



The Daily Dish

The U.S. Interest in Brexit

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Last week during a speech at the Department of the Transportation (DOT) President Trump promised that permit reform will be included in his \$1 trillion infrastructure proposal. The president's goal will be to decrease the average permit approval timeline from 10 years to 2 years. President Trump has decried the lengthy permit approval process in the past stating that it creates delays in the U.S.'s ability to fix the nation's infrastructure.

On Friday President Trump stressed the U.S.'s commitment to defending NATO allies at a press conference in the White House Rose Garden. President Trump stated that he is committing the U.S. to Article 5 of the NATO treaty. The president also repeated his demand that fellow NATO allies increase their defense spending so that the U.S. is not shouldering so much of the cost.

Eakinomics: The U.S. Interest in Brexit

The British election results made a lie of the notion that Brexit would be [simple](#). But why should the U.S. care? After all, the U.S. could simply follow the Trump Administration's stated preference for bilateral trade agreements and negotiate a new trade pact with Britain. This would presumably be better than pursuing the existing TransAtlantic Trade and Investment Partnership, as Trump's Secretary of Commerce, Wilbur Ross, [explained](#): "The problem with regional trade agreements is you get picked apart by the first country. Then you go to the second, you get picked apart. And you go to the third one. You get picked apart again." So, just quickly negotiate a bilateral with Britain.

Or, as Angela Merkel recently, [argued](#), the U.S. should negotiate a trade agreement with the European Union as a whole before turning to a bilateral agreement with Britain. In any event, the logic is that two new bilateral agreements should suffice to repair the damage from Brexit.

Unfortunately, it doesn't look that simple. At present, a large number of firms have a business footprint in Britain that relies on cross-channel trade with the EU and others have locations in the EU that are predicated on trade flows with Britain. Put plainly, the U.S. has a vested economic interest in the process of Brexit. It has an economic interest in a smooth and quick Brexit. It has an economic interest in having an efficient post-Brexit economic relationship between the Britain and the EU.

Pursuing that interest would be an example of "putting America first." But doing so requires a broader strategy than bilateral agreements. If not a multilateral agreement, a multilateral strategy based on the interests of Britains and countries across Europe.