

## **Transatlantic Economic Council**

*Jill Farrelly*

The next meeting of the Transatlantic Economic Council (TEC) takes place from 16-17 December 2010 in Washington D.C. and will be chaired by EU Trade Commissioner, Karel De Gucht and White House Deputy National Security Adviser, Michael Froman. In preparation for this, the Transatlantic Business Dialogue (TABD), the advisory organisation convened to help the TEC in its work, opened a second consultation process in November 2010 and invited stakeholders to submit their objectives for discussion in the Council. George W. Bush and then-EU Council President, Angela Merkel, established the Council in 2007, which provides a forum for government-to-government communication in directing economic cooperation between the EU and the US.

At the EU-US summit in Lisbon last month, Presidents Van Rompuy and Obama prioritized the need for renewed economic growth and signalled that this growth would take place within the parameters of the TEC. Writing in the September 2010 TABD Newsletter, Deputy Assistant Secretary for Europe at the US Department of Commerce, Juan Verde, said that while the US would continue to work closely with BRIC economies, the “low-hanging fruit” is with the EU. He added that although the partners have recently recorded stagnant growth in their exports, there are fast, “short-term” gains to be made within the transatlantic relationship. Europe’s FDI in China is equivalent to only 4% of European FDI in the US, and when the figures are combined with shared values and norms, the transatlantic economic relationship could be a powerful one.

The December meeting of the TEC takes place in the face of rapidly increased global competition from the BRIC economies. Eliminating or preventing trade barriers and coordinating regulatory actions, especially in emerging technologies, are the top priorities. In *The New York Times* (14 December 2010), US Ambassador to the European Union, William E. Kennard, welcomed the importance that both the US administration and the EU attach to innovation, reflected, respectively in the Strategy for American Innovation and the EU’s Innovation Union, and expressed his hopes for a “new trans-Atlantic era of innovation.”