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New ECIPE and GMF working paper:

Ideas for New Transatlantic Initiatives on Trade

The US and the EU have the capacity to play a leading role together in promoting international trade liberalisation. They remain the economic giants in the world trading system despite the growth of emerging economies. This new [ECIPE/GMF Working Paper](#), produced for the [Transatlantic Task Force on Trade](#), examines the economic and political rationales behind different potential forms of a transatlantic free trade initiative.

The idea of a transatlantic initiative is not new. Until recently, there has however been a lack of economic arguments in the debate, which this paper aims to compensate for, while also discussing alternative ways forward.

Four possible forms of transatlantic initiatives are put forward and critically examined. Maintaining status quo is one option, implying a key role for the Transatlantic Economic Council. The achievements of this forum up to date have however been limited, and consist principally of declarations of intent. Bilateral FTAs in goods and/or services are other scenarios, which would generate significant economic gains. Such type of agreements might however be politically difficult to negotiate. The possibilities of exercising transatlantic leadership through plurilaterals, regional- or critical mass agreements are also examined. In particular, the idea of a sectoral ICT initiative is closer looked into.

Ultimately, strong transatlantic leadership is essential for further international liberalisation to occur in the short term. An ambitious transatlantic initiative would be beneficial both to bilateral trade and to the multilateral system as a whole.

[Download the Working Paper here](#)

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