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FACT SHEET: U.S.-EU Economic Ties That Bind

“America and Europe have done extraordinary things together before. And I believe we can forge an economic alliance as strong as our diplomatic and security alliances.”

-President Barack Obama

The United States and the European Union (EU) share fundamental values of freedom, democracy, human rights, and respect for law. A robust transatlantic economic relationship undergirds our ability to confront global challenges jointly and to promote global security, development, and prosperity. We work together to boost jobs and growth on both sides of the Atlantic, promote financial stability, advance energy security, and help the EU’s European neighbors integrate into the Euro-Atlantic community.

The U.S.-EU Economy

The U.S.-EU Economy accounts for about half of global GDP and a third of global trade, with \$1 trillion in annual two-way trade. The United States and the EU have the world’s largest investment relationship, with nearly \$4 trillion in total transatlantic investments.

- The EU is the United States’ largest merchandise and services trade partner. Two-way trade currently supports roughly 13 million jobs on both sides.
- EU and U.S. foreign direct investment in each other’s economies directly supports 7 million American and European jobs, and millions more indirectly. Specifically, affiliates of U.S. firms employ about 4.2 million workers in Europe. U.S. direct investments in Europe rose by 6 percent in 2013, totaling an estimated \$200 billion, which represents nearly 14 percent of global foreign direct investment inflows of \$1.5 trillion.
- U.S.-EU flows in research and development are the most intense between any two international partners, with mutual investments exceeding \$60 billion annually. Almost 20 U.S. government agencies and research institutions are currently collaborating with the EU on two dozen projects ranging from global food security to developing new therapies to treat cancer.

The Transatlantic Trade and Investment Partnership (T-TIP)

The United States and EU are negotiating an ambitious and comprehensive trade agreement with the goal of significantly expanding our trade and investment, and increasing economic growth and jobs. We want to eliminate tariffs, reduce non-tariff barriers to trade, and increase the compatibility of our regulations and standards without lowering the level of health, safety, and environmental protections our people have come to expect and which they deserve.

People-to-People Connections

Over 12 million Europeans visited the United States in 2012. Eight of the top twenty countries whose citizens visited the United States in 2012 were EU member states. In the past five years, nearly one million American and EU students have crossed the Atlantic to study. In 2013 alone, more than 18,000 citizens from EU countries came to the United States on special visas for cultural exchange, including physicians, research scholars, teachers, and trainees. These visitors not only broadened their own skills and networks but they contributed to continuing U.S. and EU collaboration in research and development, innovation, and growth. The U.S. government also directly sponsors transatlantic exchanges between rising American and European leaders.