

# INTA 4803-AY2/8803-AY2: Transatlantic Relations

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Tuesdays & Thursdays: 4:35 – 5:55

## Course Description:

Despite the rapid rise of China and the other emerging economies, Europe is by far the United States' most important economic partner. It is also a critical political partner, as underlined in the war in Afghanistan, the intervention in Libya, sanctions against Iran and intelligence cooperation in the war on terror. This course analyses the politics of governing this crucial relationship. It aims to help students to understand why different aspects of the relationship between the United States and the European Union are characterized by cooperation, conflict and competition.

## Learning Outcomes:

By the end of this course, students will be able to:

- *demonstrate the ability to describe the social, political, and economic forces that influence the global system.*
- *compare and contrast differences in European and American cultural and ethical systems and be able to understand key issues with respect for a range of different variables. (Cultural and ethical awareness.)*
- analyze developments in the management of the transatlantic relationship.

## Required Texts:

McGuire, S. and Smith, M. (2008), *The European Union and the United States: Competition and Convergence in the Global Arena*, Palgrave Macmillan.

Additional resources are available on the web (**w**), through the GT library (**l**) or on t-square (**t**).

## List of Graded Assignments:

Assignment	Date due	Share of total
Mid-term	2/6	20
TTIP case study	3/6	15
TTIP case presentation	3/6	5
Paper outline	4/8	15
Paper presentation	4/17	10
Term paper	4/24	25
Class participation	continuous	10

## Extra-credit assignments (50 points for a serious effort)

Write a reflective summary (no more than 500 words) of a quest lecture.

To count summaries must be submitted (by email) within a week of the event.

No more than two may be submitted.

An edited version of the best summary will be posted on my project website.

Late assignments will NOT be accepted, except for medical or personal emergencies upon verification.

### Grades

Grade	Points	Descriptors
A	20 19 18	Exceptionally good performance demonstrating a superior understanding of the subject matter, a foundation of extensive knowledge, and a skillful use of concepts and/or materials.
B	17 16 15	Good performance demonstrating capacity to use the appropriate concepts, a good understanding of the subject matter, and an ability to handle the problems and materials encountered in the subject.
C	14 13 12	Adequate performance demonstrating an adequate understanding of the subject matter, an ability to handle relatively simple problems.
D	11 10 9	Minimally acceptable performance demonstrating at least partial familiarity with the subject matter and some capacity to deal with relatively simple problems, but also demonstrating deficiencies serious enough to make it inadvisable to proceed further in the field without additional work.
F	<8	Did not demonstrate familiarity with the subject matter, nor the capacity to deal with simple problems in a manner recognizable to the consensus of mainstream academic practitioners within the field.

### Grade Change Policy

Simple computational or clerical errors should be brought to my attention immediately. Legitimate requests for grade changes are welcome and encouraged. You should, however, resist the temptation to file a frivolous request just hoping to “get lucky”. Approach a grade change request as if arguing a legal case: you should have strong and convincing arguments and evidence to support your request. Be aware that appeals to the practices of other professors generally do not constitute good argument or evidence. Note also that grade changes requests can result in re-grades both up or down (or left unchanged). That is, if the greater scrutiny demanded by a grade change request reveals your assignment to deserve a lower grade than previously awarded, then the lower grade may be assigned.

### Attendance Policy

Attendance is mandatory as is reading before class.

### ADAPTS

The professor will work with ADAPTS so that all students have an equal opportunity for success. For information on ADAPTS, see <http://www.adapts.gatech.edu/>

### Honor Code Statement:

*Plagiarizing is defined by Webster's as “to steal and pass off (the ideas or words of another) as one's own: use (another's production) without crediting the source.”*

If caught plagiarizing, you will be dealt with according to the GT Academic Honor Code.

For more information see: <http://www.honor.gatech.edu/plugins/content/index.php?id=9>

## Course overview

1/7	Introduction	
1/9	Importance of the transatlantic relationship	News story about Europe or the transatlantic relationship
1/14	History of transatlantic relations	
1/16	Varieties of capitalism and economic regulation	
1/21	European and American domestic policy-making I: regulatory policies	
1/23	European and American domestic policy-making II: macro-economic policies and redistribution	Civil-military relations panel
1/28	European and American external policy-making I: foreign policy	
1/30	European and American external policy-making II: trade policy	
2/4	Comparison	
2/6	Mid-term	
2/11	Transatlantic economic performance	
2/13	Global financial crisis and its aftermath	
2/18	Governing the global economy I: finance	
2/20	Governing the global economy II: trade	
2/25	Policy competition and conflict I: extra-territorial effects	
2/27	Policy competition and conflict II: trade disputes	Agree TTIP case study
3/4	Economic cooperation I: NTA & TTIP	
3/6	Economic cooperation II: TTIP	TTIP case study due & presentation
3/11	Traditional security cooperation	
3/13	Foreign policy: Partners or rivals I: smaller states	Agree paper topic
3/18	Spring Break	
3/20	Spring Break	
3/25	Foreign policy: Partners or rivals II: near peers	
3/27	No class – work on outline	Draft outline due to all
4/1	Paper workshop	
4/3	No class– work on outline	
4/8	New security cooperation	Outline due
4/10	Changing global balance of power	
4/15	No class– Individual meetings with professor	
4/17	Presentations	
4/22	No class– Individual meetings with professor	
4/24	Reflection and prospects	Term paper due

Red denotes assignment for grade

Green denotes required, but not assessed, actions

Blue denotes an extra-credit opportunity

## Detailed course outline

### 1/7 Introduction

This class will explore what participants know and think about the transatlantic economic relationship through a 'pub' (trivia) quiz and a survey. It will also provide a substantive and administrative overview of the course.

### 1/9 Importance of the transatlantic relationship

This class will introduce the importance of and dimensions to the transatlantic relationship. It will focus on Europe's economic and political importance to the U.S. and on the transatlantic relationship's place in global governance.

#### Reading

McGuire and Smith, Introduction

Hamilton, D. S. and Quinlan, J. P., (2013), *The Transatlantic Economy in 2013*, Executive summary.

At: [http://transatlantic.sais-](http://transatlantic.sais-jhu.edu/publications/books/Transatlantic_Economy_2013/TE2013%20pocket%20version.pdf)

[jhu.edu/publications/books/Transatlantic\\_Economy\\_2013/TE2013%20pocket%20version.pdf](http://transatlantic.sais-jhu.edu/publications/books/Transatlantic_Economy_2013/TE2013%20pocket%20version.pdf) (w)

#### Assignment

Find a news story about the European Union or the transatlantic relationship from the past month and be prepared to present it in class.

### 1/14 History and architecture of the relationship

The transatlantic relationship has its roots in the early years of the Cold War. The global balance of power, the nature of economic exchange and the EU have all changed dramatically since then. This class will survey those developments and consider their implications for the transatlantic relationship.

#### Reading

McGuire and Smith, Chs. 1 and 2

### 1/16 Varieties of capitalism and economic regulation

Even among the capitalist countries of the US and western Europe there are wide differences in how capitalism is structured. This class will introduce these differences and highlight their implications for transatlantic relations.

#### Reading

Schmidt, V. (2002), *The Futures of European Capitalism*, Oxford University Press, 112-18; 130-46. (t)

Young, A. R. and Peterson, J. (2014), *Parochial Global Europe: 21<sup>st</sup> Century Trade Politics*, Oxford University Press, 130-5, 138-40, 141-2 (t)

### 1/21 European and American domestic policy-making I: regulatory policies

Regulations govern the terms on which goods and firms can enter markets and how products are produced. The EU and U.S. are the world's two most important regulators, but they can pursue very different regulatory policies. This class examines the dimensions and origins of the differences. It begins by introducing the political system of the EU.

#### Reading

*Policy-Making in the European Union*, 6<sup>th</sup> edn, Oxford University Press, 2010.

Ch. 2 (Pollack), pp. 26-34

Ch. 3 (Young), pp. 45-67

Ch. 4 (Wallace), pp. 67-86, 90-103

Young, A. R. and Peterson, J. (2014), *Parochial Global Europe: 21<sup>st</sup> Century Trade Politics*, Oxford University Press, 140-1 (t)

Vogel, D. (2012), *The Politics of Precaution: Regulating Health, Safety and Environmental Risks in Europe and the United States*, Princeton University Press, 1-6, 22-42. (t)

### **1/23 European and American domestic policy-making II: macro-economic policies and redistribution**

The Eurozone and the US are the world's two largest currency blocks, and the dollar and the euro are the world's two most used currencies. Both have independent central banks, albeit with critical differences, but have very different fiscal policies. This class will introduce macro-economic policy making in the two polities and identify the challenges these differences pose within the polities as well as between them.

#### Reading

Schelkle, W. (2012), 'Good Governance in Crisis or Good Crisis for Governance? A Comparison of the EU and the US,' *Review of International Political Economy*, 19/1, 35- 42 (l).

Stefton, T. (2006), 'Distributive and Redistributive Policy,' in M. Moran and R. E. Goodin (eds), *The Oxford Handbook of Public Policy*, Oxford University Press, 611-14. (t)

### **1/28 European and American external policy-making I: foreign policy**

The U.S. is often considered the archetypal foreign policy actor. The EU, by contrast, is often portrayed as a brand new and unique international actor. This class will examine both how foreign policy is made in the two polities and the characteristics of the foreign policies they pursue.

#### Reading

McGuire and Smith, Chapter 9.

Kagan, R. (2002), 'Power and Weakness: Why the United States and Europe See the World Differently,' *Policy Review*, 113, available at <http://www.hoover.org/publications/policy-review/article/7107> (w)

Kagan, R. (2012), 'A Comment on Context,' *Policy Review*, 172, Available at: <http://www.hoover.org/publications/policy-review/article/112376> (w)

Cooper, R. (2012), 'Hubris and False Hopes,' *Policy Review*, 172, Available at: <http://www.hoover.org/publications/policy-review/article/111641> (w)

### **1/30 European and American external policy-making II: trade policy**

There are broad similarities in how trade policy is made in the EU and U.S. These similarities, however, are not necessarily conducive to harmonious relations.

#### Reading

McGuire and Smith, 72-82.

Young, A. R. and Peterson, J. (2014), *Global Parochial Europe: 21<sup>st</sup> Century Trade Politics*, Oxford University Press, Chapter 3 and pp. 78-80 (t)

Destler, I. M. (2005), *American Trade Politics*, 4<sup>th</sup> ed, Institute for International Economics, 309-30. (t)

## 2/4 **Comparison**

This class will review reflect on the course thus far. In doing so it will identify areas of similarity and difference and consider how these underpin and/or complicate the transatlantic relationship. It thereby provides a spring-board for the subsequent classes, which examine transatlantic cooperation and competition in different aspects of the relationship.

## 2/6 **Mid-term**

## 2/11 **Transatlantic economic performance**

Productivity growth is necessary (but not sufficient) for higher living standards. Innovation is a critical way of boosting productivity, particularly in advanced economies like those of the EU and the U.S. In both the U.S. and the EU innovation is also regarded as a critical way to maintain competitiveness against low cost producers elsewhere. This class will introduce the political significance of the link between innovation and competitiveness and examine the different ways that the U.S. and EU go about trying to enhance the competitiveness of their economies.

### Reading

Irwin, G. (2006), 'Europe vs. USA: Whose Economy Wins?' *Federalist Debate*, 19/3, November.

Available at: <http://www.federalist-debate.org/index.php/component/k2/item/300-europe-vs-usa-whose-economy-wins> (w)

McGuire and Smith, Ch. 6

World Economic Forum (2013), *Global Competitiveness Report, 2013-14*, pp. 3-9 and Tables 1 (p. 15) and 5 (p. 18 ff). Available at:

[http://www3.weforum.org/docs/WEF\\_GlobalCompetitivenessReport\\_2013-14.pdf](http://www3.weforum.org/docs/WEF_GlobalCompetitivenessReport_2013-14.pdf) (w)

## 2/13 **Global financial crisis and its aftermath**

The 2008 financial crisis began in the U.S. sub-prime mortgage market and spread swiftly to Europe. Europe's subsequent economic woes have threatened the recovery in the U.S. This class identifies the transmission belts of the crisis and compare how the U.S., the EU and EU member states responded to the crisis and what the effects and consequences of those responses have been. We will pay particular attention to the series of sovereign debt crises that have proliferated subsequently within the Eurozone.

### Reading

Schelle, W. (2012), 'Good Governance in Crisis or Good Crisis for Governance? A Comparison of the EU and The US,' *Review of International Political Economy*, 19/1, 34, 42-58 (I).

The Economist, 'Special Report: Europe and Its Currency', November 12 2011: Sections on 'staring into the abyss,' 'The causes,' 'Austerity,' and 'In theory.' (w)

Federal Reserve Bank (2012), 'Monetary Policy Report to Congress,' 17 July, 1-3 and 34. Available at: [http://www.federalreserve.gov/monetarypolicy/files/20120717\\_mprfullreport.pdf](http://www.federalreserve.gov/monetarypolicy/files/20120717_mprfullreport.pdf) (w)

Alderman, L. (2013), 'Young and Skilled, a Generation Stagnates in Europe's Job Crisis,' *New York Times*, November 16, A1 and A8. (w)

## 2/18 **Governing the global economy I: finance**

The dollar and the euro are the world's two most important reserve currencies. The US and the EU have the world's largest and most developed financial markets. Transatlantic cooperation and competition has therefore long been central to governing global finance.

Reading

McGuire and Smith, Chapter 4

Dobson, H. (2010), 'Japan and the Changing Global Balance of Power: The View from the Summit,' *POLITICS*, 30/supplement 1, 33-42. (l)

**2/20 Governing the global economy II: trade**

The multilateral trading system began as a transatlantic project. This class examines those origins and introduces the key principles of the trading system. It also examines how the trading system has developed over time through the creation of World Trade Organization and the current set of rules governing international trade.

Reading

McGuire and Smith, 82-7.

Young, A. R. and Peterson, J. (2014), *Global Parochial Europe: 21<sup>st</sup> Century Trade Politics*, Oxford University Press, pp. 73-8 and 80-94 (t)

**2/25 Policy competition and conflict I: extra-territorial effects**

Because of the size of their economies and their activist regulatory policies, European and American policy decisions often have impacts (often unintended) on other countries, including each other. These side-effects can be a significant source of tension. This class focuses on three policy areas where these tensions have been particularly pronounced: competition policy, data privacy and public health.

Reading

McGuire and Smith, pp. 125-43

Young, A. R. and Peterson, J. (2014), *Global Parochial Europe: 21<sup>st</sup> Century Trade Politics*, Oxford University Press, pp. 148-50 (t)

Schwartz, P. M. (2013), 'The EU-U.S. Privacy Collision: A Turn to Institutions and Procedures,' *Harvard Law Review*, 126, 1871-9. Available at:

[http://www.harvardlawreview.org/media/pdf/vol126\\_schwartz.pdf](http://www.harvardlawreview.org/media/pdf/vol126_schwartz.pdf) (w)

**2/27 Policy competition and conflict II: trade disputes**

Transatlantic disputes have figured prominently in the WTO's dispute settlement mechanism. In addition, these disputes have colored perceptions of the transatlantic relationship. This class provides an overview of transatlantic disputes and puts them into context. In particular we will examine the politics that influence decisions to initiate complaints and whether, when and how there is compliance. The class will be informed by case studies of prominent disputes.

Reading

McGuire and Smith, 91-4.

Pollack, M. A., (2003), 'The Political Economy of Transatlantic Trade Disputes,' in E.-U. Petersmann and M. A. Pollack (eds), *Transatlantic Economic Disputes: The EU, the US and the WTO*, Oxford University Press, 65-81 (t)

WTO, 'Understanding the WTO: Dispute Settlement: A Unique Contribution' at:

[http://www.wto.org/english/thewto\\_e/whatis\\_e/tif\\_e/disp1\\_e.htm](http://www.wto.org/english/thewto_e/whatis_e/tif_e/disp1_e.htm) (w)

Agree TTIP case study

**3/4 Economic cooperation I: NTA & TTIP**

The EU and U.S. have engaged in extensive efforts to try to manage the adverse effects of their regulatory differences. This class will explore the approaches that they have adopted and introduce the most ambitious attempt to-date: the on-going Transatlantic Trade and Investment Partnership (TTIP) negotiations:

Reading

Young, A. R. and Peterson, J. (2014), *Global Parochial Europe: 21<sup>st</sup> Century Trade Politics*, Oxford University Press, pp. 157-63; 167-76 (t)

**3/6 Economic cooperation II: TTIP**

In this class we will investigate in depth some of the policy differences that are at the heart of the TTIP negotiations. This class will be based around student presentations of case studies.

TTIP case presentation

TTIP case study due

**3/11 Traditional security cooperation**

European and American states have long cooperated through the world's most intense military alliance – the North Atlantic Treaty Organization (Nato). Originally created to confront the Soviet Union in central Europe, Nato has been re-purposed and has engaged in several out-of-area operations. This class looks at how Nato works and what it does.

Reading

Howard, M. (1999), 'An Unhappy Successful Marriage: Security Means Knowing What to Expect,' *Foreign Affairs*, 78/3, 164-75 (I)

Hunter, R. E. (1999), 'Maximizing NATO: A Relevant Alliance Knows How to Reach,' *Foreign Affairs*, 78/3, 190-203 (I)

Brown, M. E. (1999), 'Minimalist NATO: A Wise Alliance Knows When to Retrench,' *Foreign Affairs*, 78/3, 204-218 (I)

**3/13 Foreign policy: Partners or rivals I: smaller states**

Europeans and Americans have cooperated extensively in addressing a number of foreign policy crises involving smaller states: in Afghanistan, the Balkans, Iran, Libya, and Syria. The bitter disagreements within Europe and between some European states and the US over Iraq, however, illustrate that cooperation cannot be taken for granted. This class will investigate these episodes of (non-) cooperation.

Reading

A selection of relevant press reports will be available on t-square

Agree paper topic

**3/18 Spring Break**



**3/20 Spring Break**

**3/25 Foreign policy: Partners or rivals II: near peers**

A particular challenge in international relations occurs when new powers emerge. Russia and China have (re)emerged as near peers of the U.S. and EU. In this class we will examine Europe and America's bilateral relations with these countries. We will return to the implications of the changing balance of power for transatlantic leadership later in the course.

Reading

To be announced

**3/27 No class – work on outline**

Draft outline due by email by 6 pm.

**4/1 Paper workshop**

In this class students will receive general and specific feedback on their draft outlines in order to support them to produce effective paper outlines and persuasive final papers.

**4/3 No class– work on outline**

**4/8 New security cooperation**

Since 9/11 there has been increased attention to new security threats, particularly terrorism, in both Europe and America. There has been extensive and intensive cooperation among the intelligence agencies of Europe and America. There have, however, also been areas of tension, including the adverse impact of container security arrangements on trade and concerns about the extent of spying, particularly in the light of Edward Snowden's revelations about the extent of the National Security Agency's surveillance activities. This class examines the extent of and challenges to transatlantic coordination on new security issues.

Reading

Rees, W. (2009), 'Securing the Homelands: Transatlantic Co-operation after Bush,' *British Journal of Politics and International Relations*, 11, 108-21. (I).

Paper outline due to all

**4/10 Changing global balance of power**

One of the most striking features of the 21<sup>st</sup> century has been the rise of emerging economies, particularly Brazil, India and China. This class will explore the challenges and opportunities their rises pose for the EU, the U.S. and the transatlantic partnership and how the U.S. and EU have responded.

Reading

Dumbrell, J. (2010), 'American Power: Crisis or Renewal?,' *POLITICS*, 30/s1, 15-23.(I)

Whitman, R. (2010), 'The EU: Standing Aside from the Changing Global Balance of Power,' *POLITICS*, 30/s1, 24-32.(I)

**4/15 No class -- Individual meetings with professor**

**4/17 Presentations**

**4/22 No class -- Individual meetings with professor**

**4/24 Reflection and prospects**

This course began by considering the origins of the transatlantic relationship and it has charted the sources of cooperation and conflict within it. This class will reflect on the material covered to consider the prospects of the transatlantic relationship in the foreseeable future.

Reading

McGuire and Smith, Ch. 10

**Term paper due**

**Assignment details**

TTIP case study:

- With the professor agree an issue at stake in the negotiations (the focus will be a policy, not a sector)
- No more than 4 pages (double-spaced; 12 point; including notes and references); circa 1,000 words
- Specify the issue
- Identify the preferences of each side (including any differences within each side)
- Assess prospects for resolution

Term paper

- Agree with the professor a suitable topic to explore in depth

Outline (should be written in complete sentences)

- What is the issue/question you are going to examine?
- Why is it interesting?
  - empirically
  - analytically
  - what have other people said about it?
- How are you going to go about examining it?
  - subordinate questions;
  - analytical approaches;
  - methodological tools;
  - data sources
- 4803: about 4 pages (1,000 words)
- 8803: about 6 pages (1,500 words)

### Final paper

- Guidance on form and substance will be provided on a case-by-case basis
- 4803: 10-15 pages (3,000-4,000 words)
- 8803: 18-22 pages (5,000-6,000 words)