



Right-wing US think tanks want complete deregulation as part of US-UK free trade deal

Luke Barnes

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Brexiteers have teamed up with prominent right-wing American think tanks to launch a blueprint for a free trade deal between the U.S. and the U.K., which would include gutting environmental regulations and opening up Britain's National Health Service (NHS) to foreign competition.

The plan was co-written by the pro-Brexit think tank the Initiative for Free Trade and the Koch brothers-funded Cato Institute. It was supposed to be released in both London and Washington D.C. Tuesday afternoon, however it appears the Cato Institute published their version of the plan early.

In the paper, the authors argue for a free trade agreement that, by loosening control on capital and data flows, "would be more 'liberalizing' than any other FTA in the world."

Among the recommendations made are for zero restrictions on foreign direct investment in the economy, zero restrictions on competition for government procurement, and "eliminations to the fullest extent possible of impediments to expeditious customs clearances procedures for both imports and exports." The paper also advocates for a "hands-off" approach to any sort of financial regulation.

In practice, this would mean that the EU regulations on chlorine-washed chicken, hormones in meat and pesticides would all be thrown out. Nationalized industries in the U.K. like the NHS would be open to either privatization from foreign companies or a partial takeover of services. The plan would also likely again open up Britain's real-estate market to dubious offshore investments.

"The measures supported in this paper represents a free trade utopia, entirely divorced from economic reality," Nick Dearden, director of Global Justice Now, told the Guardian. "If carried out, these policies would destroy huge swathes of our economy, including farming, and they would lay waste to public services."

The significance of the paper is heightened by its links to right-wing think tanks — like the Cato Institute and the Heritage Foundation and American Enterprise Institute (which are listed as "partners" for the new trade agreement) — which have connections to governments on both sides of the Atlantic. The Heritage Foundation, for instance, has stacked the Trump administration with friendly acolytes. The UK secretary for international trade, Liam Fox, also has close ties with the Heritage Foundation and AEI, and has previously given speeches at AEI functions.

Since Brexit, Fox has visited dozens of countries, including China, Singapore, Saudi Arabia, the United Arab Emirates, and Panama in his effort to make the U.K. “an exporting superpower” after Brexit — despite the fact that the EU is by far and away the U.K.’s biggest trading partner, with Germany’s footprint more than twice the size of China’s.

However, many of the countries that Fox has visited in his effort to boost exports are authoritarian regimes — further emphasized when Prime Minister Theresa May visited Saudi Arabia last year. This raises fears that Fox’s Brexit export strategy rests at least partially on selling military equipment to authoritarian regimes. Since Saudi Arabia began bombing Yemen in 2015, for instance, the U.K. has sold the country more than six billion dollars worth of weapons.