



KOMPARACE SOUČASNÉHO NÁVRHU TTIP S PŘEDCHOZÍMI SMLOUVAMI O TRANSATLANTICKÉM OBCHODU: CO POKRAČUJE A CO JE NOVÉ

A COMPARISON OF THE CURRENT PROPOSAL OF THE TTIP WITH PREVIOUS AGREEMENTS ON TRANSATLANTIC TRADE: WHAT CONTINUES AND WHAT IS NEW

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Cílem článku je porovnat a stručně shrnout předešlé smlouvy o transatlantickém obchodu s návrhem TTIP. V úvodní části článku jsou vysvětleny historické základy transatlantických smluv. První a druhá část článku tedy popisuje základní stupeň poznání, současné teoretické přístupy a jejich aplikaci. Hlavní, třetí část článku obsahuje komparaci současného návrhu TTIP s předchozími obchodními dohodami (Transatlantická deklarace /1990/, Nová transatlantická agenda /1995/ a Transatlantické ekonomické partnerství /1998/). V čtvrté části článku autor dospěje k hlavním výsledkům, tj. zhodnotí, co je ve smlouvě TTIP nové a rovněž to, co pokračuje z minulosti, přičemž také vysvětlí příležitosti a hrozby vyplývající z nynějšího návrhu TTIP.

Klíčová slova: obchod, mezinárodní vztahy, USA, EU

The article aims to compare and briefly summarize previous transatlantic trade agreements with the TTIP proposal. The article introduces the historical bases of transatlantic agreements in the introduction part. The first and the second part of the article have described the level of knowledge, recent theoretical approaches, and their application. The third part of the article is about the comparison of the current proposal of the TTIP with previous agreements (Transatlantic Declaration /1990/, New Transatlantic Agenda /1995/ and Transatlantic Economic Partnership /1998/). In the fourth part of the article, the author evaluates what continues and what is new in the TTIP

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proposal. In the end, the author explains opportunities and threats, for both the EU and the US, from the TTIP proposal.

Key words: international relations, trade, the EU, the US

JEL: F10, F15, F53

1 INTRODUCTION

The importance of free trade agreements seen in the ongoing scientific debate on whether free trade agreements (FTAs) will allow the growth of members involved in international trade. It was also the question of a study conducted by Baier and Bergstrand (2004). In their research, they concluded that "... The answer is: yes" (Baier, Bergstrand 2004, p. 27). Both scientists indeed admit objections, e. g. They did not occupy with the impact of such agreements on trade with non-members of international trade as well as trade between these non-members. Also, the social impacts of these FTAs were not involved in their research. The research was: "our focus has been solely on trying to provide policymakers with more resolution on an unbiased estimate of the average effect of an FTA on trade" (Baier, Bergstrand 2004, p. 27). The authors also indicate that the effects of the FTA will vary depending on the economic size of the two members, their income per capita, and the distance between the two countries. Although researchers admit these effects, they abandon these effects to further research (Baier, Bergstrand 2004, p. 27).

In 2012, Baldwin and Jaimovich (2012) investigated the importance of the domino effect, i. e. signing still a new number of FTAs. In their research, they point out that "nations sign FTAs to reduce the discrimination created by FTAs signed among their trade partners" (Baldwin, Jaimovich 2012, p. 10). According to them, "each new FTA creates additional discrimination, FTAs can spread in a domino-like pattern" (Baldwin, Jaimovich 2012, p. 10).

Nobody could deny that the relationship between the US and the EU continues to revolve around the environmental issue. Furthermore, a free trade agreement could also help in this aspect. For example, a team led by Antweiler (2001) confirmed surprising findings. Their "estimates of the scale and technique elasticities indicate that if openness to international markets raises both output and income by 1%, pollution concentrations fall by approximately 1%" (Antweiler, Copeland, Taylor 2001, p. 41). This result brings "... a somewhat surprising conclusion: freer trade is good for the environment" (Antweiler, Copeland, Taylor 2001, p. 41).

In 2003, the study by Copeland and Taylor (2003) confirmed that the environmental policy also affects trade and investment flows, since "both trade and investment are influenced by pollution regulations" (Copeland, Taylor 2003, p. 91). As shown in the following text, climate change and environmental issues have influenced contractual agreements between the US and the EU in the past two decades.

In the early 1990s, the first formal agreement on transatlantic relations was signed and entitled. Declaration on relations between the European Communities and the US (the Transatlantic Declaration on EC-US Relations /TAD/ 1990). The Declaration was designed to draft the relationship between the EEC and the US. However, it is also true that the TAD contained relatively difficult passages that resulted from the different approaches of the two signatories. For example, the part of the transnational challenge was particularly problematic because this part ensures the cooperation on global challenges for both signatories. Specifically, it was the fight against terrorism, environment protection, and preventing the proliferation of nuclear, chemical, and biological weapons, and missile technology (European Communities 1990). This cooperation will be quite tricky as Bodansky (2003) notes: "despite the broad similarities the environment has been more a source of conflict than cooperation in transatlantic relations. On virtually every prominent issue: GMOs, persistent chemicals, and above all, climate change – the US and the EU have lined up on different sides" (Bodansky 2003, p. 59). Bodansky states it aptly: "In the climate change negotiations, for example, the Clinton administrative believed that, if technology can solve the problem, fine. Europeans, in contrast, seem to feel that, regardless of technology, we consume too much and need to change our lifestyles. Also, the US often tends to be more pragmatic ... whereas Europe tends to be more moralistic" (Bodansky 2003, p. 64).

Five years later, the earlier Transatlantic Declaration was more regulated by the New Transatlantic Agenda. The following should be done in the framework of promoting peace and stability, democracy, and development at a global level. This part included mainly the restoration of war-ravaged Yugoslavia. In particular, the reform of political and economic areas and the building of democratic institutions. It will also work together to develop a blueprint the UN Economic and Social Reform (EU 1995). It includes cooperation that will lead to "... find urgently needed solutions to the financial crisis of the UN system" (EU 1995, p. 4). A political scientist Zbigniew Brzezinski affirms that an agreement on the reform of the UN was an important point, especially for the US. Since then ... international organizations are increasingly independent of the decisive influence of the US as they become decision-making centers (Brzezinski 1993, p. 101).

The issue of further development of transatlantic relations postponed until 18 May 1998. The Transatlantic Economic Partnership (TEP) signed at the EU-US Summit in London.

This agreement was projected to intensify a bilateral dialogue. Furthermore, the TEP Environmental Group was set up to "... promoting greater co-operation between US and European scientists and regulators on environment issues with trade and economic implications" (EU 1998, p. 11). As the political scientist Brzezinski

(1993) argues, this activity is essential in environmental issues, as ... several animal and plant species have been wholly exterminated in Europe and North America. Furthermore, "... there has been a massive loss of forests on these continents" (Brzezinski 1993, p. 177). If we move towards the last economic convergence between the US and the EU, the development of the TTIP itself began on February 13, 2013, when the final announcement of the start of negotiations initiated. Moreover, we can learn from a joint statement by President Barack Obama, President of the European Council Herman Van Rompuy and President of the European Commission José Manuel Barroso that: "Through this negotiation, the United States and the European Union will have the opportunity not only to expand trade and investment across the Atlantic but also to contribute to the development of global rules that can strengthen the multilateral trading system" (EUROPEAN COMMISSION 2013, p. 1). The official opening of the first round of the TTIP negotiations began in Washington on 8 July 2013. However, the agreement was criticized, and the TTIP negotiations were interrupted after Donald Trump joined the presidency (2017).

2 METHODOLOGY

The method of comparative analysis used in this article. This approach can better explain the fundamental evolution of the economic aspects of Atlanticism. Besides, it can assess what, whether and why it has added. The results will discover by analyzing previous trade agreements. The article aims to compare and briefly summarize previous transatlantic trade agreements with the TTIP proposal. Furthermore, the article responses the research question and its sub-questions in the end. The main research question was set out in the research scheme: How does the TTIP proposal contrast with previous EU-US agreements? The main research question divided into the following sub-questions: To what extent the TTIP proposal differs from preceding agreements? Why and what parts have added to the TTIP proposal?

A comparative analysis is a research method based on the explanation of economic phenomena and the subsequent comparison with the current phenomenon. Also, the central part of the article analyzes previous transatlantic trade agreements which compared with the current agreement (the TTIP). Furthermore, the conclusion of the article will also evaluate how agreements are different. The texts of agreements and draft agreements serve as data. The research question influences their choice.

The study based on many sources that pursue this topic. The cited sources are made by leading foreign authors (e.g. Brzezinski (1993), Peterson (2003), Capaldo (2014), Luft (2009)) and the EU (EC) significant political and economic documents (The Transatlantic Declaration, The New Transatlantic Declaration, The Transatlantic Economic Partnership, the TTIP Negotiations).

3 A COMPARISON OF THE CURRENT TTIP PROPOSAL WITH PREVIOUS TRANSATLANTIC TRADE DOCUMENTS

In this section, the current TTIP texts compared with the previous documents. The documents will be assessing what is the same and what is new. The text will base on two types of documents that the EU puts forward for joint negotiations with the US: 1. Opinions – raise and describe the EU's approach to the subject in the TTIP negotiations. 2. Suggestions for Texts – Initial Proposals for Legal Texts on Negotiating Topics of the TTIP (EU DG TRADE 2016a). The final agreement will have 24 chapters and will be divided into four sections: market access, regulatory cooperation, rules and institutional, general, and final legal provisions.

3.1 The TTIP proposal compared to the Transatlantic Declaration

The issue of goods and customs solved within the initial proposal on trade in goods and customs. These issues regulated in sections as scope and coverage, reduction and elimination of customs duties, special régimes, non-tariff measures, and specific exemptions related to goods (EU DG TRADE 2016b). Compared to the first relatively general document such as the Transatlantic Declaration, this is a significant shift in the area of economic cooperation. Furthermore, another visible difference between the Transatlantic Declaration and the TTIP proposal is in agriculture. While the Transatlantic Declaration only mentions agriculture as a topic to develop dialogue. Moreover, the TTIP proposal adds concrete proposals for solutions. The same situation as agriculture also refers to a specific area of wine and spirits, and the EU goals are "... would remove nearly all customs duties on EU–US trade" (EU DG TRADE 2015a, p. 12).

The EU estimates that this would have positive results, such as immediate savings for EU companies. "This would: create 'spillover' effects — benefits not directly related to trade, for example scrapping tariffs would lower the cost of the goods we export which would increase sales which would mean more jobs to enable firms to produce more which would boost demand from people filling those new jobs for other goods we produce" (EU DG TRADE 2015a, p. 12).

The service sector is also the area of interest that the TTIP is adjusting. This field is a definite shift compared to the Transatlantic Declaration, which only mentions this area very broadly. The TTIP adds new goals such as agreeing on market access for services, professional mobility, licensing, and new rules for selected sectors. According to the EU, these measures are intended to ensure that "... EU and US firms can compete on equal terms in either market, governments treat EU and US firms in the same way; regulators can work together more closely in the future" (EU DG TRADE 2015a, p. 14).

The EU also sees the role of the TTIP in public procurement. The EU wants to agree with the US on rules that will ensure that companies from both units will not discriminate against in public tenders (EU DG TRADE 2015a). Trade barriers are mainly US legal restrictions on foreign suppliers. There are known as the Buy America Act and the Buy American Act as well as the General Procurement Agreement. Unlike the United States, the European Union does not currently have a possible European instrument to protect European firms on the open international public procurement market (EC 2016a).

Discussions have continued since March 2012 in the EU. In 2016, the European Commission presented a revised proposal for a tool for addressing international public procurement (International Procurement Instrument). As Cecilia Malmström, European Commissioner for Trade, notes: "I firmly believe that an open international trading system needs to include public procurement. Openness is good for business, good for consumers, and leads to efficient use of taxpayers' money" (EC 2016b, p. 1). Another characteristic of the instrument continues by Elżbieta Bieńkowska, European Commissioner for Internal Market, Industry, Entrepreneurship and SMEs: "We want EU companies to be able to tap into this market outside the EU just as companies from outside the EU are able to benefit from our market. What we are doing today will open doors for our businesses and allow them to compete on an equal footing" (EC 2016b, p. 1).

The last point relating to market access is the rules of origin. In this case, the EU wants to use the TTIP rules to "... simpler rules of origin that can be easily understood and applied by EU producers and exporters" (EU DG TRADE 2015a, p. 16). On the other hand, the Transatlantic Declaration does not mention public procurement rules or rules of origin.

The second part of the TTIP negotiating text deals with the position of regulatory cooperation. The theme divided into three horizontal chapters: regulatory cooperation, technical barriers to trade, and food safety, and animal, and plant health. Regulatory cooperation aims to create new regulations while reviewing those existing regulations that have an impact on EU-US investment (EU DG TRADE 2015a).

Another visible area of cooperation is the technical barriers. The EU's primary concern is "... eliminate or at least reduce unnecessarily duplicative or burdensome procedures for checking products and ... get more transparency in the US system on standards" (EU DG TRADE 2015a, p. 20). Moreover, the last issue of a horizontal chapter is food security, animal, and plant health. The core of the chapter is the EU's objective of ensuring pragmatic and rapid procedures and decisions on trade-related rules. This goal should also include active mechanisms for solving business problems (EU DG TRADE 2015a). This is a detailed cooperation scheme which not mentioned in the Transatlantic Declaration. The Transatlantic Declaration deals only about

supporting the development of dialogue on technical and non-tariff barriers. The topic of specific industrial sectors is dealt with the TTIP proposal in more detail in the horizontal subchapters 2.4-2.12. (chemicals, cosmetics, engineering products, information and communication technologies (ICT), medical devices, pesticides, pharmaceuticals, textiles, vehicles) (EU DG TRADE 2015a, p. 22-34). Besides, we can see here a visible difference compared to the Transatlantic Declaration.

The third part consists of the rules proposed by the EU to facilitate exports, imports, and investment. The EU wants to guarantee that these activities will be fairer (EU DG TRADE 2015a). This section includes sustainable development, energy and raw materials, customs, and trade facilitation, small and medium-sized enterprises (SMEs), investment protection and investor-state dispute settlement (ISDS), state dispute settlement (SSDS), competition policy, intellectual property rights, and geographical indications. However, the scope of these rules not broadly regulated in the Transatlantic Declaration. The Transatlantic Declaration only deals with these activities in a very general way.

In the end, table 1 shows a comparison of the TTIP proposal and the Transatlantic Declaration.

Table 1: The TTIP proposal compared to the Transatlantic Declaration

<i>The TTIP proposal</i>	<i>The Transatlantic Declaration</i>
Negotiating new concrete proposals for agriculture	Negotiating agriculture as a topic to develop dialogue
More focused on wine	Developing wine as a topic to dialogue
Creating a process for solutions about spirits	Developing spiritis as a topic to dialogue
Launching about market access for services	Mentioning service area very broadly
Expanding procurement rules which not discriminate in public tenders	Does not mention
Establishing more straightforward rules of origin	Does not mention
Providing technical barriers which have a detailed cooperation scheme	Developing a reference to supporting dialogue on technical barriers
Furnishing non-tariff barriers which have a detailed cooperation scheme	Developing a reference to supporting dialogue on non-tariff barriers
Designating goals for fairer exports, imports, and investment	Mentioning exports, imports, and investment in a very general way

Source: Table data retrieved from the TTIP proposal and the Transatlantic Declaration.

3.2 The TTIP proposal compared to the New Transatlantic Agenda

The New Transatlantic Agenda (NTA) is larger than the previous Transatlantic Declaration, but it is not in terms of size of the TTIP. The NTA mentions only that a new transatlantic market space will be created in the future. Also, the NTA speaks of a joint study will be conducted on ways to facilitate trade and services, and tariff and non-tariff barriers will be reduced or eliminated. Besides, customs matters are concerned because it merely mentioned that both parties would endeavor to conclude customs cooperation and an agreement by the end of 1996 (EU 1995). The area of services, public procurement, and rules of origin are also not regulated in the NTA.

In the NTA, regulatory cooperation mentioned in terms of strengthening regulatory cooperation and supporting regulatory agencies. Another objective is to agree on mutual recognition of products for specific sectors as soon as possible (EU 1995). More space is also devoted to regulation in the NTA than in the Transatlantic Declaration. In spite of the proposed TTIP text provides an entirely new regulatory cooperation framework. The NTA also does not regulate technical barriers to trade (see above), food safety, animal and plant health. The NTA only refers to chemicals and information and communication technologies (ICT).

When we compare the new TTIP rules with the NTA, we can find only the promotion of sustainable development. Furthermore, the NTA only supports the conclusion of a customs cooperation and mutual assistance in the area of customs and trade facilitation (EU 1995). The NTA is completely lacking regulations in energy and raw materials, small and medium-sized enterprises (SMEs), investment protection, and investor-state-dispute settlement (ISDS), state-state-dispute settlement (SSDS), competition policy, intellectual property rights, and geographical indications.

Especially the situation is very complicated in energy and raw materials. It seems to be one of the most critical problems to solve, particularly for the EU. It is well known that the EU is very dependent on external sources of energy and raw materials. Presently energy security is one of the main objectives of the EU.

According to the EU proposal, the TTIP should secure the usual prices of energy raw materials: "... a party shall not adopt or maintain a higher price for exports of goods to the other party than the price charged for such goods when destined for the domestic market" (EU DG TRADE 2016c, p. 2). The agreement also prohibits any export monopoly position: "a party shall not institute or maintain a monopoly for the exportation of any good to the other party" (EU DG TRADE 2016c, p. 2). An essential part of the TTIP proposal is also the establishment of a consultation mechanism to guarantee prevention and rapid response in the event of disruption or deterioration of the energy supply situation of either party or its threat (EU DG TRADE 2016c). The issue of cooperation within the consultation mechanism addressed by the fact that "the

Coordinators are respectively the US Secretary of Energy and the Member of the European Commission in charge of Energy" (EU DG TRADE 2016c, p. 9).

It is also significant to recall the geopolitical problems of the current EU. As Aalto (2007) notes, "as for the EU—Russia energy dialogue, the question on many European policy-makers lips is whether Russia’s sovereignty concerns and geopolitical interests could one day dictate cut-offs that would be directly and openly intended to the EU party despite three decades of no such interruptions. Pondering of this question represents a very basic precondition to the possibility of pan-European energy solutions“ (Aalto et al. 2007, p. 199). According to Aalto (2007), "all suggest that Russia’s geopolitical interests will primarily hit the transit states with which the EU is developing closer relations with its new neighborhood policy launched in 2003, like Ukraine and the Caucasus, but also "black holes" like Belarus" (Aalto et al. 2007, p. 200).

In the end, table 2 shows a comparison of the TTIP proposal and the New Transatlantic Agenda.

Table 2: The TTIP proposal compared to the New Transatlantic Agenda

<i>The TTIP proposal</i>	<i>The New Transatlantic Agenda</i>
Prohibiting any export monopoly position	Marketspace will be creating in the future
Containing regulation of services, public procurement, rules of origin	Not regulating services, public procurement, rules of origin
Introducing new Good regulatory practices	Strengthening and supporting regulatory cooperation and regulatory agencies
Providing concrete proposals for chemicals and ICT	Only referring to chemicals and information and communication technologies (ICT)
Establishing concrete proposals for technical barriers, food safety, animal, and plant health	Not regulating technical barriers to trade, food safety, animal, and plant health
Securing the usual prices of energy raw materials	Completely lacking regulations in energy and raw materials

Source: Table data retrieved from the TTIP proposal and the New Transatlantic Agenda.

3.3 The TTIP proposal compared to the Transatlantic Economic Partnership

The last document we will compare with the new TTIP rules is the Transatlantic Economic Partnership (TEP). The trade-in goods are mainly solved the TEP by a part of the bilateral event, which mainly deals with technical barriers to trade in goods. In the TTIP proposal, the EU is focusing on the elimination of almost all customs duties while the TEP only marginally adjusts the issue.

In the area of services, the TEP focuses on improving and developing cooperation in the framework of the General Agreement on Trade and Services (GATS) which concluded in the framework of the WTO Agreement in 1994. The TTIP is supposed to improve the position of Europe's cultural diversity in comparison with the TEP. "The EU will thus be able to exclude from the talks any sectors with a strong cultural component, such as libraries, archives or museums" (EU DG TRADE 2014).

In the TEP, the issue of public procurement addressed referring to the strengthening of WTO cooperation, including the GATS and the GPA. Furthermore, the TTIP proposal is designed to remove the remaining barriers that hitherto prevent firms from both entities from bidding for public procurement. The TTIP proposal is addressing obstacles associated with the issue of rules of origin which are not solved by the TEP. In the TEP, technical barriers to trade, cooperation on regulation, and food safety, and animal and plant health, several general and leading principles considered and consideration of their possible preparation, modification or extension. In contrast, the TTIP devotes more attention to these chapters. It sets out the reasons for action, goals, sensitive, and controversial issues. Furthermore, it proposes a modification of 9 specific industries. The TTIP proposal further distinguished from the TEP by focusing on sustainable development, and energy and raw materials which the TEP does not regulate at all.

In the area of rules, the TEP mentions trade facilitation and customs where "... we will cooperate on developing the WTO work process on trade facilitation, with a view to producing concrete results. We will furthermore seek to build consensus for improving the trading environment by increasing transparency and predictability and by reducing administrative burden" (EU 1998, p. 3).

However, it should be noted that the preliminary results of the TTIP impact studies are not precise. A study led by Joseph Francois (2015) from the Center for Economic Policy Research in London shows: "The results indicate positive and significant gains for both the EU and the US. GDP is estimated to increase by 68-119 billion euros for the EU and 50-95 billion euros for the US (under the less ambitious and the ambitious FTA scenarios, respectively)" (Francois et al. 2015, p. 95).

Besides, Capaldo (2014) suggests adverse effects for the EU: "The TTIP would lead to losses in terms of net exports after a decade, compared to the baseline "no-TTIP" scenario. Northern European Economies would suffer the largest losses

(2.07% of GDP) followed by France (1.9%), Germany (1.14%) and United Kingdom (0.95%). TTIP would lead to job losses. We calculate that approximately 600,000 jobs would be lost in the EU. Northern European countries would be the most affected (-223,000 jobs), followed by Germany (-134,000 jobs), France (-130,000 jobs) and Southern European countries (-90,000)" (Capaldo 2014, p. 2).

Felbermayr (2013) also proposes that the TTIP will lead to job losses in some countries outside of the EU and the US. "However, like the effects on social welfare, there are also losers when we look at the labor markets. In the OECD countries, jobs lost but not included in the transatlantic free trade agreement. On balance, however, the job-creating effects predominate, resulting in about two million more jobs over the long term" (Felbermayr et al. 2013, p. 6).

A system for helping small and medium-sized enterprises (SMEs) is not also mentioned in the TEP but includes in the TTIP proposal. Furthermore, the TEP does not contain more detailed rules on investment protection and investor-state dispute settlement (ISDS). The TEP is seeking to include investments in WTO negotiations: "We will seek the support of all our partners for the next steps towards the creation of investment rules in the WTO" (EU 1998, p. 3). Moreover, SSDS not further described in the TEP.

In the TEP, the protection of competition also spoken in particular in support of WTO decision-making. In the TEP, the dispute settlement between states is only briefly mentioned to promote transparency. Both of these rules respond to TTIP's detailed design. Another rule is intellectual property rights and geographical indications. It should be noted that the issue of geographical indication does not include in the TEP, unlike the TTIP proposal.

The TEP foresees that the Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS Agreement).

The TEP foresees that the Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS Agreement) is the cornerstone signed as an annex to the establishment of the WTO as far as intellectual property rights are concerned. Furthermore, the underlying article is the so-called Internet Contract (WIPO) which regulates copyright and related rights. According to the TEP, other improvements are: reducing the cost of obtaining patent protection, reviewing design protection and textiles, the possibility to promote the mutual exploitation of the search for patent results of both units (between EPO and USPTO). Besides, the TEP also assumes exploring ways to secure the protection of databases of both units as well as the possibility of enhancing intellectual property rights (IPR) compliance. (EU 1998) In contrast, the TTIP supposed to "... raise awareness of the role of IPR in encouraging innovation and creativity, and protect the people and firms that come up with new ideas and use them to make high-quality products by enforcing IPR rules in a balanced

way, and encourage investment in research and development that produces new ideas, as well as branding of products and services" (EU DG TRADE 2015a, p. 45).

Furthermore, the EU wants to achieve the TTIP compliance with geographical indications because "... the current US system and the way it's enforced means products are often sold in the United States that use names of origin from a particular region in the EU but weren't actually produced there" (EU DG TRADE 2015a, p. 46). It should also be noted that the TTIP contains a detailed treatment of foods and beverages³ that are protected by a geographical indication which is also a novelty against the TEP. Other the EU objectives introduced by the TTIP will include copyright aspects that the EU already protects as well as stakeholder cooperation in areas of common interest (EU DG TRADE 2015a). For the sake of completeness, the TTIP proposal is based and is entirely in line with international agreements already concluded.⁴

³ EU DG TRADE (2016d), EU DG TRADE (2016e).

⁴ EU DG TRADE (2015c).

Table 3: The TTIP proposal compared to the Transatlantic Economic Partnership

<i>The TTIP proposal</i>	<i>The Transatlantic Economic Partnership</i>
Focusing on the elimination of almost customs duties	Only adjusting customs duties
Establishing concrete proposals in the area of services	In the area of services, improving and developing cooperation in the framework of the GATS
Removing the remaining barrier for public procurement	Strengthening of WTO cooperation in the issue of public procurement
Addressing obstacles associated with the issue of rules of origin	Does not mention
Negotiating proposals for nine specific industries	Referring to possible preparation, modification or extension of technical barriers to trade, food safety, and animal, and plant health
Focusing proposals also for sustainable development, energy, and raw materials	Does not mention
Containing concrete proposals for ISDS, SSDS, and SMEs	Not containing more detailed rules on ISDS, SSDS, SMEs,
Containing a detailed treatment of foods and beverages that are protected by a geographical indication	Lacking regulations about a geographical indication

Source: Table data retrieved from the TTIP proposal and the Transatlantic Economic Partnership.

4 CONCLUSION

As Peterson (2003) recalls, the Cold War ended almost simultaneously with the emergence of the Single European Market. The EU has thus become the US's most important trading and investment partner. After the collapse of the Soviet bloc, George Bush's administration initiated a dialog which led to the first set of the US-EC relationship through the Transatlantic Declaration (1990). The Transatlantic Declaration was to address the pressing issues that emerged in the early 1990s. In particular, it was about strengthening emerging democratic Europe, strengthening NATO and UN principles, and rejecting protectionism in the international trading system. An important point was also the arrangement of the institutional framework for more frequent meetings of representatives of both units. The Transatlantic Declaration was necessary, as a first point drawing point and ensuring consultation between allies

and partners (Peterson 2003, p. 1). The new Transatlantic Agenda (1995) has already signed between the EU and Bill Clinton's Democratic Administration. It mainly based on the previous document which had already institutionalized a consultation system. Peterson (2003) describes it as follows: "A formal US–EU dialogue had been sought by the Bush (Senior) administration and agreed via the Transatlantic Declaration in 1990. However, it was upgraded under Bill Clinton and given significantly more policy substance through the 1995 New Transatlantic Agenda (NTA) " (Peterson 2003, p. 1). In the end, the Transatlantic Economic Partnership (1998) mainly strengthened the area of multilateral and bilateral events as well as the procedural framework.

Now we can answer the main research question: How does the TTIP proposal differ from previous EU-US agreements? The position of the TTIP proposals against previous agreements is very different, which is mainly due to the extent of the modifications that the TTIP provides. The research intention was also to find the answer to the research sub-questions: To what extent does the TTIP come from previous documents? Also, what parts have added to the TTIP? If we compare the TTIP proposal with the Transatlantic Declaration. We will find that the TTIP proposal based on a framework of areas such as goods and customs, agriculture, and services, and these areas will evolve considerably. Conversely, in the TTIP proposal were newly added areas such as rules of origin, public procurement as well as regulation, technical barriers to trade, food safety, and animal and plant health.

If we compare the TTIP proposal with the Transatlantic Agenda, we will find common points in areas such as regulation, promoting sustainable development, and customs issues. On the contrary, in the TTIP proposal, we can also find areas such as services, public procurement, rules of origin, an essential modification of energy (raw materials), intellectual property, and geographical indications.

The last examined pair was the TTIP proposal compared to the Transatlantic Economic Partnership (TEP). In this case, the TTIP proposal based on the framework areas of the TEP, such as the regulation and safety of food, and animal and plant health but these areas extended. Furthermore, the TTIP proposal adds areas such as sustainable development, aid to SMEs, intellectual property, geographical indications, energy and raw materials, dispute settlement between states, rules on investment protection, and investor-state dispute settlement. As the research suggests, the TTIP proposal patterned on the frameworks of the previous contractual documents that it develops and expands.

Based on the results of some studies dealing with the impact of the TTIP on world trade, it is not entirely clear whether the effects will be positive or negative. Some researchers (Francois 2015, Felbermayr 2013) argue that the TTIP will have a positive impact while another researcher (Capaldo 2014) says the opposite. The

ambiguity of the results of studies based on economic models leads to the conclusion that they cannot be the primary decision-making aspect of the TTIP.

Moreover, TTIP's most visible strengths are the contracting of industries that could trigger common patents and new joint standards in technology. The other strength is building energy security. The TTIP is supposed to secure the usual price, ban the export monopoly, and a consultation mechanism for the crisis. Diversifying energy supplies is a vital issue for the EU. It is crucial to recall the percentage of EU imports: "... EU Member States import half of their energy needs. The figure is expected to rise to 65 percent by 2030" (Luft et al. 2009, p. 160). It is also significant to remember where most of the imports come from: "Forty-five percent of all EU oil imports originate in the Middle East and roughly 30 percent from Russia" (Luft et al. 2009, p. 165). The last significant strength is the removal of legal restrictions on foreign suppliers. Restrictions or deletions The Buy America Act and the Buy American Act are other critical points for Europeans. The EU does not have a similar Buy European Act in place. The situation on both sides would be balanced by adopting the TTIP.

However, there are also weaknesses when studying the TTIP proposal. One of the first is to point out that the current free trade without regulations is the so-called race to the bottom. This development corresponds to the theory of globalization, and unhappy workers of multinational companies.

Furthermore, this treaty will not solve the essence of the problem. The problem is that global trade must protect the disadvantaged. Global trade will not solve the freezing of the WTO situation when the Doha negotiations did not bring any substantial agreement. It should also be recalled that the historical US and the EU position on environmental, food safety, and public health issues are very different. These points of the contract, especially for the US side, can be very problematic and ultimately endanger the conclusion of the treaty TTIP. If we are talking about weaknesses, we must also not forget the problems arising from the arbitration system (ISDS, SSSDS). The treaty seeks to improve this arbitration system but still seen as a priori undemocratic by the public and political parties.

The author's view is that it is not entirely clear whether the TTIP will be economically beneficial. The economic benefits may be minor, but the trade policy will be simplified. However, the TTIP proposal is undoubtedly much more sophisticated and comprehensive than previous transatlantic trade agreements. This work shows that the EU needs some form of agreement. The EU is in a worse position than the US, especially in terms of access to the US public procurement market and also in energy diversification. On the other hand, if Americans were satisfied with the level of tariffs and the functioning of ISDS and SSSDS, they would not even start negotiations at all.

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