

THE WALL STREET JOURNAL.

OPINION | COMMENTARY

Why Britain Belongs in a New Nafta

After Brexit, the U.S. must help prevent Europe from slipping into nativism and protectionism.

By **ROBERT B. ZOELLICK**

July 7, 2016 7:02 p.m. ET

At critical moments over the past century, the United States has acted boldly and creatively to secure Europe's peace and prosperity. After the fighting of two devastating wars across Europe, America's Marshall Plan spent \$120 billion (in current dollars) over four years to spark Western Europe's economic recovery and political integration. In 1949 the U.S., Canada, and Western European states invented NATO as a trans-Atlantic shield. In 1989 President George H.W. Bush moved rapidly yet deftly to unify Germany within NATO and the European Community, setting the cornerstones of a Europe "whole and free."

Britain's vote to exit the EU now launches an uncertain and dramatic course of negotiations and public debates that will shape the future of the British Isles, the EU, trans-Atlantic ties and global growth. The U.S. must have a plan. As during historical pivot points of the past, America must shape events, not wince and dismiss the turmoil in Britain and Europe.

The Brexiters include a group that wants Britain to become an Atlantic Singapore, but also a faction that wants protection against immigration, globalization and change. If the contest for Britain's future is waged principally through the poisoned debate over future relations with the EU, Little Englanders are likely to cramp Britain's future roles and influence.

The U.S. should support Britain's internationalists by offering to negotiate, in concert with Canada and Mexico, a modern trade and investment accord. The three North American nations have fostered economic integration while respecting one another's national independence, in contrast with the EU's model for "shared sovereignty." A new agreement with Britain should move beyond Nafta to an agenda that facilitates economic vitality in the 21st century.

The North American offer to Britain must not be presented as an alternative to close British-EU ties. Britain needs both. Equally important, the U.S. negotiations with the EU

to create a Trans-Atlantic Trade and Investment Partnership are now even more consequential because they can support EU economic reforms and create a healthy combination of linkages among the U.S., EU and Britain. The three parallel negotiations should prod all the parties to lower barriers and invent new rules for cutting-edge economic developments. The best defense against political paralysis, retreat and protectionism is an active offense.

New trans-Atlantic and EU-British economic deals might offer the Scots an alternative to their possible exit from the United Kingdom, too. As a supportive actor in the negotiations in Northern Ireland, the U.S. should also be prepared to help steady the hard-won peace there.

In addition, the U.S. should use this week's NATO summit in Warsaw to begin redirecting the security agenda after Brexit. NATO can be another pillar of Britain's internationalism and the basis for future ties with Germany, France and the other European states. NATO leaders need to focus on deterring Russian aggression, organizing an integrated effort against Islamic terrorists, and helping to secure the EU's borders.

European publics are likely to turn to nativist policies if the EU cannot secure its borders. The EU is expanding its frontier police, but EU forces and plans are woefully inadequate. The U.S. needs to urge the EU toward accomplishments, not just talk, while assisting through NATO.

In 1989-90, U.S. support for Germany's unification was motivated in part by recognition that a strong U.S.-German partnership would be essential for future trans-Atlantic relations. After the financial crisis and now the Brexit vote, Germany is even more dominant in Europe, although it doesn't want to be seen as dominating. Adroit U.S. diplomacy can help Germany and the EU, too, by strengthening U.S. ties with Germany while reassuring other Europeans. U.S. initiatives should be coordinated with Berlin.

German Chancellor [Angela Merkel](#) has led the EU's firm response to Russia's attacks on Ukraine. But some Germans and Southern Europeans want to forgive and forget Russia's aggression. Working through NATO, Washington can reassure Eastern Europeans while demonstrating that the U.S. will pursue diplomacy with Russia as well.

The elections in France early next year may well lead to a government that is willing to pursue structural economic reforms. If so, the United States should encourage Germany and France to combine pro-competition reforms with the European Central Bank's monetary stimulation. Monetary policy buys time, but as ECB President [Mario Draghi](#) has explained, national governments need to open more pathways for entrepreneurs, small businesses and job creation.

France takes security seriously. U.S. leaders should ask Paris how America might assist France to strengthen military ties with both Britain and Germany, further bolstering trans-Atlantic security.

America's European diplomacy has also benefited from listening to the insights and concerns of Italy, Spain, Poland and smaller countries that appreciate the critical role of European integration in securing democracies and healthy economies while understanding imperfections and frustrations.

From the Marshall Plan through German unification, U.S. diplomacy in Europe was most effective when Americans recognized that Europeans must decide to help themselves. The United States can be a catalyst, organizer, source of ideas and provider of critical assistance in their decisions. U.S. activism inevitably sparks criticism. But Washington cannot afford strategic detachment from Britain and Europe. The next U.S. president will be as important for Europe's future as were Harry Truman, Ronald Reagan and George H.W. Bush.

Mr. Zoellick is a former World Bank president, U.S. trade representative and deputy secretary of state.