



THE 2013 MORTIMER CAPLIN CONFERENCE ON THE WORLD ECONOMY

"The Transatlantic Trade and Investment Partnership: A Multilateral Perspective"

Part I

The Miller Center
National Press Club, Washington, DC
December 2, 2013

Part II

The Europa Institute
University of Edinburgh, Edinburgh, UK
May 2, 2014

Overview & Goals

Shortly after President Barack Obama won reelection to a second term, several European leaders, most notably Britain's David Cameron and Germany's Angela Merkel, encouraged the President to pursue a free-trade pact with Europe during his second term. Supporters of such an agreement received a boost on February 12, 2013, when President Obama, in his annual State of the Union Address, pledged to "launch talks on a comprehensive Transatlantic Trade and Investment Partnership (TTIP) with the European Union." Then on June 14, the European Commission approved the initiation of talks with the U.S.

Aiding these discussions is the economic benefit many see in a U.S.-EU partnership – benefits desperately needed by both sides. The combined economies of the U.S. and EU, which represent 45% of the world's GDP and over one-third of global trade, have been mired in a cycle of contraction and stagnant economic growth for nearly five years, and robust growth is not projected to reemerge anytime soon. It is estimated that a free-trade zone could generate an additional 1.5% of growth on both sides.

The first round of TTIP negotiations, convened in Washington, DC, in July 2013, brought together roughly 150 delegates who broke into 24 working groups to cover the broad range of issues under TTIP's purview. The second round of negotiations (originally scheduled for October 7-12, but postponed due to the U.S. government shutdown) took place on November 11-15 in Brussels. A third round of talks is scheduled for mid-December.

Debates in the United States have predictably – and understandably – focused on how a transatlantic pact would affect the American economy and labor markets; similar deliberations have taken place from the European perspective. However, for progress to be made, it will be critical that both sides understand these parochial viewpoints, while not necessarily conflating the two. The goal of the 2013 Caplin Conference is to provide key stakeholder groups – government officials, business and labor leaders, trade experts, and scholars – from the United States and European Union a forum for constructive dialogue on a transatlantic free trade agreement.

Unlike in previous years, the 2013 Caplin Conference will feature two separate gatherings: one in the United States and one in Europe. While each conference will examine similar subject matter, they will have separate charges. The conference in the U.S., organized by the University of Virginia's Miller Center, will focus on questions from the American perspective; likewise, the European conference, convened by the University of Edinburgh's Europa Institute, will examine the TTIP from the EU perspective. Upon conclusion of both conferences, a joint report featuring conclusions and recommendations will be developed and disseminated to key target audiences.

Organizational Collaboration

The Miller Center and the Europa Institute will collaborate to ensure consistency between the two conferences with regards to composition, topics, scope, and work product. To maximize the impact of this partnership, it is important that the conferences convene the same type of panels, examine similar topics and questions, and have a shared vision for the conferences' final report. Apart from these broad conference issues, all other details (including participants, date, location, revenue sources, etc.) will be at the discretion of each host institution.

The Miller Center will host its conference on Monday, December 2, 2013, at the National Press Club in Washington, DC. Three panel sessions will be convened, each approximately 75 minutes in length inclusive of audience Q&A, plus a cocktail/hors d'oeuvres reception and a keynote panel featuring former United States Trade Representatives [*A full agenda is presented below*]. The Europa Institute is targeting February 2014 for its conference and will follow a similar agenda.

Work Product

The aim of these conferences is to provide two high-level forums for key stakeholders to discuss, debate, and deliberate over a prospective transatlantic trade pact from both the American and European perspectives, and to disseminate the resultant ideas and recommendations into the public square. To achieve that goal, this conference will generate a joint policy report to be distributed widely among policymakers, government officials, scholars, media representatives, industry advocates, and leaders of the private sector in the United States and European Union.

The report will consist of two broad sections: First, an historical background and comparative analysis on free trade agreements, and what lessons can be learned and applied by policymakers currently working on TTIP. The second section will be entitled “Opportunities and Obstacles.” Scholars from the Miller Center and Europa Institute will review the deliberations of both conferences and draw out a set of common themes on the potential benefits (“opportunities”) of a transatlantic free trade agreement for the U.S. and EU, as well as possible areas of friction (“obstacles”) between the U.S., EU, and/or other global actors. Taken as a whole, this report will provide stakeholders with a unique, multi-perspective analysis on what could potentially be the world’s largest free trade pact. The Miller Center and Europa Institute will work jointly and with conference participants to promote this report through opinion pieces and other appropriate channels.

Agenda

12:30-1:00 p.m. Welcome & Introductory Remarks

1:00-2:15 p.m. Session 1: “U.S. Free Trade Agreements in Historical and Comparative Perspective “

The United States has historically been involved in a large number of military, political and economic relationships that span the globe. Yet while the United States and Europe have yet to realize a fully open market for trade and investment. This session will explore the causes and consequences of economic agreements both historically and across different partners. Panelists will address a number of questions including:

- What are the political and economic pre-requisites to a fully functioning trade and investment treaty?
- Are there similarities/differences between the proposed TTIP and other trade agreements (e.g., the Trans-Pacific Partnership)?
- How have domestic content restrictions and intellectual property concerns been dealt with in other agreements?

Moderator

- *Edward Alden, Senior Fellow, Council on Foreign Relations*

Panelists

- *Christina Davis, Professor, Woodrow Wilson School, Princeton University*
- *Alan Larson, Senior International Policy Advisor, Covington & Burling LLP; former Under Secretary of State for Economics and Ambassador to The Organisation for Economic Co-operation and Development*

- Tom Zeiler, Director, Program on International Affairs, University of Colorado-Boulder

2:15-2:30 p.m.

Coffee Break

2:30-3:45 p.m.

Session 2: “Is TTIP Good for the United States?”

The economic malaise that began with the 2007 global recession has slowed yet the economic growth that is occurring within the United States is both lower than hoped and the recovery is essentially jobless. Advocates of the TTIP propose that expanding the trade and investment relationship with the EU has the potential to dramatically increase productivity, manufacturing, and, ultimately employment. Yet these expectations may be based on some very optimistic assumptions. Panelists on this session will evaluate these assumptions and will address the following questions:

- To what extent would an expansion of trade and investment with the European Union lead to job-creating economic expansion in both the United States and the European Union?
- Which economic sectors in the US are best positioned to gain from TTIP? Which sectors are likely to lose?

Moderator

- Neil Irwin, Columnist and editor of WonkBlog, The Washington Post

Panelists

- Rod Ludema, Associate Professor of Economics, Georgetown University
- Peggy Chaudhry, Associate Professor of Management and Operations, Villanova School of Business
- Daniel Hamilton, Professor and Director, Center for Transatlantic Relations, School for Advanced International Studies, Johns Hopkins University

3:45-4:00 p.m.

Coffee Break

4:00-5:15 p.m.

Session 3: “A Deeper U.S.-EU Economic Relationship: Implications for American Global Strategy”

The creation of a US-EU trade bloc has been touted as *the* means to re-establish US economic leadership and dominance in the world. While session 2 explores whether this is likely, this session explores the possible implications of the creation of this set of bilateral relationships. Panelists will reflect on a set of questions related to the potential consequences of a successful implementation of the TTIP including:

- Will increased trade and investment between the United States and the EU lead to the creation of competitive trade blocs in other parts of the world?
- Will the creation of the TTIP mean that the WTO become irrelevant?
- What about China? How does TTIP—and potentially the creation of the Trans-Pacific Treaty—isolate China and, if so, what are the consequences?

Moderator

- *Charles Freeman, III, Vice President, Rock Creek Global Advisors; former Assistant United States Trade Representative for China Affairs*

Panelists

- *Gary Hufbauer, Senior Fellow, Peterson Institute for International Economics*
- *Edward Mansfield, Professor of Political Science, University of Pennsylvania*
- *Joshua Meltzer, Fellow in Global Economy and Development, Brookings Institution*

5:15-6:00 p.m.

Cocktail and Hors D'Oeuvres Reception

6:00-7:00 p.m.

Keynote Roundtable: "Lessons From History"

Moderator

- *John Harwood, Chief Washington Correspondent, CNBC*

Panelists

- *Clayton Yeutter, former United States Trade Representative, 1985-1989*
- *Mickey Kantor, former United States Trade Representative, 1993-1996*
- *Susan Schwab, former United States Trade Representative, 2006-2009*
- *Ron Kirk, former United States Trade Representative, 2009-2013*