

Twitter Thread by [David Henig](#)



David Henig

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Ten days in and it seems the government's post-Brexit economic policy is to ignore reality, priority and choice, and just claim with no evidence that everything is going to be great. This, needless to say, is dangerous territory. Exhibit 1... 1/

Here's a good example of what is currently passing for UK economic policy. The theory the UK can be 'nimble' in regulations has been present since 2016. In 5 years nobody has found the detail. We presume others might have a similar idea. And trade needs regulations to align 2/

Mr Sunak believes that nimbler regulation of the City could allow it to develop as a centre for emerging industries, whether with green finance or new listing rules to support new technology companies.

There will of course always be someone to blame. Usually the EU. Because they do indeed want to compete with the UK. This is not exactly surprising. A vague UK idea versus the bigger next door market (or indeed a big one over the pond). Who's going to win? 3/

Although the EU and UK agreed in the Brexit trade deal to draw up a memorandum of understanding by March on regulatory co-operation, that does not guarantee Brussels will issue equivalence rulings.

One ally of Boris Johnson, the UK's prime minister, said the EU had been "playing games" on the issue in an attempt to lure more jobs from the City of London to financial centres on the continent including Paris and Amsterdam.

Next, 'Global Britain' and specifically the Liz Truss speech in the Commons yesterday. To summarise, we are going to do trade deals on everything with everyone while still protecting UK industry and poor countries. Yup, more warm words and no

Useful example here. The long running EU-US trade battle over food, one claiming to be about quality, the other science. The UK solution. We'll do both! Fabulous, why did nobody think of this before? Unless they did, and found they still had to choose. Note other warm words 5/

We will promote modern rules that are relevant to people's lives for digital and data trade... We will champion high environmental and animal welfare standards in a science-led approach...

And we will push for modernisation of the World Trade Organisation and trade agreements to reflect our values of free enterprise and fair play.

We will also be build an advanced network of trade deals, from the Americas to the Indo-Pacific...

...with the UK at its heart as a global services and technology hub.

Now about those trade deals. There is a deal we need now with the US to remove punitive tariffs on Scotch that is costing the UK economy millions of pounds. It was supposed to be close before Christmas. Any word of that in the speech? No. 6/
<https://t.co/iiG0UEAmUI>

No US deal yet, instead we have the usual warm words about being deep in talks, and the CPTPP. But for what? If we get deals with Australia and NZ we'll have deals with 10 of 12 CPTPP countries. How will joining then help goods trade? And why goods, not services? 7/

We are already in deep negotiations with the United States, Australia and New Zealand.

And this year, we will apply to one of the most dynamic trading areas on Earth, the Comprehensive and Progressive agreement for Trans-Pacific Partnership.

Joining is part of our plan to grow our economy by making it far easier for British goods to reach our friends in Asia and the Americas.

Just to prove this speech about global Britain really is motherhood, apple pie, and virtually nothing of any substance, in fact every country is a priority. We love you all. All can benefit from trading with us. Except perhaps our neighbours, who get virtually no mentions. 8/

We are also going to be deepening our relationships with countries such as Canada, Mexico, South Korea and Israel.

As well as this, we are working closely with India – the world’s largest democracy - on an enhanced trade partnership, reflecting our mutual interest in technology and innovation.

We are also in talks with Brazil and our allies in the Gulf.

But I want to reassure the House, we are going to ensure that no country is left behind without the benefits of free and fair trade with the United Kingdom.

There was also no mention yesterday for this kind of UK trade, the type that damages other countries. Limitations of space I guess. But does somewhat take the gloss off the wonderful trading opportunities we present. 9/ <https://t.co/WvwPbBK9xM>

Back though to the Chancellor to finish this roundup of the UK's economy, and let's look at Northern Ireland. Not everyone's favourite here, Sammy Wilson, raised with him yesterday problems of GB-NI trade. Brushed off with scarcely an answer. 10/

Rishi Sunak >

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I am sorry to hear about some of the examples that the right hon. Gentleman raised. I know that goods in aggregate continue to move smoothly between Great Britain and Northern Ireland, and I am not aware of any significant queuing. Individual issues are being addressed by UK authorities. My right hon. Friend the Chancellor of the Duchy of Lancaster is talking with colleagues across the House to make sure that we are kept abreast of any particular issues, so that we can look to resolve them as we can.

Now that's all good knockabout stuff, but the key point is a government that simply can't accept in public or possibly in private that it can't have everything on trade / the economy. We've seen it on Northern Ireland. We're now seeing it on EU trade. 11/ <https://t.co/GHCEsmE1R5>

So a multinational business wants to invest in the UK. They get a meeting with the Chancellor. He doubtless assures them everything will be great, regulations, trade, whatever. Do they believe him? Would you?

Right now they don't. Big talk, little reality. Tough world. 12/ end

PS sorry, it is 11 CPTPP members right now. We'll have bilateral deals with all except Brunei and Malaysia. 12 was TPP, with the US. Not sure why I suddenly regressed to 2015. <https://t.co/3joFp2L9tz>

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— David Henig (@DavidHenigUK) [January 12, 2021](#)