

Going beyond pure economics: The EU's strategic motivation to negotiate the Transatlantic Trade and Investment Partnership (TTIP)

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Abstract

The aim of this master thesis is to look at the Transatlantic Trade and Investment Partnership (TTIP) from different angles other than just an economic one. Applying international trade theories, particularly general equilibrium models, we recognise that they are not substantive enough to explain the complex case of TTIP, especially in terms of its envisaged rules as a third pillar of the agreement. Based on theories of realism (with a special focus on geopolitics and power transition), liberalism, and constructivism, we set up four working hypotheses. These capture a variety of possible motivations, ranging from the safeguarding of the EU's interests to strengthening international institutions to enhancing transatlantic values.

Conducting twenty expert interviews and relating their outcome with the constructed hypotheses, we find our hypotheses to be confirmed to a large extent. The EU's motivations are strategic in the sense that they cover an interest in maintaining its strong position in world trade and economic governance, promoting multilateralism, and strengthening the transatlantic partnership. A realist rationale behind TTIP is revealed, both in terms of specific policy areas such as energy as well as on a broader economic power basis, which in turn affects the global balance of power. The power transition theory seems hereby a strong explanatory tool. However, we can also find evidence for arguments based on liberalism and constructivism.

Delivering an added value through this comprehensive analysis with primary and secondary research, the present thesis sheds light on additional motivations which are of a political and geopolitical nature. We learn that the underlying theories are not only interlinked, but even reinforce each other. In addition, we highlight the term 'interpolar', which expresses the dual nature of an increased interdependence, and a rising number of powerful actors that govern (or desire to govern) this interdependence. TTIP is highly debated, but these aspects lack academic coverage. As TTIP is currently negotiated, this will help us to unravel its strategic rationale and to

make a contribution to the academic literature by assessing the validity of international relations theories to a trade agreement of the 21st century.