

# Resolving Future Issues in Transatlantic Economic Relations: A German Viewpoint

Dr. Stefan Kooths

Muenster Institute for Computational Economics  
University of Muenster (Germany)

*The Changing Geography of the Transatlantic Economy:  
Implications for Transatlantic Relations*

Humboldt Institution on Transatlantic Issues

Workshop, 19 Oct 2004, Washington

Paul H. Nitze School of Advanced International Studies

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Introduction

Migration

Monetary  
integration

Competition

Discussion

- Introduction
- Migration - the missing freedom
- Monetary integration
- Competition/antitrust policy
- Discussion

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- Freedom for goods, services, capital flows ...
  - ... but: What about the people?
  - Aspects
    - Unrestricted freedom of establishment
    - Today, migrants have no social/economic history
    - Making identification systems compatible with each other
    - Mutual recognition of vital every-day-life public and private arrangements (e.g., health or car insurances, driver's licenses)
- ⇒ **Creating trust in each others public and private institutions**

- **The small scale**
  - Making banking systems compatible with each other even for small businesses (e.g., credit report ⇔ SCHUFA-system)
  - Again: creating mutual trust in private institutions
- **The big scale**
  - What do we need the exchange rate for?
  - Implication: Single monetary policy (not really a problem from a monetarist point of view)
  - Psychological barriers (e.g.: Could Americans live with money made in Frankfurt?)

- Avoiding trade conflicts
  - Current system of mutual recognition of antitrust decisions is a major step forward ...
  - ... but: still susceptible to mutual suspicions/distrust of protectionism (fuzzy line between competition and industrial policy)
- ⇒ **Independent common authority for cases with a transatlantic impact**

**USA + EU = AU?**  
**(When) Are we prepared for an Atlantic Union?**