Scott Miller: I'm Scott.

Bill Reinsch: I'm Bill, and we're The Trade Guys.

Scott Miller: And we're The Trade Guys.

Andrew Schwartz: You're listening to The Trade Guys, a podcast produced by CSIS, where we talk about trade in terms that everyone can understand. I'm H. Andrew Schwartz, and I'm here with Scott Miller and Bill Reinsch, the CSIS trade guys.

Andrew Schwartz: On this episode of The Trade Guys, we're joined by our most very special guest, Heather Conley, senior vice president for Europe, Eurasia and the Arctic, and director of the Europe program at CSIS. We'll talk about the UK-EU trade negotiations and how they could impact UK, EU, and US consumers and businesses. Plus we'll talk about a potential US-UK trade deal. Stay tuned for all that and much more on this episode of The Trade Guys.

Andrew Schwartz: Heather, you are the most important and frequent repeat guest on The Trade Guy.

Scott Miller: She's the only repeat guest so far.

Andrew Schwartz: Yeah. She's the only one who really likes us, really wants to come back. She elevates the dialogue on The Trade Guys by a factor of 1,000 instantly.

Bill Reinsch: Yes, yes.

Andrew Schwartz: She helps us understand what is going on between the UK and the EU, the UK and the US. And that's why you're here today to help us make sense of just what is going on, on that side of the pond, versus this side of the pond, and what we can expect. So, let's start with what actually happened on January 31st. For those of us who are a little cloudy on this, has the United Kingdom officially left the EU?

Heather Conley: Well, first, it's always great to be with The Trade Guys. Thank you so much.

Andrew Schwartz: It's always great to have you.

Heather Conley: Thank you. So everything happened on January 31st and nothing happened on January 31st.

Andrew Schwartz: I knew you were going to say that.

Heather Conley: Okay, so let's unpack that. So a really big, significant historical event happened. After 47 years, the United Kingdom withdrew officially from the European Union. This is the first time since the creation of the European Steel Community, and its evolution through the European Economic
Community, to what is today the European Union, that we’ve ever had a contraction. That project has only integrated more deeply.

Scott Miller: From six to 28-

Heather Conley: Right, exactly, exactly. Now 27. So something really significant and important happened on the 31st, but then nothing happened because 2020 is a transition year, meaning that the United Kingdom will remain aligned within the EU, but it will be a rule taker.

Heather Conley: So it has to follow all the rules. It’s not going to sit at any of the meetings to help shape the policy that is developed or isn’t developed this year. It just has to remain in alignment until the end of the transition period, which is December 31st of 2020.

Heather Conley: So I just want to help your listeners understand two things. Number one, Prime Minister Boris Johnson does not use the word Brexit anymore. Brexit was yesterday, and the last three and a half years was the easy part. 2020 is the time of decisions and choices about how aligned the UK is going to be with the EU or how much they are going to diverge and be competitors. And those are the choices that have to be made this year.

Andrew Schwartz: So let me get this straight. The last three years where we really didn’t understand what the heck was going on was the easy part?

Heather Conley: Leaving was supposed to be the easy part in understanding that after the referendum in June of 2016, that the UK was going to leave. They had two prime ministers later, a lot of failure within the parliament. They finally were able to leave, but now they have to determine the future relationship.

Scott Miller: Right, but up until the 31st of January of this year, Britain was represented in the European Parliament. They were represented at the Commission. So they were still acting, and they’re still following all the rules of the European Union up until now. Now they’re still a rule taker, but they’ll be going to negotiate where the differences will be, and that’s the complicated part of the next 11 months.

Andrew Schwartz: So what's Boris calling it if we don't have language for it anymore? Now we're just going to call it “it”?

Heather Conley: Well, he got Brexit done. So this is all about the future, the future relationship.

Bill Reinsch: Yeah. I mean Heather's right. Although there was a lot of symbolism that happened-

Heather Conley: Yeah, lots of flags coming down.
Bill Reinsch: Flags came down, the British members of the European Parliament all left, their office were closed-

Andrew Schwartz: They sang auld-lang syne.

Bill Reinsch: A bunch of British staffers were all fired-

Andrew Schwartz: So this is basically when they sang and they said goodbye and everything was like, "Okay, so we hate to see you go, but we’ll see for the next year."

Bill Reinsch: Essentially, yes.

Heather Conley: This is where you are now. The UK is no longer a formal part of the European Union. They won’t be at the table, they won’t be shaping policy, but they’re stuck in some ways in this limbo of transition period where they remain. They have to follow all the rules of the EU and if they start to diverge, even this year, if they start taking decisions that work against the single market, the EU can sanction them. But really the focus will now be on a very intense period of negotiation.

Heather Conley: The real kicker here is, we are now back into the deadline dynamic that we experienced through the Brexit process. The clock begins to tick, this has to be finished by the end of this year. The British government has said they will not ask the European Union for any extra time, so there’s no overtime in this department.

Heather Conley: So they are going to try to negotiate an extremely complex relationship with huge, huge significance to both the UK economy as well as to the EU in basically ten, nine months. Which is going to mean, I think the best of all worlds, and Trade Guys, you tell me what you think, that we’re going to the, best of all worlds, see a very loosely framed free trade agreement focused on goods that will be sort of like the Canada-EU trade agreement, CETA, but not hugely a lot that. And then they’re going to have to keep negotiating well into the future on everything that they don’t get a chance to do.

Scott Miller: Yeah, I think you’re probably right. That will be the shape of the trade agreement, whatever it amounts to. But trade may be one of the lesser complications of all this because EU regulation is bookshelves worth of complexity. And it covers movement of people and all sorts of things that they’re going to have to sort out.

Scott Miller: And goods trade will be important, I mean particularly if you think of Ireland, which has had free trading goods for all these years with Northern Ireland and England and Scotland. So they’ve had free trade. They’re moving away from that. That’s going to be disruptive because it’s sort of like, once NAFTA was in place, Maine and New Brunswick just reinforced relationships that had been there all along, there were just no longer any tariff burdens between the two. Now they’ve got to figure this out. They’ve got to sort out what happens.
Scott Miller: Ireland is the one place where there's probably genuine commercial risk that they're going to have to deal with on the trade side. But by and large, I think trade side will sort itself out fairly easily compared to regulation, movement of people.

Bill Reinsch: Yeah, but that bookshelf of regulations, that's the underpinnings of the trading system. If the British want to send cars to the continent, their cars have to pass, right now, EU regulatory requirements-

Scott Miller: As would a US export to Europe.

Bill Reinsch: Exactly, so the challenge for the UK is going to be, do we simply continue to conform to the regulations that have developed over the last 47 years that we've been conforming to, and if they decide to do that, it will be fairly seamless.

Bill Reinsch: The problem will be one, if they decide not to do that, but the other problem will be that other parties that they want to negotiate with, namely us, are going to say, don't do that. Accept our regulatory standards, accept our health and safety standards instead, and they really are not compatible.

Bill Reinsch: To me, the happy ending here is if we could negotiate a comprehensive deal with EU and make all of these things the same, in which case it would be simple.

Scott Miller: Dream on brother.

Bill Reinsch: Yeah, well, yeah.

Scott Miller: See it's possible, at least from a commercial standpoint for producers to do both.

Bill Reinsch: It's more expensive for them to do both.

Scott Miller: Oh, yes, it is. Yeah, but think of BMW's facility in South Carolina where they make the X5 for the world.

Bill Reinsch: Yeah.

Scott Miller: Okay. So coming down the assembly line are cars that are full compliance with Europe that are exported to Europe, full compliance with the US that are sold through US dealers, and any place else in the world that they sell it, they're meeting whatever the import requirements are.

Andrew Schwartz: What we really want to know Heather is, what are the immediate implications for the UK, EU, and the US in terms of trade now?

Heather Conley: Yeah, so this is going to be some parallel activity. Let me focus just a quick sec on the UK-EU dimension of this. This year is going to be split into two
parts. The negotiations really aren’t going to begin until March. The EU has put forward a very detailed negotiating mandate that talks about wanting that close, close alignment. Prime Minister Johnson just gave a speech earlier this week, who really talked about, "No, we want to get the value out of divergence and being more globally competitive and active."

Heather Conley: The first part of the year, basically this is going to be on five key areas. You’re not going to hear very much about autos, although we could talk about autos, you’re going to hear about fish. Fisheries is going to be the most, one of the most important issues in the EU-UK agreement. Now that doesn’t sound very future-trade oriented to me, but that is a huge issue because it’s nationalism.

Heather Conley: It’s wanting the UK fishermen to go ahead and provide for their quotas and the EU wants access to those fisheries. So I’m telling you, fisheries is going to be a massive topic of conversation-

Scott Miller: Is this part of the common agricultural policy or is it separate but related?

Heather Conley: So fishery rights are separately negotiated. It’s not part of the common agricultural policy, but it is the most, one of the most sensitive.

Heather Conley: The other issue we’re going to hear a lot about is financial services. And we were talking about goods a lot, but really the city of London... The UK is a service economy. It’s not a goods economy. And so the two words I’m going to give you two EU lingos, equivalency and adequacy.

Heather Conley: So equivalency is, this is in the regulatory department, to make sure that the goods that are produced in the UK have equivalency with how EU goods are manufactured; and then the adequacy... So you may be talking about a car, but a car is actually software and it’s about data transferring from plant to plant, and the UK is going to need an adequacy finding from the EU for their data protection, making sure that data can transfer.

Heather Conley: I mean, these are the issues that’s sort of a make and break. So depending on how the UK makes those decisions, now enter the US. So the US and the UK, who have been meeting really during the last three years through a working group with the USTR and with the International Trade Department in the UK. They’ve developed some of the basics of what a free trade agreement would look like. But it really depends on what the UK is going to decide to do, how much they’re going to diverge from the EU, how much they’re going to stay alike. Then there’s the opportunity for the US.

Politically, both the White House and Number 10 want a symbolic deal to come out this year. Maybe they’ll pick one sector, something that they can do through executive order, not go through Congress, sort of like the US-Japan deal, and so they can say they got something for it. But I just don’t think they can do two massive trade negotiations simultaneously without making choice. And then, they don’t really have the trade negotiators, quite frankly,
to be able to pull this off while they're trying to negotiate with Australia, with Japan, with Korea, with Canada, with some of the major economies. Huge year this year. Huge.

Bill Reinsch: That's really an excellent analysis. I think it's going to be complicated because the United States is going to come in and say, we want you to choose us, and we want you to dump the European approach, which I think Prime Minister Johnson at different occasions has said opposite things about that.

Heather Conley: He's said a little bit of everything.

Bill Reinsch: He said several things and he simultaneously, just in the last two days on, going back to my favorite topic, chickens, he said, "We won't take your chickens." And at the same time he told Brits, "Don't get hysterical about American food." So we really don't have any idea about which way he's going to go. The Americans are going to press him. But you said an important thing and it's going to be the subject of my column next week, actually.

Heather Conley: Aha, preview of coming attractions.

Bill Reinsch: A little plug there.

Andrew Schwartz: It will be available on csis.org...

Heather Conley: Thank you-

Bill Reinsch: On Monday, which is our president doesn't want agreements.

Bill Reinsch: He wants deals and they're managed trade deals. So what he's interested in, exactly what you said. He's interested in something that he can brag about to his voters, which means we're going to sell them more something, cars, fish, soybeans, whatever. Institutional reform, regulatory reform, which is probably more important, is not really in his vocabulary. That pushes you in the direction of exactly what you said, which is a narrow deal that has tariff cutting and other things in which he can claim a short term victory at the expense of any kind of long term market integration, which is not what they're focused on.

Scott Miller: Yeah, I think they'll have trouble sorting that out with Congress, which felt burned by-

Bill Reinsch: Which is why they like to do agreements where they don't have to go to the Congress.

Scott Miller: Exactly. So that is definitely their choice. I would point out that Heather made a comment that... We talk a lot about technology in this program and on the things that are happening. Heather mentioned the human side of this, which is that for the last 40 something years, Britain has negotiated as part of the customs union.
Heather Conley: They haven't negotiated, the EU has negotiated.

Scott Miller: The EU has negotiated on their behalf. And while there have been a number of Brits who have passed through [DT] trade, all right, they really don't have their own ministry for trade negotiation, and have not had for a very long time. And so this standing up a new ministry and bringing on these capacities isn't something that's all that easy. This is specialized talent.

Heather Conley: If I can plug an event that we had earlier this week, we had the former UK secretary of state for international trade, Liam Fox here. He was from 2016 to 2019. So he actually stood up the international trade. And he was here to talk about foreign security policy. He was a former defense secretary, but he really rattled off some numbers. And you know that the challenge here on this whole, the UK wants to diverge from the EU, but they also want to do all these technical roll-overs of all the trade deals, the free trade agreements that the EU has negotiated worldwide. But if they diverge, they can't roll over. That's going to be a major impact in being able to show that not that much has changed. We have all these global deals. So not only the human capital, just having the number of trade negotiators. The EU is going to be incredibly tough on the UK. The US is going to be incredibly tough on the UK.

Scott Miller: Their counterparts in both cases have 30 years experience negotiating trade agreements.

Bill Reinsch: This is why they hired a bunch of people from Australia, New Zealand, as I recall, to help out.

Heather Conley: They were soliciting. Exactly. They were soliciting new folks. But to me it comes down to, it's going to be choice. The UK I think, is going to choose to be a competitor to the EU, I think. The problem is, this is the gulf between, you have UK industry that for 47 years has connected to their 43% of their export market, which is Europe. You are talking, if they diverge significantly, a dramatic reorientation of the UK economy, which maybe in the long term, will be brilliant and could pay huge dividends. The short term, this is going to be traumatically disruptive to what the UK businesses have been doing for decades.

Bill Reinsch: But why is it going to be good even in the long term? I don't see them as being more competitive on their own than they are as part of the EU.

Heather Conley: I'm very respectful that we don't quite know how this experiment is going to work out in the long term. And so could we see where the UK, again, this is the EU nightmare. They become, as Prime Minister Johnson says, the 'Singapore-on-Thames'. They decide to go dramatically and reduce corporate tax rates. They decide to openly embrace Chinese investment. Now this is strategically a nightmare for the US as well, but they just decide to go on a low bar competition to become really nimble and flexible. Is that a better future? It may not, but it could be a different future.
Scott Miller: If you look at productivity, the OECD does measure that. They look at productivity. The UK's got some head room.

Heather Conley: Because they've had dramatically low productivity.

Scott Miller: Yes, the OECD measures productivity and they basically calculate the GDP per hour of work. And I looked at it this morning, the United States is $71 of GDP per hour of average labor, 71. UK is 58, France is 68, Germany, 66. So even if you could get the UK from their current level to the level of France or Germany, that's a huge boost to productivity. Now but what would that take cost?

Bill Reinsch: Cost a lot of jobs.

Scott Miller: It would take CapEx and the problem with that high productivity in France and Germany is high unemployment. So you have to also deregulate. You wind up with, the American model is high productivity but high employment at the moment.

Scott Miller: But that's really from a regulatory reform and a tax reform process. But you have to get the capital, and then you have to let the capital work and still maintain your employment. It's a big challenge, but it's not so much a trade challenge. And Heather was right to point to investment as the way you do that, because that's how you're going to really get labor productivity up.

Bill Reinsch: Yes. But you get labor productivity up at the expense of workers.

Scott Miller: You don’t in the United States right now.

Bill Reinsch: Yeah. But what you’re talking about with the UK is that's where that's going to go.

Scott Miller: If you follow the French model, yes, they'd really have to deregulate massively.

Andrew Schwartz: Let me ask you guys this. Scott says we talk a lot about technology in this program and we do. We also talk about chickens a lot on this program.

Bill Reinsch: My favorite subject.

Andrew Schwartz: How is the average American or European or Brit going to feel the effects of all of this?

Heather Conley: Really the three years that we've been marinating in Brexit, they haven't felt much effect. And what we've seen is a slow, slow, slowing of the UK economy. So before the referendum in June of 2016, the UK was the fastest growing economy in the G7. At the end of 2019, their economy and investments had just all atrophied. They were, I think the lowest, if not next to the lowest of the G7 economies. But it was a gradual thing because
migration has changed so much, a real slowing. And people, EU citizens that weren’t entirely comfortable with the security of their future, left. Their unemployment, again, they have very low unemployment. It’s a service economy, low skill workers, they’re pulling those in. They haven’t felt the impact yet. This year, I think again, will be consequential because the decisions that they make will now start being disruptive.

Heather Conley: But just want to go back to just say, with humility here, in predicting all of this. So going back to autos, you had a statement coming out this week from Nissan. Nissan has a very large plant in the UK. In fact, the home of the Nissan plant in the UK, Sunderland, was the first region in the referendum to vote to leave the EU. So Nissan said... Again, this gets back to what will the UK do? They may double down in their investment in the UK if they get incredibly generous.

Scott Miller: Which the UK can offer now.

Heather Conley: Ding. So I'm just saying I think it's going to be gut wrenching in its reorientation, potentially, because industry is so wedded to the EU standards of product and things like that. But there could be some things that we're not going to be able to predict.

Heather Conley: But I think, for me, the two things I’m watching is data, data, data, data. And we did a report, another shout out, sorry, a roadmap for a future US-UK digital trade agenda. And because you have the US and UK, the two leaders in innovation and technology, fintech, AI, govtech, we have enormous potential here. But there are some challenges if the UK is going to do preferential towards how the EU deals with data. Or we’re going to force them and/or encourage them to be more like the US, that will have a significant impact.

Bill Reinsch: Yeah, we're going to try to pull them away from GDPR.

Heather Conley: We may.

Bill Reinsch: The EU regulatory standard.


Bill Reinsch: But we don’t really have anything that we’re trying to pull them toward. But that is going to complicate their ability to transmit data to the EU. So they’re going to get stuck in the middle. Don’t be worried about humility. We don’t do humble on The Trade Guys. So predict away, we'll have you back.

Heather Conley: Look at you.

Andrew Schwartz: We have to bring you on because you bring the humility, you bring the humanity.
Heather Conley: Thank you, thank you.

Scott Miller: All the things that we’re missing.

Heather Conley: I notice this here, gentlemen.

Bill Reinsch: We have a new metaphor now. She’s marinating the chickens.

Andrew Schwartz: I knew that was coming.

Bill Reinsch: I saw that was coming. I feel a little bit sorry for the British government, because they’re going to have to make all these choices. And you slipped another one in that is very important, that needs emphasis, which is that, they’re going to try to roll over all these agreements that the EU has with, probably, more than 100 other countries.

Scott Miller: Yeah, the association agreements.

Bill Reinsch: And rolling over is simple but that means you’re going to have to accept the terms of the existing agreement which is all the EU terms. If they don’t do that, then they’re going to have to renegotiate every one of them.

Heather Conley: Yep.

Bill Reinsch: And that’s going to take a lot of time and a lot of bandwidth and it’s going to create uncertainty. I mean there’s, already, things that are coming up that was just a... I forget what the case was, but there was something that expired in the last few days and the government had to do an emergency decision about what we’re going to do and that’s going to continue to crop up. Some of these things have deadlines and they reach a point where they’ll be forced to make a decision. Do you roll over or don't you? And then if you roll over, then you’re committed for whatever period of time that is.

Andrew Schwartz: What do you guys think the prospects for a US-UK deal is? I mean, they’re not exactly our adversaries here.

Bill Reinsch: A small one?

Andrew Schwartz: I mean, this is our best ally.

Scott Miller: Both leaders are publicly committed to it. I think they’ll find a way to do something like that.

Andrew Schwartz: Well, they have the same hairstylist.

Scott Miller: Well, yes, and don’t forget Boris Johnson, was born in New York.

Andrew Schwartz: Boris?
Heather Conley: Yes, Manhattan.

Scott Miller: Boris Johnson, which makes him qualified to be president of the United States.

Andrew Schwartz: Oh, well why not?

Scott Miller: Because he's natural born.

Andrew Schwartz: Yeah, there you go.

Scott Miller: He's no longer a citizen. He renounced it.

Bill Reinsch: I think he'd have to come back and become a citizen first.

Scott Miller: He'd become a citizen, yes, but he is naturally born.

Andrew Schwartz: We've got a lot of people running for president right now.

Scott Miller: Fair enough. But look, they're committed to it. I think they'll find a way to do something. Our president is very focused on it and he wants deliverables, he wants to accomplish something. And I think they'll find a way to do it. It won't be comprehensive. It will be a part one, part two...

Bill Reinsch: It'll be a small deal.

Scott Miller: A small deal, part one. But it'll be a way to get started and I think it's very likely.

Andrew Schwartz: How will it help Americans, a deal like this with the UK?

Scott Miller: Well, we feel...

Bill Reinsch: It won't very much.

Scott Miller: Not much. Depends on the content. All right. One of the things you have to do, if you really start working seriously and ambitiously about uniting New York city with the city of London, that's powerful. There's a ton of jobs there, that's real capacity building for both parties, and real opportunity. So, there's some things that would go well, if we're going to stick with steel and cars, there's not much upside. But you know, it's really how they choose that and how they'd not get stuck on the Jones Act and agriculture.

Heather Conley: So what I thought was interesting, Dr. Liam Fox told us, to be honest with you is, the more he got into understanding...

Andrew Schwartz: By the way, this is available, video on demand on CSIS.org.
Heather Conley: Thank you. The US-UK, he goes is actually not at the federal level. We want to go state-to-state because that's where the barriers are. And so, he was talking about a completely different state-by-state and they want to start, as you said, look the three...

Andrew Schwartz: So, you want us to deal with California?

Heather Conley: No, exactly. Because what he said was, look, five US States would be in the G20 if they were... So, you go where the money is and the opportunity. So, you could even start seeing...

Andrew Schwartz: California, Texas.

Scott Miller: Florida.

Andrew Schwartz: Florida.


Heather Conley: ... This isn't done at the federal level. This is, actually... This trade negotiations is going to happen state-to-state. Now, that’s, I think, a very interesting approach. So, you could see some of that activity happening. Two things I just want to shout out for your listeners, what I’m watching. A first up, we are waiting for a potential UK Government reshuffle here in the coming days. Right now Liz Truss is the secretary for international trade, but quite frankly Prime Minister Johnson has really pulled at least the EU-UK trade negotiations right into the Prime Minister's office to number 10. So, we're waiting to see if there's some reshuffle. How does that... Who is going to be the leading voice here, how are they going to manage it? Of course, we believe there'll be an oval office meeting with Prime Minister Johnson, fairly soon. I think in this month if that hasn't been scheduled yet. Watch for some signaling on what they talk about. But one thing that Scott said, keep your eyes on the larger prize here, and that is the integrity of the United Kingdom itself.

Heather Conley: So, what caused all the difficulty in the easy part of this withdrawal was Northern Ireland, the Irish backstop, which is really getting to border issues. The more the UK decides to diverge from the EU, the penalty that Northern Ireland pays, because they will be treated separately. We have to... I mean they, they have decided not to have a hard border on the land border, but the maritime border in the Irish sea. So there are some real significant economic implications. Watch on Sunday, Irish elections. We’re seeing Sinn Féin do incredibly well. This has created a new sense of purpose of reuniting Ireland with Northern Ireland. Watch that space and Scotland. Scotland, now this has re-enlivened the independence debate. So, there are real implications. It's not just a trade deal. It's reconfiguring potentially, the United Kingdom itself. From a trade and economic perspective.
Scott Miller: There’s one asset that Prime Minister Johnson has that almost nobody talks about, which is his party. One of the oldest political parties in the world, has long been committed to free trade. And so, he has a jar of solvent, which is called unilateral free trade, for some period of time. Just lower all the barriers, autonomous. Lower British barriers without reciprocity and use that as a way to muddle through, till you figure out where you’re going. Unilateral free trade would solve the problems with Ireland and Northern Ireland. At least the commercial problems.

Bill Reinsch: Wouldn’t solve the regulatory problems.

Scott Miller: No, the regulatory... But what it would do is give you the time to figure out the regulatory issues. And so I’m just saying, Prime Minister Johnson and his party have long been supporters of free trade and free trade may be one of the things that helps Britain become Singapore. Which, by the way is a freeport.

Heather Conley: Well, they’re using freeport language all over the place. I will say, Prime Minister Johnson, he is, domestically, very focused on the dramatic political realignment that is happening in the United Kingdom. Tories have done exceptionally well in the December 12th election, in the Midlands and in the North. Typical traditional labor territory. He is really trying to put a lot of investment, this is the contradiction, huge amount of investment in those constituencies that have felt left behind, that voted to leave. But at the same time, that manufacturing base, if there is a real decision to move immediately away from alignment with the EU, you could see where the massive job in manufacturing, is exactly to that constituency.

Scott Miller: They'll be under real pressure, yeah.

Heather Conley: So, again, as Bill said, Prime Minister Johnson is a basket of contradictions and he stays on all sides of that, which keeps everybody guessing. But 2020 is a year for choice. Some choices have to be made.

Scott Miller: As they say: often wrong but never in doubt.

Heather Conley: Well, there you are.

Bill Reinsch: That’s what they said about Arthur Burns.

Heather Conley: As the European Union Commission President said, “with choices comes consequences.” I think that's absolutely right. We’re about to see some consequences.

Andrew Schwartz: Heather, it is always great to have you here. Thanks for explaining what's going on. We'll keep following it and of course we're going to have you back because you elevate the discourse here.

Heather Conley: Anything I can do to help your cause, I will do it.
Andrew Schwartz: Thank you Miss Conley. We will look forward to the next visit.

Andrew Schwartz: To our listeners, if you have a question for the Trade Guys, write us at tradeguys@CSIS.org, that's tradeguys@CSIS.org. We’ll read some of your emails and have the Trade guys react to it.

Andrew Schwartz: We’re also now on Spotify, so you can find us there when you’re listening to the Rolling Stones, or you’re listening to Tom Petty, or whatever you’re listening to. Thank you, Trade Guys.

Bill Reinsch: Thanks Andrew.

Scott Miller: Thank you.

Andrew Schwartz: You’ve been listening to the Trade Guys, a CSIS podcast.