getting into these large multilateral trade agreements was not to their benefit. That is why they voted not to stay in."

He said Trump was all about bilateral trade deals between free people, and there were no two freer nations than the UK and the US.

Dr Donald Hamilton, director of the Johns Hopkins school of advanced international studies, repeatedly warned negotiations will take time, and urged Trump not to use the UK as a lever to damage the EU. "If we are actively engaged in creating a Europe that is fractured and anxious, that is not in America's interest and it will short change the American economy," he said.

"It will mean a Europe beset by various nationalisms, that has proven not to be a good thing for America in our history."

Hamilton said any US-UK deal would have to overcome potential disagreements over different approaches to regulatory policy and sensitivities over public procurement and healthcare in the UK.