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The Transatlantic Trade and Investment Partnership and the International Security System

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We investigate[1] the possible impact of the Transatlantic Trade and Investment Partnership (TTIP) on the international security system and see closer economic cooperation between the EU and the United States as a supplement to their political alliance. In our opinion, closer economic cooperation between the EU and the United States is currently essential due to the international security gap revealed, *inter alia*, by Russia's expansionist policy, the European migration crisis, and general global instability.

THE US POLITICAL DILEMMA: ORIENTATION TOWARDS ASIA OR EUROPE?

The modern international order is determined by two factors of crucial importance and conflicting impacts. The first is a stability paradigm as a determinant of operational methods and political values, particularly in US political strategy. The other is organic turbulence in the world. The instability determinant is the lack of an effective regime of control over different actors' activities (non-states, states or groups of states). In the unipolar order in which the United States is a hyperpower,[2] there is both a place and the need for regional and supra-regional economic and political powers like the EU. There is also the will and desire not to limit international relations to common values and unity of civilizations. The position of states and regions[3] nevertheless varies in American foreign policy.

Current US policy towards Asian countries is reflected in the trans-Pacific formula of the 'pivot to Asia'. Among the factors influencing this idea are Asian, European and global ones. In assigning Asia a greater role in US policy, it demonstrates, *inter alia*, the region's bigger role in the world economy and in US-China bilateral relations and political issues, focuses on recognizing the territories of NATO countries as inviolable in military conflicts and attempts to move military confrontations to the periphery.

The pivot-to-Asia concept is also influenced by the fact that the United States assumes Europe will not be the main source of instabilities in the future. Outside Europe, at the point of turbulence, the United States has very limited power to initiate and control the process of social, economic and political change. To influence those areas, the United States has attributed greater importance to Asia. The 'pivot' is also a sign of EU and US competition for access to developing countries' markets. The expansion of discriminatory liberalization agreements with the EU (called Regional Trading Agreements in WTO nomenclature, or RTAs) has been so large that the United States considers their proliferation dangerous to its own interests[4] and has started to retrieve its position through similar agreements such as the recently negotiated Trans-Pacific Partnership (TPP). TPP is a RTA that will connect its North and South American partners (NAFTA countries, Chile, Peru) with its Asian (Brunei, Japan, Malaysia, Vietnam, Singapore) ones, as well as with Australia and New Zealand.

There are many reasons for the relative mutual distancing of Europe and the United States, particularly in stable periods. Among them are the significant discrepancies between their social and cultural models, as well as the European conviction that its security is ensured at no cost. Many Western European countries continue to benefit from the post-Cold War peace dividend, consequently ignoring political changes affecting their security.

Moreover, despite intensive economic and political cooperation, the transatlantic partners are not bereft of economic conflicts and some have turned quite ideological. Such is the case with genetically modified food and animal feed (Genetically Modified Organisms, or GMOs).[5]

TTIP'S IMPORTANCE FOR THE TRANSATLANTIC REGION

TTIP would strengthen and intensify the bilateral economic relations between its parties. Future cooperation can be perceived as a consolidation of the Atlantic bridge and an upgrade of economic cooperation to a level comparable to a political, defense and cultural alliance.

The EU, particularly Western Europe, must fear the effects of the US pivot to Asia and reduction of its presence in Europe. The fear stems from the likelihood of a security vacuum, particularly dangerous in the face of Russia's return to the aggressive and expansionist policy of the former USSR. In its confrontation with

1 The project is funded by the National Science Centre of Poland based on decision no. DEC-2013/09/B/HS4/01488.

2 A 'hyperpower' is "a country that is dominant or predominant in all categories … this domination of attitudes, concepts, language and modes of life", a definition coined by French minister of foreign affairs Hubert Vedrine (quoted in The New York Times, 5 February 1999). The hyperpower status means a complete range of dominance, which distinguished it from the former USSR and the United States and their military potential during the Cold War period.

3 The region is conventionally isolated, relatively homogenous, and distinguished from adjacent areas by natural or acquired traits. There are physiographic (e.g. climate, soil) and economic (e.g. agricultural, industrial) or economic and administrative regions that are objects of planning and management (*Encyklopedia Geografii*, Warsaw 2002, 531). Because the region is described not only by natural but also by acquired features, the same term refers to common values and not only to areas of geographical vicinity (Czarny *et al*. 2010).

4 See, for instance, "U.S. companies [...] are being surrounded by preferential trade and investment agreements negotiated by their foreign competitors' governments. Time is running out for the United States to get back into the game", http://web.archive.org/web/20021030045704/http://www.brtable.org/pdf/498.pdf.

5 Prestowitz, the president of the Economic Strategy Institute (ESI), summarized the EU objections in the following way: "so, if you had a cancer-curing GM corn, I don't think you would have any problems selling it in Europe," (www.econstrat.org/news/cprestowitz_cnnmoney_02162003.htm), after Mann (2007), 208–209.

Ukraine, Russia not only reinforces its traditional desire to enlarge its territory at the expense of its neighbours and destabilize adjacent states, but also uses economic tools to subordinate other states (by differentiating natural gas prices, for example. For further details, see Czarny *et al.* 2009).

Even while acknowledging that the EU and the USA had shared the same intensity and belief in Russia's transformation in the past, driving towards a partnership based on respect for law and common values, the consequences of this belief are different in US and European policy. The United States, secure thanks to its geopolitical and military position, still feels responsible for international security. For Europe, rapprochement with Russia can result in political and military dependency (in resource supplies, as well as the avoidance of military conflict on the EU's borders).

Political interests also force the EU and the United States to cooperate. No other partner would be as good at, for example, combating international terrorism. Common values make Europe a more natural partner for the United States than the culturally, politically and religiously diverse Asian states that are becoming the main focus of economic cooperation. Besides security and values, economic interests also prompt the United States to remain a staunch EU ally, due in no small part to the massive flood of commodities, services and capital traded between them. Moreover, the parties are natural allies in international organisations.

TTIP'S GLOBAL SIGNIFICANCE

In the geopolitical dimension, TTIP will allow the EU and the United States to maintain their dominance of the world economy and increase the stability of the global economic system. It may also encourage states blocking the current WTO round on non-discriminatory trade liberalization to increase their inclination to cooperate. That assumption seems to be reflected in, for example, a decision at the Davos Summit (January 2014) to resume negotiations on trade and pro-environment services, which although covered by the Doha mandate are stalled by discussions of merit. Furthermore, TTIP may provide solutions for the WTO negotiations; or at least encourage further discussion. Otherwise, the threat that WTO negotiations may be down-graded significantly; or replaced by numerous non-transparent bilateral or multilateral RTAs may become real. That would be detrimental to the world economy, composed as such by separate groups of countries. Not only would the process of development of the worldwide economic system based on the non-discrimination principle have been stopped, but it also could force the world economy to retreat to the pre-war period when the world was divided by numerous protectionist and discriminatory economic agreements.

CONCLUSIONS

The United States has just finished negotiations on TPP and is negotiating TTIP. An important signal from the US administration was the former President Obama's signature in June 2015 to grant the negotiations Trade Promotion Authority, the first time it had been used since 2002, and on the Trade Preferences Extension Act. That means that TPP and TTIP will be voted on in their entirety with no amendments, possibly easing passage.

It may be evaluated as positive that the world's political and economic situation seems to strengthen and consolidate EU–US cooperation. Errors on the part of both parties were critical. The US 'pivot to Asia' should not become a political alternative to the EU, but a supplement to the transatlantic link. Europe, in turn, treated Russia as if it had adopted Western patterns and was becoming more Europe-like, which meant that the latter should recognise and respect European values. It is hard to overestimate the scale of both mistakes. However, there is now a fresh chance for a return to cooperation, and to turn the Atlantic into an inner lake in a community of democracy, security and economic prosperity.

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