

COVID, BREXIT AND THE ANGLOSPHERE

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COVID, BREXIT AND THE ANGLOSPHERE

Frameworks for Future Trade and
Economic Growth

BY

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TABLE OF CONTENTS

<i>List of Figures</i>	<i>vii</i>
<i>About the Authors</i>	<i>ix</i>
<i>Preface</i>	<i>xi</i>
<i>Acknowledgements</i>	<i>xv</i>
<i>Choosing Your Reading Journey</i>	<i>xvii</i>
1. Introduction	1
2. Before We Begin ... Definitions	17
3. The Menu – Differing Trade Theories Free Trade or Mercantilism?	25
4. The Aperitif 400 Years of Change – Southwark and Cumulative Causation	45
5. The Sorbet – Economic Background	55
6. The Soup – Nationalism Popularism, Trade and Development	61
7. The Seasoning? – The Anglosphere	71
8. “Specials” – Innovation, Trade Growth and the Entrepreneur	81
9. Main Course – Shocks, Trade, and Growth	91
10. Two Twists – Regulations and Monopolies	107
11. Pause for Reflection, Britain in 1910	117
12. Dessert Menu – Acquiring Resources to Support Innovation	121

13. The “Digestif” Cumulative Causation	137
14. Coffee and Conclusions	147
<i>Bibliography</i>	<i>157</i>
<i>Index</i>	<i>201</i>

LIST OF FIGURES

Chart 1.	Steady-State Cumulative Causation.	49
Chart 2.	Southwark's Virtuous Cycle up to 1750.	50
Chart 3.	Southwark Vicious Cycle 1890.	52
Chart 4.	Southwark Regeneration Circa 2000.	53
Chart 5.	Average Earnings Growth.	56
Chart 6.	Immigration and Base Wages.	57
Chart 7.	Sector Wages and Export Performance.	58
Chart 8.	The Quadruple Vortex Innovation Schema.	89
Chart 9.	UK Consumer Spending in Pandemic.	92
Chart 10.	1820–1910 GDP Growth.	94
Chart 11.	World Trade Shares 1834 to 1913.	96
Chart 12.	European GDP Growth 1930–1938.	103
Chart 13.	Cumulative Causation.	140
Chart 14.	Cumulative Causation Social Impact.	144

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ABOUT THE AUTHORS

Richard Simmons is a visiting research fellow at the University of Hertfordshire looking at entrepreneurial growth, supply chain dynamics, trade dynamics and monetary policy, with a special interest in developing theory and its practical application to drive growth in the post-pandemic, post-Brexit world. Richard's academic work incorporates practical insights garnered from his 35+ years global business experience and current commercial role advising a significant global investor on innovation and market opportunities.

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PREFACE

By the time this book is published, the nights will be drawing in, temperatures dropping and autumn leaves starting to fall. Britain will be approaching its third post-Brexit Christmas, still dealing with effects of the COVID-19 pandemic and most certainly facing the consequences of the war that followed Russia's invasion of Ukraine. Households will remain traumatised by the sharp rise in energy and food prices, with a general fear for household budgets as inflation and interest rates have been on the way up. Overall, for many there will be a sense of apprehension as to what may come next.

Welcome to post-pandemic, post-Brexit global Britain.

Some disruption is inevitable as both the Pandemic and Brexit will mean “structural change” to both the economy and society. Indeed, the rationale for Brexit is structural change, so we should not be surprised that at the centre of Brexit is a stated desire to change the relationship between the United Kingdom and the rest of the world.

In this book we focus on one part of this change, trade and its role in both growth and economic development. By growth we mean the ongoing process followed by businesses year on year to smoothly improve their financial results; and by economic development we mean those moon-shot projects that can transform both the markets they are launched into, and also the lives of those who use them.

Our narrative intentionally limits scope and ignores detailed issues relating to the United Kingdom's post-Brexit political and defence role in the world. Notwithstanding, the United Kingdom is a Member of the G7, a Permanent Member of the UN Security Council and has a considerable military including two aircraft

carriers and its own strategic nuclear force. Yet to quote Chief of the Defence Staff Sir Nick Carter “our expectation if we have to go to war is that we will do so with allies”.¹ Alliances and multilateralism are “baked” into the United Kingdom’s defence role through its NATO membership.

Even before the Ukraine conflict started to unfold, the EU had stated that it should acquire the “political will” to build up its own military force to deploy to future crises.ⁱ The potential for a NATO–EU divergence is clear from the 16 November 2021 remarks by NATO Secretary General Stoltenberg “We need strategic solidarity, European and North America are working together and that’s the message. And in that context, we also of course welcome more European efforts on defence spending on providing new capabilities”.ⁱⁱ In consequence, at the end of this book we allow ourselves to briefly ask the unthinkable, as to whether these shifts will be part of a more general restructuring of global and especially European Security Arrangements, not least in response to the USA’s increasing focus on China and Taiwan.

Nevertheless, the United Kingdom’s defence and “soft power” capability are important elements to the trade policy of “Global Britain”, as for some, the allies for such trade policy may be best conceived within a “Global Anglosphere”. We touch on this issue only from an economic and growth perspective.

We raise two questions in this book, first how can the United Kingdom’s post-Brexit global trading structure create a virtuous circle of innovation and growth and second what is the concept of an “Anglosphere” and what could be its potential role?

Arguably we need our Prime Minister to become a “Maestro” who can orchestrate and focus Britain’s efforts on trade, innovation, immigration control and entrepreneurship to help post-Brexit Britain assume the global leadership it aspires to.

ⁱ President of the EU Commission Ursula Von Leyen in her State of the Union Speech “what we need is the European Defence Union., we need to provide stability in our neighbourhood and across different regions” (Von Der Leyen, 2021).

ⁱⁱ NATO Secretary General Answer to Journalist on 15 November 2021 (NATO, 2021).

It is to this challenge that our book seeks to shed light through a combination of theory, analysis and historic examples on a journey that mimics a visit to a restaurant. We have the menu of options, the different courses, the bill for the delights that we choose to sample and then of course the decision as to how we pay that bill. At the end of our journey the book sets out a number of high-level options for possible “directions of travel”. These stand in their own right.

In addition to the high-level options, there are a plethora of detailed issues that are raised and discussed within the book. These issues span areas such as reconfiguring supply chains for a less global world, enabling and protecting innovation, access to patient capital, skills development, infrastructure improvement etc. Each issue needs its own specific set of enabling actions and policies to support entrepreneurs in accessing market processes to deliver transformative products and services. As with the development of the COVID vaccines, the state will be a key partner together with financial markets (for access to capital) and universities (for access to knowledge).

Policy options to enable the structural change we face are necessarily detailed and in turn need to be fitted into their existing context. Rather than detail these here, we intend to publish a number of follow-up articles and blog posts that will address each issue individually, whilst keeping the overall policy nexus within the overall framework this book builds. To do otherwise would require a book that is significantly longer and that would risk blurring clarity as so much more underpinning detail would need to be added.

All roads to a post-pandemic/Brexit dividend need a rise in the growth rate, and this in turn will require that the available rich pool of ideas and talent be harnessed and orchestrated by entrepreneurs. Success will come from fusing ideas, skills, long-term capital and entrepreneurial flair into products and services that excite and delight the customers who buy them.

Our journey requires that we evolve differing theories into something relevant to the rapidly changing (and perhaps fragmenting) 2020s. This book leaves it open to you, the reader, to choose what is the best mix to deliver a trade-related Brexit dividend.

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CHOOSING YOUR READING JOURNEY

Our book is intended to be an informative read for anyone interested in the challenges the pandemic, Brexit, and war in Ukraine are posing to pre-2020 economic and social structures. While certain chapters deal with matters such as trade theory, the main themes and insights can be read independently of these. The narrative is deliberately inclusive. If you fear the more theoretical chapters may help induce a Sunday afternoon nap, then we encourage you to skip them on first read and come back to them later, so you can fit their content into the patchwork quilt of events and issues that this book shines a light on. Below are our thoughts to help you choose the reading journey that is best for you.

	Inquisitive Citizens and Policymakers	Ardent Advocates	Academics	Diligent Students
Chapter	Independent, Looking for a Road Map Through the Issues	Believers of All Opinions Looking for a Guide on the Issues and Opportunities	<ul style="list-style-type: none"> ➤ Economics ➤ Politics ➤ Social Policy ➤ Development Studies ➤ Innovation ➤ Trade 	Interested in a Wider Read Around Core Curriculum
1.	Read First	Read First	Yes	Yes
2.	Read these two later	Read these two later	Yes	Primer
3.			Yes	Primer
4.	Read Second	Read Second	Yes	Yes
5.	Yes	Yes	Yes	Yes
6.	Yes	Yes	Yes	Yes
7.	Yes	Yes	Yes	Yes
8.	Yes	Yes	Yes	Yes
9.	After Sunday Lunch	After Sunday Lunch	Yes	Yes
10.			Yes	Yes
11.	Yes	Yes	Yes	Yes
12.	Yes	Yes	Yes	Yes
13.	Yes	Yes	Yes	Yes
14.	Yes	Yes	Yes	Yes