

Abstract

Multilateral trade negotiations within the World Trade Organization have reached a stalemate but there are new trade agreements being currently negotiated, either on bilateral or multinational basis. This thesis deals with two current major trade initiatives, the Trans-Pacific Partnership between the United States and eleven Pacific countries and the Transatlantic Trade and Investment Partnership which includes the United States and the European Union. The thesis uses a comparative analysis to assess economic as well as geopolitical implications of the two trade agreements for the United States. The most apparent geopolitical aspect is the effort of the United States to write the rules of trade for the 21st century before China does so. In regards to economic implications, the thesis works with a concept of intra-industry trade and based on it assesses the possible economic effects on the United States economy, especially in regards to productivity and transactional costs on labor market. Both of the agreements have many critics and their future is not clear. This thesis argues that in certain economic and geopolitical aspects, the Transatlantic Trade and Investment Partnership is more beneficial and strategic for the United States.