

## Britain will find US trade talks 'tougher than first assumed'

Callum Jones

Monday May 11 2020, 12:01am,  
The Times

Politics

United States

Asia

China

Europe



Liz Truss, the international trade secretary, launched the trade talks via video link  
DOMINIC LIPINSKI/PA

Share    

Save 

Almost four years ago voters endorsed withdrawing Britain from the European Union and taking back control from Brussels. They had been promised ambitious new free trade agreements with leading markets beyond the bloc, boosting the economy and creating hundreds of thousands of jobs.

Last week government officials launched [formal talks](#) with their initial target: the United States.

Opting to conduct your first independent trade negotiation in decades with the world's most formidable negotiating power would be bold under any circumstances, but the UK is simultaneously trying to hammer out its future relationship with the EU.

President Trump, counting down to election day in November, is overseeing an increasingly erratic and disruptive international economic strategy. With six months to spare, he is threatening to tear up his peace deal with China as supporters urge him to desert the international rules-based order once and for all.

In the midst of the first ten-day [transatlantic negotiating](#) round, the scale of the task facing Britain is vast. In a joint statement with the Trump administration on day one, it vowed to proceed "at an accelerated pace". The prize amounts to a tantalising political symbol. Washington is keen to scope out as quickly as possible how far the UK — a new negotiating force — is prepared to go in order to obtain it.

Crawford Falconer, Britain's chief negotiator, is said to have once told colleagues "you only know you have a good trade deal when both sides are as unhappy as each other," although the trade department indicated last week that he could not recall saying it.

Mark Garnier, a former trade minister, predicted "very, very intense arguments and debates" with "lots of bumps in the road" along the way. "A lot of people are going to be looking out to see the stuff about chlorinated chicken and the NHS," he said. "I think we're going to end up with a big political argument."

These two flashpoints in Britain — the mooted prospects of a lifted ban on antimicrobial-washed poultry and the health service being more vulnerable to privatisation and higher drug prices — are the source of some bewilderment across the pond. They surfaced long before the 200 or so negotiators dialled into their video conference calls as discussions started last week. Activists continue to warn that both threats remain, despite the repeated insistence of Boris Johnson and ministers including Liz Truss, the international trade secretary, that neither will materialise.

Although agricultural access is a priority for the White House it has been far more vocal on issues such as the new UK tax on big technology companies, which came into force last month. The US has said it will hit countries introducing such models with tariffs.

"London will find it far tougher going with Washington than most assume because the US will be relentless for openings in some of the UK's most sensitive areas," said Harry Broadman, former US assistant trade representative, citing agriculture, drug prices and digital tax. At the same time it will "stand very firm" against potential openings in its own market, such as greater access for British car exporters, he predicted.

Those in Whitehall considering America's hardball approach under Mr Trump could turn to Geneva, where the World Trade Organisation's top court is on its knees, or to Beijing, which has become the president's prime target. Having spent the past three and half years upturning the established trade order, he is now trying to mould his strategy into something he can use on the campaign trail.

China, initially cast as his administration's villain, returned to favour in January when Mr Trump hailed an interim trade deal with it as "a sea change" in relations. Now it has returned to its previous role, accused of causing the Covid-19 crisis and threatened with duties. The US will "terminate" their pact, Mr Trump has declared, should China renege on a commitment to buy \$200 billion more of its goods and services over the next two years.

In the UK, which has been considering how to strengthen its trade ties with Beijing after Brexit, negotiators and diplomats are treading cautiously. Karen Pierce, Britain's ambassador to America, responded with care when asked about Mr Trump's latest threat of new duties on Chinese goods. "In general terms, tariffs are not particularly conducive to free trade, and we the Brits believe very much in free trade," she said. "The dispute between the US and China is for them to resolve."

On the global stage Mr Trump's White House has never shied away from playing bad cop. He says that this approach obtained concessions from markets including Mexico, Canada and South Korea at the negotiating table.

It remains to be seen what such tactics will mean for the chances of a deal with Britain. Mr Garnier expressed confidence that an accord of some form would emerge "relatively quickly," but Mr Broadman was sceptical that a full free trade agreement would be struck. "Rather the best that can be hoped for is a bunch of sectoral merchandise transatlantic transactions," he said.

---

Politics United States Asia China Europe

---

Share    

Save 

---