

## Trump and TTIP Consequences for TTIP after the US elections

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Following an extremely contentious and in some cases, inflammatory presidential election in the United States, many now begin to speculate as to what the future administration means for them. For those in Europe, uncertainties regarding the likely shifts in American foreign policy touch upon many issues from the Syrian civil war to climate change. An issue of particular, economic importance however is the Transatlantic Trade and Investment Partnership (TTIP). While there is still an air of unpredictability surrounding the future administration, as key positions have yet to solidify and as campaign promises regarding foreign policy were often vague, forecasts regarding the future of TTIP are already quite pessimistic.<sup>1</sup> This pessimism is deepened when considering that the deal was already floundering due to resistance throughout Europe as well as differences in priorities between both sides. Indeed, with 15 meetings taking place since 2013, progress for the deal seems stifled; the addition of the Trump administration to this already bleak picture does not bode well for the trade agreement.

Thus far, TTIP has rarely been addressed on the American political stage, and did not receive as much public attention and scrutiny as its sister deal, the Trans-Pacific Partnership

(TPP). However, if the latter one serves as any kind of indicator of how it will ultimately be received, TTIP will be equally polarizing as it draws more public attention. Rising trends in anti-globalization and populism, on both sides of the Atlantic, have created considerable pushback against these large-scale trade deals. This has been reflected numerous times in the actions of European citizens such as the protest of more than 250 thousand Germans in Berlin last Autumn, or the petition signed by 3.2 million Europeans stating that the EU was “trading away our public services, consumer protection, environmental standards, and in fact, our democracy”.<sup>2</sup> Public opposition within the US towards the TPP parallels this, with dozens of protests being held throughout the states; both also presidential candidates decried it while campaigning.<sup>3</sup>

Fueled both by public resistance and concerns regarding the details of the deal itself, the European political landscape is similarly fractured. Mixtures of concern for the future of the deal, or downright public condemnation divide nations and the parties within them. For example, despite public support for “all free trade agreements possible”, the UK’s trade secretary Liam Fox has stated that the deal looks “less than secure”.<sup>4</sup> EU Trade Commissioner Cecilia Malmström

also implied a likely delay to further talks and only added to the uncertainty surrounding the deal by commenting that “we don’t know what could happen because of the new US president”. Even bolder statements against the deal come from Italy and France; with Italy’s minister of economic development stating that the deal will likely fall through and France’s President Francois Hollande claiming he would reject the deal as it currently stands.<sup>5</sup> While the US is similarly fractured, President-elect Trump’s suspicions toward free trade are already well known, “in his first days in office he pledges to renegotiate the NAFTA trade pact with Canada and Mexico and put the TPP on hold”.<sup>6</sup> With the combination of these factors, it is no surprise that the vast majority of predictions regarding TTIP are negative.

Despite these implications and predictions, the projected doom of the agreement is yet to be set in stone. Indeed, the most recent visit of President Barack Obama to Germany largely focused on assuaging doubts surrounding the future of economic and political cooperation between the US and the EU following this transition. In his press conference with Chancellor Angela Merkel on Nov. 17th, he assured listeners that “the negotiations on agreements like TTIP have been challenging... [However] it is important that those negotiations and channels of communication remain.” Merkel has mirrored these sentiments, underlining her commitment to the deal and to continued economic ties with the US independent of Trump’s current position, implying the negotiations can always be reopened later.<sup>7</sup> The press conference was immediately followed by the president’s final meeting with the leaders of France, Britain, Italy, Spain, and Germany; wherein he urged them to cooperate closely with the Trump administration on the basis of their shared core-values as open democracies.<sup>8</sup> Ultimately,

the outcome of the trade negotiations are largely contingent upon the decisions of the Trump administration regarding more than just the trade deal itself.

Future political and economic cooperation no doubt hinge on the future administrations actions regarding numerous foreign policy issues including but not limited to: the Syrian civil war, the Iran nuclear deal, the Paris climate agreement, and cooperation within NATO. As many expect Trump’s policies to deviate from and in many cases completely reverse current initiatives by the Obama administration, relations could be damaged. The statement made by Chancellor Merkel following Trump’s victory concisely reflects the conditional nature of EU-US cooperation:

*‘Germany and the US are connected by values of democracy, freedom and respect for the law and the dignity of man, independent of origin, skin color, religion, gender, sexual orientation or political views... I offer the next president of the United States close cooperation on the basis of these values.’<sup>9</sup>*

The remarks of EU leaders Jean-Claude Juncker and Donald Tusk also convey the general air of cautious optimism, emphasizing progress through cooperation rather than isolation. Whether or not President Trump will follow through on his numerous campaign promises remains to be seen, and the reaction of Europe and it’s leaders to each action cannot be predicted with confidence either. Keeping a close eye on Trump’s cabinet appointments in the near future will provide some indication of intent, but as the massive political upsets of 2016 have shown, predictions – no matter how confident – are hardly foolproof.

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