

hence the access from the UK to the EU would be a critical basis for the negotiations. For example, the US Chamber of Commerce noted that much of US investment was made ‘so companies could seamlessly access the much larger EU single market’,⁴ a motivation that would evaporate if the UK left the common market. Similarly, the Chinese ambassador to the EU noted, ‘if there is not a Brexit deal, there won’t be things to talk about ... If the EU and the UK fail to reach agreement in the first place, the UK’s agreements with other parties [would] ... face great uncertainties.’⁵

In the USA, free trade with the UK had some influential supporters. US trade negotiators saw opportunities to establish some principles in the US-UK trade agreement that the USA had failed to get the EU to agree upon, for instance on genetically modified foods, chlorine washed chicken or hormone treated beef. Unfortunately, public opinion in the UK was no more favourable to these practices than in the rest of the EU. However, some US politicians and the farming lobby saw opportunities, as *The Economist* put it, to ‘bully a “desperate” Britain into conceding things that America can then turn around and demand from the EU, citing British precedent’. This concerned the notably aforementioned agricultural products but also would see an end to the geographic protection of product names and allow US car manufacturers to self-certify the safety of their products.⁶ Obviously, if products were to enter freely into the UK under such conditions, the EU would have to control flow of products across the borders between the UK and the EU.

China also was welcoming the invitation to negotiate a free trade agreement, similar to the China-Switzerland Free Trade Agreement signed in 2013. China saw an opportunity to request comprehensive provisions protecting Chinese investments in the UK, which had surged in recent years. Moreover, China expected the UK to stop complaining about unfair competition between foreign and local firms in China and certify China as a market economy by WTO criteria. This would make anti-dumping claims against China more difficult to prove and hence reduce the chance of punitive anti-dumping tariffs such as those 48% to 72% tariffs the EU has maintained on Chinese steel imports since 2011.⁷ However, following years of downsizing the industry, UK steel workers in particular were expecting the post-Brexit government to provide more rather than less protection against what they viewed as ‘unfair competition’ from China.

Sources: (1) WTO, 2018, UK Factsheet, www.wto.org, accessed 10 May 2018; (2) *The Economist*, 2018, Norway’s border shows problems Brexit could create in Ireland, February 22; (3) *The Economist*, 2017, To see how trade may work after Brexit, visit Dover ports, April 6; (4) *The Economist*, 2018, The elusive art of the deal, April 7; (5) H. von der Burchard & J. Hanke, 2018, Chinese ambassador to EU: No UK trade talks without a Brexit deal, *Político*, April 18; (6) *The Economist*, 2018, The elusive art of the deal, April 7; (7) *Reuters*, 2018, EU extends duties on stainless steel pipes from China, March 6.

DISCUSSION QUESTIONS

- 1 As a representative of a UK manufacturing business, what type of post-Brexit arrangement would you be lobbying for, and why?
- 2 As a representative of a foreign-owned manufacturer in the UK, what type of post-Brexit arrangement would you be lobbying for, and why?
- 3 As a trade union leader, what type of post-Brexit arrangement would you be lobbying for, and why?