

Economic geography



**ASSIGN
BUSTER**

Task: U. S. and Europe Trade Deal The contribution of trade towards the economic development of the world is invaluable and significant. Trade is a vital area in the study of human geography. In addition, trade is vital for anchoring other related socioeconomic activities. International trade is of notable contribution towards the development of the world. This creates the necessity for different initiatives that support international trade. Free-trade agreements are common initiatives that countries, which are trading partners, may use to encourage and boost trade. The free-trade deal that resurfaced between the US and Europe was among the significant initiatives directed at fostering the success of trade between US and the EU countries. The United States trades with a number of countries in diverse regions, top among them being China and EU countries. The extent of trade between the US and China, for instance, is notably expansive. The trade between America and EU countries is much higher than that involving America and China. It is notable that in the elimination of trade barriers, there is a likelihood that trade would increase between any two or more partners in the exchange network. Uplifting tariffs and drawbacks that may deter trade among partners in any trade relationship promotes imports and exports.

According to Ewing, the free-trade agreement between the two regions has a past record but never achieved success for nearly a decade (Ewing 1). The deal, if implemented, would create massive and appreciated economic effect in Europe and the United States. The two, Europe and the United States, are strong partners in trade. According to leaders from the European Union, the pact would cause a serious economic growth in the two regions and encourage President Obama to channel for the agreement. Besides the pressure from European Union leaders, corporations and other businesses in

Europe are bargaining to have the pact operational. By November 2012, there were low charges, in the form of tariffs, for trade between the US and EU countries. However, signing a free-trade deal by the two parties would be beneficial for businesses and companies dealing in large amount of goods in the trans-Atlantic business region. According to Karan Bhatia, who served as a trade representative for the US, the free-trade deal would create a substantial contribution to trade in the history of trade between EU and the US. In addition, the pact would not be costly for the taxpayers, according to Bhatia.

Despite the predicted low opposition towards the coming into effect of the EU- US free-trade pact, there are lobby groups against its approval. This is in consideration to past political opposition experiences as in the formation of Nafta. Trade groups in the US including the coalition of groups producing food and other agricultural products hint at possible exclusion in the pact. The American president, however, maintains his government's commitment making the pact effective since it would improve the economy of the world (Morris 1). If the pact turns operational, the companies from the two sides would have a single market without the barriers of tariffs and other trade regulations.

Works Cited

Ewing, Jack. Trade Deal Between U. S. and Europe May Come to the Forefront. The New York Times. November 25, 2012. Web. January 30, 2013. http://www.nytimes.com/2012/11/26/business/global/trade-deal-between-us-europe-may-pick-up-steam.html?pagewanted=all&_r=0

Morris, Harvey. Europe Eyes Trade Pact With Obama. The New York Times.

November 8, 2012. Web. January 30, 2013. <http://rendezvous.blogs.nytimes.com/2012/11/08/europe-eyes-trade-pact-with-obama/>