

The United States' New Outlook on Transatlantic Partnership (US-European Controversy)

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The specifics of D. Trump's presidency highlighted and exacerbated disagreements, obscuring the transatlantic similarity and kinship. Nevertheless, contrary to alarmist assessments, the West as a political community has a high chance of surviving this unusual presidency, after which the political pendulum of US policy could well swing in the opposite direction. A systematic approach has been applied to the study of trade and economic relations between the USA and the EU. Finally, there was revealed that the US withdrawal from the TTIP is strategically unlikely to change the foundations of the Transatlantic relationship, but it can certainly create tension between the allies. Thus, given the unpredictability of the decisions made in the White House, this paper will analyze their effect on US-EU trade relations.

Keywords: EU, mercantilism, protectionism, trade war, Trump, TTIP

INTRODUCTION

The election of Donald Trump as president of the United States and his protectionist statements and plans were taken aback by the vast majority of European leaders, as well as the leadership of the European Union and representatives of the business community. The European political and business establishment was unprepared for the drastic changes in relations between the US and the EU that followed as a result of the macroeconomic program of the new owner of the White House. In this difficult situation, the leaders of the European Union will be forced to develop measures to protect their interests in the trade and economic sphere, and seek answers to the challenges posed by their most important overseas partner (Schneider-Petsinger, 2019). D. Trump's course in the global economy and international trade is proclaimed "economic nationalism", and it leads to the re-encoding of US-European relations and threatens to finally destroy the most ambitious joint geo-economic project of Washington and Brussels in recent years - the formation of the Trans-Atlantic trade and investment partnership (TTIP) interregional integration mega block. A possible collateral effect is undermining the foundations of globalization in its neoliberal version, strengthening the elements of uncertainty and instability in the global economy and trade (Langlois, 2018).

SIGNIFICANCE OF THE STUDY

The relevance of the research topic is determined by the growing role of US-EU trade and economic relations not only in the development of bilateral relations, but also in the world economy as a whole.

They have a significant impact on economic growth, as well as trade and investment flows between countries. The likely weight loss of TTIP in the priority system of Donald Trump's foreign policy strategy is gaining importance, which has caused concern in European governments, that aggravated American - European relations.

PURPOSE OF THE STUDY

The main goal of this study is a comprehensive analysis of the current state and prospects for the development of trade and economic relations between the United States and European Union, identifying the most significant problems and sources of disagreement.

METHODOLOGY

The methodological basis of the study is two qualitative methods. A systematic approach to the study of trade and economic relations between the USA and the EU is reflected in the use of traditional structural and functional analysis of individual elements of these relations: bilateral trade, investment exchange, etc. The study also used statistical research method in order to explain the imbalance in trade between USA and EU. Only qualitative methods may assess the economic consequences of the decision of Donald Trump. Given the strategic interests of the United States, its global status and current trends in world politics, Trump's policy can be seen not as isolationism, but rather as a revision of the launched projects on the basis of bilateral negotiations and the expansion of the network of bilateral free trade zones, i.e., in fact, the revival of the fan system of economic relations that existed in the United States in the second half of the twentieth century (Jean, 2018).

THEORETICAL PERSPECTIVE

The development of international trade of leading world powers since ancient times was based on theoretical concepts that justified freedom of trade, that is, the elimination of barriers to the supply of goods from exporting countries. According to economic theory, free trade created the opportunity to realize the comparative advantages of exporting countries. Subsequently, this policy was combined with the concept of mercantilism, which called for expanding export sales and reducing purchases of foreign goods in order to accumulate state funds. These views have found supporters in the modern era. At the same time, there were statements that free trade may not have positive results for all countries (Bell, 2017). The start of the Trump administration in January 2017 was marked by a surge in U.S. protectionism, designed to stimulate the creation of new jobs and attract foreign direct investment to the domestic market due to high tariffs on imported goods and lower taxes on exported goods. US protectionism, based on the principles of mercantilism and the pursuit of an active trade balance, divides the participants in world trade into winners and losers. In line with the president's new approaches, the US government is redefining its attitude towards TTIP and at the same time is encouraging US companies to reconsider their approaches to investing abroad. In US trade with the European Union, D. Trump implements a policy of comprehensive protectionism. It is based on the fact that European countries receive benefits due to economies of scale of domestic production, both for the domestic market and for export. An increase in the number of protectionist measures provoked by the recent increase in US import tariffs can cause a chain reaction in countries included in international production chains, while indirect negative effects are added to the direct negative consequences of tariff increases (Bell, 2017).

RESEARCH DESIGN

The research question of this paper is Will the likely loss of TTIP weight in the priority system of Donald Trump's foreign policy strategy deteriorate the US-European relations and lead to trade war?

Hypothesis: *The future of EU-US relations depends on how far Trump's policies go from mutually agreed solutions. The US withdrawal from the TTIP is strategically unlikely to change the foundations of the Transatlantic relationship, but it can certainly create tension between the allies.*

The research information base consists of several groups of sources: official documents published by US government, including official statistics from the US Department of Commerce; official documents published by EU government bodies as well as scientific articles on the subject from peer-reviewed journals. Data analysis searches to analyze the state of current US-EU trade relations after Trump's criticizing the TTIP and perspective of their future relations. However, first of all some insight into the Barack Obama's policy regarding the TTIP should be given.

LITERATURE REVIEW

Transatlantic Agreement Parameters

Taking into account the free trade theory, one can suppose that President Barack Obama considered TTIP as necessary for US foreign trade increase (see Figure 2). The TTIP negotiation process was launched in February 2013, when President Barack Obama announced the beginning of a dialogue with the European Union, and in June of the same year, the EU member states authorized the European Commission to act as a partner of Washington, and on July 9 the first round of US-European talks (De Bièvre, 2016). At that time, the United States' desire for closer economic and trade cooperation with Europe was based on the deep discontent of transnational corporations (TNCs) with the dynamics of American merchandise exports to the capacious markets of the EU states, with hundreds of millions of consumers with relatively high purchasing power. Quantitative method, such as statistics shows that in the period 2008-2016, the volume of export deliveries of American goods to Europe not only did not increase, but even fell slightly, while there was a constant US deficit in trade with European counterparties. The inhibition of the growth of transatlantic ties was one of the strongest arguments that prompted the Obama administration to raise the issue of trade and economic integration with united Europe in the format of the TTIP mega-block (De Bièvre, 2016). Another strategic consideration was Washington's intention, together with the Europeans, to "saddle" the next stage of global scientific and technological development, coupled with a sharp increase in the role and importance of high-tech innovative industries in the changing structure of the global economy. In other words, the ruling and business circles of the United States strove to ensure that the planned unification became the axis around which the new economy will be concentrated, which is being formed as a result of the fourth technological (industrial) revolution. According to the views of B. Obama and his team and with their direct participation in the mid-2010s, the tendencies of reformatting the globalization process itself began to develop intensively in the bowels of the world economy (Hamilton & Blockmans, 2015). It changed its initial appearance, to a certain extent, lost its former quasi-universal character, became more fragmented, developed at different speeds. Moreover, according to the direction of the United States, the so-called mega regional or interregional trade agreements, including TTIP, should have been the drivers of a renewed globalization that set the main vector for the evolution of the world economy and international trade. Characteristically, in parallel with the TTIP negotiations, the European Union has prepared a Comprehensive Economic and Trade Agreement with Canada, which provides, inter alia, the removal of 99% of customs duties in Canadian-European trade. Brussels and Ottawa planned in a short time to overcome the actual stomp on the spot and significantly increase mutual trade, the volume of which did not correspond to the economic opportunities of the parties and the aspirations of their business circles (Hamilton & Blockmans, 2015).

FIGURE 1
US TRADE DEFICIT RANKING BY COUNTRY/REGION IN 2017

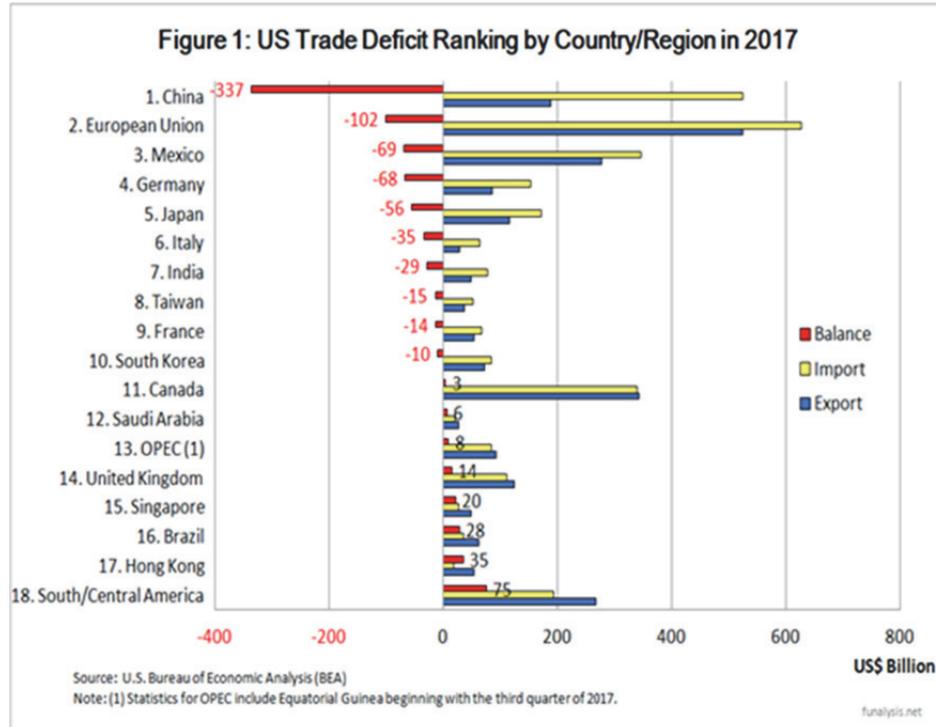
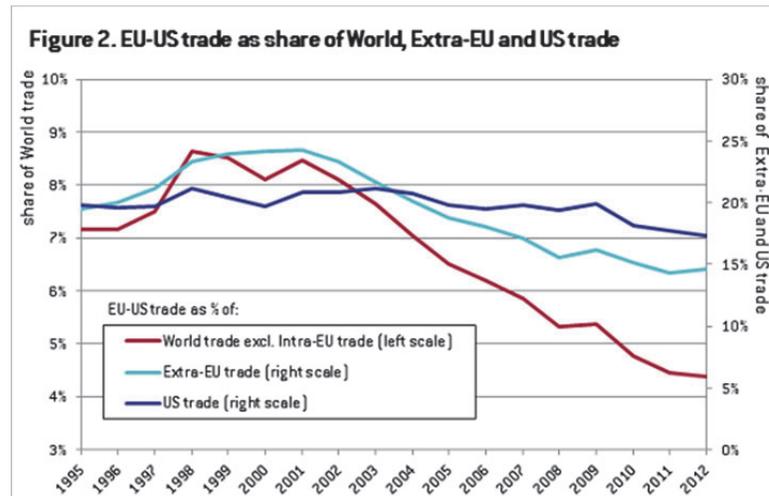


FIGURE 2
EU-US TRADE AS SHARE OF WORLD, EXTRA-EU AND US TRADE



Elimination of Protectionist Barriers

Thanks to the precautionary principle in four areas (human health and safety, animal and plant life, environment, consumer protection from fraudulent practices), 1372 chemical additives used in the USA are banned in the EU, and the cultivation and sale of genetically modified organisms is subject to authorization (Viani, 2019). Chlorine in chicken, ractopamine in pork, hormones in beef, genetically modified crops illustrate the differences in standards in food production. During the negotiations, the EU

ruled out the possibility of abolishing this principle in mutual trade. But he proposed to include on the agenda the issue of extending the European animal testing methodology to the United States and creating a common allergen labeling. The EU, like the United States, hopes to capitalize on expanding the exchange of scientific assessments in order to reduce parallel costs. All this is hardly easy to implement, because a leak of scientific information is possible. Therefore, data sharing is more likely to lead to new restrictions. European and American approaches to permitting and registering chemicals vary significantly. The prospect of mutual recognition of the equivalence of the European REACH regulation and the US Toxic Substances Control Act is not visible (Viani, 2019). Taking into account the fact that the chemical components are contained in any product (considering packaging and production), barriers remain unshakable in everything. At the moment, the EU and the US protect traditional goods in different ways: EU legislation protects the “geographical indication”; in the USA, trademark is subject to protection. Therefore, American manufacturers freely assign original European names, which, according to the EU, mislead the domestic buyer (the EC report on the situation of European small and medium-sized enterprises in the US market gives an example of a complaint by Italian Gorgonzola producers to Wisconsin entrepreneurs using this name without permission) (Viani, 2019).

The TTIP agenda includes the issue of permeability of technical barriers. However, the parties cannot respond to it due to the difference in the principles of standardization. A feature of the EU system is the presence of laws containing general requirements for products and production processes, as well as European standardization organizations that are required to develop standards to support this legislation. Nominally remaining voluntary, European standards really and objectively replace national standards and company own standards (since conformity of products to EU standards gives direct access to its domestic market). Only in the so-called non-harmonized sectors is pluralism of standards possible. The American system is pluralistic in all areas, including in protecting health and the environment. Therefore, it is effective in terms of innovation. Standards work while they are in demand. A high level of judicial protection of the consumer negates the risk of “race to the bottom” from the free competition of standards. For the United States, the European recipe for reducing conflicting standards is accordingly unacceptable, namely: transferring this mission to European and international standardization organizations (Pelkmans et al., 2015). The United States is not happy that the EU has a mission to guarantee the protection of the environment, life and health. In the logic of the American state, the same progressive interests can be promoted by competition: it is cheaper, determined by the development of the market, although it is not guaranteed, but if there is a demand for protection, the market will dictate the need for such standards. Rationing the requirements for the quality of products or production activities should be feasible for society. In the same logic, any standard can become international, de facto, if it is actively used in the global market. The United States pays tribute to regulatory activity only when it is needed to integrate into value chains. To this end, they encourage the creation of vast markets with a similar regulatory environment. In the United States, standards are often incorporated into legislation: authorities at the FRSerial and state levels may refer to a specific standard with a corresponding requirement to comply with it. Thus, standards become mandatory de jure. This has unpleasant consequences for EU contractors. The USA is distinguished from the EU by the absence of control inspections after the goods enter the market. But they are not going to change their system - the United States is enough to have a law on producer responsibility that curbs market abuse (Pelkmans et al., 2015).

Trumponomics

While B. Obama remained president, the creation of TTIP, despite a flurry of criticism, remained one of the central points on the agenda of US-European relations. The victory of D. Trump abruptly turned the situation around. Based on his negative attitude to free trade zones and focusing on those US companies that can lose in open competition with European enterprises, the new American leader organically joined the ranks of the opponents of TTIP, describing the prepared agreement as “the greatest danger to date”. The main blow on the European continent, D. Trump chose Germany. With this leading European power, the United States’ trade is steadily developing with a large negative balance, the total amount of which in 2008-2017 amounted to 48% of the entire American trade deficit with the European Union (see Figure 1)

(Chow, Sheldon, & McGuire, 2018). Trying to explain the imbalance in trade, Washington accused Berlin of manipulating its own currency in order to increase the competitiveness of its exports. Since the currency of Germany is the euro, and the country is the economic engine of the euro-zone, it is obvious that the claims of the White House are addressed to almost all members of the European Monetary Union. Moreover, out of 19 member states of the euro area, only three countries (Belgium, Luxembourg and the Netherlands) have steadily recorded a passive balance in trade with the United States in recent years, and 16 had a surplus in trade with the Atlantic partner. At the same time, the new American leader did not limit himself solely to trade and economic subjects, but touched upon other “pain points” in European politics. In particular, he openly spoke out in favor of Brexit, which in many European capitals was not without reason taken as political support for secessionist sentiments and separatist movements in the ranks of the European Union. The anti-European diatribes of D. Trump, because of their unexpectedness and harshness, from the very beginning sowed panic in the countries of the European Union. In order to develop an agreed position of the EU members, an informal meeting of foreign ministers was held in Brussels on November 13, 2016, at which various points of view were voiced from statements about the need to strengthen the unity of European states in negotiations with the US to calls “not to make sudden movements”, to wait for development events and rely on peaceful coexistence with the new American administration. A similar outcome of the consultations was quite logical, if we take into account two determining factors: the multidirectional trade and economic interests of individual EU member states and the high degree of geopolitical and military-strategic dependence of Europe on the United States (Chow, Sheldon, & McGuire, 2018).

According to functional analysis of the above-mentioned evidences, one may emphasize that D. Trump’s behavior toward the European partners was fully consistent with his views on the problems of the global economy and logically fit into the new White House geo-economic strategy. Concretizing its key areas, D. Trump held a meeting on February 23, 2017 with the leaders of 24 major American corporations (Ford, Merck, General Dynamics, General Electric, Lockheed Martin, etc.), whose total annual sales exceed \$ 1 trillion, and the number of employees reaches 2 million people (Labonté, Ruckert, & Schram, 2017). It was about the need to reverse the process of de-industrialization of the US economy, which is taking place in the context of globalization - a decrease in the number of industrial enterprises and the loss of millions of highly qualified jobs. Analyzing the meeting, it is possible to state that these negative trends are based on unfavorable terms of world trade for the United States, and one of the ways to rectify the current situation and reduce the huge trade deficit is to radically change foreign trade policy, including the introduction of high customs duties on imports and the abolition of export taxes (Labonté, Ruckert, & Schram, 2017). Similarly, according to the White House, the American industry will be protected from “unfair foreign competition”, and national producers will be able to increase export supplies and balance trade. Meanwhile, the atmosphere in transatlantic relations continued to thicken. Directly pointing to Germany and the EU as a whole, Washington said it would fight “commercial dumping” and resort to sanctions against countries with a surplus in trade with the US exceeding 20 billion euros or a current account surplus of more than 3 % (Shapiro & Pardijs, 2017). It came to the point that Donald Tusk, President of the European Council, included the United States in the list of “external threats” of the European Union, along with China, Russia and Islamic terrorism. Having overcome the initial confusion, leaders of leading European states and authoritative representatives of the expert community increasingly criticized criticism and, in turn, accused the Trump administration of destabilizing world economic relations, “increasing international economic risks”, “monetary and financial counter-revolution”, provoking trade wars and increased tension in transatlantic relations (Shapiro & Pardijs, 2017).

The frontal clash between the EU and the US took place on issues of cooperation in the field of global finance. Unlike B. Obama, who placed stricter control over the activities of American banks and was actively involved in international efforts to regulate the banking sector, D. Trump “reversed” (Balmer, 2018). He signed a decree to repeal the Dodd-Frank Act and expressed his intention to withdraw from the so-called Basel Accord Agreements under the Bank for International Settlements and the Financial Stability Board. Recall that the FSB was created by the decision of the G-20 in 2009 at the height of the

global crisis in order to strengthen the international financial system and increase the stability of the banking sector, since it was the default of a number of major US banks and mortgage agencies that caused a chain reaction of shocks in global markets and barely did not lead to a global collapse. Now, US officials characterize the Basel Accords as “opaque” and contrary to US interests (Balmer, 2018). According to Europeans, the practical implementation of such a position can undermine the still fragile international financial stability and increase the risks of a new crisis. The threat of the spread of currency and trade wars on relations between the United States and the European Union resonated with the dissatisfaction of the European political establishment with D. Trump’s other approaches to international affairs (populist rhetoric, tougher migration policies, emphasized nationalism, expressed by the slogan “America First”, the actual ideological legitimization of the right-wing conservative forces in Europe, etc.) (Koeth, 2019). Summarizing the views of numerous European politicians, former NATO Secretary General Javier Solana noted that D. Trump’s presidency “is a step backward in world development” (Evans, 2015). Applying structural method in response to the protectionist challenge posed by Washington, one may state that Brussels chose the tactics of “cautious steps” designed to dampen the negative consequences of the actions of the White House. The question is how effective this tactic will be, whether it will help save the crumbling global trade and economic order built in the previous period by the collective West. Ironically, it was the leading Western power that embarked on the path of its destruction. Thus, in the European direction, the political “change of the guard” in the White House led to serious changes, to a certain extent brought down the usual guidelines for interaction and created a new context for relations between Washington and Brussels, significantly affecting the key trade, economic and financial spheres. The Transatlantic Partnership changed its development trajectory and entered a period of testing, which was another element of global destabilization (Evans, 2015).

TTIP Project Under Donald Trump: The Revision of Foreign Policy Strategy

Analysis of Trump’s policy in regard to trade with Europe shows that the possible decrease in TTIP weight in the priority system of Donald Trump’s foreign policy strategy has raised concerns in European governments. In the European Union, they are interested in continuing negotiations on TTIP: in the context of growing Euro-skepticism, the EU is faced with the need to search for new large-scale projects to strengthen its actorhood and economic growth incentives; More than once, the need to strengthen the North Atlantic link was also discussed in connection with the Ukrainian crisis and the escalation of tension in relations with Russia (Bown, 2017). Discussions are growing in a number of Western media and in the expert community about the need to implement TTIP as soon as possible in order to exert greater pressure on Russia, to overcome the consequences for Europe of Russia’s retaliatory sanctions and guarantee European energy security, which was associated with the prospect of the United States becoming the largest exporter of energy resources. According to experts from the German Marshall Fund and the Center for Global Energy Studies at Columbia University, the implementation of TTIP will help the EU not only bargain for better negotiating positions with Gazprom, but, moreover, will thus have a significant impact on the formation of Russia’s foreign policy. An important factor is the position of Germany: if earlier the government of Germany most actively promoted the TTIP project, now more and more politicians are in favor of concluding a bilateral agreement. Nevertheless, based on geopolitical considerations, the Donald Trump administration is unlikely to completely abandon the project of creating a transatlantic FTA (VanGrasstek, 2019).

The question remains open whether the United States can provide its economic (and as a result political) leadership by refusing to participate in such a trans-regional project? Given the emerging economic trends that are far from favorable, as well as the experience of the United States and other major powers of our time, the development of a network of multilateral free trade zones is the only opportunity for global economic positioning and an effective source of growth incentives, and isolationism will not be able to provide the desired effect in the form of growth and creating strong foundations of a welfare state. Therefore, it seems that the foreign economic policy initiated by D. Trump does not mean de facto isolationism, but a revision of the launched projects on the basis of bilateral negotiations and the expansion of the network of bilateral free trade zones, i.e., in fact, the revival of the

fan system of economic relations that existed in the United States in second half of the twentieth century (hub and spoke system). The strategic goal of such a policy is that in the format of bilateral ties, the United States will always be able to bargain for itself favorable conditions solely because of significant economic superiority. However, in the context of competition among trans-regional projects (EAEU, “One Belt, One Way”, etc.), the attractiveness and, more importantly, the effectiveness of bilateral economic unions for internal development and global influence may decline (Welfens, 2017). In any case, the refusal of the United States to implement TTIP will mean a weakening of positions in the strategic region for them and will open up opportunities for competing trans-regional projects, thereby further weakening the US’s geopolitical and geo-economic positions. To what extent the reformatting of the TTIP project corresponds to the foreign policy line of the D. Trump administration remains an open question, however, strategically creating large-scale competitive trans-regional economic blocks corresponds to the main goal of the United States foreign policy - the goal of ensuring its global superiority. The formation of interregional blocs, bilateral and multilateral institutions has already become an objective reality of modern world politics, and regional powers and associations around the world adhere to this tactic. From this point of view, the US is unlikely to abandon the policy of expanding and deepening economic ties in the format of tight regulation by the United States (Welfens, 2017).

Trade Confrontation

Generalizing D. Trump’s politics in the first year and a half of his presidency, it is possible to state that he was unable to seize the political initiative, but where he still has the ability to act, he implements the program of his campaign promises, including highly controversial. This primarily relates to trade policy. With its adjustment, many Trump voters associate hopes for improving the economic situation of US industry, including by reducing the benefits that, according to the American president, are used by European partners (Kolben, 2017). Despite the fact that transatlantic economic relations remain extremely intense, this did not save them from contradictions even before the start of the presidency of D. Trump. Negotiations on the Transatlantic Trade and Investment Partnership (TTIP) provoked protests in several EU countries, primarily from the trade union movement. According to some observers, the tension between opponents and supporters of negotiations within the European Union has reached such a level that in many capitals even the opportunity to interrupt them was delighted due to the corresponding decision of D. Trump, adopted at the beginning of his presidency (González & Veron, 2019). A subsequent attempt by the US administration to use the TTIP negotiation format to resolve its trading issues was unsuccessful. The prospect of a free trade agreement from the EU perspective is firmly linked to the implementation by the partner state of the Paris Climate Agreement (2016). In June 2017, D. Trump announced the withdrawal of the United States from the agreement (Zhang, Dai, Lai, & Wang, 2017). In his usual manner, the head of the White House later specified that the United States could return to the agreement if they could agree on a completely different deal, since the existing agreement is a “terrible deal”. In accordance with the rules of the Paris Agreement, withdrawal can occur only four years after the entry into force of the document, i.e. in November 2020, after the presidential election in the United States, but before the inauguration of the newly elected head of state (Jean, 2018). At the same time, a number of states (16 as of May 2018), by the decisions of their governments, announced that they would continue to comply with the agreement if the United States withdrew from it and formed the “Climate Alliance of the United States of America” to coordinate actions. For the EU, the Paris Agreement is part of the guarantee that, in a free trade environment, partners will not benefit from lower environmental standards. Thus, although formally the prospect of negotiations on transatlantic free trade was not closed by D. Trump, in fact the USA and the EU will probably not even be able to start moving in this direction until at least 2021. D. Trump expects that trade agreements that seem to him profitable, partners will push the tough US trade policy. “In March 2018, he announced the introduction of 25% duties on steel imports and 10% on aluminum imports, making no exceptions for the allies” (Riddervold & Newsome, 2018). These measures may be only the first visible signs of an increasingly protectionist US policy under D. Trump (Riddervold & Newsome, 2018).

The European Union has reacted painfully to the restrictions imposed by the United States. Trade policy refers to competencies fully transferred to the EU at the supranational level. Accordingly, the European Commission should develop a policy that would provide the association with the opportunity not only to sustain losses, but to actively wage a trade war. Statements by the EU Commissioner for Swedish Trade by Nationality S. Malmström suggest exactly this line of behavior. The EU has announced the impending response to US products — from peanut butter to motorcycles — and plans to align policies with other victims, most notably Canada, Mexico, Japan, and India (Barichella, 2017). The association is confident that US tariffs violate the rules of the World Trade Organization (WTO) and will use its arbitration mechanisms to resolve the dispute. D. Trump's next goal may be popular German car manufacturers. In general, it is the FRG, which has the leading economy in the EU, that turns out to be the most frequent addressee for comments by the American president regarding the unjustified advantages received by partners at the expense of the United States. While statements are being made on both sides of the Atlantic about the compelled nature of the measures being taken, ultimately the exchange of attacks will harm global trade as a whole. The nature and schedule of the introduction of future tariff restrictions is difficult to predict, which increases the uncertainty of the business, leads to a drop in the value of large companies on exchanges. The logic of protectionism can easily spread throughout the world, and WTO mechanisms will be too slow for a global trade war (Breuss, 2019).

Analysis of the Perspectives of the Transatlantic Partnership Existence

The signing of the agreement on the creation of the Transatlantic Partnership, from the point of view of the US financial elite, would strengthen the position of American banking institutions in Europe and, above all, the Federal Reserve, pursuing a policy of strengthening the dollar financial system on a global scale. Using the “soft power” strategy, the FRS essentially established control over the European monetary system. Following the FRS, the European Central Bank switched to a quantitative easing policy. Another issue is that, unlike the United States, the European Central Bank has not yet been able to cope with problems in the European financial sector, despite constant consultations with FRS representatives (Johnson, 2017). The signing of the “partnership” agreement would create conditions for the implementation of the FRS's long-cherished plans to weaken the financial position of European countries and the possible loss of “sovereignty” in the monetary and financial sphere and, as a result, to strengthen the dependence of European banking institutions on the US FRS policy. In negotiating the formation of the Transatlantic Partnership, the United States could not help but touch upon the energy issue. The desire to strengthen the export position of American energy companies, based on the policy of achieving global energy dominance, capable of redistributing the global energy market, the American leadership is increasingly considering the European markets as a promising market for liquefied natural gas. The US began to export natural gas and oil during the presidency of B. Obama. In December 2015, B. Obama lifted restrictions on oil exports that have been in force in the United States since the beginning of the oil crisis of 1973-1975. It was under B. Obama, who advocated the “shale” revolution, that gas pipelines and terminals were built to transport liquefied natural gas abroad. President Trump's “Make America Great” again program emphasizes that the main focus on US energy dominance is to remove legislative restrictions on domestic oil, natural gas and coal production and increase energy exports to international markets. About 60% of US oil fields are not developed due to legal restrictions (Scotto, 2016).

During 2018-2020 it is planned to build 4 new liquefied natural gas terminals, which will allow the United States to become the third exporter of liquefied natural gas in the world after Australia and Qatar. With an increase in natural gas exports to Europe, the US plans to reduce its trade deficit. Over the next ten years, the US plans to invest about a trillion dollars in infrastructure development in the energy sector. According to D. Trump, energy dominance means for the United States protection from those countries that use energy as an economic tool. One of these countries, of course, is Russia, which acts as a deterrent to the implementation of American plans, and provides 30% of Europe's energy needs. It is hardly worth doubting that today Europe is not able to completely abandon Russian energy sources. The share of natural gas from Russia in the EU gas market is 33%. However, a partial reorientation to American

products is quite real. In 2016-2017 The United States supplied liquefied natural gas in tankers to Spain, Italy, Portugal, and Poland (Scotto, 2016).

Based on a structural analysis, it is possible to state that Obama did everything possible to create the world's largest duty-free zone before the end of his presidency, thereby fulfilling his long-standing "dream" of managing transoceanic trade from Washington. However, he failed to do this, due to the tough stance of representatives of the legislature who opposed the creation of a transatlantic trade alliance. The coming to power of President D. Trump, who advocates the signing of free trade agreements with individual countries, makes it difficult to continue the negotiation process, given the US withdrawal from the countries already signed and ratified by several countries that are members of the Trans-Pacific Partnership Agreement. Meanwhile, in the spring of 2017, supporters of the conclusion of the Transatlantic Alliance had hopes for the possibility of resuscitating the negotiation process (Barfield, 2017). In April 2017, Washington met with US Secretary of Commerce W. Ross and European Commissioner for Trade S. Malström. During the meeting, the EU representative proposed to resume negotiations. However, according to the statements of American officials, the Americans were ready to return to the issue of resuming negotiations only in the beginning of autumn. This position of the American side is explained by the categorical disagreement of the countries of continental Europe to proceed with the development of relations with the USA on a bilateral basis. The German Chancellor A. Merkel took a particularly tough stance on concluding bilateral agreements, bypassing the European Commission. At the same time, it should be noted that as of March 2018, no specific steps have been taken by the American administration towards concluding an EU-US agreement. US President D. Trump does not give a positive answer to all the calls of the President of the European Council, D. Tusk. On the contrary, US relations with continental Europe have become increasingly tense since the announcement by D. Trump of a sharp increase in duties on imports of steel and aluminum. In response to the actions of the US administration, the EU is preparing counter measures against US goods. Thus, talking today about the possible resumption of negotiations between the US and the EU on the formation of the Transatlantic Economic Alliance is premature (Barfield, 2017).

FINDINGS AND DISCUSSION

In many ways, relations between Brussels and Washington turned out to be hostages to the policy of Trump and his presidential fate. Both will depend on the economic successes of the administration (De Bièvre, 2016). The American economy is on the rise, and naturally, the president presents this as a merit of his administration. In fact, this is far from the case. The future of EU-US relations depends on how far Trump's policies go from mutually agreed solutions. Public attacks on the Atlantic Alliance, the TTIP, are strategically unlikely to change the foundations of the Transatlantic relationship, but it can certainly create tension between the allies (Langlois, 2018).

Addressing the research question, it is possible to emphasize that Trump's behavior toward the European partners was fully consistent with his views on the problems of the global economy and logically fit into the new White House geo-economic strategy. Given the unpredictability of the decisions made in the White House, today it is difficult to predict the course of the US-EU trade war. The EU and the US wish to eliminate parallel business costs and create common business approaches. But so far they have not come to anything and in no way have yielded to each other. None of the US competition practices that the EU considers harmful to the safety of consumption and labor, and none of the EU regulatory practices that the US considers harmful to competition, will be imported with TTIP. As a result, both competing models will retain their identity in the fields of protecting life and the environment, standardization and competition. Hence the limited scope of regulatory cooperation. Analysis of Trump's policy in regard to trade with Europe shows that the possible decrease in TTIP weight in the priority system of Donald Trump's foreign policy strategy has raised concerns in European governments. In the European Union, they are interested in continuing negotiations on TTIP instead of complete deterioration of trade partnership and trade war with this powerful country.

CONCLUSION

The TTIP negotiations will become an example of a tolerant attitude of the parties to each other and an occasion for understanding the fundamental principles of building competing models. They have revealed difficulties in entering European goods into the US market. For the EC, the fact of signing was not important, but the process of negotiating to reformat the rules in a vast market, facilitate access to it, protect the rights of European producers and consumers. The EU has different principles for regulating the economy and protecting consumers than the United States. The trade war, which, along with the White House staff scandals, became the trademark of the Trump administration, was associated with both the real need to reduce the trade deficit and domestic political considerations dictated by the struggle for the electorate, to which the president promised jobs and prosperity. Naturally, both are interconnected. The more the president takes an interest in strengthening his own image, the wider the trade war unfolds.

According to economic theory, the number of international trade agreements continues to grow, and many countries prefer not to erect but to remove trade barriers in order to create free trade zones and organize international production chains. In case of the USA, one may see that at the initiative of D. Trump, there was a sharp change in the country's foreign trade rate. Trump came to power under the slogan of rejecting globalism, that is, from taking into account the interests of all countries in international cooperation, hiding behind the words about the "beacon of freedom and democracy" for all countries and peoples without exception. Only to the USA is important for Trump, because he understands the utopianism of American globalization plans and the harm that they do to the United States. Therefore he sees no benefit from the European initiated TTIP for its economy.

RECOMMENDATIONS

It is possible to recommend for the future researchers to study the context of USA search for ways to more efficiently and nationally acceptable ways of integrating into the world economy. The experience of tense US-EU economic relations (including the negotiation process on the development of TTIP) can be used to analyze and forecast development prospects of future American and EU economic cooperation, as well as interaction with international economic organizations. The transition to multifaceted economic interaction presupposes the fullest understanding of the role of foreign economic factors in the functioning of the national economy, taking into account the features of such a transition of other countries that solve similar problems.

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