

NSA Revelations Could Undermine Transatlantic Trade Negotiations

By Matt Sledge

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The latest revelation from Edward Snowden that British spies targeted a European Commission official could create another headache for negotiators in ongoing talks over a United States-E.U. trade agreement.

The Transatlantic Trade and Investment Partnership agreement would ease regulatory barriers across the Atlantic -- but tech companies worry Europe will push for "digital protectionism," such as a requirement to store European citizens' data on servers in Europe.

Digital trade is considered one of the key topics the agreement could address, but few details leaked out as the third round of negotiations over the TTIP wound up this week in Washington, D.C. The European Commission is maintaining that surveillance concerns will have no impact on the trade talks; those issues will be discussed instead, it says, in [simultaneous negotiations](#) with the U.S. Department of Justice.

"Data protection is outside the scope of the Transatlantic Trade and Investment Partnership," Pia Ahrenkilde-Hansen, a spokeswoman for the European Commission, said in a Thursday statement. "To create a solid basis for transatlantic data transfers, we have separate channels, and we need to focus on these." Another EC spokesperson told HuffPost her comments still stood after new details came to light Friday that Britain's spy agency, which frequently shares surveillance with the National Security Agency, had targeted an EC official.

Despite the European Commission's insistence, however, there are signs that outrage over the actions of the NSA and its British partners could spill into the trade talks.

Revelations from Snowden, a former government contractor who leaked sensitive NSA documents to journalists earlier this year, have "cast a pall" over the negotiations, said Dan Ikenson, director of the Cato Institute's Herbert A. Stiefel Center for Trade Policy Studies. If the Europeans insist on privacy protections that threaten American internet companies' profits --

such as storing European data in Europe -- that could knock out a crucial leg of public support. European negotiators must worry, meanwhile, that their every email is being intercepted.

"The Snowden NSA revelations imperil the support of the high-tech internet giants for TTIP, and therefore the business community's overall support for TTIP, and that therefore puts success for the enterprise in jeopardy," said Ikenson.

"These latest revelations are just more evidence to suggest that the NSA may have been engaging in industrial espionage, which certainly doesn't help to inject collegiality and holiday cheer into the TTIP talks," he wrote in an email. "Instead, misgivings and suspicions can only hamper the negotiating process."

Ikenson noted that when trade experts were polled on "potential sticking points" in the TTIP negotiations -- before the Snowden's leaks began -- data protection and privacy were [among the top areas of concern](#). The issue has been a consistent stumbling block in U.S.-E.U. relations since 9/11, when the American government sought data on airplane passenger manifests.

Meanwhile, far from the negotiations in Washington, a U.S. delegation's trip to the European Parliament in Brussels created a minor kerfuffle when a U.S. representative lashed out at the idea of inviting Snowden to testify on the privacy violations his leaks exposed.

Last week, the European Parliament [voted](#) to invite Snowden to testify. Conservative members of the European Parliament sought to block Snowden's testimony, which could come as soon as January, fearing that it could impede the trade agreement.

"I personally do not believe it rises to the dignity of this body," U.S. Rep. Mike Rogers (R-Mich.), the chair of the House Intelligence Committee, [said](#) on a delegation trip. "I do believe that this would have a reaction in the United States that would not be helpful to a constructive dialogue as we continue to work out our differences."

Rogers was not, his office told HuffPost, suggesting that inviting Snowden to testify would undermine the trade negotiations. But his comments nevertheless inflamed European lawmakers who believe they should have the right to invite whoever they want to speak.

"We feel that, like Congress, the European Parliament pretty much decides for itself who it will speak to, and we don't have to be told by anybody," Sophie in 't Veld, a Dutch member of the European Parliament from the socially liberal party Democrats 66, told HuffPost on Wednesday. "So that didn't go down too well."

"The way I understood it was that they were actually worried the trade relationship will fall or it will be hurt by the Snowden revelations," she said of Rogers' delegation.

But ultimately, one expert suggested, the desire to open U.S. markets will prevent Europeans from muddying the boundaries between the "separate tracks" of the TTIP talks and the digital privacy agreement with the U.S. Department of Justice. Germany and other European countries may simply have too much to gain from greater access to the U.S. market.

"I was at a meeting with some of the top U.S. and E.U. folks just a few days ago. The very clear desire of both sides is to insulate the TTIP talks from the Snowden revelations," said Edward Alden, a senior fellow at the Council on Foreign Relations.

It could take two years before the results of the negotiations are put up for a vote in either Europe or the U.S. By then, Alden believes, the privacy concerns "will have largely toned down."