

Funding the Future

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The forthcoming trade war that Trump is intent upon is going to force Starmer to do something he hates. He's going to back either the US or the EU, because he can't fudge this one without imposing massive harm on this country. And he's also going to have to be the Prime Minister who finally says farewell to the 'special relationship', once and for all.

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This is the transcript:

Kier Starmer has a choice to make. Is it the US or is it the EU?

The choice, of course, is about trade policy. It's one of those two that he is going to have to back because there is no other real alternative. We're out of the EU. We say we have a special relationship with the US, which is complete nonsense because it's quite clear that Donald Trump hasn't got a special relationship with anyone on Earth except himself. And we have to decide, therefore, where we're going to stand in the coming trade war between the US, which wants to impose tariffs on all imports into that country, and the EU, which is undoubtedly going to be a major target of those US tariffs.

It is just possible that Trump might want to pick the UK off in this trade war by offering us a trade deal with the US to get us to side with him against the EU. We would be mad to do so, and there are several reasons for saying that.

The first is that that will put us on the side of Trump, and who really wants to be on the side of Trump when Trump is, and let's be blunt about it, a neo-fascist? Why would we want to be in that camp? We are seeing the people he's appointing to key positions in his administration. It is obvious that he is going to apply a wrecking ball to everything that stands for the well-being of the US people, and why would we want to side with that destruction?

But more than that, our trade with the EU is worth a lot more than our trade with the US. So why would we want to side with the US when our nearest neighbour, with whom we do much more trade, is clearly more important to us, and therefore siding against them in this trade war, which might result in sanctions being imposed upon us if we side with the US in this whole shebang that is coming our way would result in serious economic harm to the UK, more than Trump could ever seek to impose in his way.

So, Starmer has to make a decision. Is he going to go down that old, boring, clichéd, let's have a special relationship thing, which led once upon a time to Tony Blair walking next to George Bush and pretending they were best buddies, which then led us into the whole debacle of Iraq, or, are we instead going to go for the more reasoned approach, which is to align with the EU, even though we all know that in 2016, in a moment of collective madness, we chose to leave the European Union?

We obviously have to realign with the EU. I'm not saying we've got to rejoin. We do have to look at how we can protect ourselves from trade tariffs and barriers, and that is going to mean that whatever Rachel Reeves and Keir Starmer say now, we're going to have to look about rejoining the single market. We're also going to have to look at rejoining the Customs Union because we won't be able to afford anything else if the UK is going to be able to trade in most of the world's markets, which will be those other than the USA.

Starmer has to get off the pot. The time has come for him to make a decision. It's either Trump or it's the EU.

There's nothing good in many ways about either decision. There are lots of things wrong with the EU. But on the balance of economic gain, he has to decide that the EU is the way to go. And that is something he's got to say soon because British business, British people, and those with whom we trade all need to know where we're going to stand on this issue. And that requires him to make a decision.