

Funding the Future

Article URL

Published: January 12, 2026, 7:42 pm

This [statement was issued by the White House](#) yesterday on the UK/US trade deal, about which a great deal of uncertainty remains:

- * President Trump: “The deal includes billions of dollars of increased market access for American exports, especially in agriculture, dramatically increasing access for American beef, ethanol, and virtually all of the products produced by our great farmers.”
- * “The UK will reduce or eliminate numerous non-tariff barriers that unfairly discriminated against American products.”
- * “This is now turning out to be, really, a great deal for both countries.”
- * Prime Minister Starmer: “This is going to boost trade between and across our countries. It’s going to not only protect jobs, but create jobs, opening market access.”
- * This trade deal will significantly expand U.S. market access in the UK, creating a \$5 billion opportunity for new exports for U.S. farmers, ranchers, and producers.
- * This includes more than \$700 million in ethanol exports and \$250 million in other agricultural products, like beef.
- * It commits the countries to work together to enhance industrial and agricultural market access.
- * It closes loopholes and increases U.S. firms’ competitiveness in the UK’s procurement market.
- * It ensures streamlined customs procedures for U.S. exports.
- * It establishes high standard commitments in the areas of intellectual property, labor, and environment.

- * It maximizes the competitiveness and secures the supply chain of U.S. aerospace manufacturers through preferential access to high-quality UK aerospace components.
- * It creates a secure supply chain for pharmaceutical products.

- * The reciprocal tariff rate of 10%, as originally announced on Liberation Day, is in effect.
- * The United States will agree to an alternative arrangement for the Section 232 tariffs on UK autos.
- * Under the deal, the first 100,000 vehicles imported into the U.S. by UK car manufacturers each year are subject to the reciprocal rate of 10% and any additional vehicles each year are subject to 25% rates.

- * The United States also recognizes the economic security measures taken by the UK to combat global steel excess capacity and will negotiate an alternative arrangement to the Section 232 tariffs on steel and aluminum.
- * This deal creates a new trading union for steel and aluminum.

- * This U.S.-UK trade deal will usher in a golden age of new opportunity for U.S. exporters and level the playing fields for American producers.

What does all this mean? The honest answer is, who knows?

What we do know is:

- * The 10 per cent tariff Trump imposed in April remains in place
- * Tariffs are reduced on steel, aluminium and cars.
- * The UK has to accept US beef, ethanol and other products.
- * We may have increased US access to the NHS and other public services.

So, we can conclude:

- * The UK gave away a lot to avoid a threat of tariffs on British-made luxury cars.
- * So far, we have avoided giving away Digital Services Tax revenues, but it seems likely that is still on the table.
- * It is likely that the competitive position of UK-based suppliers to the UK government has been harmed.

* The protection of British agriculture and the quality of our food has been undermined.

And all that to leave us in a worse position than we were in on 1 April.

If this is what a good deal looks like, I suggest someone should tell Starmer that sometimes (by which I mean, usually, or even always) no deal is better than a bad deal, because that is what he's got.

Last July, my most basic hope was that Starmer might arrest the decline in the quality of British Prime Ministers. I now realise my hope was misplaced. Starmer now ranks alongside Johnson for incompetence. He may not have challenged Truss as yet. But, give him time. Things are definitely getting worse.