

Brexit Boost: UK-US deal can ‘Rewrite Global Trade’ - May urged to ‘bring down barriers

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Experts from 11 think-tanks on both sides of the pond came together to draft a text for an “ideal” free-trade deal.

The agreement outlined by the economists aims to reduce barriers to the minimum and get rid of tariffs for nearly all goods in trade between Washington and London.

One of the authors of the report said the deal will “free” both British and Americans traders.

Matt Kilcoyne, of neoliberal think-tank the Adam Smith Institute and co-author of the report, said: "Together the US and the UK have the clout to rewrite the rules of global trade.

"This deal would be about freeing citizens of the two largest English-speaking countries to trade without impediment, to be able to move for work and change their stars.

"Britain's future is bright, so long as it doesn't just buy into the status quo or join in trade wars against its own citizens.

“Instead, the UK must seek to bring down barriers and push up prosperity.”

The report acknowledged the concern expressed by sceptics who would rather avoid opening up the NHS to private US health firms.

But it argued a deal could have a positive impact on both countries’ industries.

The document said: “Health services are an area where both sides would benefit from openness to foreign competition, although we recognise any changes to existing regulations will be extremely controversial”.

The authors also agree the protectionist “America first” and “Buy America” policies favoured by US President Donald Trump could pose a problem to their proposed trade agreement.

However, the report said, "such policies are clearly bad for those adopting them".

Dan Ikenson, from US think-tank the Cato Institute, said the report was aimed at persuading policymakers and the public that a "comprehensive bilateral trade and investment agreement removing all barriers to trade across all sectors of both economies without exception is in their best interests".

Tom Clougherty, from the Centre for Policy Studies and another co-author of the report, added: "This isn't just an ideal free trade agreement between Britain and the United States, it is a model for how trade liberalisation can and should work in the 21st-century."

The possibility of a trade agreement between the US and the UK has been widely welcomed by many Brexiteers.

As Britain's withdrawal from the EU approaches and tensions between the US and China reach new highs with their ongoing trade war, Brexit-backing MPs and economists think a deal with the US would provide a major boost to the UK economy after Brexit.

During the summer, John Bolton, Mr Trump's national security adviser, secretly met with members of the European Research Group of Conservative led by Jacob Rees-Mogg, to informally discuss a potential US-UK trade deal.

Among them, former Conservative leader Iain Duncan-Smith said: "We didn't talk about details, he just simply said we're very pro the idea of a trade arrangement as quickly as possible and the general view was that they could get it done within two years if the British really wanted to do a real push on it.

"So my point is that I've passed that back to government as a general conversation, but it was a conversation between friends and, you know, we do tend to do a lot of conspiracies, don't we, in the media at times.

"There's no conspiracy here, it was just a general conversation."

Commenting the new report, a Department for International Trade spokesperson said: "We are committed to forging new trading relationships that create jobs, boost our vital industries and benefit people across the whole of the UK.

"We are currently seeking a wide range of views about four potential free trade agreements, including with the USA, and we encourage all interested organisations and members of the public to make their voices heard through our online consultations."