

**BUSINESSEUROPE**



## **Speech**

### **Transatlantic Economic Leadership**

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Approx. 8 min.

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Commissioner Ashton,  
John (Murphy),  
Ladies and Gentlemen,

Thank you for giving me the opportunity to  
briefly present BUSINESSEUROPE's views on  
Transatlantic Relations.

But first, I would like to highlight  
how much I appreciate our cooperation with  
the US Chamber:

It is truly a reflection of the depth of  
Transatlantic integration.

Indeed, BUSINESSEUROPE and Chamber  
activities span across a wide range of issues

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from:

- A Copenhagen Climate Change Agreement;
- WTO negotiations;
- the protection of Intellectual Property Rights in Asia;
- Regulatory Convergence in the Transatlantic Economic Council;
- support for the reform of class action laws in the US  
...and in Europe opposition to the expansion of such laws;
- Secure Trade
- and Competition Policy.

) The fascinating aspect of this relationship, ladies and gentlemen, is that **BUSINESSEUROPE** and the US Chamber often disagree on how to proceed on these issues from the outset.

Yet, through cooperation, joint events and exchanges of views with our company and industry members, we progressively harmonise our views into common positions.

And this is what it's all about: having good and sometimes long discussions, arguing but then in the end to stand united!

Tomorrow, the Transatlantic Economic Council - or TEC as it is commonly referred to – will meet.

I would like to commend the two co-chairs of the TEC, Vice President Verheugen and White House Deputy National Security Advisor Michael Froman for the excellent team of EU and US political leaders that they unite for key discussions on financial reform, new energy and innovation policy, regulatory cooperation and trade and security.

While I am confident that the meeting will lead to a number of concrete improvements in Transatlantic economic relations, I feel that there is a need for a step change in the speed and depth of how we strengthen our ties. And let me be clear: there is much more at stake here than our trade and investment relationship.

I believe we must look more globally at the decline of Transatlantic leadership in international economic relations.

This decline is exemplified in the WTO Doha Round negotiations which have been dragging on for far too long.

The absence of Transatlantic leadership is leaving a void in the organization. And the major emerging countries **cannot** or they **do not** wish to fill.

As a result, there is now a very real risk of a complete failure of the Doha Round.

I count on you Commissioner Ashton and on your counterpart US Trade Representative Ron Kirk to unite transatlantic positions in Geneva for a final push in December of this year.

A push for more market access and for stronger multilateral trade rules.

And a breakthrough to truly liberalise trade between developed and emerging country markets while also creating new opportunities for the world's poorest countries.

Transatlantic economic leadership will, however, require more than cooperation on the WTO front.

Global regulatory cooperation is essential if we are to help our companies maintain a competitive edge in the global economy.

There is no doubt today that emerging markets will alter the global economic landscape.

It is not always clear however that these economies are committed to regulations based on open markets and free competition.

By joining **our** forces, the EU and the US can help shape the future of globalisation distinctly towards open markets.

If the Transatlantic marketplace becomes a reality through

- free trade,
- the harmonisation of regulatory approaches
- and the liberalisation of services and investment,

the rest of the world will need – will want to follow our lead.



No country, not China, not India, not Russia nor Brazil, can ignore the combined economic weight of the US and EU markets which represent some 60% of global GDP.

But this is a simple calculation of our strategic joint economic interest. The challenge is to actually create a Transatlantic market.

I believe that the Transatlantic Economic Council is an important step toward the creation of this market. It needs to be maintained and further strengthened.

In addition, we need to go beyond high level meetings and specific regulatory improvements. We need a more systemic commitment to economic integration. And here is where I want to lay down the challenge to the Transatlantic business community.

Business on both sides of the Atlantic need to engage in an in depth reflection on how to re-establish Transatlantic economic leadership at the global level.

I would refer to it as a **Transatlantic Economic Leadership Initiative.**

Time is too short today to go into this idea in detail. But one thing is for sure: we will need to look at all aspects of the relationship with a focus on making regulatory cooperation work.

Because we all know between our two economies it is no longer tariffs, but non-tariff barriers and regulatory burdens which need to be unlocked to tap the enormous potential to boost growth, competitiveness, and jobs on both sides of the Atlantic.

As the President of BUSINESSEUROPE and Co-Chair of the Transatlantic Business Dialogue I am ready to engage personally in this endeavour. I hope that our good friends from the US Chamber will join us in this reflection.

I now look forward to Baroness Ashton's remarks. She, no doubt, is ready to show leadership for Transatlantic economic integration.

Thank you.