

Freer trade worldwide

The UK stands on the threshold of being able to lead the movement for freer trade worldwide. If we leave the EU in March we can pioneer new trade deals around the globe. Japan and others would like us to join the TPP, a vast free trade area in fast growing Asia. Australia and New Zealand, Singapore and South Korea, Canada and Japan would all like closer trade relationships than we have enjoyed as members of the EU.

The big issue is how the west relates to China. The world is witnessing a bruising encounter between the USA and China over many trade issues. The USA wants China to remove some of its many tariff barriers. It wants China to allow more inward investment without requiring joint venture partners and technology sharing. It wants a better enforcement of intellectual property rights in China. It wants more action by the Chinese to reduce over capacity and participate more as importers as well as exporters in the world trading system.

The UK should have a place in these debates, and will be able to once we are out of the EU. The UK too would benefit from more open markets in China, and from the removal of more tariff and non tariff barriers to trade by Beijing. The UK is helpful to China as she builds a large banking and financial service industry, with London playing a leading role in the international development of Chinese finance.

Many of us who voted Leave have a global perspective. Recognising the strong logic of numbers, this is the Asian century. Our trade with the EU will naturally diminish as a proportion of the total whether we are in or out of the EU. Our trade with Asia will grow. The issue is how quickly our Asian trade will increase, and how enthusiastic will we be about this development. Now is a good time to be a free trade advocate, and to get involved in TPP and Chinese trade relations. We can be a force for the good, for greater prosperity and more open markets.

It is long past the time when the UK government should publish its tariff schedule for April 2019. This too offers an opportunity to lower the EU tariff schedule we currently use, whilst keeping some bargaining power for future trade deals to eliminate more tariffs. If they see our tariff schedule it might also cement EU enthusiasm for tariff free trade with us.