


SUMMARY CHART:

THREE PATHS AND THE ROAD TO NOWHERE

|  THE DEEP FREEZE | THE ROAD TO NOWHERE |
|---|---------------------|
| Characteristics <ul style="list-style-type: none"> » Obstacles too high, incentives too low for any ambitious transatlantic effort | |
| Potential Impact <ul style="list-style-type: none"> » Unresolved issues fester, some blow up » Contentious trade policies » WTO confrontation » Dedicated U.S. efforts to split the EU » Collapse of Privacy Shield » US/EU become rule-takers rather than rule-makers » Greater digital competition » Value chains disrupted » Economic anxieties exacerbated » U.S./EU failure to address Brexit or to advance a positive agenda with other European or North American partners | |
|  CHERRY PICKING | PATH 1 |
| Characteristics <ul style="list-style-type: none"> » Harvest whatever wins you can from comatose TTIP » U.S.-EU “Transatlantic Zero” Tariff Agreement on Goods » Case by case agreements on sectoral and regulatory cooperation | |
| Potential Impact <ul style="list-style-type: none"> » Momentum on goods trade; minimal impact on jobs » Could dampen potential U.S.-EU antagonism » Piecemeal progress on individual issues » Can shift some regulatory attention to higher-risk countries » Selective progress as global rule-makers » Low profile: marginal impact without high-profile push » Does little to reposition either the U.S. or EU for greater global competition » Insufficient to mitigate privacy/tax/other disputes » U.S./EU failure to address Brexit or advance a positive agenda with other European or North American partners | |

| 2.0 TTIP 2.0 | PATH 2 |
|--|--------|
| Characteristics <ul style="list-style-type: none"> » Seek Transatlantic Zero on Goods; open services markets; public procurement; rules of origin » Seek regulatory cooperation, sectoral agreements, alignment on technical barriers to trade and sanitary and phyto-sanitary measures » Improve U.S. and EU position vis-à-vis third countries | |
| Potential Impact <ul style="list-style-type: none"> » Difficult to achieve with Trump and current European Commission » Toxic public reaction, especially in much of Europe » Greater public anxieties regarding trade » ISDS a deal-breaker » Little chance of progress re. labor/environment » Does not address Brexit or wider European/NAFTA value chains | |
|  THE NORTH ATLANTIC MARKETPLACE | PATH 3 |
| Characteristics <ul style="list-style-type: none"> » Drop TTIP in favor of a focus on Jobs and Growth in the North Atlantic. » Multi-channel initiative, not a ‘single undertaking’ limited to U.S.-EU » Seek series of bilateral Jobs and Growth Agreements, not only U.S.-EU but also U.S.-UK, UK-EU, U.S.-non-EU Europe, EU/Canada/Mexico etc. <p>Five baskets:</p> <ol style="list-style-type: none"> 1. Jobs and growth: workforce development; SMEs; innovation economy; digital economy. 2. Tackle trade barriers to these goals. 3. Split investment from trade; Exclude ISDS; affirm the primacy of domestic law. 4. Regulatory cooperation should focus on helping regulators become more efficient and effective at protecting their citizens in ways that are democratically legitimate and accountable, and not primarily about removing or reducing non-tariff barriers to trade. Take account of ‘transatlantic’ costs and benefits. But limit to goods and services traded between the two parties. Apply only to executive agencies, not legislative bodies. 5. Align policies toward third countries such as China. | |
| Potential Impact <ul style="list-style-type: none"> » Recognizes new dynamics of Europe/Brexit » Seeks to build synergies among the evolving pillars of the North Atlantic space » Directly addresses anxieties about jobs and growth » Addresses popular critique of ISDS » Offers a different and more sustainable rationale for regulatory harmonization » Addresses concerns about lower third country standards; repositions North America and Europe as rule-makers » Difficult to manage/different tracks » Requires high level support, not limited to trade officials | |

