

Atlantic Charter and Atlantic Agreement

In 1941 Churchill and Roosevelt met on a U.S. warship to draw up the Atlantic Charter. It was before the Japanese attack on Pearl Harbour and slanted heavily in favour of the USA reflecting the weak position of a near isolated UK fighting the Germans. It contained some important binding truths that have united the two countries ever since. Its terms became more important once the USA was in the war. It set out a future peace based on the self determination of peoples, the reversal of occupations imposed by force, free trade and the pursuit of peaceful resolution of conflicts.

In 2023 President Biden signed an update, a revised Atlantic Agreement, with the UK. Reflecting the modern U.S. preoccupations of the Democrats, it set out a course of future economic development with more state involvement, more subsidies and more protection. It is a partial prospectus for a divided world, where the US will lead one alliance against a China leading the main contestant grouping. The document wants onshoring, friendshoring and western technical superiority. It wishes to impose a green revolution, seeking to remove fossil fuels from the western side by 2050. It identifies quantum computing, semiconductors, smart biology, artificial intelligence and advanced communications as crucial areas to develop.

The UK will hold a conference in the autumn on regulating AI and will push for a world regulator. It is difficult seeing the Chinese bloc wanting to submit their IP and plans to such scrutiny. It is difficult to know how to regulate before you know what you are regulating. My best advice to the UK is understand there is going to be a race to expand and adopt these ideas. The UK should concentrate on creating better conditions on tax and talent to help the UK stay ahead. The USA will naturally put America first and will expect her large subsidies to buy advantage.