

THE TRANSATLANTIC TRADE AND INVESTMENT PARTNERSHIP: LEGISLATIVE ACTION
AND THE FUTURE OF TRANSATLANTIC TRADE

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ABSTRACT

The Transatlantic Trade and Investment Partnership (TTIP) is a controversial free trade agreement between the United States and the European Union, and is currently in negotiations as of the publication of this thesis. The TTIP seeks to remove both tariffs and non-tariff barriers to trade (NTBs) between the EU and the US, such as environmental and food safety regulatory divergences. This paper seeks to predict the outcome of negotiations, while considering the various cultural, economic, and political factors that play into the potential success or failure of the TTIP.

To accomplish this, the paper takes a broad look at the historical and present contexts that have and still are shaping transatlantic trade, as well as seeking to understand the development of regulatory differences between the EU and the US. The TTIP is largely controversial because it threatens to alter standards that people in both the US and EU value, although concern in the EU is much greater in the US. Changes in agriculture policy, environmental, and production standards are likely if the agreement is to succeed. To make my predictions, collected voting data from the US Senate on three recent pieces of environmental legislation and regressed the data to determine what the largest influences on lawmaker voting behavior were, whether it be political ideology, party affiliation, region, bias, or first-term status. I found that political ideology was the most useful for determining how a senator would vote in every dataset.

Although the political environment could shift, as of now, the European Parliament supports the TTIP. Given a few assumptions about the proceedings, I predicted that the US would make the necessary concessions to achieve an agreement.

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Framing the Transatlantic Trade and Investment Partnership

In 2013, leaders of the European Union and the United States announced that they were seeking negotiations to develop a free trade agreement, which would be entitled the Transatlantic Trade and Investment Partnership (TTIP). Economic analysis carried out by the Center for Economic Policy Research for the European Commission (EC) estimates that an “ambitious and comprehensive” TTIP would result in “significant economic gains,” boosting EU GDP by €120 billion (about \$155 billion) and US GDP by \$123 billion (European Commission 2013), which represent 0.4% and 0.5% increases in their GDPs, respectively. Despite criticisms that a TTIP would negatively affect other close trading partners to the US and EU, such as Canada, Mexico, or Turkey, as well as Gross Domestic Product (GDP) growth in lesser developed countries (Gehrke 2014), the CEPR study finds that the agreement would increase GDP in (EU) trading partners by €100 billion. The study highlights that 80 percent of potential gains could come from cutting costs levied by duplicative bureaucracy and non-tariff barriers to trade (NTBs). Of those cost-cutting gains, 80 percent would solely benefit the US and the EU, but 20 percent would benefit third-party countries (European Commission 2013).

Although the projected GDP growth for the US and EU are not insignificant, some might call .5 percent (US) and .4 percent (EU) increases in GDP over the next twelve years modest. An agreement means the linkage of 42 percent of the world’s service trade and 33 percent of the its goods trade, which would certainly qualify the TTIP as the largest free trade agreement to date. However, the EU and the US already have strikingly low tariffs on most goods, which begs the question: why would the US and EU want to

engage in complex trade talks to further unify two economic systems that already feature very low barriers to trade and investment? The answer is the normalization of other regulatory barriers, namely environmental, food safety, and information security standards, which have become the main points of interest in the trade negotiations (Hilary 2014).

The official goals of the TTIP are idealistic and unspecific, and that ambiguity in relation to ongoing negotiations has resulted in intense speculation. From the Office of the United States Trade Representative, the agreement “increases economic growth, jobs, and international competitiveness, and addresses global issues of common concern.” Both the US and the EU are seeking to maximize the competitiveness of their firms internationally by “leveling the playing field” with their largest trade partner in respects to regulatory barriers for bilateral trade. There are multiple paths to achieving the competitiveness goals of the TTIP: the US could heighten some of its standards to the generally more stringent levels of the EU, or the EU could relax its more rigorous standards to increase competitiveness with the US. A mix of those two is probable, but regulatory standards will likely be changed if the initial goals of the TTIP are to be met. The goals of the TTIP for environmentalists, Europeans, and the Obama Administration were initially clear: to lift American standards to more similar and “acceptable” levels with the EU, which is arguably the world’s leader in product safety and environmental regulation, and create a powerful economic bloc whose rectified standards would serve as “the standard” for the rest of world. This new, augmented trade bloc would, ideally, encourage heightened regulatory scrutiny from other nations who could be negatively affected by reduced trade with the EU and the US. The hopefulness of TTIP proponents

is rivaled by the fear of The Green and Left parties in the European Parliament and a host of Anti-TTIP Non-Governmental Organizations (NGOs), who worry about the removal of their more rigid regulations, which “represent some our most prized social standards and environmental regulations.” (Hilary 2014)

EU Trade Commissioner Karel De Gucht addressed these very concerns in a speech in January 2014. “If – as a result of the negotiations – the EU was going to lower standards of protection for citizens regarding food or the environment... on genetically modified food or beef hormones... the EU is not going to do any of these things as a result of the TTIP.” (Speech/14/52) In a remarkably similar statement given in a speech in June of 2014, US Trade Representative Michael Froman stated, “TTIP presents an enormous economic opportunity to increase U.S. exports to our largest market, and promote international competitiveness, particularly if we can bridge the divergences in our regulatory and standards regimes without lowering the overall level of health, safety, and environmental protection.” (Froman 2014) From the remarks of the two trade representatives, it seems the wishes of the “hopeful” still ring true: The EU will not budge on its popular environmental and consumer safety standards, and the US still seeks to “bridge the divergences.”

The seventh and most recent round of TTIP negotiations ended in October 2014, and both trade representatives once again echoed their prior statements of commitment to formulate a “comprehensive and ambitious” trade agreement. The TTIP and its negotiation process cannot be understood nor speculated without recognizing the many nuances which ultimately lead to its passage or failure; this paper is not concerned necessarily with all of them, but a limited number are worth mentioning. Chiefly, the US

is simultaneously negotiating an ambitious Transpacific Partnership (TPP) with eleven Asia-Pacific countries. In the same joint speech by Trade Representative Froman, he explicitly stated the goals of TPP will be to "...level the playing field for American workers and American firms. By building strong, binding labor and environmental standards, we can promote competition that is fair and sustainable." (Froman 2014)

Despite being different trade agreements, their simultaneity increases the stakes for both agreements for the global community; he also is unambiguously drawing the importance of labor and environmental standards in equalizing competitiveness. He chose not to use that particular language to discuss the TTIP, but here again a similar tone surrounds the TPP that characterizes the goals of the TTIP – the current US leadership wants to use free trade as a way to lead the world towards sustainable development. Does the US expect both to be successful, or is one a scapegoat? That cannot be answered here, but aids in this paper's consideration of the factors most affecting the TTIP, namely the role of the voting bodies that would ultimately enact the TTIP – US Congress and the European Parliament.

Free Trade, who's in?

One of the most interesting aspects of the TTIP and its negotiations is the juxtaposition of free trade and the development of like regulatory standards for the EU and the US, both of which belong to the Western liberal tradition. The EU and US built their success and prominence on capitalist principles that favor trade and spurred the global trade networks existing today. In principle, they are the bastions of the free market and democracy, but what does that mean for free trade between the two?

“Polling on trade is a reminder that human beings are infinitely capable of holding

two seemingly contradictory emotions at the same time. In principal Europeans and Americans can be free traders. In practice they are often protectionists” (Stokes 2011). In an analysis of multiple “high-quality” polls administered to both Europeans and Americans, Bruce Stokes concludes that both groups “tend to be free traders in principle but protectionist in practice” and calls Americans’ views on trade “complex and often contradictory.” Large majorities of Europeans - Germany (90%), Spain (90%), Poland (84%), Great Britain (84%) and France (79%) – say that increasing trade with other countries is good for their country, contrasted with only 66% of Americans in 2010, but even that is an increase from 53% in 2008. The author points out that Europeans may be more likely to think of nearby European countries when asked about trade versus American respondents whose minds may first think of China, Mexico, etc. as a potential explanation of these numbers. Despite a majority in both the US and the EU agreeing that trade benefits their country, they mostly do not think they personally benefit from trade. A surprising 46% of Americans responded that they think free trade agreements have had a *negative* impact on their personal economic situation (Pew 2010); the EU does not fare much better in another poll, with only 44% of respondents believing they have benefitted from trade personally (Eurobarometer 2010). The responses continue to be negative when people are asked about trade in relation to personal benefit. In a German Marshall Fund (GMF) Trade and Poverty Survey in 2007, 57% of Americans and 46% of Europeans thought freer trade resulted in more lost jobs than created ones. 45% of Americans also believed free trade agreements make wages lower (Pew 2010).

There is pretty good reason to believe, however, that American negativity stems from their views on the North American Free Trade Agreement (NAFTA), which distorts the

perception of trade, whether positive or negative. Both the EU and the US publics tend to have negative opinions of China, with 51% of Americans and 49% of Europeans supporting that view in a 2010 GMF Transatlantic Trends survey. 49% of both Americans and Europeans thought China was more of an economic “threat” than an “opportunity” (Stokes 2011), identifying China more as an exporting usurper than an emerging market.

The mood on trade changes, however, when people are asked about transatlantic trade. Pew found in 2010 that 58% of Americans thought increased trade with Europe would be good for the US, which agrees with a 2007 poll by the GMF that found 63% of both Americans and Europeans supported improving trade relations with one another. That same 2007 survey identified that an overwhelming 76% of Americans and 80% of Europeans supported making EU and US regulations more similar, but both were skeptical of removing all tariffs on goods between the two, with 48% of Americans and 61% of Europeans opposing the removal of all tariffs (Stokes 2011). This remains true according to more recent poll specifically addressing the TTIP, which found that 76% of Americans supported making American and European standards similar, with only 41% supporting the removal of all tariffs (Pew 2014). The GMF survey also found that both Americans and Europeans have protectionist ideals. 73% of Americans and 62% of Europeans supported limiting outsourcing in the 2007 survey. Two different polls found that 61% of Americans were more likely to buy goods “Made in America,” (Harris 2011) and 68% of Americans supported quota policies for goods in the US to be American made (National Journal 2010). (Stokes 2011)

Much of the American skepticism relating to trade in general, according to Stokes’

analysis, is likely a result of American sentiment towards NAFTA, a landmark trade agreement passed in 1993 between the US, Canada, and Mexico. Now more than twenty years since its passage, NAFTA is generally viewed as negative. In 2008, 64% of Americans thought it was bad for US workers, and 55% thought it was bad for the economy. Critics harshly blame NAFTA for job displacement to Mexico as well as for high trade deficits with both Canada and Mexico. Even people who recognize that many of these outcomes were likely with or without NAFTA remain disappointed that the agreement never achieved its lofty promises (Sergie 2014).

These polls help to show that although the EU and US may generally support free trade, their publics tend to be more skeptical of the benefits of international trade in general, even if they support more trade with one another. Although public opinion is certainly important, especially in democratic societies, Stokes also suggests that trade plays a minimal role in actual voting behavior compared to other issues such as unemployment, which although they may be linked to trade, voters often do not connect these issues nor feel inclined to vote specifically based on trade ideology.

So what does that mean for the TTIP? One thing is certain: US Congress and the European Parliament would eventually have to vote on the TTIP, and the content and success of the agreement could largely depend on the viability of the agreement in the two legislative bodies. The TTIP has certainly already become much more politicized in the EU due to high activity from interest groups and the media, while the US media has remained relatively quiet, and the political support of the TTIP remains unclear. Due to the higher level of press coverage and awareness for the TTIP in the EU, it will be much simpler to frame the political case of the EU first followed by the US.

The European Commission, led by previously mentioned Karl De Gucht, is responsible for the negotiating process, which must be approved by the European Council, the body comprised of all 28 national trade ministers, before heading to the European Parliament (EP). Under EU law, the TTIP would qualify as a “mixed agreement,” meaning that it would have to be ratified by the parliaments of all 28 member states to become officially ratified following a vote in the EP. The European Consumers’ organization (BEUC), the European Trade Unions confederation (ETUC) and various non-governmental organizations (NGOs) all have significant lobbying influence in the Parliament, and would likely campaign against the TTIP if it threatened to lower standards relating to the environment, consumer protection, and/or food safety (Bolla 2014). EP elections took place in the summer of 2014, and although there was fluctuation in the number of seats delegated to each party, the previous majority, who are supporters of TTIP, remain in control. Out of a body of 751, the European People’s Party (EPP) have 221; Socialists and Democrats (S&D) have 191; European Conservatives and Reformists (ECR) have 70; Alliance of Liberals and Democrats for Europe (ALDE) have 67, and the Eurosceptic group (EFD) have 31. All of these parties are generally in support of the TTIP, and contributed to the 460 votes (78%) that voted to begin negotiations in 2013. The Left Party (GUE/NGL) and the Green Party hold a combined 102 seats; both are vehemently anti-TTIP. Opposition can also be found from most non-attached Nationalist MEPs, which account for a small number of seats (votewatch.eu 2014). The Greens and The Left parties are very active in the media and hold greater influence than in previous years, which has allowed them to increase public awareness of their grievances across the continent (Bolla 2014). The Socialists and Democrats are

admittedly more sensitive to changes in regulatory standards, and some members could potentially change their position if concessions on certain regulatory features are made. Even with these few potential divergences from party voting and the opposition from the Left, Greens, and Nationalists, the TTIP is still expected to enjoy a majority in the EP if voted on given the current party and ideological breakdown (votewatch.edu 2014).

The US Congress is not nearly as easy to decipher, even when only considering the aspect of free trade without evaluating for changes in environmental and other regulations, which will be discussed later and will serve as the primary point of interest for this thesis. First, though, the shifting of ideological and political support for free trade in the US will need to be framed. Bruce Stokes signals toward a growing partisan divide on trade in America. “Support for trade by people of all political persuasions has increased since 2008. And, contrary to the widely held view that Republicans are free traders and Democrats are protectionists, 75% of self-identified Democrats say trade is good for the United States, up four percentage points in 2010 from 2009, compared with only 61% of Republicans and 63% of independents, whose support remained unchanged.” The increase in Democratic support of free trade could be due to the current democratic administration, which they would currently trust to protect their trade interests, while the opposite could be true for Republicans (Stokes 2011).

Let's return to NAFTA, which was negotiated under Democratic President Bill Clinton and signed by a Congress controlled by Democrats in both chambers. In the House of Representatives, only 102 Democrats out of 258 Democrats (40%) voted for NAFTA, while 132 out of 175 Republicans (75%) voted in favor of the agreement. In the Senate, 27 out of 53 Democrats (51%) voted in favor, while 34 out of 46 Republicans

(74%) voted in favor. Although these do not reflect hardline party stances, Republicans favored the agreement at a significantly higher rate than Democrats and were key in its passage through a Democrat-controlled Congress. This follows the “traditional” narrative of Republican support for free trade mentioned earlier by Stokes.

The TTIP faces another political challenge – the actions of Congress are not as clear. Since TTIP negotiations began, President Obama has worked with a divided Congress, with Republicans controlling the House and Democrats controlling the Senate. However, now both houses of Congress have a Republican majority. Historically, most major free trade agreements have been negotiated and passed under a “fast track” provision granted to the President by Congress known as Trade Promotion Authority (TPA). This allows a negotiated agreement to avoid legislative hold-ups such as filibuster or the amendment process, and allows Congress to simply vote on the trade agreement already signed by the President. This will be the first action that could show where Congress stands on the President’s free trade agenda. A conservative online news site recently published an article criticizing then-future Senate Majority Leader Mitch McConnell, who recently said he was “anxious” to see new trade agreements. The article predicts the granting of TPA, and if the troubled history of NAFTA can be suppressed, it at least seems like Congress is generally supportive of free trade (Gomez 2014).

However, similar to the fears echoed by the opposition in the EU, the contentious parts of the TTIP will not be the “free trade” aspect of the agreement; instead, the changes in regulations will certainly serve as the most contentious elements in the US as well. Whereas the EU fears the degradation of their environmental and product safety regulations, the opposite may be true for the new Congress controlled by the party known

to be more recently regulation averse. This intersection of free trade ideology and environmental policy ideology is central when considering the TTIP moving forward.

To envision how the TTIP might progress, a better understanding of the development of environmental policy in both the US and the EU will be important. How did environmental regulations diverge to the point of being contentious in the US and EU? Have ideological trends affected these differences? Do these ideological trends, if present, help to better understand and speculate current voting behavior?

Environmental Policy and Ideology, Trends in the US and EU

TTIP hopefuls in the US continue to aim for an agreement that will serve as an alternative method of “lifting” US environmental and product safety regulations similar to those in the EU, while TTIP denouncers in the EU fear that instead of a tightening of US standards, a loosening in the EU standards is more like. How did regulatory standards develop so differently, particularly in reference to sustainability, in the EU and US, whose modern economic and cultural ties are some of the closest in the world? It is generally accepted that EU standards now tend to be much stricter than those in the US, but that has not always been the case. Understanding how the US has developed its environmental regulatory stances will be crucial for any meaningful analysis of current policy options.

In “Why the United States Does Not Have a Renewable Energy Policy,” Elliott (2013) offers a series of his own simple assumptions on why the US lags behind our European counterparts when it comes to energy policy. He proposes eight reasons that contribute to the current situation, which attribute the blame to a mix of the political

system, our natural resources, and most importantly, our political culture and ideology.

First he criticizes structure. In the US “plans” gets drafted by the Department of Energy every two years, but they are ignored every year because they are non-binding. He points to separation of powers, policy inconsistencies, and a dispersion of power among the states – all which serve important functions in the US – as detriments to the formulation of policy. Different actions taken by states make it difficult for a strong market reaction, and there exists a lack of standard uniformity from state to state. Some states, like California, have attempted more stringent standards, but they often fail due to lack of interstate, federal, and market support (Elliott 2013).

Separation of Powers is obvious, and he intends it as more of an observation rather than a criticism – the US government was meant to make and implement new policy decisions slowly and is succeeding in that regard. More difficulties include quickly changing policies and the “long-term interest” nature of environmental policies. The US has, until this point, been reluctant to commit to a long-term energy plan, and changes directives often with leadership changes. As an example, Elliott points to the investments in hydrogen cell automobiles under President Bush, while in the next presidency, the focus was switched to electric cars. States like California, which invested millions in developing hydrogen fuel filling stations, lost millions – clearly the market will be reluctant to “buy in” to trends that could be abandoned.

He next identifies “underrepresentation of future generations” as a detriment to energy policy. In line with the research of William Nordhaus, Elliott finds that, in general, people’s concern with the future generations beyond their grandchildren is not very strong. Democratic political systems are built to address short-term issues, and

ultimately environmental issues do not render the “political payoff” necessary, especially when young people are both the most likely to be affected, while also the least represented in the political process (Elliott 2013). While this makes sense in theory, it is very difficult to imagine a political system that could accurately “represent” the unborn in this manner. While this point he makes challenges conventional American ideals about “our posterity,” it makes an unsupported assumption that the discount rates of Europeans when thinking about future tradeoffs are somehow lower than those of US citizens.

The US political system, however unfit to address environmental policy as it may be, is the US political system, and it has to be worked with. Other concerns of “underrepresentation” of the future generations and changes in energy policy are concerns that affect many countries, not just the US. Germany overhauled its commitment to nuclear energy following the Fukushima incident in Japan mostly due to public fear rather than recognizing the unique risk factors of an island nation located in a region prone to severe earthquakes. Political structure and inconsistency are undoubtedly factors and while they may explain an absence of environmental policy, they do not adequately rationalize *resistance* to environmental regulation. Americans have come to expect cheap energy. In the US, there is a stronger correlation between low gas prices and presidential approval than with unemployment (Elliott 2013). Raising gas prices or taxes to incentivize other forms of energy use is “political suicide” and has a low probability of longevity. The strong free-market ideology also permeates most of the energy conversation. If the US encourages or supports certain green energies, it is often depicted as a manipulation of the market. If the market is not “ready” for renewables, then a large portion of Americans are also not ready.

His last reason is one that is widely discussed and written about: Americans just do not take Climate Change as seriously as other countries. Whatever those reasons may be, Climate Change attitudes in the US are simply not positive enough for it to be the primary reason for a nationwide shift in policy (Elliott 2013).

Elliott presented strong reasons, both ideological and structural, on why more comprehensive energy policy has not “taken root,” and they definitely describe much of the modern landscape, but how does this look historically? Has the US always been averse to strong stances on environmental issues?

David Vogel and R. Daniel Klenemen use a combination of domestic policies and international competition to characterize their thesis that the US and the EU have “traded spaces” as environmental and regulatory leaders. Their research is especially helpful because it clarifies some political assumptions, as well as points to shifts in ideology that have affected domestic policies. From the 1960s, when environmental issues first appeared on the international agenda, the US was the undisputed environmental leader, while future EU member states were often reluctant to lead on environmental treaties and protocols. Prior to 1989, the US had ratified twelve out of fourteen major international environmental treaties. Following 1989, the US has only ratified two out of twelve, while the EU has ratified all twelve.

What changed from the 1960s to the late 1980s? Vogel and Klenemen develop a “regulatory politics” approach to explain the change, which focuses on the success of environmental activists to influence politics and society as a whole. These environmental advocacy groups/political parties first influence domestic policy decisions, which Vogel and Kelemen link to decisions on international policy as well (Kelemen and Vogel 2009).

Environmental advocacy was generally strong in the 1960s, 1970s, and 1980s despite changes in party leadership and the absence of an official “green party.” Initially, the environmental movement resulted in both major US parties vying for environmentalist support. Republican Presidents Richard Nixon and Gerald Ford and their Democratic Congresses enacted a wide range of environmental protection initiatives, many of which remain “the backbone” of US environmental and conservation policy, such as the Clean Air Act Amendments in 1970 and the Resource Conservation and Recovery Act of 1976. Their legacy continued under Jimmy Carter and even Ronald Reagan amidst popular support. Despite Reagan being largely anti-regulation, concerns about environmental quality in the US remained very strong, which resulted in the continuation of positive environmental policies, such as a reauthorization of the Superfund and the Global Climate Protection Act in 1987.

Although US environmental lobbies had succeeded in becoming popular in the political realm, they failed to establish effective relationships in the business community. George H W Bush entered the White House with a Democratic Congress and initially hoped to separate himself from Reagan’s vocal anti-regulation tendencies. Bush came under intense scrutiny from the business community and quickly became frustrated with a lack of support for his Republican administration from environmentalist groups, which led to his more pro-business administration in his final two years in office (Kelemen and Vogel 2009).

Environmentalist groups, by not compromising with the divided government pressured by a unsatisfied business community, damaged their relationship with the Democratic Party as well, which ultimately reversed the pro-environment trends of the

US. Bill Clinton had to abandon his hopes for major environmental reform due to poor congressional support from many Democrats and most Republicans in the 1990s. The environmental advocacy groups that had once attracted bipartisan support failed to integrate and consider corporate interests in a more regulation-averse time period, alienating both US parties (although primarily Republicans) and setting the trend of environmental inaction (Kelemen and Vogel 2009).

Although environmental policies tended to gather more support from Democrats than Republicans in Congress from the beginning, the issues became increasingly more partisan over time, with Republicans becoming increasingly less sympathetic to environmental issues in light of the increase of anti-regulation ideology in the party. In the early 1970s, Democrats in both chambers of Congress supported roughly 20% more “environmental measures” than Republicans. This is not insignificant, but by 1995, Senate Democrats supported 89% of environmental legislation versus only 11% of Republicans. The situation was not much different in the House, with Democrats supporting 76% of legislation and Republicans supporting 15% (Keleman and Vogel 2009).

The development of environmentalist influence in Europe is almost exactly the opposite of the situation in the US, developing a bit later and benefiting more from parliamentary systems and proportional party representation common in Western European countries. Although initial environmental activism and subsequent policy changes were less intense and less developed than in the US in the 1970s, environmental sentiments quickly increased during the 1980s following concerns of deforestation, the Chernobyl disaster in 1986, and concerns about the ozone layer.

This development also falls in line heavily with a study by Kerret and Shvartzvald in 2012. The researchers divided environmental policies into three main areas, Human Related (HREP), Global Related (GREP), and Ecology Related (EREP), and found that in developed nations HREP were almost always addressed first, before moving to other more global policy issues like those of global warming. Most importantly, the study also found that a country's Social Policy Index is heavy determinant for a country's HREP decisions. This helps explain why European nations, who were much more ideologically inclined towards stronger social policies, had lasting success in continuation of their environmental policies (Kerret and Shvartzvald 2012). Essentially, a country's general social policy disposition at the very least strongly correlates with their ideology when it comes to the environmental issues.

Although the trends in both the creation and harmonization of environmental policies across EU member states eventually passed the US, the process occurred over several decades and features a variety of interstate conflicts not entirely different from those between the US and EU regarding the TTIP. Although the EC, the EP, and later the EU were able to eventually institute EU-wide environmental policies, they were intensely debated among member states following the EC's first Environmental Action Programme in 1973 (Hey 2005). Not entirely different from variances in food policy, which will be addressed later, environmental policy became a focal point in the debate surrounding autonomy versus strengthening the common market. As pollution and other environmental issues morphed into popular political concerns, Member States naturally addressed these concerns differently according to their own constituencies, which posed a challenge to the EC. The larger the gaps in stringency among Member States became

would effectively result in Non-Tariff Barriers to trade (NTBs) within the common market, which was contrary to the ideals of institution, despite environmental concerns not being expressly stated in the Treaty of Rome in 1957 (Vogel 1995). In addition to the economic challenges of divergent standards, the EC had increasing impetus to address Member State discrepancies due to a combination of growing popular support for environmental statutes and the close geographic proximity of member states, meaning that environmental policies of one country had a high likelihood of affecting another country. The ability of the EC to legitimately strengthen and harmonize environmental standards came with the passage of the Single European Act in 1987 (SEA), which extended the role of the EP and thus representation, as well as expressly identified environmental protection as an objective of the Economic Community as a whole (Vogel 1995).

Though there are examples of this progressive struggle in topics ranging from waste management to chemical safety regulations, the heightening of emissions standards, specifically in relation to automobiles, provides an excellent glimpse at the challenges that the EU faced in the harmonization and development of environmental standards in the earlier years of the environmental movement. Similar to the US in the 1970s, the EC passed emission standards for carbon monoxide, hydrocarbons, and nitrogen oxides, but unlike the US, which had uniform standards, the EC initiative featured ceilings and allowed for variations among member states (Vogel 1995).

Conversations about lead content in gasoline were already underway in the US, and Germany took the European lead by setting the maximum lead content for gasoline much lower than any other Member State in 1972. Germany's unwillingness to reduce

its standards to address issues over movement of gas and automobiles prompted the EC to pursue stronger regulations for the entire Community, but was met by opposition from the Italy and France, which expressed an undue cost burden for manufacturers who produced smaller cars. In 1983, the US passed a set of standards requiring catalytic converters in all vehicles and a fuel injection engine requirement, which would allow all automobiles to operate on unleaded gasoline. Germany, the Netherlands, and Denmark supported full adoption of the US standards, which were the most stringent at the time. By the mid 1980s, Germany, home of behemoth car manufacturers BMW, Mercedes, Audi and Volkswagen, was threatening a requirement for all cars sold in Germany to have catalytic converters in alignment with US standards and was already offering tax incentives for efficient vehicles. A compromise was officially passed and then implemented in 1987 after the SEA passed, despite pressure from the Parliament for stricter standards that did not contain exemptions for small and mid-size cars. The EC's Environment Commissioner begged Parliament not to undo the "hard-fought, and fragile, compromise" (Vogel 1995).

This struggle over regulatory divergence in EU Member States and the subsequent, gradual increase of power of the EC in setting more direct policy for Member States illustrates the Europe's timeline and development trajectory for environmental standards. By increasing responsiveness to public concern by expanding the role of Parliament, the EC was able to begin legitimizing itself as a body committed to preserving the common market by avoiding varying national environmental standards, which could negatively affect free trade (Hey 2005). We also see how industrial and global trade interests revealed themselves alongside the environmental movement in

Germany's case and helped to legitimize the EC's authority and refocus its objectives for the common market.

By 1989, roughly 77% of citizens in EU members viewed environmental problems as "very serious," an increase of 20% in just ten years. Environmental issues gained particular legitimacy in Western European nations, like Germany in the 1980s, because green parties were able to achieve seats in parliament according to the percentage of the votes they received nationally. This is in stark contrast to the US system, where green activists were forced to appeal to support from existing major parties with other and sometimes opposing interests. By the end of the 1990s, green parties gained representation in 11 out of the 15 EU member state parliaments. With the development of the European Parliament in the 1980s and the passage of the Maastricht Treaty in the early 1990s, the EU had great incentive to capitalize on an issue that would receive support from its richest member states like Germany, the Netherlands, and France, while legitimizing itself by showing that the EP was capable of producing responsible regulation. While the US's institutionalized environmental support was in decline, the new EU began making strides past the US, allowing for a community of countries who would not be disadvantaged in trade because their environmental regulations would be equal (Kelemen and Vogel 2009).

Elliott and Kelemen, and Vogel both identified some important common trends that continue to affect debates regarding environmental regulation today, namely that while the environmental movement was able to develop in the EU and integrate itself in the political system, environmental issues in the US slowly became grouped and politicized with other issues and entangled with a burgeoning anti-regulation ideology.

As previously mentioned in both these previous two sections, the popular sentiment of American voters on issues does not directly translate into policy from its lawmakers, and only the “most important” issues tend to drive voting behavior in the voting body. This raises questions of accountability for elected officials and how they will vote on environmental issues. How do elected officials respond to voters’ environmental preferences, if at all? If the key to international decisions on environmental standards, as suggested by Kelemen and Vogel, is largely determined by internal policy and ideology, we must look inward to see what influences affect how US elected officials vote on environmental policy to observe how they might respond to a pending TTIP resolution.

The Fight Over Food

Although tariffs on food trade tend to be higher than other forms of trade between the US and EU, they are still relatively low, which points again to TTIP’s anticipated role in engaging non-tariff barriers to trade (NTBs). NTBs in relation to the EU and US food sectors are typically concerned with differences in Sanitary and Phytosanitary (SPS) practices, Genetically Modified Organisms (GMOs), and both hormonal and non-hormonal growth promoters. Divergences in agricultural and food policy represent a major point of interest in trade negotiations between the two parties. These differences, the impact that a free trade could have on regulatory alignment, and the heightened level of passion of EU citizens about this topic specifically make a discussion about GMOs as well as livestock sanitation and processing practices highly important when considering the future of the TTIP.

Policies related to GMOs and food safety are part of the broad spectrum of environmental policy, and thus deserve consideration in this thesis. The reason the topic of GMOs and food safety will be discussed and considered separately from the survey of congressional voting related to environmental legislation is the lack of legislative action in the US related to GMO restrictions or labeling. This section will seek to demonstrate key differences in EU and US policies in relation to GMOs and agriculture, and furthermore, explore the effects that the TTIP could have specifically on this industry.

Recent US legislation

According to official policies of the Food and Drug Administration (FDA), labeling of GMOs or bioengineered foods (BEs), do not require distinct labeling unless the new food contains an allergen not natively found in non-GMO food, if the food has a different nutritional value, or if the food is generally significantly different. There have been many state initiatives to require GMO labeling, but as of now, only has been successful in its endeavor to enact a GMO labeling obligation, and it is currently being challenged in federal court (Muskowitz 2014).

There have been federal attempts to require GMO labeling in general or of specific foods through congressional legislation, but these bills and amendments have failed in the United States Senate. One popular example is the “Genetically Engineered Food Right-To-Know-Act,” which was authored by California Senator Barbara Boxer in 2013. There were also bills and amendments specifically targeting the production of GMO salmon, which would have been the first GE animal food product, such as Senate Bill 230 in 2011, authored by Alaska Senator Mark Begich. Neither of these measures came remotely close to passage, with both bills being left in the “introduced” stage

according to congress.gov. These are important facts to consider in comparing EU policies with US policies and the possible path to possible alignment of standards in relation to GMO and GE foods.

One major development between the US and the EU food-wise was the mutual recognition of standards for organic foods by the United States Department of Agriculture (USDA) and the EU Organic Program. The agreement, signed February 15, 2012, agrees that products certified as organic by either entity are regarded as adequately labeled and eligible for trade by both certifying agencies, with the exception of food treated with antibiotics, both meat and produce (USDA 2012). This agreement is relevant because it provides a recent example of the US and EU aligning food standards, and shows that these types of agreements are possible in relation to the agri-food industry.

Differences in EU and US policies

I have briefly talked about US policy inaction regarding GMOs, which will be a contentious aspect of regulation alignment related to agriculture, as well as the rectification of organic standards, but just as important will be to understand some of the major differences between the EU and US regarding food safety and GMO labeling.

The EU requires strict labeling of food products that contain GMOs or whose production process has been aided GMOs, even if they are not traceable in the final product. Which GMOs are able to be cultivated in the EU are also highly regulated. Any potential new GM crops must receive official authorization from the European Food Safety Authority (EFSA), which considers a combination of risks related to human health, animal health, and the environment. Currently there is only one GM crop (MON 810, a GM maize owned by Monsanto), being cultivated in the EU, despite there being 8

total crops authorized for cultivation by EFSA (New 2014). In a recent agreement by the European Council in June of 2014, the EU has also allowed for the opportunity for specific Member States to opt out of the GMO authorization by the EU, enabling them to restrict all GMO cultivation in their territories if they wish (New 2014). It could also, although less likely, encourage Member States who are already engaging in GM cultivation to begin producing other approved crops. Frédérique Ries, the Belgian politician who pushed the legislation through parliament, said the legislation will continue to “sign-post a debate which is far from over between pro- and anti-GMO positions.” (European Parliament 2015) As one might imagine, there also strict limitations by the EU on the import of GM crops. There are currently 49 GM crops approved for import into the EU, with the most notable being certain GM soy, maize, and cotton (EU Register of authorized GMOs). The EU actually imports a large amount of GM soy and maize, over forty million tons, primarily for feeding livestock (GMO Compass 2008).

Another major area where EU and US policies diverge is on the use of chemicals used to kill pathogens and bacteria in meat processing. Especially in the poultry industry, the US utilizes pathogen reduction treatments (PRT) that are banned by the EU, such as lactic acid and chlorine rinses (Bureau et al. 2014). As of now, the EU has only approved hot water as an acceptable method for eliminating antimicrobials for poultry, despite the fact that EFSA expressed concern for the EU’s meat inspection procedure and scientifically approved the use of PRTs. This particular regulation is at the center of an ongoing case with the World Trade Organization, with the US claiming that the EU regulations create an unfounded barrier to trade (Johnson 2015).

NTBs are not only restrictive to US exporters to the EU; the US also restricts the import of many EU animal products that do not meet FDA or USDA standards for safety. Most notable of this are beef imports from the EU, which have been completely banned since the late 1990s “mad cow” disease outbreak. The FDA recently lifted the ban, but so far only Ireland has met the safety standards and criteria to export beef to the US (Dalby 2015), and many countries, according to the European Commission, are a “long way” from providing an “equivalent” level of protection from “mad cow.” EU companies also face institutional difficulties exporting dairy products to the US. Achieving “Grade A” status and complying with the “US Pasteurized Milk Ordinance” has proven problematic for EU companies, which is why only two EU companies have been administratively approved to export non-organic milk to the US (Bureau et al. 2015).

How these might affect trade/tariffs if agreed upon

As mentioned previously, in comparison to the industrial sector, trade related to agriculture between the US and EU is relatively limited, accounting for 1.1% and 1.8% of their GDPs respectively. Despite its comparative size, it remains an astoundingly important part of the trade talks and negotiations. Roughly 8% of EU food imports are from the US, and approximately 13% of EU exports go to the US. In 2010, tariff duties on agricultural food products averaged 6.6% in the US and 12.8% in the EU, which supports the author’s ultimate claim that the US agriculture industry has much more to gain from an agreement and the removal of tariffs than the EU does. Not only are these tariffs significantly higher than for most other areas of transatlantic trade, some specific products, such as meat and dairy imports to the EU, carry tariffs upwards of 40%. On

average, however, since 2004 average tariff protection on agricultural goods by both the US and the EU has fallen dramatically, from 9.9% to 6.6% in the US and from 19.1% to 12.8% in the EU (Bureau et al. 2014).

While tariffs and their rates are important, NTBs and non-tariff measures, which reference more policy related barriers to trade are much more significant in regard to agricultural trade between the EU and the US, such as PRTs, GMO labeling and cultivation, and the use of antibiotics in beef. In the study directed by the Agriculture and Rural Development policy department of the European Parliament, they test the growth path for EU and US trade through 2025 considering total tariff liberalization and NTM cuts independently as well as if both were carried out. They found that tariff liberalization alone would account for 18.5% increase in exports from the EU to the US, while US exports to the EU would increase by 30.7%. When NTMs are factored in, however, growth in exports from the EU to the US in the same timeframe would increase by 56.4%, and exports from the US to the EU increased by 116.3%. These numbers are significant because they clearly show that NTMs and NTBs explain almost three-fourths of total projected impact for agricultural trade between the US and the EU, which is why these policies related to food safety and GMOs are relevant, especially for both red and white meats, dairy products, and processed food products (Bureau et al. 2015).

Apprehension regarding changes

While the potential increase of agricultural trade between the US and the EU is great given both tariff liberalization and alignment, or at least mutual recognition, of NTMs, the normalization of food safety practices and production are deeply interconnected with interest groups, political organizations, and public opinion.

Although GMO labeling is popular idea among American citizens, biotechnology firms in the US and the science community at-large both stand behind the safety of GMOs, antibiotic intervention, and PRTs. Proposals for GMO labeling in the US at the federal level, while they are popular among American citizens, face strong opposition from biotech firms and industrial farmers, because they assert that GMO labels are more likely to be read as a warning by American citizens rather than simply a description of the food product, which would heavily deter consumption similar to the effects seen when the EU instituted mandatory labeling laws. To accompany that, the huge growth and popularity of the organic and natural food movement in the US have taken advantage of, and profited, from positive labeling, which means that farmers and distributors have the ability to label their foods as GMO-free, antibiotic-free, or organic. The farming and biotech industry is also heavily supported by many members of US Congress, in part because these industries are large and provide a vital resource, and because they have the support of both the science community and the FDA.

EU citizens prize their food standards, and EU citizens as well as the news media have been active in communicating that negotiations should not alter high EU standards. In fact, EU trade commissioner Cecilia Malmström has reiterated time and again that Europe is “not going to change its laws on GMOs or hormone-treated beef.” (Farmers 2015) To gauge public concern, the EU Commission provided an opt-in consultation exercise through their website in early January of 2015 about ISDS concerns related to the TTIP. They received over 150,000 responses, which is estimated to be the most respondents ever for a consultation survey of this manner in the EU. Most of the responses expressed concern mostly about the ability of multinational corporations using

court systems to challenge EU food and environmental standards (Grice 2015). This resulted in the temporary tabling of the ISDS clause in negotiations, and shows the level of passion of EU citizens in maintaining standards. As said before, even though this thesis is not directly addressing ISDS, most raised concerns related to that clause relate to the topics addressed in this thesis.

In a similar vein, while there are definite economic benefits for the EU food industry with respects to increased access to markets and gains from regulatory convergence, there are several concerns for the EU regarding their agricultural sector. First and foremost, as mentioned before, the risk of altering EU standards rests at the top of issues. There is also apprehension regarding the removal of tariffs if the TTIP includes equivalency agreements rather than regulatory convergence, which is the fear of EU farmers that trade would not be on a “level playing field,” forcing EU food producers to compete with often lower-cost US producers (Bureau et al. 2014). It would be superfluous to include a complete sector-by-sector analysis of potential gains by both the EU and the US given a successful TTIP, but it is important to highlight some of the most important notes identified in the study by Bureau et al. Most notably, the elimination of tariffs and administrative costs would put EU dairy and meat producers as a competitive advantage relative to other third countries. EU producers of oils, wines, and even biofuels would also benefit from tariff reductions and elimination of administrative approval costs, which are a major concern to these producers (Bureau et al. 2014), while the sugar, poultry, and cereal sectors face potential risks (Bureau 2014). As a side note, since the ban on EU beef was lifted last year, Ireland beef producers have expressed excitement as the first EU country to comply with US beef standards, hoping to help fill

an increasing niche market in the US for grass-fed beef (Dalby 2015). It is true there are risks to certain EU sectors, it is also important to note that US producers would also have to adapt in similar ways to EU exporters if they wished to comply with EU regulations. As previously mentioned, the US's potential bilateral export growth is much higher than the EU's, 116.3% to 56.4% respectively, but both do see marked benefits in exports in most sectors. This supports the author's analysis that the US has much more to gain from an agreement than the EU does with regards to agriculture.

The EU's Fight Over Food

Not entirely different from the EU's struggle to rein in NTBs related to environmental standards and emissions, the history and context of the harmonization of Member States' food laws follow a similar trajectory but perhaps with greater emotional and cultural impact. Understanding the EU's challenging history with its own food policies can greatly clarify why there is such strong resistance to a perceived American interference when it comes to food.

When the EC was first established by the Treaty of Rome in 1957, its mechanisms for eliminating NTBs were relatively limited, as we saw in the case with emissions standards. Most, if not all, EU Member States have enduring regulations when it comes to their food, and while many of them were motivated by protectionism, a sizable number were part of national customs and closely held traditions. German beer, French cheese, Italian pasta, and a host of others play a distinct role in how many Europeans identify with their own national homeland. Over the course of thirty years, the EU had the undesirable task of deciding which of these food regulations served a purpose of

consumer safety and which ones were effectively NTBs, despite their cultural value (Vogel 1995).

After the EC's first directive in 1962, which outlined which types of colorings were permitted in food, it took fourteen years to issue a directive detailing the composition of jams, jellies, and marmalades. Because all Council directives had to be approved unanimously by Member States at the time, progress was dauntingly slow. By the late 1970s, the EC's leadership went so far as to say that its goals of eliminating NTB's with regards to food were "unrealistic." In 1979, the European Court made a decision in a case commonly referred to as *Cassis de Dijon* that created a precedent for mutual recognition and finally gave the EC some of the legitimacy it needed to eliminate NTBs. The case struck down a German labeling law that required any alcohol labeled as a "liqueur" must have at least 25 percent alcohol content, which prohibited the import of a French liqueur called Cassis de Dijon. The Court decided that the law had nothing to do with public health or consumer protection (Vogel 1995).

The *Cassis* case provided the basis for the elimination of other regulatory standards, such as Italy's statute prohibiting the sale of all vinegar except wine vinegar as well as a Dutch ban on French bread imports that did not meet the strict guidelines of their bread order. However, this ability was confined to the European Court. The passage of the SEA in 1987 eliminated the need for unanimity in Council decisions and set a goal for a perfection of the common market by 1992 (Vogel 1995).

The dismissal of standards related to food did not go unnoticed. A challenge to Germany's *Reinheitsgebot* standard, a centuries-old law strictly prohibiting the sale of beer with additives in Germany, was met with protests and a petition from the German

Brewers Association that amassed over 2.5 million supporters. Germany was not alone; in 1991 France had major political upheaval when the EC made a proposal to restrict the level of bacteria in cheese. The backlash was so intense from the French population and officials that the Commission abandoned the proposal and instead created a simple labeling directive for unpasteurized dairy products. To show the contempt, which possibly resembles the current resistance to American foods and GMOs, Vogel cites an editorial in *Le Figaro* saying “Are we to be condemned to eat standardized, aseptic, industrialized cheese?” (Vogel 1995).

While there are many more examples of turmoil over food regulations, such as Italy’s strict definition of pasta and Great Britain’s reaction when popular potato chips were almost banned (Vogel 1995), these provide glimpses into the reasons why EU citizens are protective and often proud of their food standards. Like Germany or France, many Member States’ feel their culinary heritage has already been altered in the name of trade liberalization in the EU, and to further augment standards at the bequest of the US, a young country without an ancient food heritage, might seem downright blasphemous.

Environmental Policy and Ideology, Voting Behavior

There are many reasons an elected official could vote a particular way on any particular proposed policy: popularity among constituents, benefits to one’s state or district, and espoused political ideology come to mind for an idealist. Many also recognize that campaign finance, party pressures, and political payoffs are also in play when it comes to votes in Congress. Are all of these factors necessarily separate, and how might certain influences take precedence over others for issues of environmental policy?

The best way to systematically examine voter tendency will be to look at congressional trends, and apply the assumptions learned from those trends to specific policy proposals and votes to determine if they can be verified, which will be explored and explained as we continue to the central question of the thesis.

In “ ‘Green’ Voting and Ideology: LCV Scores and Roll-Call Voting in the US Senate, 1988-1989,” Jon Nelson organizes and analyses senate voting data over a decade to determine why elected officials vote for certain environmental policies. He uses the annual data collected from a “scorecard” produced annually from the League of Conservation Voters. Every year, the LCV produces a compilation of all of the “green” votes that have come before Congress over the past year and declares when yes/no votes would be considered the “right” vote. They then issue a score for each congressman or congresswoman based on his or her voting record on the selected number of votes.

Because LCV scores are not directly transferrable across years or congresses due to different legislation and changing voting members, the author formulates a method to “deflate” and adjust LCV scores to measure the relative weights of (1) the general electorate, (2) the senator’s specific support constituency, (3) party leadership, and (4) ideology across 130 roll-call votes in the US senate from 1988 – 1998. An important note is that the author defines ideology in this study as a combination of party affiliation and geographic region instead of a simple liberal-conservative division. To determine the weight of ideology on voting, he measures the effects of non-ideology weights first, such as first-term status, lame-duck status, and election margins in the previous election of that senator. There were generally small correlations for these, but one important finding was that new senators tend to place more weight on the support constituency than the

influence of party leadership, which he found to be the opposite for long-term senators (Nelson 2002). Also relevant is that an elected official's support constituency carries a higher weight with voting patterns than the general electorate, which is to be expected (Nelson 2002). The first important conclusion of the study is that he found ideology, in 74% of cases, aligned with a combination of party affiliation and region. The next and most important conclusion of the study is that after a regression analysis was performed, a senator's ideology was by far the most important variable for voting profiles in relation to environmental issues, receiving a weight of 0.68, while party leadership and total constituency influence had a weight of 0.16 respectively (Nelson 2002). These findings provide a good outline moving forward for the remainder of the thesis and for both my data collection and analysis, namely that regional location and party affiliation will likely dictate votes, and when outliers to these norms are recognized, those instances can be more critically evaluated.

I am specifically interested in "green" voting and regulatory issues, because environmental issues and how they factor into production and industry represent a large part of regulatory divergences between the EU and the US. Given that information regarding negotiations are still relatively private and involve heads of state and high level working groups, specific regulatory imbalances that will be addressed in the TTIP are not yet obvious to the public, but it is reasonable to assume that employee safety, toxic emissions, and corporate accountability with regards to the environment are central to discussions. Although much attention is also being paid to investor state dispute settlements (ISDS), this thesis will primarily focus itself on likely environmental and human safety concerns. This is not to shrug the importance of topics like banking

regulation and details dealing with disputes between corporations and governments, but rather to focus the research and data on a topic that can reasonably be researched and studied within the scope of this project. Also, alignment or mutual recognition of regulatory practices rest at the core of free trade agreements, and the distance between environmental regulatory issues and general regulatory issues, as discussed by Vogel, is not great.

This thesis will address the many nuances that will ultimately affect negotiations and decision making, such as the approval of Trade Promotion Authority (TPA) or “fast track”, the simultaneous interest of the US in the TPP, as well as the roll that agriculture and food policies will play in the process. These are all extremely important and will guide my conclusions, but they will be assisted quantitative data collected from votes in the US Senate, similar to Nelson’s study, about the role of ideology in voting for regulatory, specifically environmental, policy. Through the data collected, I will attempt to conclude whether ideology or other factors have statistically significant effects on voting behavior, and extrapolate those findings given the complex context of the TTIP. By investigating ideology, I hope to gain a sense of the factors that affect the votes of US Senators, contrasting “free trade” inclination, which is normally considered a “conservative” ideology, and the value placed on environmental regulations, which is generally labeled as a “liberal” ideological stance. The conclusion of the thesis, which will be a speculative survey of possible outcomes of the TTIP, will consider previously mentioned factors, including GMOs and food safety, TPA, stance of the EU Parliament, and sense of the current US administration about the TTIP. The speculation about these dynamics will be bolstered by my statistical findings derived from “green” voting data

from recent years in the US Senate.

It is important to note here that the statistical analysis of voting data will focus specifically on votes in the US Senate due to a number of factors. The first reason, which applies to both the US House of Representatives and the European Parliament, is the size of the data sets. At 435 and 751 members, respectively, the size of the voting bodies present difficulties for data collection given the time constraint and size of this paper. The second reason, which is perhaps the most important and applies specifically to the EP, is that European political parties have taken official voting stances on the TTIP, which has not explicitly happened yet in the US. By looking at votes in the US Senate specifically, it keeps the data set manageable, while enabling the paper to pointedly consider the US's potential adoption of the TTIP in light of current and reported legislative support in the EU.

Methodology

To speculate the possible outcomes of the TTIP in both negotiations and in US Congress, I selected three recent pieces of legislation that have been voted on in the US Senate, as well as include some of their most applicable amendments in the data. All three of the pieces of legislation chosen, House Resolution 6 (HR6), Energy Independence and Security Act of 2007, Senate Bill 2280 (S. 2280) Keystone XL Pipeline of 2014, and Senate Bill 1813 (S. 1813) Moving Ahead for Progress in the 21st Century Act of 2012 (MAP-21), were identified by League of Conservation Voters (LCV) in Scorecards for their respective years. For MAP-21 specifically, its amendment

votes were most interesting and relevant to this thesis, and the data and its analysis will reflect and communicate the value and relevancy of each bill's vote and Senate actions.

Initial information about each bill was collected from LCV Scorecards and recorded according to roll call vote data from congress.gov. Bills were selected based upon their activity in the senate and their voter thresholds. Votes that tended to be almost entirely partisan or were not brought to debate on the senate floor were avoided. I did include amendments to bills and considered their cloture votes in the data sets; however, I make it important to note that cloture votes are not necessarily equivalent to "yea" or "nay" votes when considering the enactment of legislation, which is why they were avoided in the anchor legislation.

Because I wanted to identify the role of ideology in congressional voting, specifically the senate, certain non-ideological variables needed to be accounted for to effectively isolate the weight of ideology in decision-making and voting. For each piece of legislation, I recorded senators' votes, region of the United States in which they serve in accordance with the US Census Bureau's designated regions, party affiliation, whether they were a freshman senator, any observable bias for particular legislation, and both liberal and conservative ideology quotients, which were provided by Americans for Democratic Action (liberal) and FreedomWorks (conservative).

The values were recorded as binary values, with the exception of regional identification and independent party identification. A "yea" vote was recorded as "0" and a "nay" vote was recorded as "1" for all pieces of legislation, regardless of whether the vote was considered a pro-environmental vote by the LCV, but will be accounted for in the analysis of data. Non-freshman senators were denoted by a "0," and freshman

senators were recorded as a “1.” States were grouped into regions in alignment with regional identification provided by the United States Census Bureau, and were coded with West as “0”, Midwest as “1”, South as “2”, and the Northeast as “3.” For political party affiliation, Democrats were coded as “0,” Republicans as “1,” and Independent senators were coded as “2.” Observed biases were coded independently for each bill, and will be discussed in the following paragraph.

In general, I searched for biases that could have resulted in a stray from party-line voting. Because of the breadth of topics and issues covered by the selected legislation, detected biases could not be equivalent across all pieces of legislation, and are thus, perhaps, subject to scrutiny. By that, I mean that the same biases do not exist for each piece of legislation, and are independent of one another and specific to each piece of legislation or amendments. This is a primary reason why data sets remained separate for processing rather than being merged into one large data set, aside from being compiled from different years and congressional sessions. The first observed bias I searched for in legislation was specific language in the bill that affected or directly referenced a senator’s state. If this bias was not clear (as it was in the Keystone Pipeline approval), I also searched for obvious industry indicators that could influence senators’ vote, such as Michigan’s auto-industry or West Virginia’s coal industry, which could help distinguish nonpartisan voting that could instead align with their respective constituencies. When neither of these indicators were clear, to avoid assumptions, I referenced campaign contribution data provided by maplight.org, which provides detailed information about interest groups who support/oppose specific legislation and their campaign contributions. Large differences in campaign contributions to candidates from interest groups identified

as “supporters/opposition” were coded as biases in data collection when present and when other, more direct biases could not be identified.

The liberal and conservative quotients were collected from scorecards produced by both Americans for Democratic Action (ADA) and FreedomWorks to ensure that both conservative and liberal ideology quotients were considered and to protect the results from the possibility that one metric was more biased than the other. These measures were used instead of the LCV scores due to the natural bias related to environmental legislation for that organization; by using general ideology scores, which are based on voting patterns on a wide array of legislation, the data avoids additional bias. ADA metrics were recorded as values between .00 and 1.00, with .00 being the least liberal and 1.00 being the most liberal. FreedomWorks metrics functioned the same way, with .00 being the least conservative and 1.00 being the most conservative. Both of these organizations score based upon a selected set of legislation and how senators voted on their selected set of legislation in a specific congressional session.

Since the purpose of this thesis was to reasonably predict how the US Senate might respond to votes related to the TTIP, I utilized a probit regression to analyze the data, because it provides results relative to both likelihood and magnitude in regards to chosen variables. All data sets were processed using a probit regression model twice, once measuring ideology by the liberal quotient and again measuring ideology by the conservative quotient and examining the effects of this particular variable in relation to the other predictors: region, observed bias, and freshman or non-freshman status. Probit regression is most useful in this context because the model will calculate a predicted probability of a “no” vote by using the cumulative distribution function of the standard

normal (cite) – the model is predicting the probability of a “no” vote because it is the value with the representation of “1”. While it does provide a measurement for magnitude, it most accurately defines the direction of the effect of our latent variable and specified predictors (region, bias, and freshman status) on the likelihood to vote “no” on specific legislation. The results of the probit regression will be interpreted according to the coefficients, confidence intervals, and standard error, which reveal how reliable the specific coefficient will be at predicting an outcome, which is a vote in this case. The coefficient will measure the marginal effects of each predictor on the vote. For example, the coefficient might show the effect that for every “X” increase in a liberal quotient score, the likelihood that a senator votes “no” increases taking into account the size of the coefficient and whether it is positive or negative, with the absolute value dictating the magnitude and whether it is negative or positive denoting the direction.

Using this model, I will identify the statistically significant variables and apply the interpretation of the coefficients into meaningful assumptions about potential votes relating to the TTIP, such as the granting of TPA and the actual approval of an agreement. These results will help to direct my discussion of the legislation and senators’ votes, as well as guide my conclusions on the interaction of free trade and regulatory ideology, which will be at the nucleus of decisions made regarding the TTIP in the senate.

Data, Analysis and Results

In this section, I will introduce each piece of legislation individually, discussing the aims of legislation, information about specific senate votes, and other observations

made while collecting the initial data. Then I will introduce the table(s) for that piece of legislation and explain the results of the probit regression. After all pieces of legislation have been introduced and the results explained, I will talk more generally about the findings and potential commonalities that exist across the results.

Senate Bill 1813, Moving Ahead for Progress in the 21st Century Act (MAP – 21)

MAP-21, at its base, was a massive infrastructure reauthorization bill that also included restructuring of contract management, new distribution formulas for transportation projects, and increased focus on developing a national freight policy, with \$105 billion being the total cost of the two-year bill (League of Conservation Voters 2012). While this legislation itself was not innately pertinent to this thesis, it had a host of amendments that prove relevant to our discussion about ideology relating to environmental standards and voting. MAP-21 itself is also not negligible, as it restructures the environmental review process for infrastructure projects, making it more difficult for cities and states to prolong the environmental review process (congress.gov, S 1813, 2012). This allows for environmental reviews to occur in closer proximity to the completion of the project, which allows for more relevant and accurate projections of environmental impacts. The bill passed overwhelmingly with 74 senators voting yes and only 22 voting no (U.S Senate Roll Call Vote 2012a).

I chose three amendments to include in my analysis, only one of which made it into the final version of MAP-21. The first amendment I chose was Senate Amendment 1660, known as the EPA Regulatory Relief Act of 2011. The amendment was intended to prevent and remove EPA standards found in the Clean Air Act specifically related to industrial boilers and incinerators that regulated the amount of mercury, lead, and other

air pollutants that could legally be emitted. The amendment ultimately failed to meet cloture by a vote of 52-46. Voting “no” for the amendment was considered the pro-environmental vote by LCV (League of Conservation Voters 2012). Senator Brown (MA) was the only Republican senator to vote against the amendment, while eight Democrats voted in favor of the Amendment: Pryor (AR), Landrieu (LA), Stabenow (MI), McCaskill (MO), Nelson (NE), Casey (PA), Manchin (WV), and Kohl (WI) (U.S. Senate Roll Call Vote 2012b). Because direct biases were not detected in the texts of the amendment, I used maplight.org and its data on campaign contributions to compare how much money candidates received from interest groups who opposed the amendment versus groups who supported the amendment. Seven of the eight Democrats who voted for the amendment, with Senator Kohl as the exception, received significantly more campaign funding from interest groups who supported the amendment than from groups who opposed the amendment.¹ However, it is important to note that Senator Brown, who did not vote for the amendment, also received significantly more from supportive groups than from opposition groups.² Some of this can be explained by the relatively low amount of total campaign contributions by opposition groups in general.

The next amendment I included for vote analysis was Senate Amendment 1812, which was officially titled Extension of Clean Energy Tax Credits. This amendment failed to meet cloture by a vote of 49-49 (U.S. Senate Roll Call Vote 2012c). The amendment would have extended many expiring tax incentives for clean energy originally included in the American Recovery and Reinvestment Act of 2009, such as the Production and Investment Tax Credits for the wind industry and the Efficient

¹ Manchin, \$1.1 million from supportive groups vs. \$25,000 from opposing. Pryor, \$443,000 vs

² Brown, \$1.7 million vs \$12,000.

Appliances Tax Credit (League of Conservation Voters 2012). The vote was extremely partisan, with no Republican senators voting in favor of moving to debate and only two Democratic senators, McCaskill (MO) and Manchin (WV), voting against the amendment. There were no observed biases.

The third amendment, and the only one of the three to be passed by the Senate was Senate Amendment 1822, the RESTORE Act and increasing funding to the Land and Water Conservation Fund (LWCF). The first part of the amendment created a trust designated to help rebuild and restore communities and habitats on the Gulf Coast, which would be 80% funded by fees and penalties paid by parties responsible for the Deepwater Horizon oil spill in 2010. Gulf Coast states eligible for funds were specifically named by the amendment and included Texas, Louisiana, Mississippi, Alabama, and Florida (S. Amdt 1822 to S 1813 2012). The second goal of the amendment was to increase funding to the LWCF by \$700 million per year for two years. The only senator from a Gulf Coast state to vote against the amendment was Senator Rubio from Florida (U.S Senate Roll Call Vote 2012d).

After introducing the various parts of this legislation and the data collected, we will now look at the results from the probit regression for voting data on MAP-21. Because Senate Amendment 1822 was ultimately included in the legislation, its biases are included in the model as a predictor for MAP-21. First, we will look at the results from the regression that included the liberal quotient value as one of its predictors.

| vote | Coefficient | Standard Error | z | P > z | 95% Confidence Interval |
|--------------|-------------|----------------|-------|--------|-------------------------|
| freshman | .37 | .55 | 0.68 | 0.49 | -.70 1.45 |
| 1 (Midwest) | -.87 | .78 | -1.11 | 0.27 | -2.39 .66 |
| 2 (South) | -1.37 | .79 | -1.73 | 0.08 | -2.92 .18 |
| 3(Northeast) | .42 | 1.69 | 0.25 | 0.81 | -2.89 3.72 |
| newbias | -.95 | .66 | -1.45 | 0.15 | -2.24 .33 |
| libquotient | -9.05 | 3.11 | -2.91 | 0.00 | -15.16 -2.95 |
| _cons | 1.93 | .77 | 2.49 | 0.01 | .41 3.44 |

This table reflects results based upon a total of 96 observations and has a Likelihood Ratio of 62.68, which means that it is reasonable to conclude that at least one of the predictor's coefficients is not equal to zero. The $P > |z|$ is used to determine whether or not a coefficient is statistically significant. To be statistically significant, the value needs to fall below a given alpha, which is 0.1 in this case, in order to reject the null hypothesis that the coefficient for that "z" value could be equal to zero. Given this information, it can be determined that the predictor coefficients for the southern region and for the liberal quotient are statistically significant and cannot be equal to zero. Being from a southern state made the average senator slightly more likely to vote yes on this bill, with a coefficient of -1.37 . The other statistically significant coefficient for this model belongs to the liberal quotient predictor, which shows a very strong relationship

between high liberal quotient scores and voting yes. With a coefficient value of -9.05 , we see that marginal increases in the liberal quotient greatly decreased the chances that a senator would vote no for MAP-21. Next, we will observe the same model but with the conservative quotient predictor instead of the liberal quotient predictor.

| Vote | Coefficient | Standard Error | z | P > z | 95% Confidence Interval |
|---------------|-------------|----------------|-------|--------|-------------------------|
| Freshman | .31 | .60 | 0.52 | 0.60 | -0.86 1.49 |
| 1 (Midwest) | -.81 | .77 | -1.04 | 0.30 | -2.32 .71 |
| 2 (South) | -.97 | .78 | -1.24 | 0.21 | -2.51 .56 |
| 3 (Northeast) | .13 | 1.22 | 0.10 | 0.92 | -2.27 2.52 |
| newbias | -1.03 | .68 | -1.51 | 0.13 | -2.37 .30 |
| conquotient | 5.79 | 1.49 | 3.89 | 0.00 | 2.87 8.71 |
| _cons | -3.11 | .10 | -3.11 | 0.00 | -5.07 -1.15 |

This table also reflects the results of 96 observations, but with a slightly higher Likelihood Ratio of 64.29. The conservative quotient is the only statistically significant with a statistically significant coefficient, with a $P > |z|$ value of 0.00. A coefficient of 5.79 implies a strong, although not as strong as higher liberal quotients, indication that marginal increases conservative ideology quotients also increase the probability that a senator would vote no.

In both models, ideology scores were statistically significant. Only one other predictor, being from the South, was statistically significant and only in the dataset using the liberal ideology quotient. These are important because we observed a smaller (absolute value) coefficient for the southern predictor (-1.37) than for both ideological quotients, which supports the hypothesis that ideology was the most important factor for this specific vote and that ideology scores were sufficient to reasonably predict a yes or no vote.

Senate Bill 2280, Keystone XL Pipeline Approval, 2014

Although this was a cloture vote, I chose the KXL approval for an analysis because it embodied an environmental and regulatory “stand-off” in the US Senate. KXL was an intensely politicized bill, which finally passed in the newly elected 113th Congress and was ultimately vetoed by President Obama. This particular KXL approval bill would have authorized the TransCanada Keystone Pipeline and also included language that restricted legal challenges to its construction and prohibited further environmental impact reviews. The vote ultimately failed to meet the 60 vote threshold, in a 59-41 vote. The construction of the pipeline would have an estimated \$3.4 billion impact on the US economy, create 42,000 temporary jobs, only 35 of which would be permanent (League of Conservation Voters 2014). Opposition primarily came from environmental groups opposed to “fracking,” a technique used to mine shale oil. Many environmental groups also questioned the continued push for more oil, which they contend continues to erode the opportunity to invest in renewable energy sources.

Members of Congress, lobbyists, and the media have consistently pitched the KXL approval battle, which began in the summer of 2012, as a “jobs versus the

environment” dilemma. No Republican senators voted against the measure. Fourteen senate Democrats voted for S. 2280: Begich (AK), Bennet (CO), Carper (DE), Casey (PA), Donnelly (IN), Hagan (NC), Heitkamp (ND), Landrieu (LA), Manchin (WV), McCaskill (MO), Pryor (AR), Tester (MT), Walsh (MT), and Warner (VA) (U.S. Senate Roll Call Vote 2014). I recorded biases for state senators who represented a state directly impacted by either construction of the pipeline or increased flow to oil refineries, which included the states of Montana, South Dakota, Nebraska, Kansas, Oklahoma, Texas, Louisiana, Missouri, and Illinois. Before introducing the table for S. 2280, it is important to indicate why there will only be one table for this bill to analyze. When data using the liberal quotient was used as a predictor variable, it was unable to estimate the weight or effects of other predictors, because in every case a liberal quotient greater than .85 perfectly predicted a senate votes. Although this is not a full analysis of a table, it is also a result by itself. Senators who were ideologically liberal at or above that value, which also happened to be the ideological average for Senate Democrats, voted against the measure in all cases. Next, I will observe the model using the conservative quotient as a predictor.

| Vote | Coefficient | Standard Error | z | P > z | 95% Confidence Interval |
|---------------|-------------|----------------|-------|--------|-------------------------|
| Freshman | -.26 | .49 | -0.54 | 0.59 | -1.22 .70 |
| 1 (Midwest) | .34 | .56 | 0.61 | 0.54 | -.76 1.44 |
| 2 (South) | -.72 | .52 | -.14 | 0.17 | -1.74 .30 |
| 3 (Northeast) | .80 | .59 | 1.35 | 0.18 | -.36 1.96 |
| newbias | 1.28 | .66 | 1.94 | 0.05 | -.013 2.57 |
| conquotient | -7.40 | 2.84 | -2.61 | 0.01 | -12.97 -1.84 |
| _cons | -.35 | .67 | -0.52 | 0.61 | -1.67 .97 |

This table reflects a total of 100 observations, with a Likelihood Ratio of 81.78, so we can be reasonably certain that at least one of the predictor coefficients would not be equal to zero. The alpha value used to reject the null hypothesis is 0.1, which indicates that coefficients for both detected biases and the conservative quotients are statistically significant, as they have $P > |z|$ values less than 0.1. Most puzzling about this result is that the positive coefficient for the bias predictor predicts an increased likelihood that a senator would vote no for KXL approval. Although this result is curious, it could also be to the relatively large number of high conservative quotients in the states which were marked as biased, as well as the large number of states observed to have a bias. The relatively low coefficient of 1.28 does not, however, indicate a strong increase in likelihood for voting no when compared with our next predictor. The other statistically

significant coefficient is for the conservative quotient, which has a value of -7.40 , which indicates a strong correlation with higher conservative quotients leading to a decreased likelihood that senators would vote no. This is a relevant result, because it also indicates that votes can largely be predicted by a reported ideology.

House Resolution 6, Energy Independence and Security Act of 2007

The Energy Independence and Security Act of 2007 is arguably one of the most notable pieces of “green” legislation to actually be enacted in the last several years at the federal level. The bill raised the automobile fuel efficiency standard for a fleet to 35 miles per gallon to be met by 2020, which would ultimately eliminate over 206 metric tons of carbon emissions by that year. The bill also created new energy efficiency standards for federal buildings and appliances, established new safeguards for consumers against price gouging, and committed the US to developing 15 billion gallons of renewable fuels by 2015, and set a biofuel production target of 36 billion gallons by the year 2022. Also included in the original bill, but ultimately stripped in the senate version, were measures that would require 15 percent of electricity produced by utilities to come from renewable sources as well as cancel several oil subsidies and, instead, replace them with incentives and tax credits for renewable energy. The final senate passage, which excluded the renewable energy mandate and tax incentives for renewables passed with a senate vote of 65-27 (League of Conservation Voters 2007). To preface these tables, there were very few observed biases found for the bill. The most notable is for both of Michigan’s Democratic senators, who largely represent the automobile industry and their many employees in their state. In both models, the predictor variable for the Northeast was also

removed due to a complete failure prediction, similar to our removal of the liberal quotient for KXL. First is the model with the liberal quotient as a predictor variable.

| Vote | Coefficient | Standard Error | z | P > z | 95% Confidence Interval |
|---------------|-------------|----------------|-------|----------------|-------------------------|
| Freshman | .23 | .72 | 0.32 | 0.75 | -1.17 1.63 |
| 1 (Midwest) | .79 | .56 | 1.42 | 0.16 | -.30 1.89 |
| 2 (South) | .77 | .46 | 1.66 | 0.10 (.097) | -.14 1.68 |
| 3 (Northeast) | 0 | X | X | X | X |
| Newbias | 1.44 | .65 | 2.22 | 0.03 | .17 2.71 |
| Libquotient | -3.05 | .71 | -4.30 | 0.00 | -4.43 -1.66 |
| _cons | .31 | .40 | 0.79 | 0.43 | -.46 1.09 |

Due to the removal of the Northeast predictor, as previously mentioned, this table represents 74 total observations (18 observations were dropped), with a Likelihood Ratio of 36.19. The alpha level is 0.1, which indicates statistically significant coefficients for the southern, bias, and liberal quotient predictors, all of which have a $P > |z|$ value of less than 0.1. This indicates that being from the south made it more likely that a senator voted no, with a coefficient value of .77. Senators for whom biases were observed were also more likely to vote no, with a coefficient value of 1.44. The strongest coefficient value is for the liberal quotient predictor with a value of -3.05 , which predicts that marginal increases in the liberal ideology score made it more likely that a senator would vote yes.

Now we will look at the results for the probit regression model using the conservative ideology score as a predictor variable.

| Vote | Coefficients | Standard Error | z | P > z | 95% Confidence Variable |
|---------------|--------------|----------------|-------|--------|-------------------------|
| Freshman | -.20 | .72 | -0.28 | 0.78 | -1.62 1.21 |
| 1 (Midwest) | .61 | .55 | 1.11 | 0.27 | -.47 1.70 |
| 2 (South) | .81 | .48 | 1.69 | 0.09 | -.13 1.75 |
| 3 (Northeast) | 0 | X | X | X | X |
| Newbias | 1.43 | .66 | 2.18 | 0.03 | .14 2.73 |
| Conquotient | 3.47 | .77 | 4.50 | 0.00 | 1.96 4.99 |
| _cons | -2.31 | .56 | -4.12 | 0.00 | -3.41 -1.21 |

As in the last set of results, the Northeast predictor has also been removed here.

This table represents 73 total observations with a Likelihood Ratio of 39.12. The alpha level for this model is also 0.1, which indicates three total statistically significant predictor coefficients, which are for the South, bias, and conservative quotient predictors. In this regression, a senator from the south was also more likely to vote no, with a coefficient value of .81, which is the weakest probability coefficient of the three significant coefficients. Senators who had an observed bias were also more likely to vote no with a coefficient of 1.44. The coefficient for the conservative quotient is also statistically significant, and with coefficient value of 3.47, indicates that increases in

conservative ideology score increased the probability of a senator to vote no on HR6. Both of these regression models revealed the same three statistically significant predictor variables, which were being from the south, bias, and ideology. In both tables, being from the south and having a bias made it more likely that a senator would vote no. However the strongest predictors for both regressions were the ideology quotients, indicating that ideology was the most important factor in being able to reasonably predict a senator's vote.

Conclusion

To conclude the thesis, I will speculate outcomes of the TTIP negotiations as well as recognize both the applicability of the research and the limitations of the results. Since I am seeking to make predictions about a future agreement, the conclusion will draw on the variety of qualitative and contextual information about the US and EU, as well as the results from the more directed study of US senatorial voting. Trade agreements naturally involve complex systems and relationships, and the potential relationship between the US and the EU is no different. As mentioned previously, it took many current EU member nations decades to harmonize food, environmental, and trade regulations. A similar shadow looms over the TTIP as the agreement has sparked resistance from EU citizens and skepticism from some Americans. The previous discussions about the formulation of policies in both the US and EU remain intensely important, and will help to understand the statistical results.

What do the results say?

The most important takeaway from the empirical analysis is that measured ideology is extremely helpful for understanding voting behavior, especially on environmental and regulatory issues. Contrary to my expectations, the impact of other factors, such as length in office, regional identification, or perceived biases for a bill were not routinely significant for voting outcome. The significant impact of ideology in all of the data sets brings the primary question in the debate surrounding free trade to the forefront: how will ideologies that generally support free trade be rectified with ideologies that generally support stricter regulations? This is conceivably difficult to measure, but this question will guide the final discussion regarding the various possible outcomes of the TTIP.

TPA, a Double-Edged Sword

Much of the future of the TTIP will hinge on Congress' decision of granting the President "fast track" or TPA authority, which would allow the President to continue trade negotiations and ultimately present Congress with a "yes" or "no" option when voting to pass the agreement. Both the EU and US have definitive structures for how to handle trade agreements, but the EU's is relatively straightforward comparatively. The European Commission leads negotiations with the US, which will then present the TTIP to both the EP and 28 Member State Parliaments for consent and ratification. Interestingly enough, the EP voted in May of 2013 with 78% approval for the EC to begin negotiations with the US.

Since the passage of the Trade Act of 1974, the power to enter trade negotiations resides with the President, but Congress retains the right to amend, debate, and vote on

the agreement unless “Fast Track” authority is passed, which was also created in the 1974 Act. TPA has been effectively granted many times, and only one Free Trade Agreement has been successfully negotiated and approved by Congress without TPA (Fergusson and Beth 2015).

As of April 16, 2015 US lawmakers reached a Bipartisan Congressional Trade Priorities Act (BCTPA) agreement they plan to bring to vote before the end of this legislative session, mirroring the same BCTPA that failed to pass in time before the end of 2014 (Palmer 2015). The specific bill grants TPA to the President for agreements signed before July 1, 2018 or July 1, 2021 if an extension is requested (Fergusson and Beth 2015). Senator Jon Thune expressed his support of TPA because it “gives our trading partners the confidence to put their best offers on the table” (Palmer 2015). If years are spent negotiating a trade agreement only to be picked apart, amended, and changed by Congress, how much confidence would other parties have in the process, even without considering politics?

One thing is fairly certain, without TPA there is almost assuredly no TTIP. But why exactly did I describe the granting of TPA as a double-edged sword? The quick answer is the TPP, which has dominated much of the American news coverage related to the bill. Liberal members of the Senate and House fear that an agreement with a host of Asian nations could result in an exodus of jobs and lower wages, while not entirely addressing labor standards in countries like Vietnam or protectionist policies in Japan. The passage of TPA has also been rushed, as negotiations for the TPP are likely to conclude in the coming months, which has led to distrust not too dissimilar from EU lawmakers about the TTIP. President Obama expressly asked for the approval of TPA in

his State of the Union address in 2014, and Joni Ernst also mentioned general support in her Republican rebuttal for her party's interest in free trade, assumingly in regards to the TPP. Not only does President Obama face opposition for TPA from liberal members of Congress, but he also faces opposition from some of the most conservative members of Congress, who simply distrust the President's interests in foreign trade (Palmer 2015). There is also the uncertainty given the length of TPA, which would extend at least until 2018 and qualify the next President to act under its authority (Fergusson and Beth 2015). This aspect, coupled with uncertainty of the agreements themselves, has finally ignited the discussion in the US about these two major free trade agreements. While EU Trade Commissioner Cecilia Malmström has expressed that she is "not in a hurry" to finish the trade negotiations, she also expressed that getting the bulk of the agreement done before Obama leaves office would be "fantastic" (Traynor 2014).

The Future of the TTIP

Echoing the previous section, the outcome of the TTIP is dependent on a number of factors including TPA, but also when the negotiations finish, and the actual votes of the EP, Member States, and Congress. These speculations will operate under the assumption that TPA is passed in this session and is extended at least until 2018 as outlined in the current BCTRA (Fergusson and Beth 2015).

If ideology is to play as important of a role important in voting as suggested by the empirical results, which also echoed the findings of Jon Nelson mentioned earlier, then the collision of "conservative" and "liberal" ideologies have to be measured. If the bulk of negotiations are carried out by President Barack Obama, which is the goal of his

administration, the probability of some US concessions on topics such as GMOs and environmental regulation being included in the trade agreement is likely. Since we do not know who the future President will be, it cannot be said for certain what their influences over the negotiations could be. I make this prediction for a number of reasons, the most important of which the general favorability of Americans towards trade with Europe, the muddled ideology at play in the TTIP, Americans' expressed interest in making EU and US standards more similar, and the much more hardline stance taken by the EU and its citizens on the protection of standards.

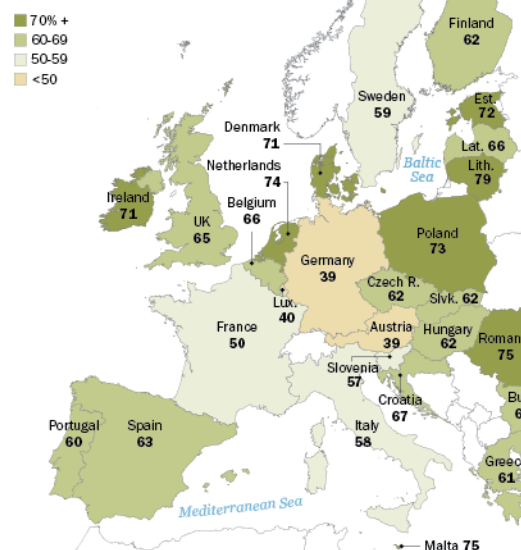
The first point echoes the statistics mentioned much earlier from Pew Research Center in 2014, in which 76% percent of Americans supported making EU and American standards for products and services similar, despite a mixed view on trade in general. While this does not predict no political opposition to the TTIP, it does show that the backlash to harmonizing standards would not be as large of a factor as it already is in the EU. Given that TPA is passed and the current President handles a majority of negotiations, the TTIP will naturally mesh conservative and liberal ideologies, which were shown in the empirical section to greatly determine voting behavior. Some aspects of a negotiated TTIP will likely appeal to more liberal members of the electorate, while others could appeal to more conservative voters. Because Congress is limited to "yes" or "no" votes, passing the TTIP would generally be considered an ideological positive for all lawmakers who do not fall on the extremes of the political spectrum. As seen in the data, the uniformity in voting behavior increased with marginal increases in ideology scores in most cases, meaning that the closer ideology scores were to 0 or 100, the likelihood for an "expected" vote increased, sometimes even to complete solidarity.

The final and extremely important factor is the action of the EP and Member States' Parliaments. Because ratification of the TTIP requires the approval of 28 Member States, the question of passage extends beyond the support of the EP, which the TTIP currently enjoys. As evidenced by the outpouring and active opposition to the TTIP in the EU, the EU feels it has "more to lose" in the agreement in general than the US does, while the US also has more to gain from increased trade. In this sense, the reiterated stance of the EU that they will not lower their standards for the TTIP makes the US more apt and willing to make concessions than the EU. Where the US can generally fall back on defending a moderate trade agreement in which they financially benefit more than the EU, the EU is bound by heightened scrutiny and fewer total benefits. As mentioned in both the discussions of emissions standards and policies related to food safety concerns, many citizens and governments in many Member States already feel like they have made concessions on these issues to the EU.

I have mostly talked about the EU as a conglomerate, but when considering the ratification and its likelihood by all Member States, I want to finally look at a map depicting the varying levels of support for the TTIP by Member States (Stokes 2015).

EU Support for a Free Trade Agreement with the U.S.

% in each country saying they are for a free trade and investment agreement between the EU and the USA



Note: In Cyprus, not pictured, 59% support a EU-US trade agreement.
Source: November 2014 Eurobarometer survey.

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While not directly indicative of voting, the map makes clear which countries are the most generally supportive of the TTIP. The only three countries to fall below 50% are Germany, Austria, and Luxembourg, with France at 50% exactly as of November 2014. The biggest supporters of the TTIP according to the survey are newer Member States, the smaller, richer states, as well as those most affected by the economic downturn and financial crisis (Stokes 2015). Interestingly enough, Germany and its two largest political parties, the Christian Democratic Union and the Social Democratic Party, were initially avid supporters of the agreement, which makes sense given Germany's export capabilities. In a recent article for *The Guardian*, Ian Traynor characterizes the plunge in German support as a combination of a spike in Anti-Americanism following the National Security Agency scandal and contentment of the German government with their current success, which could cause unwillingness to risk popular unrest (Traynor 2014). If German support for the agreement continues to fall, it could mean an end for the TTIP.

The coming weeks and months will tell more of the story of the TTIP, as the next round of negotiations are occurring in the final week of April, 2015 and the more "hard" rounds of negotiations will continue through the summer (Traynor 2014). It is now clear that an agreement will not be met by December of 2015, which was the initial goal.

While the media in the US remains mostly distracted by the TPP and the EU focuses its attention on the TTIP, the development of the agreement remains uncertain. The granting of TPA will remain a cornerstone in the success of the agreement, which will give way to the negotiations themselves and the cooperation and willingness of both the EU and US to make concessions. If the agreement can be negotiated within the next two years, I do believe the US would make concessions that would be tolerable to the EU based on my

research. If both the EU and the US continue to take firm stances, the largest attempt at free trade to date might only be remembered as a failed idea.

Relevancy, Limitations and Final Statements

I think the topic is very relevant and has allowed me to explore a major, current topic, which did indeed produce challenges in the research. However, throughout the completion of the thesis, I learned much more about the intricacy of trade and economic systems, as well as the interplay between political support, ideology, and voting. The empirical analysis revealed one thing that I expected, namely that ideology did indeed play a large role in voting behavior. The data also challenged my preconceived belief that other factors were more important, by showing that although we have a lot of individual cases where bias affects behavior, in the aggregate ideology remains the most consistent predictor. The thesis has many limitations, the majority of which were imposed by my decision to research a topic that continues to change and take form. The empirical data is also limited to votes in the US Senate, which is a rather unique body, so the findings may not directly apply to all forms of voting, but it provides some key insights about relationships and voting behavior regardless. Overall, the thesis allowed me to broadly look at a current issue and forced me to find a way to consider a variety of factors that will ultimately decide the fate of a policy that will have worldwide implications.

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