



LOW TRUST

Navigating transatlantic relations under Trump 2.0

Edited by

Giuseppe Spatafora, Steven Everts and Alice Ekman

With contributions from

Leonardo De Agostini, Lizza Bomassi, Clotilde Bômout,
Ondrej Ditrych, Caspar Hobhouse, Rossella Marangio,
Tim Rühlig, Luigi Scazzieri, Katarzyna Sidło,
Bojana Zorić



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FACING THE FACTS

A sea change in transatlantic relations

by
GIUSEPPE SPATAFORA ⁽¹⁾

Less than a year into Donald Trump's second term, the transatlantic relationship looks profoundly different. A complete rupture between the United States and Europe has not taken place. However, transatlantic trust has been shattered. And we must now move forward in a low-trust environment.

Episodes of tension in transatlantic relations are not new. There are many examples in the post-war period – from rifts over the Vietnam war, to the cruise missile crisis, to the Iraq war and the Snowden spying revelations, culminating in the major trade clashes during Trump's first term. While the Biden administration was keen to restore the transatlantic partnership overall, tensions still emerged on military agreements (AUKUS), subsidies to industry (the Inflation Reduction Act) and the extent of support to Ukraine.

However, what has unfolded in 2025 goes several steps further, both in qualitative and quantitative terms. A glance at the

year's timeline (see page 4) reveals the scale of the disruption the second Trump administration has unleashed across trade, alliances, and the global order. The first 100 days were particularly disruptive, both in rhetoric and policy, giving the impression that the US was targeting its own allies. The summer of 2025 was slightly more constructive, with Washington and Europe striking agreements on NATO, Ukraine and trade. However, relations are not back to how they were prior to Trump 2.0. The new administration's actions, wittingly or not, have undermined the foundations of transatlantic trust.

Trusted partners tend to share a vision of the world, built on common interests and values. They work together to accomplish shared goals, consulting each other on the steps to take, and having a clear understanding of what the partner will do next ⁽²⁾. They include formats and institutions for dispute resolution, so that temporary tensions do not end up destroying trust in the long run ⁽³⁾. The

(1) The author would like to thank Alice Ekman for suggesting trust as the central theme of this *Chaillot Paper*.

(2) Nielsen, K.L. and Dimitrova, A., 'Trump, trust and the transatlantic relationship', *Policy Studies*, 2021 (<https://www.tandfonline.com/doi/full/10.1080/01442872.2021.1979501>).

(3) Hofmann, S., 'Elastic relations: Looking to both sides of the Atlantic in the 2020 US presidential election year', *Journal of Common Market Studies*, 2021.

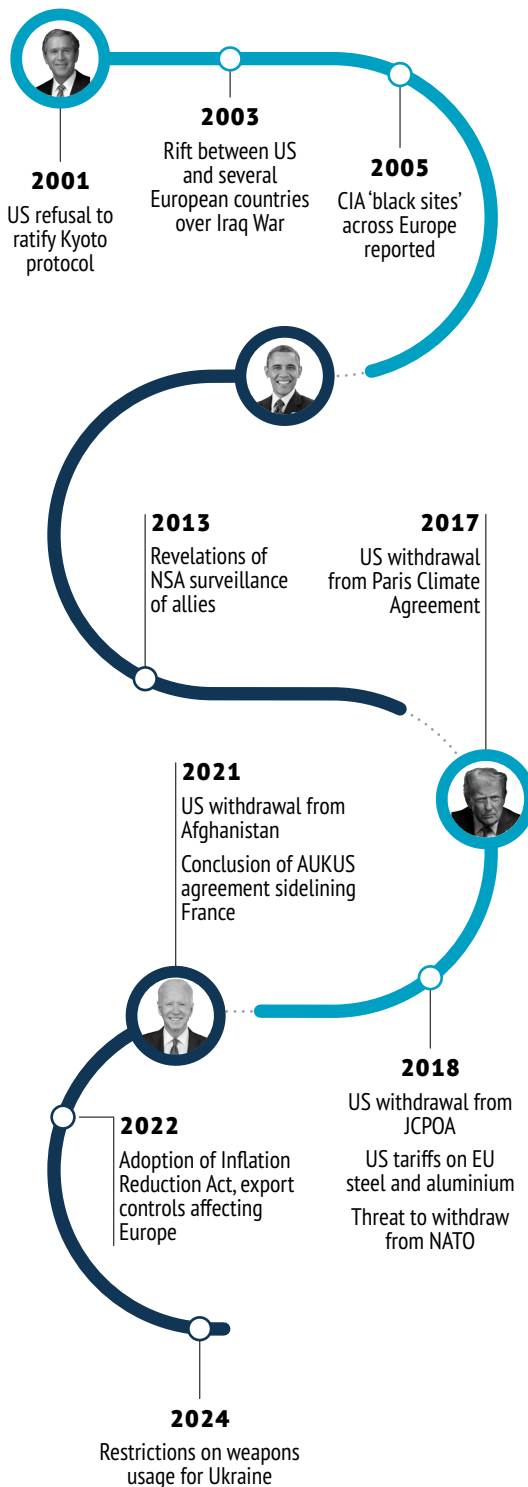
transatlantic relationship used to display all of these elements.

However, under Trump 2.0 these features are all being unravelled. This is most visible in three areas:

From common values to hostility: For 80 years, American foreign policy objectives included support for the legitimacy, integration and security of European democracies ⁽⁴⁾. Trump questioned this commitment during his first term. During his second term, he has taken additional steps. Not only is the US seeking to rebalance away from Europe – an established trend in US foreign policy that predates Trump, but which has been accelerated by the new White House ⁽⁵⁾. This administration has also displayed elements of active hostility against the European project. Trump has described the EU as a globalist entity that aims to ‘screw’ the US while freeriding on American protection ⁽⁶⁾. He has refused to rule out the use of force to annex Greenland, the territory of an EU Member State and NATO ally. At the Munich Security Conference, Vice-President Vance called attempts to curb disinformation a bigger threat to Europe than Russia and China. In May, the State Department published a memo accusing Europe of carrying out an ‘aggressive campaign against Western civilization itself’ ⁽⁷⁾. In August, the State Department instructed US embassies in

A long-term trend?

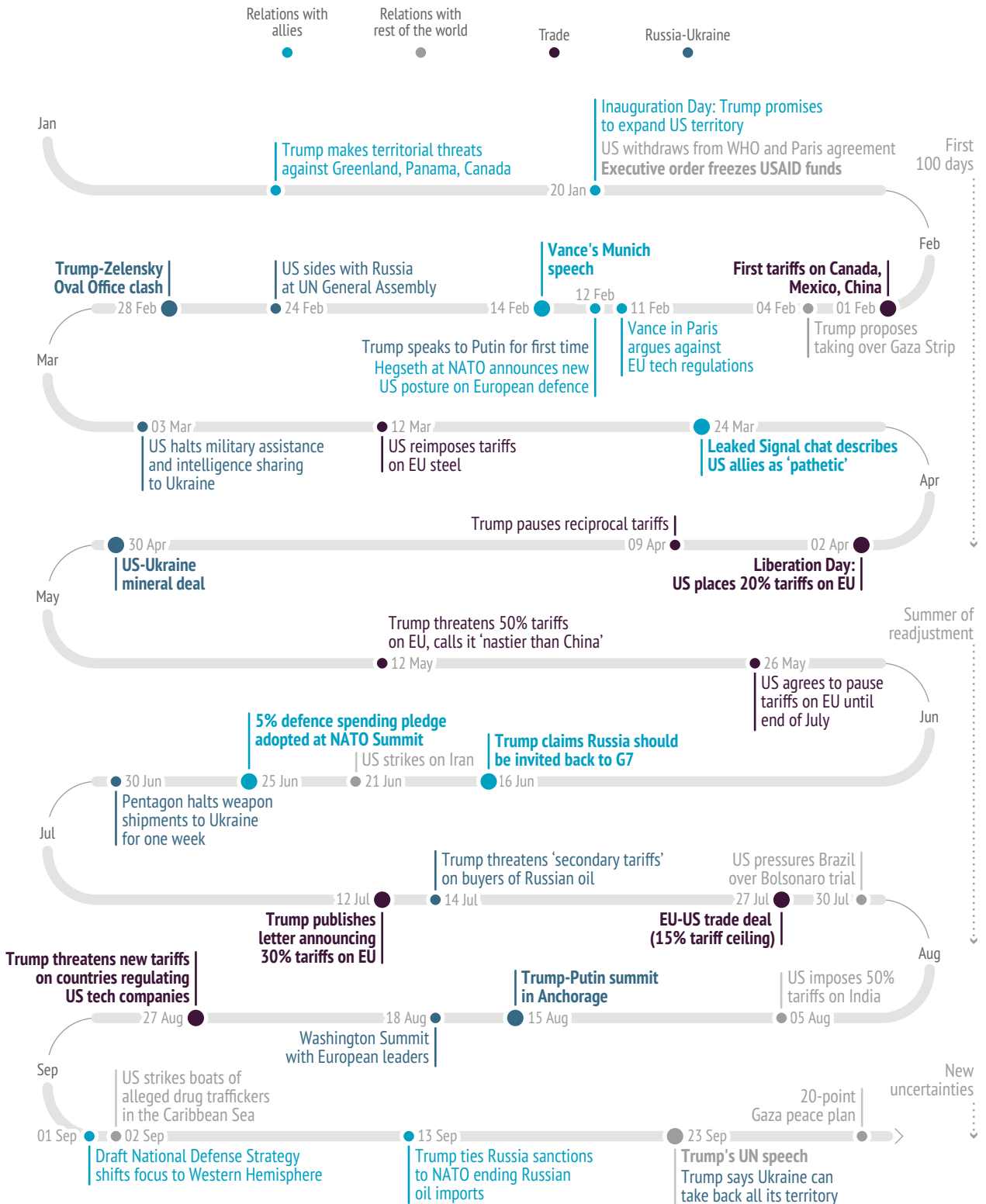
Between 2000 and 2024, many US policy choices caused transatlantic tensions, accelerating over the past decade



- (4) Jones, E., 'Transatlantic rupture: Legitimacy, Integration and security', *Survival*, Vol. 67, No. 2, March 2025 (<https://www.tandfonline.com/doi/full/10.1080/00396338.2025.2481771>).
- (5) Spatafora, G., 'The Trump card: What could US abandonment of Europe look like?', Brief No.5, EUISS, February 2025 (<https://www.iss.europa.eu/publications/briefs/trump-card-what-could-us-abandonment-europe-look>).
- (6) Euractiv, 'EU was formed to "screw" US, Trump says in promising tariffs on cars', 26 February 2025 (<https://www.euractiv.com/news/eu-was-formed-to-screw-us-trump-says-in-promising-tariffs-on-cars/>).
- (7) US State Department, 'The need for civilizational allies in Europe', 27 May 2025 (<https://statedept.substack.com/p/the-need-for-civilizational-allies-in-europe>).

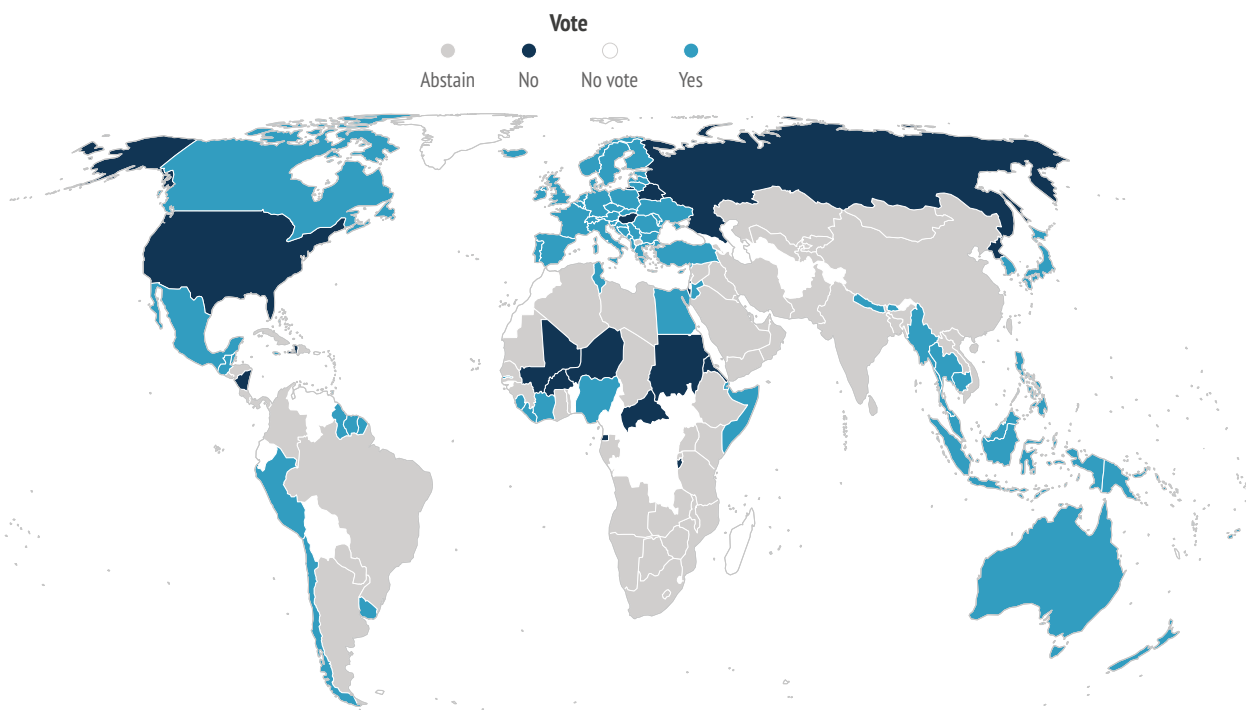
How Trump 2.0 rocked the transatlantic relationship

A timeline of shocks, policy readjustments and new uncertainties



Switching sides?

The US voted with Russia and North Korea on a UN General Assembly Resolution condemning Moscow's aggression against Ukraine, 24 February 2025



Data: United Nations, 2025; European Commission, GISCO, 2025

Europe to actively counter EU regulations on digital services⁽⁸⁾.

Careful diplomatic action from European heads of state persuaded the president to veer away from some of these extremes. He changed his rhetoric on NATO, declaring that the alliance 'isn't a rip-off', after the allies pledged to spend 5% of GDP on defence. Yet elements of hostility to Europe are embedded in ideological programmes like Project 2025⁽⁹⁾, remain entrenched within Trump's coalition, and

continue to shape US foreign policy and its approach to Europe⁽¹⁰⁾.

Trump's volatility and unpredictability: Being able to predict partners' likely behaviour is essential for planning purposes and for cooperation. But under Trump 2.0, transatlantic unpredictability has become the norm. The President has reversed policy decisions in a matter of days, if not hours, in ways that have been hard to predict.

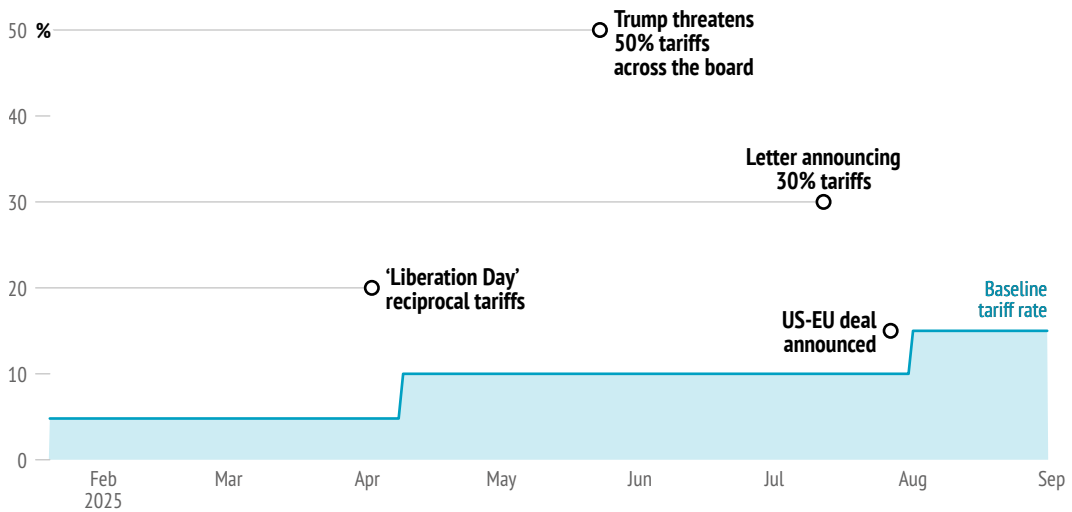
(8) Humeyra, P., 'Exclusive: Rubio orders US diplomats to launch lobbying blitz against Europe's tech law', Reuters, 7 August 2025 (<https://www.reuters.com/sustainability/society-equity/rubio-orders-us-diplomats-launch-lobbying-blitz-against-europes-tech-law-2025-08-07/>).

(9) The Heritage Foundation, *Mandate for Leadership—Project 2025*, 2023 (https://static.heritage.org/project2025/2025_MandateForLeadership_FULL.pdf).

(10) Belin, C., 'MAGA goes global: Trump's plan for Europe', ECFR, May 2025 (<https://ecfr.eu/publication/maga-goes-global-trumps-plan-for-europe/>); Bergmann, M., 'The Transatlantic alliance in the age of Trump: The coming collisions', CSIS, February 2025 (<https://www.csis.org/analysis/transatlantic-alliance-age-trump-coming-collisions>).

Trade rollercoaster

US tariffs on the EU, both announced and implemented



Data: *Financial Times*, 2025; Yale Budget Lab, 2025; The White House, 2025; European Commission, 2025

The EU-US trade negotiations highlight this dynamic. Trump began the dispute with a 20% 'reciprocal' tariff across the board, which was taken down to 10% one week later after market turmoil. When an EU-US agreement appeared within reach, the president suddenly issued a 'letter' announcing levies of 30%, once again blindsiding EU negotiators. The 15% tariff ceiling agreement was hailed in Brussels as 'the best possible deal given the circumstances' ⁽¹¹⁾ – as the EU avoided the 50% levies that India and Brazil are now facing. But as the general agreement is implemented, more issues will emerge which could lead Trump to reverse course again. For instance, since concluding the trade deal, the US has threatened more tariffs in response to EU tech regulation of American companies operating inside the EU.

Volatility is also evident in Trump's Ukraine policy. Trump shifted from

blaming Ukraine and blocking intelligence to Kyiv to reversing the Pentagon's decision to halt weapon supplies and promising sanctions on Russia. These partial reversals have been taken as a sign that Trump's extremes will give way to a more conventional administration, like in the first term ⁽¹²⁾. However, European countries fear that a single meeting could undo months of diplomatic engagement. For instance, Trump backtracked on the sanctions threat after the Alaska summit with Putin and the measures have never materialised. And the US only allows European countries to buy US weapons; it no longer donates any weapons to Ukraine.

Policy process: loyalty over competence?

While there was unpredictability during Trump 1.0, checks and balances within the administration and the Republican party curbed the president's most unconventional ideas. Now, those bulwarks are mostly gone. Trump is in full command

(11) Euronews, "'Best we could get": Brussels defends EU-US trade deal amid mounting criticism', 28 July 2025 (<https://www.euronews.com/my-europe/2025/07/28/best-we-could-get-brussels-defends-eu-us-trade-deal-amid-mounting-criticism>).

(12) Ashford, E., 'Four explanatory models for Trump's chaos', *Foreign Policy*, 24 April 2025 (<https://foreignpolicy.com/2025/04/24/trump-100-days-chaos-explanatory-models-foreign-policy/>).

of his party – and elected officials are unwilling to challenge him ahead of the midterms. ‘America First’ is not a doctrine: it essentially coincides with whatever Trump decides.

The policymaking process has also changed significantly. Groups that in the view of the president obstructed his work during the first term, like the National Security Council, have been sharply reduced in size, resulting in a messier inter-agency coordination process, and potentially hampering policy development⁽¹³⁾. At the same time, officials who questioned the effectiveness of the administration’s policy – such as the strikes on Iran – or were associated with past probes into the 2016 election, have been removed or have had their security clearance revoked⁽¹⁴⁾. These cuts are eroding the expertise held within the US government, and weakening incentives to present alternative or critical viewpoints.

All of the above – Trump’s own volatility, the premium on loyalty over expertise, and the presence of hostile elements – contribute to breaking trust. Europeans cannot be certain that the US will adhere to the new agreements made in the summer. It has become harder to predict and influence US policymaking through traditional channels. Instead, leaders have to go all the way to the president – e.g., at the hastily organised Washington Summit in August.

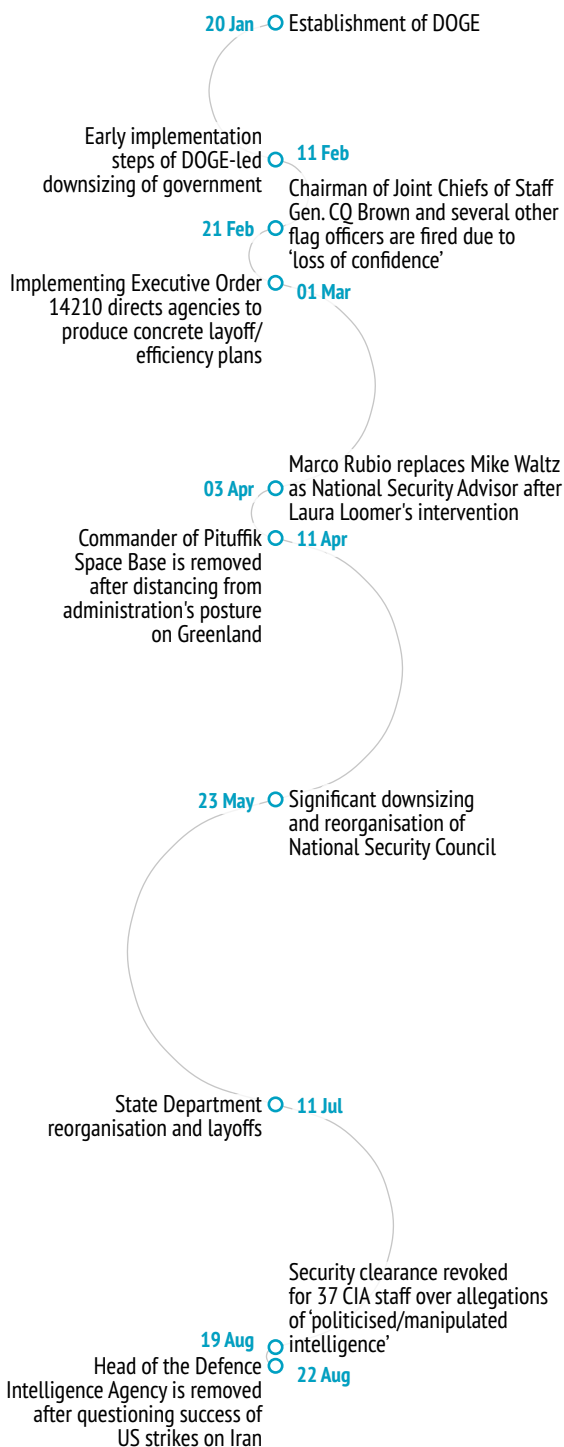
In 2016 many Europeans thought that Trump 1.0 was an historical exception:

(13) ‘Trump, Rubio take aim at National Security Council’s “Deep State”’, *Axios*, 23 May 2025 (<https://www.axios.com/2025/05/23/white-house-national-security-council-trump-rubio>).

(14) ‘Donald Trump has purged one of the CIA’s most senior Russia analysts’, *The Economist*, 21 August 2025 (<https://www.economist.com/united-states/2025/08/21/donald-trump-has-purged-one-of-the-cias-most-senior-russia-analysts>); ‘Pentagon fires intelligence agency chief after Iran attack assessment’, *BBC News*, 22 August 2025 (<https://www.bbc.com/news/articles/c2dj217z2w6o>).

Streamlining or purging?

Restructuring of the foreign, security and defence apparatus under Trump 2.0



Data: EUISS research based on media outlets, 2025

Least of my worries?

Supporting Ukraine and strengthening NATO rank among the lowest foreign policy priorities for US citizens, including younger cohorts (by % of respondents who sees each issue as a 'top priority')



Data: Chicago Council on Global Affairs, July 2024

after the 2020 election, the relationship would return to normal – with episodes of tension, but institutions to manage them. This time, it is far harder to make that claim. Trump's re-election shows the enduring appeal of his message to the American electorate. Most surveys show increasing scepticism by US citizens towards international institutions, alliances, and permanent American involvement abroad⁽¹⁵⁾. The hostile elements who want to unravel the relationship with Europe will likely be a long-term feature of American politics, and Europe will need to learn to live with them. And the changes to the way the US government works – where loyalty is prized over competence – could be hard to undo. Hence, the erosion of transatlantic trust might be permanent.

The majority of European publics seem to understand this. According to a Pew Research Center survey, favourable European

attitudes towards the US dropped by 12.9% between 2024 and 2025⁽¹⁶⁾. Many Europeans now regard the US as a 'necessary partner' rather than a trusted ally⁽¹⁷⁾. Even more ominously, another survey found that Europeans consider Trump an 'enemy of Europe'⁽¹⁸⁾. It is unlikely that these perceptions will change dramatically in the near future.

But Europe is not alone in experiencing this erosion of trust. Countries across the world – especially US allies – are grappling with the same factors and frustrations. Some are witnessing the weaponisation of tariffs for political purposes. Others have perceived abandonment by their main security provider, or even territorial threats. Many countries and populations that relied on US foreign aid will now have to make do without it. Some have already taken steps to adapt to an age of low trust in the US – with important lessons

(15) Brogi, A., 'Transatlantic relations after Trump: Mutual perceptions and strategy in historical perspective', in Jervis, R. et al (eds.), *Chaos Reconsidered: The liberal order and the future of international Politics*, Columbia University Press, 2023.

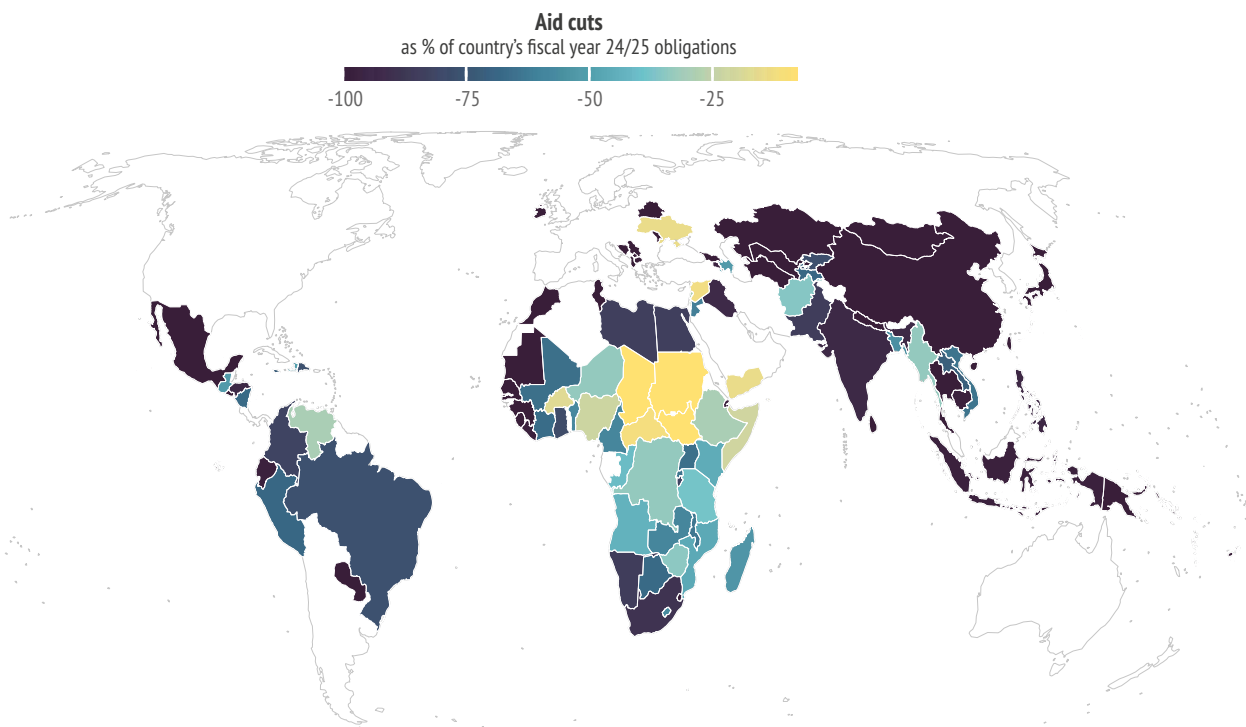
(16) Wike, R., Poushter, J., Silver, L. and Fetterolf, J., 'U.S. image declines in many nations amid low confidence in Trump', Pew Research Centre, 11 June 2025 (<https://www.pewresearch.org/global/2025/06/11/us-image-declines-in-many-nations-amid-low-confidence-in-trump/>).

(17) Puglierin, J., Varvelli, A. and Zerka, P., 'Transatlantic twilight: European public opinion and the long shadow of Trump', ECFR, February 2025 (<https://ecfr.eu/publication/transatlantic-twilight-european-public-opinion-and-the-long-shadow-of-trump/>).

(18) Le Grand Continent, 'Baromètre de l'opinion publique européenne : « Quelle défense pour l'Europe ? »', 20 March 2025 (<https://legrandcontinent.eu/fr/eurobazooka-mars-2025/>).

Turning off the humanitarian taps

USAID fund freezes as per Executive Order 13169 (20 January 2025)



Data: Centre for Global Development, 2025; European Commission, GISCO, 2025

for Europe. An analysis of the demise of transatlantic trust would be incomplete if it ignored the international context and the experiences of other partners.

Of course, there are also people in Europe and beyond who have welcomed Trump's new approach. At the time of writing, Trump's unconventional diplomacy appears to have brought about a ceasefire in Gaza – a positive development. At the same time, illiberal and authoritarian actors see opportunities to strengthen ties with a Washington that is less concerned with combating autocracy. Populist forces regard Trump as the standard-bearer of their movement, and a catalyst for their own political ambitions. Traditional US adversaries like Russia and China have approached Trump 2.0 with cautious optimism, hoping to exploit weakening ties between the US and most of its traditional allies. While Trump 2.0's volatility has also affected them – Iran, for instance,

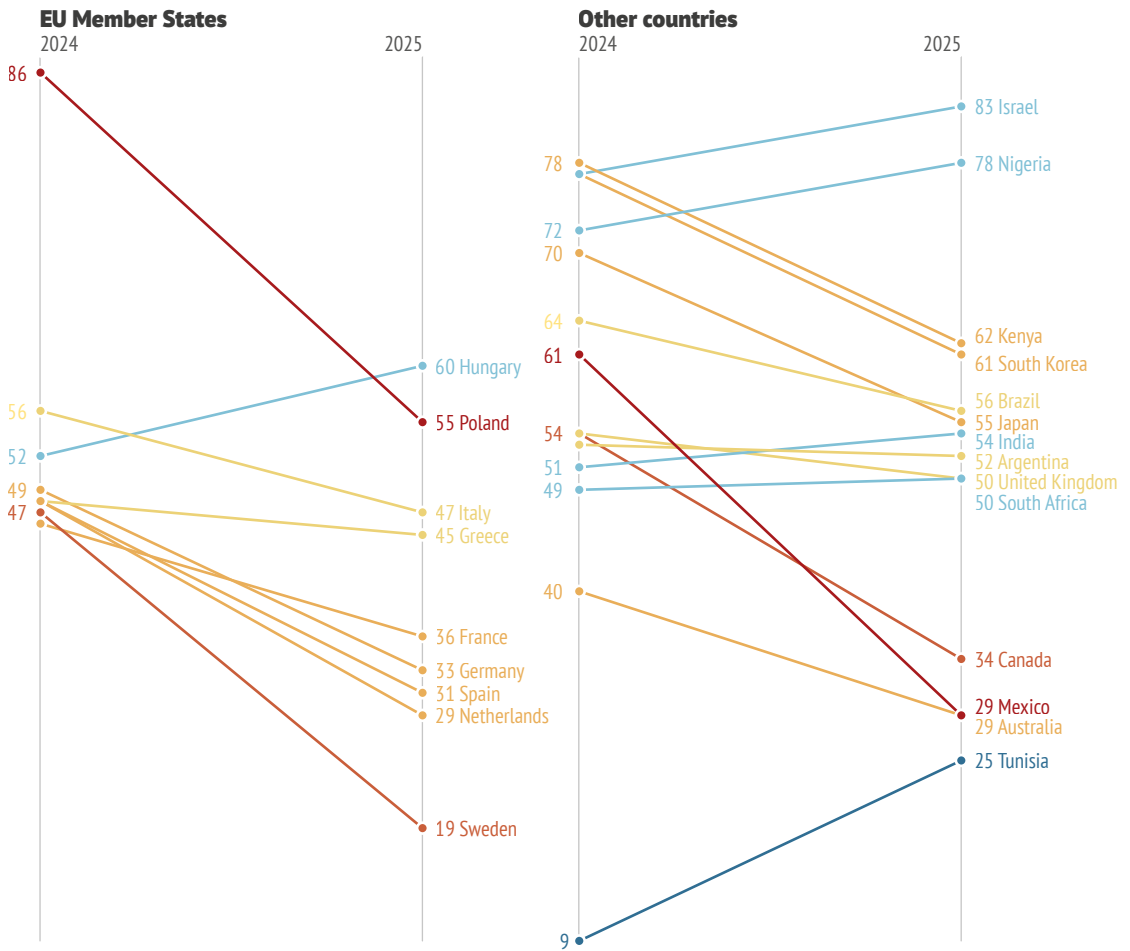
initially welcomed a less interventionist US approach but later suffered a US strike on its nuclear facilities – these actors ultimately stand to gain from the erosion of trust between America and its allies.

EXPLORING THE EROSION OF TRUST ACROSS ISSUES AND REGIONS

This *Chaillot Paper* explores how the erosion of trust has unfolded across different dimensions of the transatlantic relationship: what has changed? What strategic debates have emerged? How should Europe's relationship with the US evolve in a low-trust environment? In the second

Transatlantic rupture?

Change in the share of citizens who have a favourable view of the United States, selected countries, 2024-2025



Data: Pew Research Center, June 2025

half of the study, we ask how other actors across the world have coped with similar breaches of trust: did they experience the same feeling of broken trust as Europe? Did they see it coming, and were they more prepared? What should Europe learn from them, and how can it present itself as a useful partner in these uncertain times? We tackle these questions in 11 distinct chapters.

The issues: manageable differences or deep rifts?

The size of the trust deficit varies across different domains of the transatlantic relationship. In some areas, Europe and the

US could continue working together to pursue aligned interests, but uncertainty and mistrust could also magnify existing differences, straining the relationship. In other areas, the misalignment between US and European objectives is bigger, making it even harder to find common ground moving forward – and US policy could even run counter to Europe's interests.

Europeans have for decades trusted the US commitment to defend the continent. Now, Luigi Scazzieri argues, that belief is very much under question. European countries are therefore hedging against the threat of abandonment. In principle, a way forward could be found, with Europeans stepping up their commitments, and Washington providing some key

assets for deterrence. However, the pace and manner of US disengagement from European security may still result in major deterrence gaps.

Support to Ukraine is another area where Europeans have sought to recalibrate their relationship with Washington. As Ondrej Ditrych suggests, while Europeans seek to keep Trump on their side, they must also manage Putin's diplomatic overtures to the White House. And transatlantic tensions could also emerge in the post-war reconstruction of Ukraine, as the US and Europe might end up competing for resources.

On China policy, Tim Rühlig argues, transatlantic mistrust goes both ways: while Brussels is surprised by Trump's not-so hawkish approach to Beijing, the US does not believe that Europeans are serious about tackling Chinese threats. This mutual lack of trust prevents the two sides from addressing what should be shared interests in countering China.

In the area of countering disinformation, the US has taken a U-turn from the approach of previous administrations. The US is dismantling its own counter-FIMI apparatus, while attacking those who block malign activities as enemies of free speech. As Leonardo De Agostini argues, this will worsen the information threat environment in Europe's neighbourhood, empowering authoritarian actors. To safeguard against these threats, Brussels and national capitals must take the lead in countering disinformation.

Criticism of EU digital regulations is a key pillar of the alliance between Trump 2.0 and the 'tech-industrial complex', which Clotilde Bômout explores in her chapter. The EU must be clear-eyed about the risks this alliance poses for its digital sovereignty. However, the EU could also exploit the cracks emerging in the partnership between Trump and Big Tech, finding potential avenues for cooperation with the US government in selected areas.

Transatlantic cooperation on climate change and energy has suffered a serious hit under the new administration. Caspar Hobhouse argues that Trump's climate denialism is making headway in Europe, weakening the EU's willingness to pursue the energy transition. While new energy deals with Washington could serve to replace Russian fossil fuels, they also could keep Europe's energy prices high and sustain external dependencies. He argues that the EU must not give up its leadership role in the global effort to fight climate change, working in concert with the rest of the world.

The regions: partners in need and models to learn

As mentioned above, Europe is not alone in experiencing a transatlantic rift. Countries across the world are also losing trust in the US. Some are re-evaluating their relationship now, while others had already begun to do so well before Trump's second term. These countries are looking for trusted partnerships to compensate for the vacuum left by Washington. Should Europe fail to provide a concrete alternative, others will surely step in to fill the gap. At the same time, many of these countries can provide valuable lessons on dealing with the US in a climate of diminished trust.

The Americas, Giuseppe Spatafora argues, have been the laboratory of Trump 2.0's foreign policy. Many of its closest allies and partners feel betrayed and under threat, while others will suffer from significant USAID cuts.

The closest US allies in East Asia, Japan and Korea in particular, are growing sceptical of American nuclear guarantees. As Lizza Bomassi notes in her chapter, the debate on developing a domestic nuclear deterrent has gained momentum, which may cause significant instability.

Neglect by Washington is likely to have a profound impact on the Western Balkans. A potential withdrawal from the region risks strengthening the cards of illiberal forces, writes Bojana Zorić. In all these three regions (Americas, Northeast Asia, and the Western Balkans), Europe has an opportunity to present itself as a trustworthy partner to those who have been most affected by the new US policy.

Other countries had lost their trust in the US well before 2025. American partners in the Gulf expected a reduction in US commitment since at least Trump 1.0. As Katarzyna Sidło claims, they have reacted by pursuing a hedging strategy, which has enabled them to navigate the changing US policy towards the region.

In Africa, Trump's drastic cuts to USAID and withdrawal from multilateralism have only worsened what was already a low-trust relationship. Rossella Marangio argues that US–Africa relations will continue to be based on convenience – with African countries pursuing bilateral deals with Washington where possible, while also pushing back (e.g. in the case of South Africa) and strengthening their ties with other partners. While the EU might expect these actors to turn to Brussels to compensate for American unreliability, it should be aware that this will not happen automatically.

ADVANCING TRANSATLANTIC RELATIONS UNDER LOW TRUST

Europe faces a dilemma. On the one hand, the transatlantic relationship and cooperation with the US remain crucial. The challenges Europe faces have not gone away, and it needs to cooperate with the US where feasible. On the other hand, transatlantic mistrust will persist for a long time. There is no clear way of returning to a normal relationship. In some areas, the US may come to be seen less as a fully-fledged ally and more as a 'necessary partner'⁽¹⁹⁾. In other areas, US policies may run counter to Europe's interests, which will need to be defended.

The EU and its Member States must therefore develop a mixed toolbox. In the Conclusion, EUISS Director Steven Everts and Giuseppe Spatafora distil the lessons from this *Chaillot Paper* into concrete proposals. These include tactical steps to manage the relationship and avoid a fall-out with Trump. They also entail a strategic mindset to strengthen Europe's hand and its ability to defend its interests, if necessary without Washington. The mix between tactical and strategic moves will vary across policy domains. Both will be necessary to navigate transatlantic relations in a low-trust environment.

(19) Krastev, I. and Leonard, M., 'Trump's European revolution', ECFR, June 2025 (<https://ecfr.eu/publication/trumps-european-revolution/>).

The background of the slide is an abstract composition of flowing, wavy lines in various shades of blue and white, creating a sense of movement and depth. A solid white rectangular box is positioned in the lower-left quadrant, serving as a container for the main title.

LOW TRUST ACROSS DOMAINS

CHAPTER 1

HEDGING AGAINST UNCERTAINTY

How European defence is adapting to Trump 2.0

by
LUIGI SCAZZIERI

European security since the Second World War has been built on the assumption that America would defend Europe against Russia. Trump's second presidency has shaken that assumption, while Russia appears increasingly threatening. Europeans are scrambling to keep America involved and strengthen their defences: nationally, bilaterally, through NATO and the EU and in small groupings. A transition towards greater European self-reliance is underway. The question is whether the process will be smooth and coordinated or uncoordinated and potentially incomplete.

EUROPE ALONE?

Trump's second presidency has, for the first time, sparked genuine doubts about America's willingness to underpin European security. American officials and official documents emphasise that Europe is no longer a strategic priority, with Washington set to shift military resources towards the Pacific theatre and the defence of the US homeland. As Defence Secretary Pete Hegseth has argued, Europeans need to 'take ownership of conventional security on the continent'⁽¹⁾. The upcoming National Defense Strategy will prioritise 'defense of the US homeland, including America's skies and borders, and deterring China in the Indo-Pacific'⁽²⁾. Internal guidance released in March reportedly indicates that the US is unlikely to direct substantial

(1) Hegseth, P., 'Opening Remarks at Ukraine Defense Contact Group', 12 February 2025 (<https://www.defense.gov/News/Speeches/Speech/Article/4064113/opening-remarks-by-secretary-of-defense-pete-hegseth-at-ukraine-defense-contact/>).

(2) Parnell, S., 'Statement on the Development of the 2025 National Defense Strategy', 2 May 2025 (https://www.defense.gov/News/Releases/Release/article/4172735/statement-on-the-development-of-the-2025-national-defense-strategy/#:~:text=Statement%20by%20Assistant%20to%20the,process%20can%20be%20found%20here.)).

reinforcements to Europe in the event of a Russian attack⁽³⁾.

The Trump administration has also sent mixed messages about America's commitment to its allies. While US officials often strike a reassuring tone, the President sometimes cultivates ambiguity, for example arguing that NATO's Article 5 has 'numerous definitions'⁽⁴⁾. Trump's rhetorical embrace of NATO after the Alliance's summit in the Hague has somewhat lessened, but not dispelled, fears about America's commitment to Europe. Meanwhile, his trade war on the EU, his wish to normalise relations with Russia, support for the far right in Europe, and desire to acquire Greenland, have unsettled Europeans and deepened doubts about America's reliability as an ally.

Concretely, Europeans have several interconnected concerns. First, there is a fear that America will reduce its troop presence in Europe, making large or uncoordinated cuts. Europeans would struggle to make up for large-scale rapid reductions, as American forces form the backbone of NATO and Europeans militaries lack many key capabilities, such as intelligence and command and control assets⁽⁵⁾. Second, Europeans worry that Trump's rhetorical ambiguity on NATO and confrontational policies towards allies could undermine confidence in America's extended nuclear deterrence, even though US officials have not explicitly questioned the nuclear guarantee. Cuts in

US conventional forces in Europe, combined with growing doubts about the credibility of the nuclear umbrella, could open a window of opportunity for Moscow to test Europe's defences. Third, many Europeans worry about their dependence on American military equipment and intelligence. Notably, the Trump administration's intermittent suspensions of aid to Ukraine have heightened concerns about Europe's level of reliance on US systems such as the F35 fighter. A separate concern is that US *matériel* may not be available due to supply constraints in America's industrial base.

HOW EUROPEANS ARE ADAPTING

In response to mounting uncertainty about America's commitment to European security, Europeans have adopted a dual hedging strategy. On one hand they are trying to address long-standing American grievances about unequal defence burden-sharing in order to keep Washington engaged; on the other, they are striving to be more self-reliant.

First, Europeans are pouring new resources into defence. Many Member States have increased their defence budgets significantly since 2022 and those that

There has been an intensification of bilateral and small group cooperation.

(3) Horton, A. and Natanson, H., 'Secret Pentagon memo on China, homeland has Heritage fingerprints', *Washington Post*, 29 March 2025 (<https://www.washingtonpost.com/national-security/2025/03/29/secret-pentagon-memo-hegseth-heritage-foundation-china/>).

(4) 'Trump casts doubt on Article 5 commitment en route to NATO summit', *Politico*, 24 June 2025, <https://www.politico.eu/article/donald-trump-nato-summit-sidesteps-article-5-mark-rutte-eu-defense-budget-russia-vladimir-putin-iran-israel-strikes-qatar/>

(5) Spatafora, G., 'Fit for purpose? Reforming NATO in the age of Trump 2.0', Brief no. 13, EUISS, 4 June 2025 (<https://www.iss.europa.eu/publications/briefs/fit-purpose-reforming-nato-age-trump-20>).

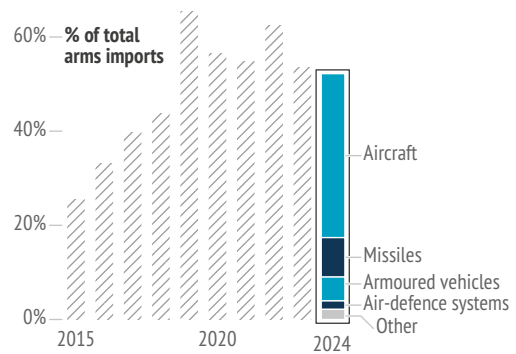
are NATO members have agreed to raise spending to 5% by 2035⁽⁶⁾. For its part, the EU has unlocked significant resources, by easing limits on national deficits and offering €150 billion in low-interest loans to Member States. The Union is also making it possible for Member States to channel extra funding into defence by reallocating resources from national EU cohesion funds and loans from the post-COVID Recovery Fund. For now, promises of greater spending seem to have placated Trump, though tensions could resurface if Europeans are slow to deliver.

Second, there has been an intensification of bilateral and small group cooperation. In diplomatic terms, Europe's dealings with the Trump administration on Ukraine have been driven by a core group consisting of France, Germany, Italy and the UK – often with other Member States and the EU institutions also involved. This group has had some success in steering Trump towards a more supportive stance towards Kyiv. Small groups have also been at the heart of efforts to fill specific defence capability gaps. For example, several countries are collaborating on long-range strike weapons through the European Long Range Strike Approach group, while supply of specific arms to Ukraine has been driven by 'capability coalitions'. Finally, when it comes to operational cooperation, planning for a possible post-ceasefire military deployment to Ukraine has been driven by the so-called coalition of the willing, led by France and the UK.

Third, cooperation between EU and non-EU European partners is deepening. Europeans increasingly see Ukraine as an essential player in Europe's security. Major European defence companies

Still on top?

The US share in EU arms imports has recently stabilised



Data: SIPRI, 'Arms Transfer Database', 2025
NB Calculation based on year of delivery

such as Rheinmetall or SAAB have forged partnerships with Ukrainian firms, while several Member States and the EU are directly channelling funds into Ukraine's defence industry. On the other side of the continent, ties with the UK are also strengthening. One of the key outcomes of the May EU-UK summit was the conclusion of a Security and Defence Partnership, which provides a platform for closer EU-UK cooperation. Shortly after, a France-UK summit led to an agreement to relaunch defence cooperation, with a focus on long-range capabilities and the nuclear domain⁽⁷⁾. Separately, in mid-July Germany and the UK signed a bilateral treaty designed to foster more defence cooperation.

Fourth, doubts about the reliability of the US nuclear umbrella are leading Europeans to discuss nuclear deterrence issues more openly than in the past. Closer coordination between France and the UK is only part of the story. Non-nuclear powers are also increasingly thinking about nuclear deterrence. Notably, both Poland and Germany have expressed interest in

(6) European Defence Agency, 'Defence spending data 2023-4', 29 November 2024 (<https://eda.europa.eu/docs/default-source/brochures/1eda---defence-data-23-24---web---v3.pdf>).

(7) 'UK-France Leaders Declaration', UK Government, 10 July 2025 (<https://www.gov.uk/government/news/uk-france-leaders-declaration>).

deepening cooperation with France, and in July President Macron ordered the launch of a strategic dialogue with key partners on the future role of France's deterrent.

The picture is less clear in terms of greater European self-reliance in defence equipment. Many Europeans say they want to reduce their dependence on US military equipment and the EU has developed a sizeable toolkit to strengthen its defence industry. Promising home-grown defence players focusing on drones and AI, such as Helsing, are emerging. At the same time, as part of the August 2025 EU-US trade deal, Europeans promised to buy more US military equipment, and they are helping to resupply Ukraine with US arms. The overall share of EU arms imports from the US has stabilised at around 50%, with many European countries placing new orders since the start of Trump's second term. For example, Belgium is planning on buying F-35s, while the Netherlands, Italy and Poland are purchasing various kinds of missiles. Many Member States still view purchases from the US as a way to secure advanced equipment and strengthen ties with Washington. Moreover, countries already operating a specific US system – such as the F-35 – cannot afford to change. The road to greater European self-reliance will be long and winding.

SECURITY IN THE SHADOW OF DOUBT

Transatlantic defence relations are entering an era of lower trust. The broad direction of travel is clear: Europeans will become more self-reliant, and America

will be less involved in European security. But the details remain hazy.

In principle, there is scope for a new transatlantic defence bargain, with the US reducing its involvement as Europeans assume primary responsibility for their security. Such a transition would require extensive transatlantic coordination, as it will take the better part of a decade for Europeans to assume responsibility for conventional deterrence in Europe. Washington would need to set out a timetable for withdrawal and spell out what assets it will maintain in Europe. This would allow Europeans to identify and prioritise critical capability gaps, and to gradually assume greater responsibility for key positions within NATO. Without this active encourage-

ment, many Europeans may continue to be paralysed by the fear that becoming more self-reliant will accelerate US disengagement.

An orderly and coordinated transition ultimately depends on stemming the erosion of transatlantic trust. Much will depend on the choices that the Trump administration makes over the coming year, particularly

regarding force reductions in Europe and policy towards Russia and Ukraine. Large and uncoordinated reductions in US forces in Europe or a deal with Moscow perceived by Europeans as increasing the risk of Russian aggression could fatally undermine European confidence in US security guarantees. The result would be an uncoordinated and likely fragmented transition that serves neither American nor European interests.

In this second scenario, the challenge of building up Europe's defences would be of a different order of magnitude, both financially and practically. Deep cuts in American forces could create a dangerously prominent window of vulnerability

to Russian aggression. A hasty disengagement scenario would severely test Europe's cohesion. Despite the pressure for a rapid and united response, Europeans may struggle to organise their build-up effectively. Some may be unwilling to pay the price of becoming fully self-reliant; others may hope that they can ensure their safety by seeking bilateral deals with the US.

Europeans should seek to maximise the chances of an orderly transition. They are already taking important steps, such as increasing defence investment. Much depends on the degree to which Europe's military expansion is coordinated among Member States and between Member States and non-EU allies like the UK, so that Europeans build up forces that are greater than the sum of their parts. At the same time, Europeans should take ownership of the transition, by pitching a clear plan to Washington that includes specific requests for maintaining critical capabilities within an agreed timeframe. Most of all, an orderly transition depends on whether Europe can shift from a mindset of tactical adjustments to one of genuine strategic adaptation.

CHAPTER 2

FIELDS THAT NEED TENDING

How the EU can achieve transatlantic unity on Ukraine

by
ONDREJ DITRYCH

The transatlantic partners' support to Ukraine has experienced periodic ebbs and flows. The second Trump administration has injected a significant dose of unpredictability into the process. Despite this, several enduring factors will continue to shape the future course of the conflict. Russia has not given up its strategic objectives of liquidating Ukraine's sovereignty and resurrecting its former empire in Eastern Europe. Its economy and society are being mobilised for a protracted confrontation. Ukraine, despite visible war fatigue, continues to increase its defence production capacities, but it remains dependent on Western – and, increasingly, European – support⁽¹⁾. Meanwhile, Trump remains keen to strike a grand bargain with Russia, while his commitment to Ukraine's sovereignty remains unclear. Moscow cares more about the outcome of this war than Washington, and this asymmetry will further increase as the US shifts its global

priorities away from Europe. Trump's personal disposition, notably his accommodating and deferential approach to Russia, exacerbates the broader structural forces at play.

In this context, the EU needs a strategy to support Ukraine over the long term. This strategy needs to start from a clear assessment of where EU and US interests regarding Ukraine converge, diverge or directly clash. The open discord may have temporarily abated. But trust has been broken. To rebuild the transatlantic relationship in this domain, the EU should minimise the risks of divergence and actively pursue convergence where possible in the military, diplomatic, and economic fields of recovery and reconstruction.

(1) Ukraine boosted the output of its defence industry from USD 1 billion in 2022 to USD 35 billion three years later. For some key weapons like UAVs, unmanned ground systems or electronic warfare it now meets nearly 100% of battlefield needs. See 'Ukraine is making more weapons than ever, but still can't fight Russia alone', *Wall Street Journal*, 18 May 2025 (<https://www.wsj.com/world/ukraine-weapons-manufacturing-industry-8a48bbf1>).

FIELDS OF DIVERGENCE

US military assistance to Ukraine has been indispensable but also, more recently, diminishing and subject to disruptions. Kyiv is seeking to mitigate the risks of supply disruption by scaling up domestic defence industrial production, with the goal of reducing anticipated dependence on US military supplies to 20% in 2025 ⁽²⁾. Meanwhile, the EU and its Member States have stepped up their military support, which currently stands at around €63 billion ⁽³⁾. Nonetheless, Ukraine still depends on US military assistance for several critical capabilities – such as Patriots for layered air defence, longer-range ground-launched ballistic missiles, and over-the-horizon intelligence. Interruptions in US deliveries, notably the two ‘pauses’ to date, as well as the administration’s decision to withdraw authorisations for long-range strikes ⁽⁴⁾, have further frustrated Ukraine’s defence efforts.

While the pauses in US military assistance can be attributed to restrainers’ influence on policy, the withdrawal of strike authorisations was closely tied to

Both sides want the fighting to stop but they diverge on the methods and terms.

US diplomatic efforts to end the war. It is in this domain that transatlantic discord has been most visible. Both sides want the fighting to stop but they diverge on the methods and terms. The EU (and the European ‘coalition of the willing’) rejects any settlement that would formalise a new territorial *status quo* and is ready to consider sanctions relief only once a ceasefire has proved sustainable. The US, on the other hand, favours a rapid ‘peace deal’ based on a (mis-)reading of Russia’s power and its aspiration to bring Moscow

on board in its broader great power gambit to reshape global politics away from a liberal international order. All expectations that Trump would end his appeasement of Moscow have been proven false. In July, amid a stalled EU enlargement process and continued Russian pressure on Kostiantyniv-

ka and Pokrovsk in the Donbas – even if sustained at inordinate cost – Trump threatened crippling sanctions unless the Kremlin engaged seriously in peace talks. He did not sell out Ukraine at the subsequent meeting held in Anchorage on 15 August 2025 – or punish President Zelensky for rejecting his (misnamed) ‘land swap’ proposal as a condition to end Russia’s hostilities ⁽⁵⁾. However, neither did he act on his threats to pressure Russia, even as Moscow stalled in response

(2) An interview with a senior Member State defence official, June 2025.

(3) Speech by HR/VP Kaja Kallas at the European Parliament, 9 September 2025 (https://www.eeas.europa.eu/eeas/ukraine-speech-high-representativevice-president-kaja-kallas-ep-plenary_en). Team Europe has provided 83% of battle tanks and 76% of the air defence systems to Ukraine since 2022, and the EU has trained around 80 000 Ukrainian soldiers. See Kiel Institute, ‘Ukraine Support Tracker’, 2025 (<https://www.ifw-kiel.de/topics/war-against-ukraine/ukraine-support-tracker/>); Peters, T. and Przetacznik, J., ‘State of Play: EU support to Ukraine’, European Parliament Research Service, June 2025 ([https://www.europarl.europa.eu/RegData/etudes/BRIE/2025/775834/EPRS_BRI\(2025\)775834_EN.pdf](https://www.europarl.europa.eu/RegData/etudes/BRIE/2025/775834/EPRS_BRI(2025)775834_EN.pdf)).

(4) Ward, A., Gordon, M.R. and Seligman, L., ‘Pentagon has quietly blocked Ukraine’s long-range missile strikes on Russia’, *Wall Street Journal*, 23 August 2025 (<https://www.wsj.com/politics/national-security/pentagon-has-quietly-blocked-ukraines-long-range-missile-strikes-on-russia-432a12e1>).

(5) The widely used term ‘land swap’ is a misnomer as it concerns only Ukraine’s internationally recognised territories. While details of the proposals discussed are not publicly available, it would most likely entail Ukraine giving up the rest of Donbas and recognising the loss of Crimea while recovering small territories in the Kharkov and Sumy regions. The currently unoccupied Donbas (ca. 25 % of the region’s area) is home to 200 000 people. Ukraine’s withdrawal would moreover severely undermine its defences as it would be vacating heavily fortified Slaviansk and Kramatorsk and offer Russia easier access to vast lowland areas in the (likely) case of renewed aggression.

to the peace process taking an unwelcome turn with transatlantic discussions on security guarantees for Ukraine.

Transatlantic competition may also intensify in the future in the field of economic assistance and reconstruction. This is a critical domain: nearly 50% of Ukraine's economy remains dependent on foreign aid, while the cost of reconstruction and recovery after three years of war has been estimated at €506 billion⁽⁶⁾. 'Team Europe' has emerged as a major provider of assistance, contributing €169 billion in support to Ukraine to date⁽⁷⁾. US economic assistance has been smaller in overall volume but, unlike Team Europe's, it has largely taken the form of grants rather than loans. However, the Trump administration now prefers a new instrument, the Reconstruction Investment Fund. While this signals a degree of convergence in terms of overall interest in Ukraine's recovery, it also creates potential for future transatlantic conflict, all the more so as third actors, particularly China, seek to enter the development arena.

Transatlantic competition may also intensify in the future in the field of economic assistance and reconstruction.

FROM DIVERGENCE TO DISCORD?

Unless carefully managed, these divergences could easily evolve into discord. Under favourable circumstances, both the already authorised resources in the Presidential Drawdown Authority (PDA) and the Ukraine Security Assistance Initiative (USAI) could even be used to procure Tomahawk missiles for Ukraine, enabling it to much more actively deter Russia's aerial campaign⁽⁸⁾. A more likely scenario, however, is that US military assistance will freeze entirely at a time when Ukraine's defences are under growing strain. In that case, Europeans would be unable to fill critical gaps in the short term. The US administration did consent to deliveries funded and channelled to Ukraine by NATO allies. Zelensky could build on this agreement to counter the potential adverse impact of the Anchorage meeting⁽⁹⁾. However, doubts persist about US industrial capacities and hence the

(6) World Bank Group, 'Updated Ukraine recovery and reconstruction needs assessment released', 25 February 2025 (<https://www.worldbank.org/en/news/press-release/2025/02/25/updated-ukraine-recovery-and-reconstruction-needs-assessment-released>).

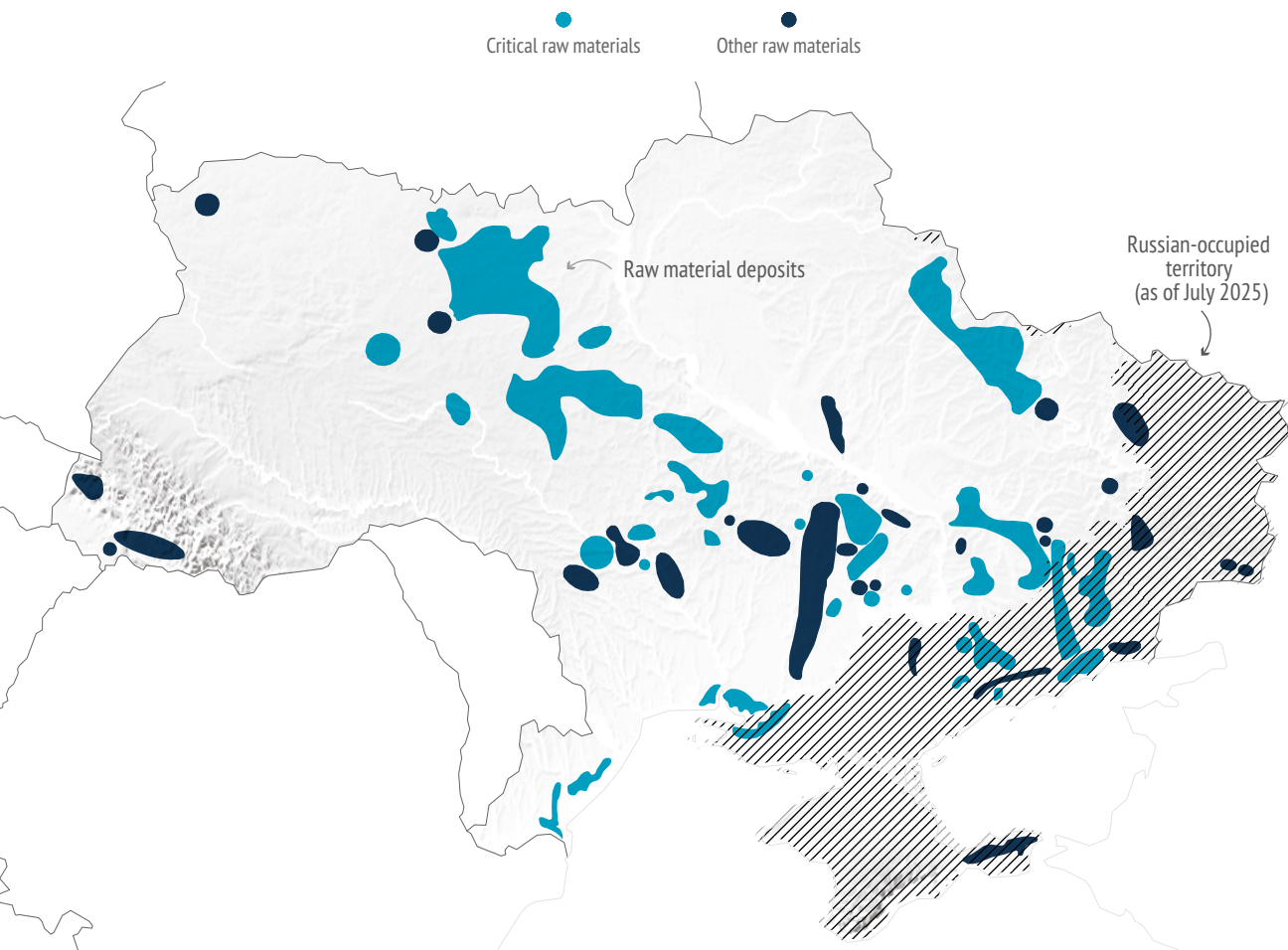
(7) Speech by HR/VP Kaja Kallas at the European Parliament, op.cit.; European Commission, 'EU assistance to Ukraine' (https://commission.europa.eu/topics/eu-solidarity-ukraine/eu-assistance-ukraine_en). The figure includes macrofinancial assistance, funds from the Ukraine Facility (of which €5.27 billion is allocated in grants from the Ukraine Reserve while the rest is loans) conditioned on implementation of the Ukraine Plan, other backed loans and guarantees facilitated through the EIB and the EBRD, humanitarian and military assistance by the Member States, support channelled through the European Peace Facility, and funding for refugees covered by EU resources. At the latest Ukraine Recovery Conference (URC) in Rome in July 2025, the EU announced a new €2.3 billion package as a part of the Ukraine Investment Framework, as well as an European Flagship Fund, an equity facility backed by the EIB and several Member States.

(8) It is estimated that close to USD 10 billion remain unspent in USAI and up to USD 5 billion unused in the Presidential Drawdown Authority (PDA). The former has been used to procure weapons for Ukraine and the latter to draw from US Department of Defense stockpiles and finance their replacement. Tomahawks could deliver significant effects but their delivery remains sensitive as the US stocks are relatively low, and the system is frequently employed in current US military operations while also having an important role in potential future conflict scenarios with China.

(9) 'Zelensky says security guarantees for Ukraine will include a "strong army", US weapons deal, and domestic drone production', Meduza, 19 August 2025 (<https://meduza.io/en/news/2025/08/19/zelensky-says-security-guarantees-for-ukraine-will-include-a-strong-army-u-s-weapons-deal-and-domestic-drone-production>).

The next point of friction?

Securing Ukraine's critical raw materials



Data: Institute for the Study of War, 'Assessed Control of Terrain in Ukraine and Ukrainian Raw Materials', 2025; European Commission, GISCO, 2025

timing of the deliveries⁽¹⁰⁾. Moreover, new policy reversals by Trump always remain a possibility – supported by 'restrainers' eager to prioritise stockpiling weapons at home, particularly as China continues to impose constraints on US military producers' supply of critical minerals.

In the diplomatic field, Europeans efforts to influence the US administration

began to yield results through preventive damage control ahead of the Alaska summit, and later by initiating transatlantic discussions on security guarantees for Ukraine and sanctions coordination. However, any sense of relief would be premature as the struggle to influence Trump's mind remains ongoing. If Moscow cannot induce him to pressure Kyiv into extensive concessions, it will seek to

(10) Some Patriot batteries could be delivered now and backfilled later. But even a fully functional layered defence will not cover all potential civilian and infrastructural targets – and Russia will maintain the option to shift the focus of its campaign, the intent of which is to terrorise and demoralise civilians, elsewhere.

disengage him, and continue the war until a new opening emerges for diplomacy which it sees as a continuation of war by other means. This is not only about Ukraine: Moscow has succeeded in making the ‘root causes’ of the war a part of the bilateral conversation with Washington – not as an abstract academic issue but as a potential basis for negotiating a radically altered European security architecture.

It remains unclear what resources will be channelled to the Reconstruction Investment Fund, within what timeframe, and how the economic value of Ukraine’s critical raw materials will be assessed⁽¹¹⁾. However, if the fund does serve as a vehicle of reconstruction – an intention signalled by the Ukrainian government’s decision to launch a review of licences to mine strategic minerals in the country⁽¹²⁾ – it may create conflict between the US and the EU over mineral extraction rights where their interests collide. In June 2025 the European Commission designated Balakhivka, a site with potential to produce spherical graphite (SPG), along with a lithium deposit in Dobra, also in Kirovohrad Oblast, as a strategic raw materials project⁽¹³⁾. However, Development Finance Corporation (DFC), the US partner in the Reconstruction Investment Fund, has also expressed interest – and the April 2025 ‘minerals agreement’ between the US and Ukraine grants preferential access to the US, including offtake rights for extraction projects. Ukraine is preparing to launch a production-sharing agreement (PSA) tender for Dobra, in

which TechMet – a company with ties to the White House through billionaire Ronald Lauder – has expressed interest, while another US capital-backed firm, CRML, claims existing rights and has threatened legal action. Furthermore, the minerals agreement may complicate Ukraine’s future accession path. Although it provides for good faith renegotiation to align Ukraine’s legislation with the EU *acquis* and ensure Ukraine’s accession, it is hard to imagine any US government willingly relinquishing the preferential treatment enshrined in the agreement without resistance.

TURNING THE WHEEL: TOWARDS MORE UNITY?

To avoid discord and instead seek convergence with Washington where possible, the EU should start with the following measures.

Future-proof military support: The Member States in the coalition of the willing should seek to keep the channels of US arms deliveries open – regardless of how they are funded. Meanwhile, they must prepare for the baseline scenario in which these deliveries eventually expire. This requires enhancing their own production and doubling down on the Danish model to support weapons production

(11) Although significant in size, the viability of these deposits – their conversion into tappable reserves – is largely unproven. Some deposits are not clearly mapped due to the absence of modern exploration and verification techniques and consequent reliance on outdated Soviet-era geological estimates; others lie in war-affected or Russian-occupied areas. Together, such deposits may amount to 20% of Ukraine’s total mineral reserves. The lead time from proper exploration to extraction is normally more than a decade, even provided there is sufficient capital investment – an uncertain proposition given the prevailing political risks.

(12) ‘Ukraine PM orders sweeping audit of mining licences’, Reuters, 14 August 2025 (<https://www.reuters.com/markets/commodities/ukraine-pm-orders-sweeping-audit-mining-licences-2025-08-14/>).

(13) European Commission, ‘Decision of 4.6.2025 recognising certain critical raw material projects located in third countries and in overseas countries or territories as strategic projects’, C(2025) 3491 Final, 4 June 2025 (https://single-market-economy.ec.europa.eu/publications/commission-decision-recognising-certain-critical-raw-material-projects-located-third-countries_en).

in Ukraine by direct external financing – where the government in Kyiv is often too strapped for cash to place orders even when the local production capacity exists. Furthermore, more emphasis should be placed on developing joint localised manufacturing and maintenance, facilitated by Ukraine's ongoing defence industry reforms⁽¹⁴⁾ and its prospective integration into the European Defence Industrial and Technological Base (EDITB) via the European Defence Industry Programme (EDIP), which foresees a €300 million Ukraine Support Instrument envelope. The SAFE initiative also offers opportunities, provided the Commission's assessment prioritises applications that stress cooperation with Ukrainian partners.

Keep up the diplomatic battle: Europeans must furthermore persevere in what is likely to be a prolonged diplomatic battle for Trump's mind. Sustained effort will be required to prevent Washington's disengagement from the conflict and a return to open appeasement of Putin's Russia. In this key transatlantic debate, strength, resolve and clarity are more likely to advance the EU's interests than flattery and submission. The EU's goal should be to shift US positions towards a policy of 'peace through strength' when dealing with the world's most overtly imperialist and murderous, yet structurally fragile, regime – Vladimir Putin's Russia. Closer engagement with Congress and Trump's trusted advisors across different circles can further strengthen Europe's hand in this contest, where the real adversary is not the US but rather the Kremlin.

A future joint agreement on providing (differentiated) security guarantees to

Ukraine would mark an important step towards greater transatlantic convergence. However, the EU must be prepared for sustained Russian opposition to the deployment of a reassurance force

Sustained effort will be required to prevent Washington's disengagement from the conflict.

or any monitoring mission involving the participation of transatlantic allies; or, should such opposition fail, subversive operations against them. Participants in any future security guarantee agreement will therefore need to design robust contingency plans to prevent or mitigate the related

political and security risks.

Involve the US in a 'Marshall Plan' for Ukraine's reconstruction: The EU should ensure that any transatlantic competition over Ukraine's recovery and reconstruction is carefully managed, with efforts converging wherever possible to benefit Ukraine. Central to this must be the recognition of Ukraine's agency in the process and the safeguarding of its sovereignty from potential compromises in this context. The EU should put forward a proposal for a joint 'Marshall Plan 2.0' and invite the US to participate. The plan should include the following provisions:

- > Economic partnerships should play a leading role but should be underwritten by commitments to safeguard Ukraine's investment climate.
- > To increase available resources, private equity should be jointly mobilised, and a coordinated mechanism established for confiscating Russia's frozen assets. The EU may use the assets to issue a reparation loan to Ukraine. If this option proves too divisive, a dedicated financial institution – a bank, or a fund – can be created to manage these

(14) See Andersson, J.J. and Ditrych, O., 'Made in Ukraine', EUISS Brief No. 5, April 2024 (https://www.iss.europa.eu/sites/default/files/EUISSFiles/Brief_2024-5_Ukraine.pdf).

resources, generating returns that can be used in compensation for damages, improved defence and economic recovery, without necessarily depleting the principal.

- > A digital monitoring platform should be developed for the Marshall Plan 2.0 projects, ensuring transparent governance, effective coordination as well as an equitable spatial distribution of reconstruction efforts.
- > Additional incentives, going further than those already built into the Ukraine Facility, are needed to encourage more entrepreneurial stakeholders, rather than more risk-averse ones, to invest in reconstruction in the frontline regions such as in Kharkov, Kherson or Odessa – where health, water and energy infrastructure are in urgent need of rebuilding.
- > Developing Ukraine's capacity to absorb reconstruction investments should be another area of joint focus from which all actors stand to benefit. Reconstruction needs are estimated in the hundreds of billions, but even the much more limited resources currently programmed cannot always be effectively spent. Marshall Plan 2.0 should focus on assisting Ukraine to improve public sector capacity to manage large infrastructural projects, address outstanding corruption and transparency issues, and consolidate a skilled and capable workforce, including through programmes designed to incentivise the return of refugees.

that discourages geopolitical competitors such as China from creating instrumental dependencies: a shared transatlantic concern that can only be addressed effectively through close coordination and joint action.

The US may initially be sceptical of the plan, preferring a more direct pursuit of immediate business opportunities. Gaining the support of key international development stakeholders will be crucial, both to leverage more resources for shared benefit and to enhance the plan's attractiveness. A cooperative approach would furthermore help shape the reconstruction landscape in a way

CHAPTER 3

UNITED AGAINST BEIJING – OR EACH OTHER?

The transatlantic rift on China strategy

by
TIM RÜHLIG

Transatlantic exchanges on China are shaped by contrasting dynamics: shared (though not always) congruent interests on one hand, and mutual uncertainty on the other. Europeans are uncertain of the role that the People's Republic of China (PRC) plays in the strategic thinking of the second Trump administration. Meanwhile, the majority of Washington's foreign policy community – regardless of party affiliation – identifies China as a major security threat to the United States, but doubts that the EU is genuinely like-minded. This mutual mistrust translates into concrete concerns that affect European security interests, the EU's economic security and the continent's economic prosperity.

The EU should focus on its own interests rather than tailoring its China policy to please Trump, as some observers are suggesting⁽¹⁾, while seeking to show the US that sectoral cooperation can benefit both sides in areas such as addressing

Chinese overcapacity, safeguarding economic security, and power projection in Eurasia. At the same time, it must be prepared to defend its interests *vis-à-vis* Beijing independently, working with like-minded partners around the world and in Congress.

MIXED SIGNALS: CONTAINING CHINA OR STRIKING A DEAL?

Unlike during the first Trump administration, Washington is sending mixed signals on China. After Trump's inauguration, initial indications suggested that the President 2.0 would continue the hawkish China policy of his first term in office. Beginning in 2018, Trump had launched a trade war with China that

(1) Ruge, M., 'Facing Trump's tariff war: a defensive blueprint for the EU', European Council on Foreign Relations, 19 February 2025 (<https://ecfr.eu/article/facing-trumps-tariff-war-a-defensive-blueprint-for-the-eu/>).

culminated in the ‘Phase One Deal’ of 2020, under which Beijing committed to purchasing US goods and services worth \$200 billion within two years⁽²⁾. The administration had also pressured its partners to exclude Chinese technology from critical infrastructure, especially from 5G mobile networks⁽³⁾. Especially during the Covid pandemic, Trump ratcheted up his rhetoric against China, repeatedly referring to the ‘China virus’⁽⁴⁾.

In its first weeks back in the White House, the Trump administration underlined that China was not only the major source of the country’s trade deficit, but that Beijing had ‘not lived up to its commitments’ under the Phase One deal, which the administration pledged to enforce. Washington further accused Beijing of unfair trade practices, forced technology transfer and the theft of intellectual property⁽⁵⁾. In the following weeks, the Trump administration rolled out several rounds of tariffs on most Chinese goods, with the baseline tariffs peaking in April at no less than 145%. It also doubled down on targeted semiconductor export controls, most notably on AI-enabling Nvidia H20 chips – a

China hawks – both Republicans and Democrats – see Europe as too slow and indecisive.

practice resembling the approach of the Biden administration.

Trump’s initial personnel appointments signalled continuity with his first-term China policy: Michael Waltz, Trump’s first national security advisor, his principal deputy Alex Wong, Secretary of State Marco Rubio and Undersecretary of Defense for Policy Elbridge Colby are just four examples of Trump picks that are all widely known to be China hawks.

However initial signs of a hawkish containment strategy towards Beijing quickly dissipated. Vice President J.D. Vance’s speech at the Munich Security Conference demonstrated that not everyone in Washington

views authoritarian China as the primary rival — some instead see liberal Europe as the adversary⁽⁶⁾. China hawks reportedly lost influence; Michael Waltz and Alex Wong were sacked⁽⁷⁾. Shortly thereafter Trump reversed the newly-introduced H20 chip export controls.

In June 2025, the US-China trade deal in Geneva led both sides to lift retaliatory measures, although they failed to address Trump’s original grievance: the US

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- (2) United States Trade Representative, ‘Economic and trade agreement between the government of the United States of America and the government of the People’s Republic of China. Text’, 15 January 2020 (https://ustr.gov/sites/default/files/files/agreements/phase%20one%20agreement/Economic_And_Trade_Agreement_Between_The_United_States_And_China_Text.pdf).
 - (3) Rühlig, T. and Björk, M., ‘What to make of the Huawei debate? 5G network security and technology dependency in Europe’, The Swedish Institute of International Affairs, January 2020 (www.ui.se/globalassets/ui.se-eng/publications/ui-publications/2020/ui-paper-no.-1-2020.pdf).
 - (4) ‘Trump defends using “Chinese Virus” label, ignoring growing criticism’, *New York Times*, 18 March 2021 (<https://www.nytimes.com/2020/03/18/us/politics/china-virus.html>).
 - (5) United States Trade Representative, ‘The President’s 2025 trade policy agenda’, 3 March 2025 (<https://ustr.gov/sites/default/files/files/reports/2025/President%20Trump's%202025%20Trade%20Policy%20Agenda.pdf>).
 - (6) ‘Speech by JD Vance’, Munich Security Conference, 14 February 2025 (https://securityconference.org/assets/02_Dokumente/01_Publikationen/2025/Selected_Key_Speeches_Vol._II/MSC_Speeches_2025_Vol2_Ansicht_gekürzt.pdf).
 - (7) ‘China hawks are losing influence in Trumpworld, despite the trade war’, *The Economist*, 15 April 2025 (<https://www.economist.com/china/2025/04/15/china-hawks-are-losing-influence-in-trumpworld-despite-the-trade-war>).

trade deficit⁽⁸⁾. China has shown greater staying power than the Trump administration. This fuels concerns in the EU that the Trump administration is not interested in tackling the unfair conditions of Chinese competition but aims to strike short-term trade deals that sideline Europe.

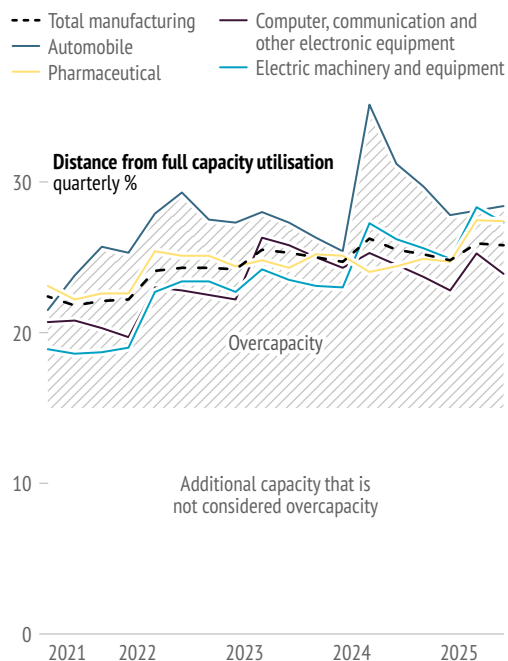
BETWEEN HURDLES AND SHARED CONCERNS

Anticipating a hawkish Trump 2.0 policy towards China, the EU proposed closer coordination with the US and other G7 partners on sectoral economic security standards. The aim was to counter Beijing's unfair trade practices, which have flooded world markets with heavily subsidised industrial overcapacity in sectors ranging from electric vehicles to batteries, solar panels and steel⁽⁹⁾.

But Washington showed little enthusiasm for developing a joint economic China policy with Europe. Although China occasionally featured in transatlantic trade talks, it remained only a minimal topic in EU-US negotiations and was not part of the EU-US trade deal concluded in late July 2025. Likewise, despite shared concerns about China weaponising its monopoly of heavy rare earth refinement, the Trump administration chose to negotiate a unilateral deal with Beijing

Chinese excess production has reached threatening levels

China's unused manufacturing capacity has been above the ideal rate of 15-20% for several years running, and across sectors



Data: China National Bureau of Statistics, July 2025

rather than coordinating with allies and partners.

Part of the reason may lie in the erratic nature of the Trump administration, which tends to prioritise unilateral action over international coordination. However, EU-US cooperation on China is also undermined by Washington's stance towards Russia. As part of Trump's inconsistent Russia policy, Secretary of State Rubio has floated the idea of a 'reverse Nixon', in which the US would attempt to draw Moscow away from Beijing in order

(8) Wiseman, P., 'US, China announce a trade agreement – again. Here's what it means', AP, 28 June 2025 (<https://apnews.com/article/trump-china-trade-tariffs-rare-earth-minerals-cbd2482bd2b3a7ce8d47030c4ffc3d4>).

(9) Rühlig, T. and Teer, J., 'A new transatlantic trade and tech agenda: economic security standards can address the EU's and Washington's concerns about China', EUISS Commentary, 20 January 2025 (<https://www.iss.europa.eu/publications/commentary/new-transatlantic-trade-and-tech-agenda-economic-security-standards-can>).

to isolate China⁽¹⁰⁾. While such a strategy is unlikely to be successful, the discourse alone is strengthening Putin's negotiating position and thereby running counter to Europe's core security interests⁽¹¹⁾. The idea of driving a wedge between Moscow and Beijing thus further underscores the divergence between Europe and the US in their approaches to China.

The mistrust runs in both directions. US China hawks – both Republicans and Democrats – see Europe as too slow and indecisive, and question how like-minded transatlantic partners really are.⁽¹²⁾ They suspect that Europe is failing to tackle industrial overcapacity decisively and is not de-risking from China with sufficient determination. Even when it comes to Russia, US officials in private conversations lament the lack of European sanctions against Chinese actors complicit in enabling Russia's aggression against Ukraine. Likewise former Biden administration officials express frustration over the time and effort spent coordinating with European counterparts, only to achieve limited results⁽¹³⁾. The suspicion lingers that Europe is more interested in preserving its lucrative commercial relations with China — even if that entails significant security risks.

Mutual distrust is getting in the way of common interests. The US and the EU share at least three sets of concerns vis-à-vis Beijing:

1. **Reacting to Chinese overcapacities:** Preferential treatment of Chinese companies by the party-state, most notably through massive supply-side subsidies, continues to distort global markets. Not only is China's domestic demand exceptionally low but the Chinese economy is also more technologically advanced and thereby less complementary to those of the EU and the US. This threatens competitiveness, growth and jobs in both Europe and the US more than ever before.
2. **Ensuring economic security:** Russia's war of aggression against Ukraine has exposed the dangers of Europe's over-reliance on Russian fossil fuels. China, however, is even more deeply embedded in global value chains, and both European and US dependencies on Chinese supply are complex. China has also shown a growing willingness to weaponise such dependencies against its adversaries. This underscores the need for the EU and the US to reduce their strategic vulnerabilities through de-risking.
3. **Russia-China cooperation and Chinese power projection:** China is more assertive, if not outright belligerent, than ever before, both in Asia and as an enabler of Russian aggression in Europe. The People's Liberation Army now routinely crosses the median line in the Taiwan Strait. Beijing is providing economic, military and diplomatic resources to Russia, thereby

(10) Boyle, M., 'Exclusive — Rubio details how Trump going on offense against China's Belt and Road Initiative: "Big Story of 21st century U.S.-China relations"', Breitbart, 25 February 2025 (<https://www.breitbart.com/politics/2025/02/25/exclusive-rubio-details-trump-offense-china-belt-road-initiative/>).

(11) Rühlig, T., 'China: Reducing its calculated support for Russia', in: Ditych, O. and Everts, S. (eds.), 'Unpowering Russia: How the EU can counter and undermine the Kremlin', *Chaillot Paper* no.186, EUISS, May 2025, pp. 18–25 (<https://www.iss.europa.eu/publications/chaillot-papers/unpowering-russia-how-eu-can-counter-and-undermine-kremlin>).

(12) 'U.S. urges Europe to raise disquiet over China-Russia defence ties', Reuters, 10 September 2024 (<https://www.reuters.com/world/us-urges-europe-raise-disquiet-over-china-russia-defence-ties-2024-09-10/>); Risch, J., 'One step forward, two steps back. A review of U.S.-Europe cooperation on China', The United States Senate Committee on Foreign Relations, July 2024 (www.foreign.senate.gov/imo/media/doc/risch_july_2024_one_step_forward_two_steps_back_a_review_of_useuropecooperationonchina.pdf).

(13) Anonymous author interviews with several former US officials, June 2025, Washington D.C.

undermining the European security order⁽¹⁴⁾. The US and the EU may not be fully aligned but they share concerns about China's expanding role in the region. In Washington, most Democrats and many Republicans in Congress view Beijing's alignment with Moscow with growing unease. This mirrors the position of the EU.

REBUILDING COOPERATION?

Trump's erratic China policy makes comprehensive coordination difficult to achieve. A common approach towards Beijing is unlikely to be a cornerstone of transatlantic policymaking. The EU should strictly focus on its own interests and not seek to use its China policy to 'please' Trump, as some observers suggest⁽¹⁵⁾. By default, the EU should assume that it will need to defend its interests *vis-à-vis* Beijing without Washington. Nonetheless, the EU should aim to convince the US that sectoral cooperation – where interests converge – can deliver tangible benefits to both sides:

Tump's erratic China policy makes comprehensive coordination difficult to achieve.

1. **Chinese overcapacities:** China's advantages threaten European companies not only in their home markets but also in third countries. To tackle

the scale of China's production, both the EU and the US need to create markets of scale⁽¹⁶⁾. The EU could renew previous attempts at sectoral coordination of regulation and tariff policy, while also seeking to cooperate with any country affected by Chinese overcapacity, including in the 'Plural South'. Brussels should reach out to Washington, proposing that the US join this initiative. If it did, the effort to create markets of scale would also generate new market opportunities for American companies.

2. **Economic security:** The EU's economic security policy has traditionally been country-agnostic, although many of its concerns centre on China⁽¹⁷⁾. Under the Trump administration, Europe also needs to reduce dependencies on the US. Nonetheless, tackling critical import dependencies *vis-à-vis* China, such as in the field of critical raw materials or Internet of Things (IoT) modules, requires incentivising private companies to build alternative supply chains. This, once again, largely depends on achieving scale and ensuring predictability of demand, which the EU should seek to develop with third countries. In parallel, the EU should invite the US to join this endeavour.
3. **China-Russia cooperation:** Despite its proclaimed 'limitless' friendship with Russia, China has responded to

(14) Caruso, A. and Rühlig, T., 'The dependence gap in Russia-China relations. Tracing where pragmatism ends and geopolitical signalling begins', EUISS, 2 October 2025 (<https://www.iss.europa.eu/publications/analysis/dependence-gap-russia-china-relations>).

(15) 'Facing Trump's tariff war: a defensive blueprint for the EU', op. cit.

(16) Campbell, K. and Doshi, R., 'Underestimating China: Why America needs a new strategy of allied scale to offset Beijing's enduring advantages', *Foreign Affairs*, 10 April 2025 (<https://www.foreignaffairs.com/china/underestimating-china>).

(17) European Commission, 'Speech by President von der Leyen on EU-China relations to the Mercator Institute for China Studies and the European Policy Centre', 30 March 2023 (https://ec.europa.eu/commission/presscorner/detail/hu/speech_23_2063).

sanctions. Where these have imposed a significant cost on its economy, Chinese exports to Russia have declined⁽¹⁸⁾. The EU on its own exerts some, although limited, leverage. In this field more than in the two others, Europe depends on the US. In the absence of a reliable partnership with the White House, the EU should seek closer engagement with like-minded members of Congress on this matter. The closer the US gets to the mid-term elections, the more members of Congress concerned about their re-election may be inclined to take their own initiatives – especially if the President's approval ratings fall amid mounting economic challenges.

In all three sectors of concern, transatlantic cooperation would benefit both sides. The EU should remain open to coordination with the White House while also strengthening partnerships with trusted allies elsewhere in the world as well as within Washington.

(18) 'The dependence gap in Russia-China relations', *op. cit.*

CHAPTER 4

PARTING WAYS?

Europe and the US on the disinformation frontline

by
LEONARDO DE AGOSTINI

Since its first days in office, the US administration has undertaken a U-turn in the fight against disinformation. The White House's radical change of stance, rooted in ideology as well as in Trump's contentious relationship with mainstream media, comes at a moment of heightened risks for the EU, its Member States and like-minded partners. Disinformation is a central part of Russia's ongoing hybrid aggression against Europe and Moscow's interference attempts are growing both in scale and frequency⁽¹⁾.

This radical shift is impacting US policies at home, and it is now spilling over into foreign policy, with serious implications for Europe. While Washington politicises the notion of 'free speech', the EU and Member States should scale up their efforts on the disinformation frontline – both within Europe and in contested information spaces.

RETRENCHMENT AT HOME, DISRUPTION ABROAD

Notwithstanding the documented attempts by foreign actors to interfere in the 2024 elections⁽²⁾, the US government is dismantling its counter-disinformation apparatus at home. The administration shut down the 'Counter Foreign Information Manipulation and Interference Hub' – the office in the State Department that took over from the 'Global Engagement Centre'⁽³⁾. Both offices, closed on the grounds of alleged infringement of the free speech of American citizens, focused solely on *foreign* disinformation and played key roles in exposing Russian, Chinese and Iranian activities, as well as propaganda by non-state actors such as al-Qaeda and the so-called Islamic State

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- (1) Soldatov, A. and Borogan, I., 'Arsonist, killer, saboteur, spy: While Trump courts him, Putin is escalating Russia's hybrid war against the West', *Foreign Affairs*, 20 March 2025 (<https://www.foreignaffairs.com/russia/arsonist-killer-saboteur-spy-vladimir-putin-donald-trump>).
 - (2) Kovalčíková, N. and Spatafora, G., 'The future of democracy: Lessons from the US fight against foreign electoral interference in 2024', Brief No. 22, EUISS, December 2024 (https://www.iss.europa.eu/sites/default/files/2025-02/Brief_2024-22_US%20elections%20FIMI.pdf).
 - (3) Wong, E., 'Trump aides close State Dept. Office on Foreign Disinformation', *The New York Times*, 16 April 2025 (<https://www.nytimes.com/2025/04/16/us/politics/trump-rubio-state-department-foreign-disinformation.html>).

(ISIS). The shutdown followed the defunding and downsizing of offices with similar mandates within the Federal Bureau of Investigation (FBI) and the Cybersecurity and Infrastructure Security Agency (CISA), part of the Department of Homeland Security⁽⁴⁾. Most recently, the Director of National Intelligence, Tulsi Gabbard, announced plans to close the intelligence community's 'Foreign Malign Influence Center' (FMIC), 'effectively end[ing] any meaningful government role in addressing the foreign interference threat'⁽⁵⁾.

Abroad, Vice President JD Vance's speech at the Munich Security Conference marked a pivotal moment in the politicisation of free speech, particularly in relation to Europe's approach to countering disinformation. The intervention was followed by explicit interventions in European elections, where the US openly supported far right and Eurosceptic parties and candidates – notably in Germany, Poland and Romania⁽⁶⁾.

The Munich speech also served as the launch of a communications campaign by several US embassies and missions in

Vance's speech at the Munich Security Conference marked a pivotal moment in the politicisation of free speech.

Europe which, via a series of posts on X in spring 2025, clearly exemplifies Washington's new posture. At its core, the campaign frames the EU's fight against disinformation as 'censorship of dissenting views' from a 'global elite' run through a 'fact-checking industrial complex'⁽⁷⁾. Additionally, economic and regulatory concerns play a key role in shaping the US stance towards the EU. Washington has openly portrayed Brussels' efforts to regulate social media through the Digital Services Act (DSA) – which includes provisions on illegal, harmful and disinformation content – as part of the alleged 'disinformation industry' and as a 'scam' to monitor, censor, and 'demonetize' American companies⁽⁸⁾. The DSA incorporates the 'Code of Conduct on Disinformation', which strengthens the European Commission's authority to enforce specific rules when platforms pose risks to citizens, societies or democratic processes. This dispute shows no signs of abating, with President Trump threatening in August additional tariffs and exports restrictions on chips for countries that apply 'discriminatory' rules against American companies⁽⁹⁾.

- (4) Gioe, D. and Hayden, M. V., 'Trump is breaking American intelligence', *Foreign Affairs*, 2 July 2025 (<https://www.foreignaffairs.com/united-states/trump-breaking-american-intelligence>); Myers, S.L., Barnes, J. E. and Frenkel, S., 'Trump dismantles government fight against foreign influence operations', *The New York Times*, 20 February 2025 (<https://www.nytimes.com/2025/02/20/business/trump-foreign-influence-election-interference.html>).
- (5) Salvo, D., 'What just happened? Dismantling the intelligence community's Foreign Malign Influence Center', *Just Security*, 28 August 2025 (<https://www.justsecurity.org/119653/wjh-dismantling-foreign-malign-influence-center/>).
- (6) Dionne, E.J., 'Trump invites electoral backlash abroad, but Europe's far right is far from dead', *Brookings*, 5 June 2025 (<https://www.brookings.edu/articles/trump-invites-electoral-backlash-abroad-but-europes-far-right-is-far-from-dead/>).
- (7) The communication campaign was run by the accounts of the US Mission to the EU and the OSCE (<https://x.com/US2EU>, <https://x.com/usosce>), and the embassies in Berlin, London and Tallin (<https://x.com/usbotschaft>, <https://x.com/USAinUK>, <https://x.com/USEmbTallinn>), with a series of identical posts published between May and June 2025.
- (8) The DSA targets platforms operating in the EU with over 45 million monthly users. As of July 2025, 10 of the 20 listed VLOPs/VLOSEs are US-based companies. As per the updated list by the European Commission (<https://digital-strategy.ec.europa.eu/en/policies/list-designated-vlops-and-vloses>).
- (9) Gkritsi, E. and Wendler, J., 'Trump threatens "substantial" new tariffs against countries with "discriminatory" digital rules', *Politico*, 26 August 2025 (<https://www.politico.eu/article/us-question-report-sanction-eu-officials-dsa-donald-trump/>).

EFFECTS OF 'AMERICA FIRST' CUTS – IN EUROPE AND BEYOND

This ideological stance has had tangible consequences abroad, resulting in a 'unilateral disarmament in the information warfare Russia and China are conducting all over the world' ⁽¹⁰⁾. A key example of this 'America First' retrenchment is the federal funding cuts to Voice of America (VoA) and USAID. The White House framed these cuts as bureaucratic reductions ⁽¹¹⁾ and, in VoA's case, cited alleged 'radical propaganda' despite the network's charter to provide balanced coverage exclusively outside the United States.

The United States Agency for Global Media (USAGM) oversees both directly controlled networks – including VoA and Radio Television Marti, and grantee networks such as Radio Free Europe/Radio Liberty (RFE/RL), Radio Free Asia (RFA), Middle East Broadcasting (MEB), and the Open Technology Fund (OTF). Since its founding in 1942 to counter Nazi propaganda, VoA has represented the 'hard edge' of US soft power ⁽¹²⁾, supporting

American (and European) security interests worldwide. Its networks have provided independent information in regions dominated by state-run media, countering authoritarian narratives and disinformation.

Even if these activities no longer align with the current administration's foreign policy, they remain crucial for maintaining a US presence in contested information spaces, including in Europe's neighbourhood. This retreat from counter-disinformation engagement

This retreat from counter-disinformation engagement also jeopardises European interests.

also jeopardises European interests, particularly as Russia has invested over \$1 billion in state-sponsored media in 2025 ⁽¹³⁾, and Chinese content rapidly fills the vacuum from Nigeria to Indonesia ⁽¹⁴⁾. Initiatives funded by USAID – ranging from media literacy to freedom of information – are now endangered, leaving the

EU and its Member States to strengthen their foreign information manipulation and interference (FIMI) defences without a resourceful ally ⁽¹⁵⁾.

In September, the US State Department notified European partners of its decision to terminate a memorandum of understanding designed to enhance coordination in countering foreign

(10) James P. Rubin, former State Department official in the GEC, quoted in *The New York Times*. See footnote 4.

(11) The White House, 'Continuing the reduction of the federal bureaucracy', 14 March 2025 (<https://www.whitehouse.gov/presidential-actions/2025/03/continuing-the-reduction-of-the-federal-bureaucracy/>) and 'At USAID, waste and abuse runs deep', 13 February 2025 (<https://www.whitehouse.gov/articles/2025/02/at-usaid-waste-and-abuse-runs-deep/>).

(12) Remarks by Lisa Curtis, Chair of the Board of RFE/RL, PBS News Hours, 17 March 2025 (<https://www.pbs.org/newshour/show/what-is-voice-of-america-and-why-trump-is-dismantling-the-broadcaster>).

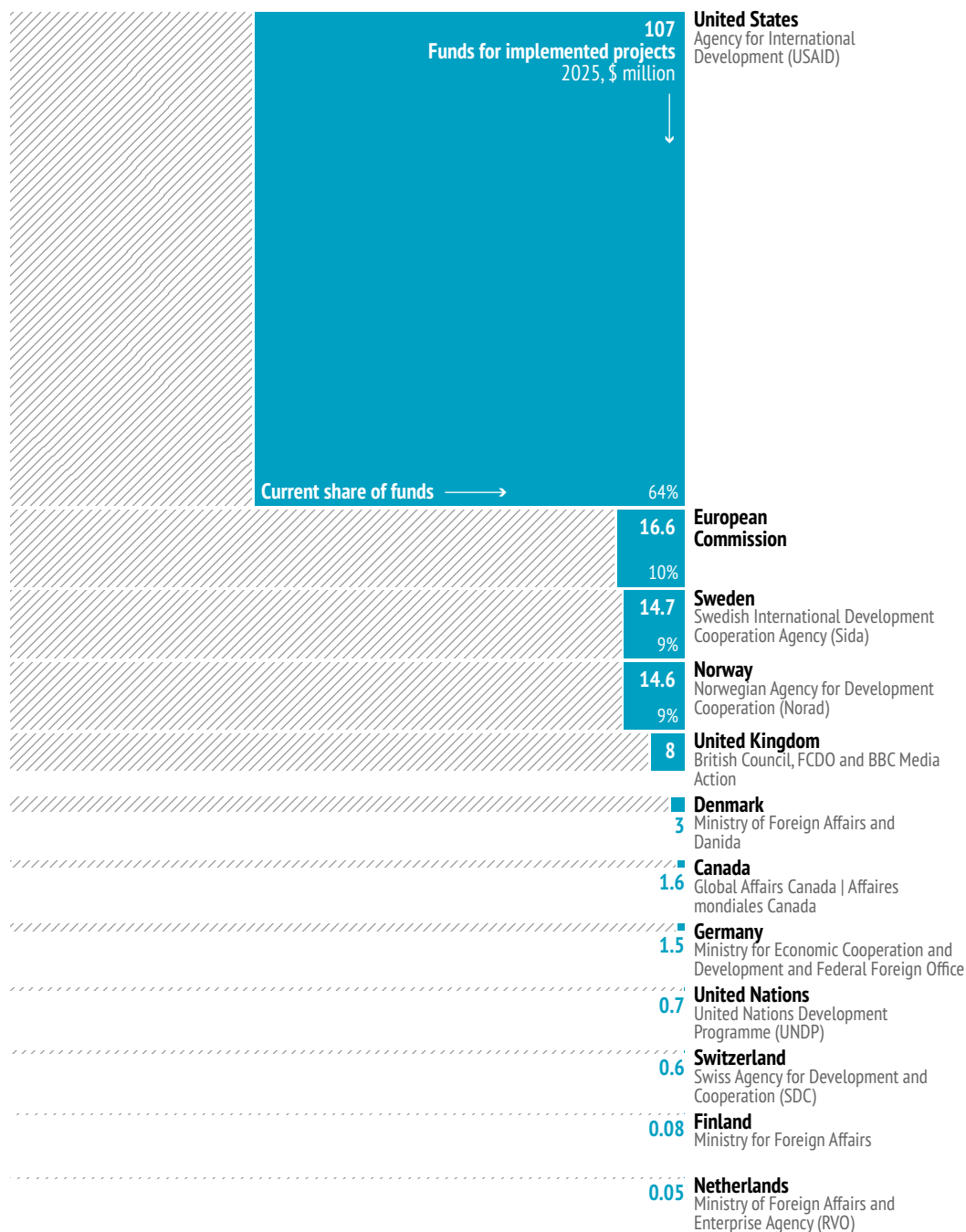
(13) EEAS, '3rd EEAS Report on Foreign Information Manipulation and Interference Threats', March 2025 (https://www.eeas.europa.eu/eeas/3rd-eeas-report-foreign-information-manipulation-and-interference-threats-0_en).

(14) Viswanatha, A., Wexler, A. and Leong, C., 'China gets more airtime around the world as Voice of America signs off', *The Wall Street Journal*, 13 July 2025 (<https://www.wsj.com/world/china/voice-of-america-china-russia-65f54e6a>).

(15) Ditrych, O., 'Doing resilience better, with less: The cornerstone of the EU's Eastern policy needs rethinking', Brief No. 10, EUISS, April 2025 (https://www.iss.europa.eu/sites/default/files/2025-04/Brief_2025-10_Democratic%20resilience.pdf).

Abandoning the disinformation frontlines

USAID cuts significantly impact counter-disinformation efforts in the EU's eastern neighbourhood



Data: International Aid Transparency Initiative (IATI) for projects, currently being implemented through 2025 in Armenia, Georgia, Moldova, Ukraine and the Western Balkans; under the 'Media and free flow of information' category.

disinformation⁽¹⁶⁾. Trust in transatlantic cooperation against disinformation and foreign interference is eroding, and joint efforts – spanning intelligence sharing, common analysis, attribution, and sanctions – face mounting pressure under the current administration. The US retrenchment from the Five Eyes intelligence alliance raises doubts about continued cooperation within the G7's Rapid Response Mechanism (RRM) and NATO structures dealing with public diplomacy and information threats.

This uncertainty 'opens up' already contested information spaces in third countries: from Africa to the Caucasus, where the EU cannot afford to lose ground and should present itself as a coalition builder. The renewed Security and Defence Partnerships (SDPs) with G7 members such as the United Kingdom, Canada and Japan all stress the importance of enhanced cooperation on hybrid threats including FIMI. In the Indo-Pacific, the EU can also draw on an expanding web of initiatives: bilateral initiatives with Japan, South Korea and India, minilateral formats including Australia, and broader multilateral engagement with the Association of Southeast Asian Nations (ASEAN)⁽¹⁷⁾.

In Latin America and Africa, where Russian and Chinese FIMI activity is growing, the EU can build on previous initiatives in countries like Argentina and Colombia or *vis-à-vis* the African Union, where disinformation was discussed at the 2025 ministerial meeting. Across the globe several countries, including Australia,

South Korea and Brazil, are pursuing DSA-inspired legislation to protect their citizens from illegal online content⁽¹⁸⁾. The EU should support these efforts in a policy space in which it has proven to be a global norm setter.

EUROPE: TAKE THE LEAD, SHAPE THE NARRATIVE

To safeguard its interest and protect its citizens and democracies the EU should try to take the lead in the battle against disinformation, taking over from Washington. Some concrete steps to fill the void are outlined below:

Engage DC where possible: It is very unlikely that trust – or meaningful cooperation – on this matter can be restored under the current US administration. A policy of non-engagement with Washington may be the most realistic option, as a normative and value-based approach to countering disinformation is bound to backfire. Still, trying to engage selectively could be a starting point. For example, maintaining a minimum level of engagement with the US by including *foreign* – and especially Chinese – disinformation as part of a broader 'countering hybrid threats' dialogue, or focusing on less contentious areas such

(16) Mackinnon, A., 'US ends international push to combat fake news from hostile states', *Financial Times*, 8 September 2025 (<https://www.ft.com/content/d31b56e3-aca9-4ee7-af5a-abec74830455>).

(17) Jasper, L., *Building Bridges: Euro-Indo-Pacific Cooperation for resilient FIMI Strategies*, HCSS, July 2025 (<https://hcss.nl/wp-content/uploads/2025/07/Policy-Brief-Building-Bridges-HCSS-2025.pdf>).

(18) Propp, K., 'Talking past each other: Why the US-EU dispute over "free speech" is set to escalate', Atlantic Council, 15 August 2025 (https://www.atlanticcouncil.org/blogs/new-atlanticist/us-eu-dispute-over-free-speech-is-set-to-escalate/?utm_campaign=read&utm_content=20250816&utm_medium=organic_social&utm_source=linkedin&utm_term=Atlantic+Council).

as counterterrorism and cybersecurity, may remain viable options⁽¹⁹⁾.

Build and lead coalitions: The EU and its Member States have demonstrated their ability to act as both ‘norm setters’ and ‘coalition builders’ in countering FIMI. With the G7 weakened in the absence of US leadership, it is strategically important for the EU to continue playing this role. The EU should advance the strategic discussion on countering disinformation and foreign interference more proactively and comprehensively – encompassing political interference, sabotage and cyberattacks – by deepening existing partnerships and exploring new ones. This process should begin with the UK, where the renewed SDP is already fostering greater alignment on sanctioning Russia for its hybrid activities⁽²⁰⁾.

Secure Europe and the neighbourhood: While the US retrenchment may not significantly affect the EU’s ability to guard against FIMI at home, the bloc’s support to countries in its neighbourhood should be rethought. Supporting countries with a contested information environment in regions of strategic interest will need increased attention and an efficient reallocation of resources. The EU should try to fill the funding gap left by USAID in its Eastern neighbourhood and the Western Balkans. In this context, the idea,

floated by the EU High Representative for Foreign Affairs and Security Policy/Vice-President of the European Commission (HR/VP), that Member States should step in and provide long-term funding to Radio Free Europe/Radio Liberty, deserves serious consideration⁽²¹⁾.

Communicate proactively: The EU should move to fill the airwaves, frequencies and (social) media channels left unguarded by Washington’s retrenchment with positive messaging. These channels are already being occupied by Russia and China, which makes it all the more important for the EU to invest in a renewed digital diplomacy strategy⁽²²⁾. The ‘global battle of narratives’⁽²³⁾ is raging from sub-Saharan Africa to the Indo-Pacific and, without the US, the EU needs to adapt its posture in this increasingly strategic domain.

(19) See for example: Joint Cybersecurity Advisory, ‘Countering Chinese state-sponsored actors compromise of networks worldwide to feed global espionage system’, addressing the threat of Chinese state-sponsored malicious cyber activity, published in August 2025 (https://media.defense.gov/2025/Aug/22/2003786665/-1/-1/0/CSA_COUNTERING_CHINA_STATE_ACTORS_COMPROMISE_OF_NETWORKS.PDF).

(20) UK Government, ‘UK sanctions Russian spies at the heart of Putin’s malicious regime’, Press Release, 18 July 2025 (<https://www.gov.uk/government/news/uk-sanctions-russian-spies-at-the-heart-of-putins-malicious-regime>); Council of the EU, ‘Russia: Statement by the High Representative on behalf of the EU condemning Russia’s persistent hybrid campaigns against the EU, its Member States and partners’, Press Release, 18 July 2025 (<https://www.consilium.europa.eu/en/press/press-releases/2025/07/18/hybrid-threats-russia-statement-by-the-high-representative-on-behalf-of-the-eu-condemning-russia-s-persistent-hybrid-campaigns-against-the-eu-its-member-states-and-partners/>).

(21) Blackburn, G., ‘EU to provide €5.5 million in emergency funds to help keep Radio Free Europe afloat’, Euronews, 20 May 2025 (<https://www.euronews.com/my-europe/2025/05/20/eu-to-provide-55mln-in-emergency-funds-to-help-keep-radio-free-europe-afloat>).

(22) De Agostini, L. and Dityrych, O., ‘Digital echoes: Countering adversarial narratives in Georgia and Armenia’, Brief No. 19, EUISS, July 2025 (https://www.iss.europa.eu/sites/default/files/2025-07/Brief_2025-19_Digital%20Diplomacy.pdf).

(23) Council of the European Union, *A Strategic Compass for Security and Defence*, March 2022 (https://www.eeas.europa.eu/sites/default/files/documents/strategic_compass_en3_web.pdf).

CHAPTER 5

REINING IN THE US ‘TECH-INDUSTRIAL COMPLEX’

The EU amid transatlantic divides and shared concerns

by
CLOTILDE BÔMONT

In his farewell address on 15 January 2025, former US President Joe Biden warned against the rise of a ‘tech-industrial complex’. By this, he was referring to both the significant power of a few major American tech companies (namely, Alphabet, Amazon, Microsoft, Meta, Apple, Nvidia and Tesla) and their growing influence over political affairs. He denounced a ‘dangerous concentration of power in the hands of very few ultra-wealthy people’, leading to the emergence of an ‘oligarchy’ that ‘threatens [...] democracy, [...] basic rights and freedoms’⁽¹⁾. These companies’ influence has become particularly evident through their unprecedented closeness to the Trump 2.0 administration, especially during the campaign and inauguration. Many tech leaders saw Donald Trump as an ally who might support their fight against regulations hindering their global operations. Indeed, President Trump wasted no time

in targeting countries and international organisations that had adopted content regulation or antitrust laws, with the European Union chief among them. His administration launched a barrage of tariff threats aimed at undermining such regulatory frameworks. Yet, Trump’s aggressive policies could prove detrimental to the tech giants in the long run. Moreover, the new administration has shown little willingness to defend them in their disputes with national authorities. The honeymoon may thus be coming to an end, creating an opening for the EU – now more aware of the transatlantic fractures in the digital realm – to stand its ground and pursue pragmatic cooperation based on shared political interests, including towards Big Tech.

(1) The White House, ‘Remarks by President Biden in a Farewell Address to the Nation’, 15 January 2025 (<https://bidenwhitehouse.archives.gov/briefing-room/speeches-remarks/2025/01/15/remarks-by-president-biden-in-a-farewell-address-to-the-nation/>).

BIG TECH AND TRUMP AGAINST THE EU

Democrats, and the Biden administration in particular, have taken several steps over the years to regulate the practices of these giants domestically, especially by means of anti-trust laws and measures against disinformation. This led to growing frustration among the 'tech oligarchs' who gradually distanced themselves from the Democrats, eventually going so far as to actively support Trump's 2024 campaign. Many tech companies contributed financially to the campaign, donating nearly \$268 million in total. Trump's biggest supporter is Elon Musk, CEO of Tesla and SpaceX, who alone contributed over \$240 million. The heads of these major companies were also prominently in attendance at the inauguration of the 47th President of the United States: Elon Musk, Jeff Bezos (Amazon), Mark Zuckerberg (Meta), Tim Cook (Apple), Sam Altman (OpenAI), and Sundar Pichai (Alphabet) each donated \$1 million to the event. Peter Thiel, founder of PayPal and Palantir and another prominent figure in Silicon Valley, has also been a longtime supporter of Donald Trump, dating back to 2016.

These powerful CEOs saw Trump as a potential valuable ally for the US tech sector, as shown by the 3% rise in the tech-heavy Nasdaq index following his election. They are counting on his support to help defend their interests both internationally and domestically, and to secure new public contracts in sectors such as cloud computing where Google, Oracle, Microsoft and Amazon are vying for dominance, or in the race for space travel and satellite connectivity, led by Space X and Blue Origin. Tech leaders

are thus eager to stay in Trump's good graces. Elon Musk succeeded early on, having been appointed head of the new Department of Government Efficiency (DOGE). Mark Zuckerberg, for his part, made a *volte-face*, turning away from the progressive stance he had previously embraced to align more closely with the MAGA movement and its conservative ideology. On his platforms, Meta and Instagram, he overhauled content moderation rules and dismantled programmes promoting diversity, equity and inclusion within his companies.

Trust between the EU and the US in the digital sphere was already fragile before Trump 2.0.

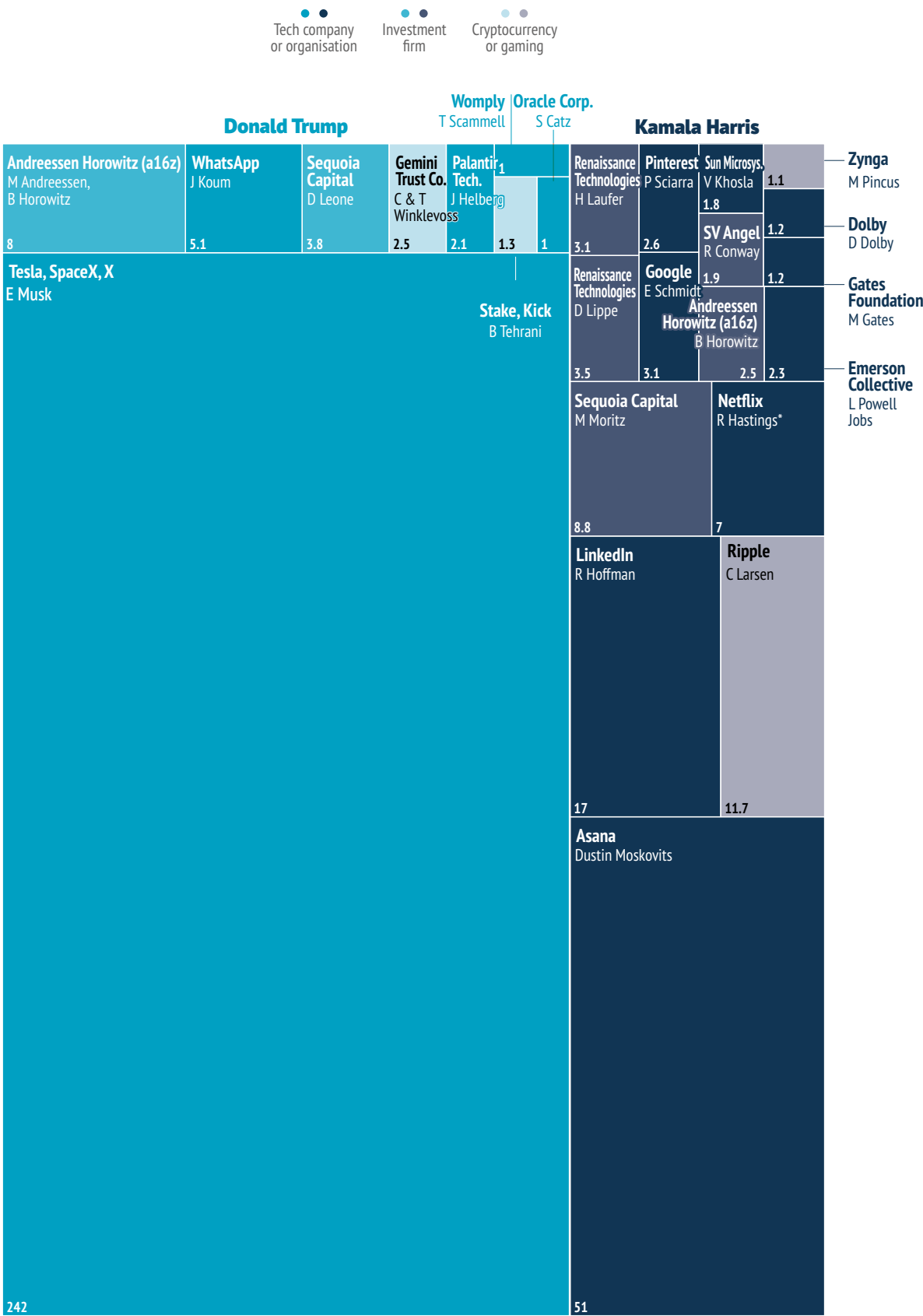
If there is one issue on which Donald Trump and these tech oligarchs seem to be particularly aligned,

it is their opposition to the EU and its market regulations. Trust between the EU and the US in the digital sphere was already fragile before Trump's return to the White House. Under President Biden, the renewal and tightening of the Foreign Intelligence Surveillance Act (FISA), in particular, illustrated weak alignment and, to some extent, Washington's disregard for its European ally. US intelligence agencies have also long benefited from the American digital oligopoly and the market concentration of Big Tech to access foreign – including European – users' data without consent, in clear violation of EU privacy standards. But Donald Trump's second term has significantly exacerbated these tensions, largely due to the close ties between US Big tech leaders and the new political establishment in Washington. Structural European dependencies have also been increasingly exploited by Trump and leveraged in his broader trade war, from threats of retaliatory tariffs to pressure campaigns against European taxation of US tech companies.

In order to ease tensions with Washington, in an EU-US Joint Statement issued

Buying influence

Tech sector donations of \$1 million or more to the main PACs for the 2024 US presidential campaign, \$ million



Data: US Federal Election Commission, 2025;
* By his own statement, Reed Hastings donated at least 7 million dollars to a pro-Harris PAC.

on 21 August 2025⁽²⁾, Europeans accepted non-reciprocal 15% US tariffs on their goods, committed to purchasing 'at least \$40 billion worth of US AI chips for its computing centres' and agreed to align their technology security requirements with those of the United States to prevent 'technology leakage to destinations of concern'. Yet, just four days later, President Trump undercut the deal, threatening additional sanctions against any state imposing regulations on American tech companies. Earlier this year, US House Judiciary Chair Jim Jordan openly criticised the EU's Digital Services Act (DSA) and the Digital Markets Act (DMA), describing them as censorship and protectionist tools. This led the House Judiciary Committee to release a report in July that bluntly presents the DSA as a 'foreign censorship threat'⁽³⁾. Vice-President JD Vance also repeatedly condemned European regulations, including in his speech at the Paris AI Summit in February where he refused to endorse the joint declaration following the event. Prior to Donald Trump's second mandate, Vance even suggested limiting US participation in NATO should the EU persist in content moderation requirements for American platforms.

In addition, the future of the EU-US Data Privacy Framework, a transatlantic data transfer agreement, is now uncertain. Following President Trump's dissolution of the Privacy and Civil Liberties Oversight Board (PCLOB), which played a key role in ensuring safeguards for foreign data subjects, the agreement is likely to

face legal challenges in European courts, if not outright annulment.

FACING THE AMERICAN OLIGOPOLY

Transatlantic trust in the digital realm has thus frayed across all major sectors: platforms, AI, cloud, hardware, and connectivity. Until recently, many EU countries underestimated the risks of digital dependency on the United States, often viewing American technologies as reliable tools to address pressing issues such as the digitalisation of public services or Russian cyberattacks. But Donald Trump's return to the White House has laid bare the strategic vulnerabilities inherent in this reliance. His administration's confrontational approach has triggered a shift in perception across Europe, and while already present in EU policymakers' discourses, digital sovereignty, strategic autonomy, and economic security have now surged to the top of the EU agenda. Since January 2025, this has translated into renewed efforts to reduce dependencies: major investments in AI (through the AI Giga factories, or the upcoming Cloud and AI Development Act), policies supporting the semiconductor industry (such as the enforcement and revision of the Chips Act, and national initiatives), and progress on the digital single market. The EU's International

(2) European Commission, 'Joint Statement on a United States-European Union framework on an agreement on reciprocal, fair and balanced trade', 21 August 2025 (https://policy.trade.ec.europa.eu/news/joint-statement-united-states-european-union-framework-agreement-reciprocal-fair-and-balanced-trade-2025-08-21_en#:~:text=In%20addition%2C%20the%20European%20Union,those%20of%20the%20United%20States.)).

(3) US House Judiciary Committee, 'The foreign censorship threat: how the European Union's Digital Services Act compels global censorship and infringes on American free speech', 25 July 2025 (<https://judiciary.house.gov/media/press-releases/foreign-censorship-threat-how-european-unions-digital-services-act-compels>).

Digital Strategy⁽⁴⁾ also reflects the Union's focus on diversification.

In parallel, tensions between US tech giants and the political establishment have been growing. One of the most consequential ruptures is undoubtedly the dramatic falling-out between Donald Trump and Elon Musk, with both men openly trading barbs – Musk notably criticising Trump's tax policy and even going so far as to launch his own political party⁽⁵⁾. At the same time, US regulators continue to pursue antitrust actions against major platforms undertaken by former Chair of the Federal Trade Commission (FTC) Lina Khan and former Antitrust Chief at the Department of Justice (DOJ) Jonathan Kanter. Donald Trump's FTC Chair, Andrew Ferguson, and DOJ antitrust chief, Gail Slater, have pledged to maintain cases launched under Biden, particularly against Meta and Google. Their efforts to rein in monopolistic practices parallel EU actions under the DMA, highlighting a shared transatlantic concern over excessive market concentration. These frictions unfold against the backdrop of longstanding, albeit intermittently muted, tensions between certain CEOs and Donald Trump. Mark Zuckerberg, for instance, banned Trump from his platforms after the Capitol attack in 2021, while Jeff Bezos owns *The Washington Post*, a newspaper that repeatedly took a critical stance against Trump during his first term.

This evolving context reveals not only diverging interests between US policy-makers and Big Tech – whose loyalties are ultimately shaped more by economics than ideology – but also potential openings for the EU and its Member States, as the American 'tech-industrial

complex' proves less cohesive than it once appeared.

HOLDING GROUND WHILE STEERING COOPERATION

Trust with Washington is unlikely to be restored soon, but cooperation can continue where interests converge, particularly in cybersecurity and infrastructure protection, on condition that the EU strengthens its own capabilities and obtains safeguards and guarantees to prevent weaponisation of its digital dependencies by the US. It can thus act on several fronts.

First, the EU must bolster its resilience to US policy volatility by reducing its over-reliance on American tech companies. This entails reinforcing Europe's digital industrial ecosystem and infrastructure, notably by addressing internal market fragmentation, supporting European firms through public procurement, and harmonising digital policies across sectors and Member States. Pursuing efforts in diversifying partnerships and investments along the entire digital supply chain is equally essential.

Second, the EU must stand firm against US pressures and uphold its regulatory frameworks, such as the DSA, the DMA, the General Data Protection Regulation (GDPR), and the AI Act. Despite threats from the Trump administration, the EU needs to stay consistent in its commitment to implementing these regulations:

(4) European Commission, 'Joint Communication on an International Digital Strategy for the EU', 5 June 2025 (<https://digital-strategy.ec.europa.eu/en/library/joint-communication-international-digital-strategy-eu>).

(5) 'Trump says Musk is "off the rails" and call his new political party "ridiculous"', *The Guardian*, 7 July 2025 (<https://www.theguardian.com/us-news/2025/jul/06/elon-musk-america-party-scott-bessent>).

no more playing 'nice', 'kind' or 'polite', as stated by European Commission Executive Vice President Teresa Ribera, who explained that 'we cannot play with our values just to accommodate the concerns of others'⁽⁶⁾. The EU should not shy away from playing on Trump's turf, reminding Washington that its digital market is among the world's largest and represents a substantial share of Big Tech's global revenues.

Third, the EU needs to maintain cooperation in areas of mutual interest and emphasise strategic convergences. In cybersecurity and infrastructure protection, for instance, continued collaboration is critical to counter shared threats from state and non-state actors, relying on cooperation among agencies such as the EU Agency for Network and Information Security (ENISA) and the Cybersecurity and Infrastructure Security Agency (CISA) or existing frameworks like the EU-US Trade and Technology Council (TTC). AI governance is another area of focus, as the US July AI Action Plan signals its willingness to engage in multilateral forums. The EU should actively involve the US in these discussions to ensure its own regulatory leadership is not overshadowed. It should also make the most of the commonalities with US tech companies on issues such as data privacy to build support in these assemblies. Debates on digital content regulation should also be refocused on concrete, high-priority issues, including terrorism, child sexual exploitation, and financial fraud. The August 2025 Washington summit on Ukraine demonstrated Europe's skill in navigating complex diplomatic landscapes; the EU should apply the same strategic acumen in the digital

domain to safeguard its interests while advancing shared objectives with the US.

The global and structural power of American Big Tech makes these companies difficult to regulate and capable of challenging public authority, both in Europe and the United States. Donald Trump's second term has highlighted the rise of this 'tech-industrial complex', making the influence of these tech giants on US politics undeniable and exposing the EU's strategic vulnerabilities arising from its dependence on them. It is now clear that the EU's long-term resilience and influence will not rely on US goodwill, but on its own capacity to act as a digital power, one able to shape its future, uphold its values, and defend its autonomy in a shifting geopolitical landscape.

The EU needs to stay consistent in its commitment to implementing these regulations: no more playing 'nice', 'kind' or 'polite'.

(6) 'Stand up to Trump on Big Tech, says EU antitrust chief', *The Financial Times*, 28 August 2025 (<https://www.ft.com/content/010c5b1e-e900-4ec2-b22a-61300c70e531?utm=>).

CHAPTER 6

FIDDLING WHILE THE WORLD BURNS?

The EU's climate policy conundrum under Trump 2.0

by
CASPAR HOBHOUSE

Donald Trump's return to the presidency was a major blow to transatlantic cooperation – and trust – in fighting climate change. The new US administration is attacking climate science and reversing climate action. Simultaneously, the US is pushing for massive fossil fuel exports, including them as conditions in trade deals. The EU meanwhile is dithering between competing priorities. On the one hand, climate change remains a central priority for nearly 9 in 10 of its citizens, as polls repeatedly show⁽¹⁾. It is also a major security challenge: Europe is warming at twice the global average and faces imminent tipping points. At the same time, more and more political groups in Europe are embracing climate scepticism – and are emboldened by Trump. The EU has also shown a willingness to compromise on some of its energy transition objectives to ensure that the transatlantic relationship remains functional. In July 2025, the Commission agreed to a trade deal which included the

purchase of \$750 billion worth of fossil energy from the US.

The EU needs to rediscover clarity of direction on climate action. Only then can it begin to manage the highly transactional relationship with President Trump. It should stay the course in areas where Trump threatens core EU interests, which include the danger of climate change and, to some extent, the expansion of domestically produced energy. Yet in other domains it needs to act pragmatically, navigating an environment in which climate action no longer commands consensus – both at home and abroad.

(1) Eurobarometer, *Climate Change* (<https://europa.eu/eurobarometer/surveys/detail/3472>).

TRUMP 2.0: A NEW DEPARTURE?

The US has often oscillated on climate leadership, with Republicans being especially resistant to global efforts to combat climate change. However, Trump presents new challenges in two main areas.

Firstly, Trump has attacked not only climate science but also the scientists doing the research. Since 2020, 23% of climate studies have involved at least one American scientist⁽²⁾. At least half of global ocean observation is done using American equipment⁽³⁾. The US is a global science powerhouse with the resources to sustain that role. This has been true in the field of climate science too.

Attacks on academic freedom, including slashing related research, is undermining this position. Trump is breaking the bipartisan consensus on science funding and attempting to reshape universities around his own political movement. He has made efforts to institutionalise the rejection of climate science, for example through tasking the Environmental Protection Agency to dismiss its 2009 finding which connected greenhouse gas emissions to climate

change and other adverse environmental and societal effects⁽⁴⁾.

Trump is thus attempting to undermine the global scientific consensus which underlines climate action. Even in the absence of mitigation efforts, the dramatic changes wrought by climate change on the environment would demand some sort of political response – one that, without a firm foundation, would be open to contestation. On climate however Trump starts with political expediency, not scientific fact. Even in areas of cooperation therefore, the EU should

remain firm in its rejection of climate science denial, despite the political cover that Trump provides to its advocates.

Trump is attempting to undermine the global scientific consensus which underlines climate action.

Secondly, Trump views the energy transition in 'America First' terms. As early as 2012 he claimed that global warming was a Chinese invention designed to undermine America⁽⁵⁾. During the 2024 campaign, he openly championed fossil fuel exploitation in the US under the mantra 'drill baby, drill!'. His energy secretary, a former oil executive, is a vocal advocate of fossil fuel extraction and dismisses climate change as a political endeavour to crush modernity⁽⁶⁾. The commitment to the fossil fuel age will however have consequences for the US. In the AI race for example, which

(2) 'Aux Etats-Unis, l'administration Trump mène un "sabotage" en règle des sciences du climat', *Le Monde*, 8 March 2025 (https://www.lemonde.fr/planete/article/2025/03/08/aux-etats-unis-l-administration-trump-mene-un-sabotage-en-regle-des-sciences-du-climat_6577110_3244.html).

(3) Duffau, E., 'The attacks of the Trump II administration on climate, the environment, and biodiversity', IRIS, 25 March 2025 (<https://www.iris-france.org/en/111410/>).

(4) 'US EPA to withdraw foundation of greenhouse gas rules sources say', Reuters, 23 July 2025 (<https://www.reuters.com/legal/litigation/us-epa-withdraw-foundation-greenhouse-gas-rules-sources-say-2025-07-23/>).

(5) Donald Trump on X, 'The concept of global warming was created by and for the Chinese, in order to make US manufacturing non-competitive', 6 November 2012 (<https://x.com/realDonaldTrump/status/265895292191248385>).

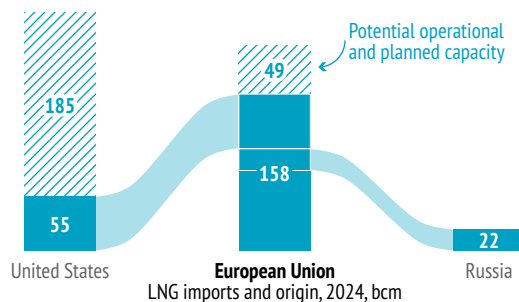
(6) Wright, C., 'Climate change is a bi-product of progress not an existential crisis says Trump's energy czar', *The Economist*, 14 July 2025 (<https://www.economist.com/by-invitation/2025/07/14/climate-change-is-a-by-product-of-progress-not-an-existential-crisis-says-trumps-energy-czar>).

Lots of supply, not enough demand

Export and import capacities of LNG

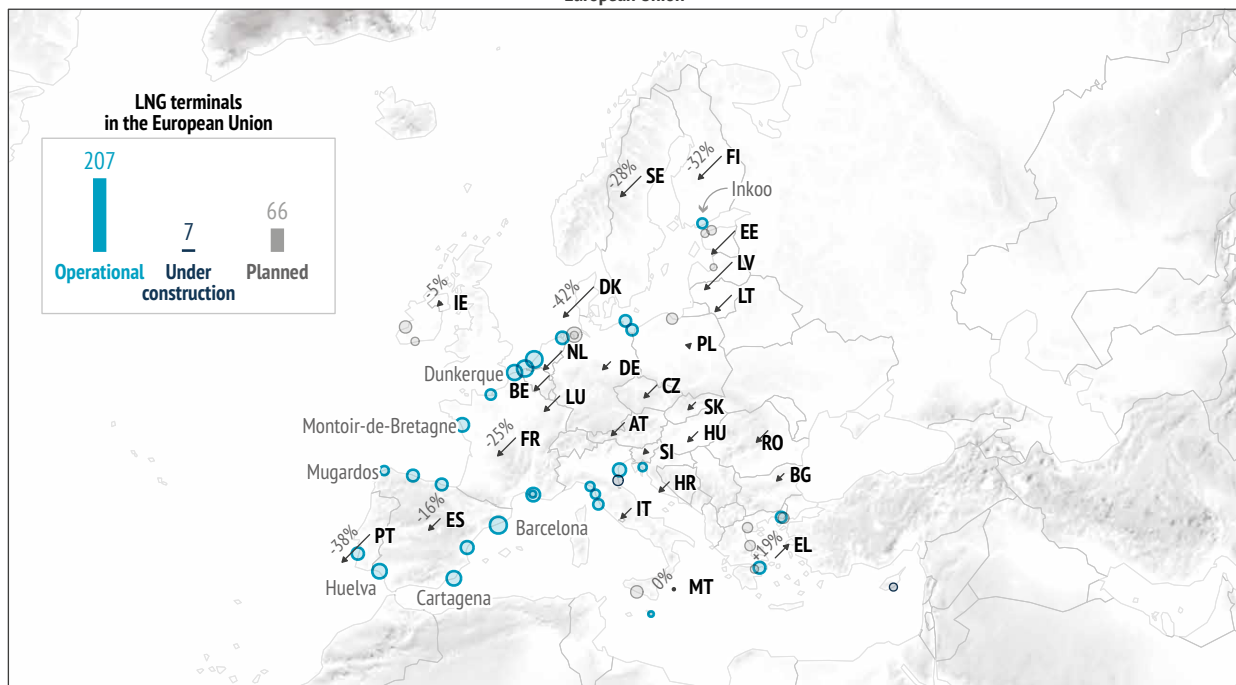
Peak liquefaction capacity • 5 • 10 • 25
bcm/year

Gas demand → Apr 2024-Mar 2025, %

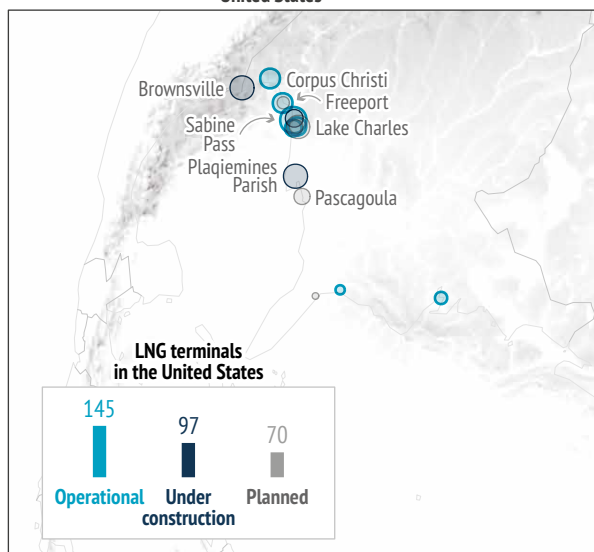


European Union

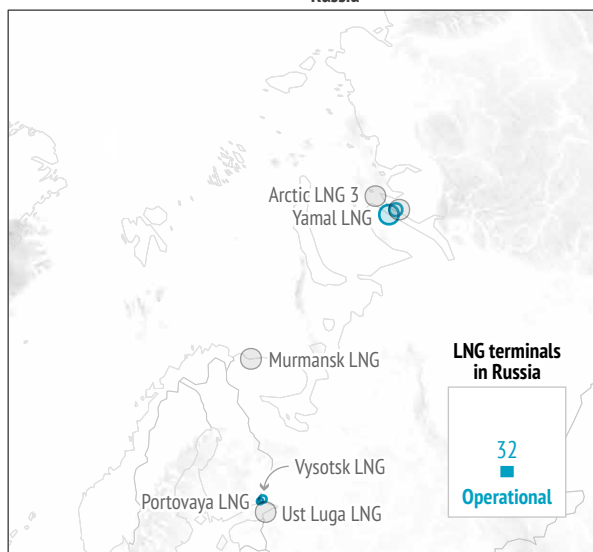
LNG imports and origin, 2024, bcm



United States



Russia



Data: Federal Energy Regulatory Commission, Department of Energy and Gas Infrastructure Europe, 2025; IEFFA, 2025; Statista, 'Leading supplying countries of liquefied natural gas (LNG) to the European Union (EU27) in 2024', 2025; European Commission, GISCO, 2025

requires huge amounts of electricity, the administration is constraining access to cheap renewables – resources which in 2024 accounted for 94% of new additions to the grid⁽⁷⁾.

Trump's obsession with fossil fuels poses a particular challenge for the EU. Reliance on fossil fuels, which are almost exclusively imported, has been viewed as a security risk for decades. Dependencies can quickly lead to vulnerabilities, which is especially worrying in an era of low trust towards the US. Long-term dependency on fossil fuels also poses a threat to European industrial competitiveness. With expensive US LNG making up an increasing share of gas supplies, the EU's electricity and gas prices are 3–5 times higher than those of its global competitors⁽⁸⁾. The energy transition was a way out of this trap. But Trump is ensnaring the EU again.

The 'One Big Beautiful Budget Bill' (OB BB), passed in July 2025, shows that Europe must chart its own path in renewables but also identifies some areas where it could seek cooperation. The bill phases out \$570 billion in clean energy subsidies, aiming to slow down renewable energy production in the US and undercutting leading European companies such as Ørsted in the process⁽⁹⁾. Yet the OB BB also maintains subsidies for other clean energies, including nuclear and geothermal, both areas where there remains scope for transatlantic cooperation. Nevertheless, in today's low-trust

environment the EU should consider its own needs first.

INDECISION IN THE EU

Just as the US has moved decisively against climate action and is attempting to roll back the energy transition, the EU has been caught flatfooted. Climate policy now faces considerable political pushback. While only a fringe element denies climate science outright, an increasing number of senior decision-makers appear willing to push climate down the list of priorities – for short-term gain likely leading to long-term pain. The EU must therefore re-clarify its position if it is to attain its objectives in an age of transatlantic mistrust.

The European Commission currently risks appearing two-faced on climate. On one hand, it remains committed to decarbonisation, announcing in June 2025 a target for reducing emissions by 90% by 2040⁽¹⁰⁾. On the other it is attempting to respond to a changing political environment by hastily rolling back some of the regulatory frameworks of the previous term. Along with several Member States, it therefore appears unsure as to what it actually wants on climate. As long as this lack of clarity persists, then

The European Commission currently risks appearing two-faced on climate.

(7) Energy Information Administration, 'Solar, battery storage to lead new U.S generating capacity in 2025', 24 February 2025 (<https://www.eia.gov/todayinenergy/detail.php?id=64586>).

(8) Eurelectric, 'US vs EU, the ultimate power price showdown', 19 April 2025 (<https://www.eurelectric.org/blog/us-vs-eu-the-ultimate-power-prices-showdown/>).

(9) 'Donald Trump's war on renewables', *The Economist*, 31 July 2025 (<https://www.economist.com/briefing/2025/07/31/donald-trumps-war-on-renewables>).

(10) European Commission, 'EU Climate Law: A new way to reach 2040 targets', 2 July 2025 (https://commission.europa.eu/news-and-media/news/eu-climate-law-new-way-reach-2040-targets-2025-07-02_en).

the concessions demanded by Trump on security, trade and energy will take precedence.

The trade-offs of climate action remain straightforward. Global warming is a scientific fact, caused primarily by man-made emissions of greenhouse gases. The EU can either try to move away from fossil fuels in tandem with others or try to adapt to a world of more extreme weather, higher sea levels and growing unpredictability. In the EU, where fossil fuels are largely imported at great expense and adaptation already costs billions⁽¹¹⁾, mitigation has always made more sense.

Nevertheless, if the EU does intend to take a different approach, presumably gas dependence and restarting domestic coal production, it should be clear about the consequences. A renewed commitment to fossil fuels will lock in high energy prices and expose consumers to continued price volatility. In 2024 alone the EU spent €427 billion on fossil fuel imports⁽¹²⁾, while in 2023 it subsidised fossil fuels to the tune of €111 billion – far exceeding the €61 billion invested in renewables⁽¹³⁾. Moreover, the Commission estimates that adaptation without mitigation would cost €250 billion annually by 2050, excluding broader societal fallout⁽¹⁴⁾.

A middle course is to continue with mitigation but put the EU Green Deal through the wind tunnel. In doing so, the Commission should aim for improvement

rather than simplification. There are more ways than one to accomplish climate goals and undoubtedly greater scope for technological blindness.

CLARITY LEADS TO ACTION

The EU must first and foremost establish clarity. It cannot afford to fiddle while the world burns. Within a multi-vector, transactional approach to managing its relationship with Trump, it needs to define what it still wants from the US on climate and energy, and where it is capable of standing alone. Only then can it work out what can be traded and what is best achieved through divergence.

Globally, a strong European commitment to climate action will undoubtedly bring challenges but also opportunities. In climate diplomacy, the US retreat from the world stage under Republican leadership is not unsurprising. While the EU remains a leader on global climate action, its strength lies in bringing together likeminded partners, allowing it to stand alone from the US on the global stage. Climate change is a core priority for several important middle powers in the 'Plural South'. In Brazil, for example, climate action ranks high on the foreign policy agenda⁽¹⁵⁾. Even without the US, the EU is much stronger on the global stage than it often thinks. By holding

(11) European Commission, '5 things you should know about extreme weather', 9 July 2025 (https://climate.ec.europa.eu/news-other-reads/news/5-things-you-should-know-about-extreme-weather-2025-07-09_en).

(12) European Commission, 'Energy prices and costs in Europe' (https://energy.ec.europa.eu/data-and-analysis/energy-prices-and-costs-europe_en).

(13) European Environment Agency, 'Fossil fuel subsidies in Europe', 29 January 2025 (<https://www.eea.europa.eu/en/analysis/indicators/fossil-fuel-subsidies>).

(14) European Commission, *Climate Change Impacts and Adaptation in Europe*, 13 May 2020 (<https://publications.jrc.ec.europa.eu/repository/handle/JRC119178>).

(15) Koerber Stiftung, *Momentum for Middle Powers: Emerging Middle Powers Report*, 2025 (<https://koerber-stiftung.de/en/projects/koerber-emerging-middle-powers-initiative/2024-25/>).

firm it will reinforce its credibility with the 'Plural South', especially if it is seen as standing up to the Americans, a stance that often resonates well there.

On energy, the EU should hold firm to restore a coherent strategy that balances twin long-term and short-term needs. In the long term it should focus on eliminating costly foreign dependencies by decarbonising its economy through domestic generation, efficiency and electrification. The current proposal to lock in demand for US LNG, just as gas demand is falling, would serve to create a new 'energy dependence by design' ⁽¹⁶⁾.

Currently the EU is effectively paying for two energy systems: the old one (built around gas pipelines and related infrastructure) and the new one (driven by a massive rollout of electricity grids). The quicker it can move from the former to the latter, the sooner it will begin to reap the benefits of the transition. This is already becoming clear, especially in Southern Europe where several states have ridden the boom in solar generation ⁽¹⁷⁾. Of course, there is some way still to go, but prolonging the pain by delaying the transition will not help.

In the meantime, the EU can consider who will provide the ever-decreasing volumes of fossil fuels still needed for its economy ⁽¹⁸⁾. Undoubtedly the main priority – even with Trump in the White

House – is to end its reliance on Russian energy imports, especially those delivered through pipelines. In 2024, 50.4% of all Russian LNG exports went to the EU, funnelling \$8.5 billion into the Kremlin's coffers ⁽¹⁹⁾. American LNG is always preferable to Russian LNG.

On other fronts, the EU could choose to instrumentalise certain policy areas to navigate a more transactional environment. One example is carbon pricing. As America continues to drive global carbon emissions – by deliberate choice as well as historical legacy – it should be expected to contribute to the costs of adaptation elsewhere. The EU should remain at the heart of global efforts to price and tax carbon, which would impose disproportionate costs on the US in the years ahead.

The EU has cards to play and considerable advantage in standing alone against Trump's onslaught against climate action. It is time for clarity and purpose.

The EU could choose to instrumentalise certain policy areas to navigate a more transactional environment.

(16) Strategic Perspectives, 'The imperative to redefine EU energy security', 24 April 2025 (<https://strategicperspectives.eu/the-imperative-to-redefine-eu-energy-security/>).

(17) 'Spanish business thrives while bigger European economies stall', *The Economist*, 16 April 2025 (<https://www.economist.com/business/2025/04/16/spanish-business-thrives-while-bigger-european-economies-stall>).

(18) EMBER, 'EU gas demand set to drop by 7% by 2030, making new gas investments risky', 17 June 2025 (<https://ember-energy.org/latest-updates/eu-gas-demand-set-to-drop-7-by-2030-making-new-gas-investments-risky/>).

(19) CREA, 'Russian LNG exports to the EU: implications for the US LNG market', 25 April 2025 (<https://energyandcleanair.org/presentation-russian-lng-exports-to-the-eu-implications-for-the-us-lng-market>).



LOW TRUST AROUND THE GLOBE

CHAPTER 7

PUTTING THE AMERICAS FIRST OR LAST?

Trump's new Monroe Doctrine and the Western Hemisphere

by
GIUSEPPE SPATAFORA

The Americas appear to be the laboratory of US foreign policy under Trump 2.0. President Trump has imposed tariffs on major trade partners – including for non-trade issues –, slashed US foreign aid in the hemisphere, deployed the military to fight organised crime and drugs smuggling, and even suggested taking over allied territories like Greenland and Canada. While waged in the name of an ‘Americas First’ policy, these actions have eroded trust among the US’s closest partners in the Western Hemisphere. Trump’s political allies in the region appear emboldened, while many countries remain on the fence.

The implications of these policies extend across the Atlantic as well. In response, Europe should seek to be an active player in the Americas, challenging the Monroe Doctrine’s mantra of transatlantic separation. The EU should focus on strengthening partnerships with countries that share European interests, have been adversely affected by the US, and risk

drifting even further into the orbit of rival powers.

FOREIGN POLICY INNOVATION AND EXPERIMENTATION

The Monroe Doctrine, first articulated in 1823, was the pillar of US foreign policy in the 19th century. Its central tenet is that the Western Hemisphere should be off-limits to foreign powers, with the US as its dominant force.

It is easy to see why the Monroe Doctrine is attractive to Trump. First, it echoes themes from his 2024 campaign: shifting US focus away from the Eurasian continent and towards threats to the homeland, like drugs, migration and trade imbalances. Second, it aligns with the US goal of reducing Chinese influence in the

region and reshoring supply chains and economic activity⁽¹⁾. Third, it gives the US a special responsibility for enforcing order in the Americas, including by imposing ‘maximum pressure’ on regional adversaries like Cuba and Venezuela⁽²⁾.

The Monroe Doctrine framed US government policy during Trump’s first term in office, with Trump and his advisors referring to it as ‘the formal policy of our country’⁽³⁾. His re-election signals a return to this approach. Marco Rubio, the first Secretary of State of Latino origin, declared at the start of his tenure that the US would pursue an ‘Americas First’ foreign policy⁽⁴⁾. The new National Defense Strategy seems to vindicate this approach, prioritising domestic and regional operations – and even resorting to the use of military force in counter-narcotics missions – over power projection in Eurasia or countering China in the Indo-Pacific⁽⁵⁾.

However, in 2025 Trump has also given a new, personal spin to the Doctrine – marking a departure from his first term. His policy towards the Americas is defined by three features: expansionist ambitions, the extensive use of tariffs beyond trade objectives, and a focus on selected

priorities that resonate with the domestic electorate over broader concerns.

First, Trump emphasises not just a renewed US focus on the hemisphere, but actual territorial aggrandisement. In his 2025 inaugural address, Trump invoked his belief in ‘Manifest Destiny’: ‘The US will once again consider itself a growing nation – one that increases our wealth, expands our territory ... and carries our flag into new and beautiful horizons’⁽⁶⁾. Instead of Monroe, he quoted William McKinley, who oversaw one of the last major phases of US territorial expansion.

Trump soon followed up with a series of expansionist claims. He announced his intention to acquire Greenland, declaring that it was vital to national security. His advisors accused Denmark of neglecting the island, and claimed that Greenlanders want to be American – although surveys show that this is not true⁽⁷⁾. In the first half of 2025, US intelligence agencies were tasked to identify supporters of US objectives for the island in both Greenland and Denmark. The Pentagon also reassigned responsibility for Greenland from EUCOM (the US European command) to NORTHCOM, indicating

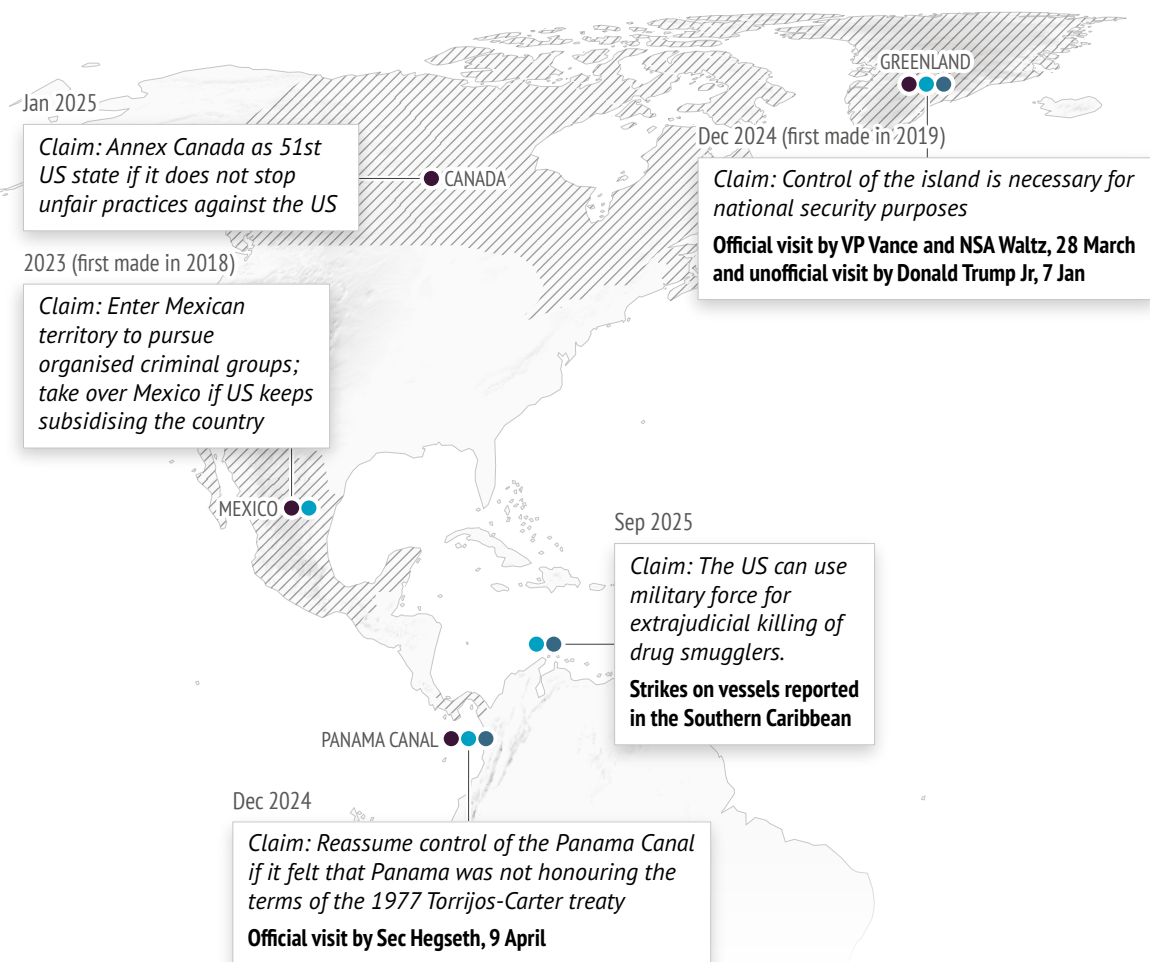
Trump emphasises not just a renewed US focus on the hemisphere, but actual territorial aggrandisement.

- (1) Lubin, D., ‘The economics of the new Monroe Doctrine’, Chatham House, February 2025 (<https://www.chathamhouse.org/2025/02/economics-new-monroe-doctrine>).
- (2) Berg, R., ‘This Trump administration is shaping up to be Latin America-First’, *Foreign Policy*, 18 January 2025 (<https://foreignpolicy.com/2025/01/08/trump-latin-america-administration/>).
- (3) ‘John Bolton and the Monroe Doctrine’, *The Economist*, 9 May 2019 (<https://www.economist.com/leaders/2019/05/09/john-bolton-and-the-monroe-doctrine>).
- (4) Rubio, M., ‘Marco Rubio: An Americas First Foreign Policy’, *Wall Street Journal*, 30 January 2025 (<https://www.wsj.com/opinion/an-americas-first-foreign-policy-secretary-of-state-rubio-writes-western-hemisphere-too-long-neglected-a81707b0>).
- (5) McLary, P. and Lippman, D., ‘Pentagon plan prioritizes homeland over China threat’, *Politico*, 5 September 2025 (<https://www.politico.com/news/2025/09/05/pentagon-national-defense-strategy-china-homeland-western-hemisphere-00546310>).
- (6) The White House, ‘The Inaugural Address’, 20 January 2025 (<https://www.whitehouse.gov/remarks/2025/01/the-inaugural-address/>).
- (7) Bryant, M. and Rankin, J., ‘New opinion poll shows 85% of Greenlanders do not want to join US’, *The Guardian*, 28 January 2025 (<https://www.theguardian.com/world/2025/jan/28/85-of-greenlanders-do-not-want-to-join-us-says-new-poll>).

Make America greater

The US President has laid claim to various countries and territories outside the US

Economic threats Military threats Legislative action (proposed)



Map data: European Commission, GISCO, 2025; *The Guardian*, May 2025; US Congress, February 2025; *Time*, April 2025; BBC News, January 2025; *France24*, April 2025; Reuters, May 2025; NBC, April 2025.

that the US sees the island as part of the North American continent⁽⁸⁾.

Beyond Greenland, Trump vowed to re-assert control over the Panama Canal, citing unfair transit costs and increasing

encroachment from China. In January he went further, proposing to turn Canada into the 51st US state, as compensation for unfair trade practices, and calling for direct intervention in Mexico and the Caribbean Sea to fight drug cartels. He

(8) Long, K. and Ward, A., 'U.S. orders intelligence agencies to step up spying on Greenland', *The Wall Street Journal*, 6 May 2025 (<https://www.wsj.com/world/greenland-spying-us-intelligence-809c4ef2>); McLeary, P. and Kine, P., 'Pentagon to redraw command map to more closely align Greenland with the US', *Politico*, 2 June 2025 (<https://www.politico.com/news/2025/06/02/pentagon-greenland-northern-command-00381223>).

renamed the Gulf of Mexico the ‘Gulf of America’, implicitly signalling that it may fall within US jurisdiction. Beyond the Americas, he suggested that the US take control of Gaza, permanently displacing Palestinians and turning it into the ‘Riviera of the Middle East’ – albeit not linking this to future annexation by the US.

Second, the US has deployed tariffs as a tool to strengthen American hegemony in the hemisphere – not only to change the terms of trade, but also to compel policy changes in partner countries. Trump accused Canada and Mexico of unfair practices, and of flooding the US with migrants and fentanyl.

Both countries were hit with the first wave of tariffs in February, which have subsequently been adjusted – modified, paused, or raised – several times. Trump has since applied the same template for tariff announcements across the globe.

Trump has also wielded tariffs as a weapon in political disputes unrelated to trade. He first tried it on Colombia. When President Petro refused to accept repatriation flights of migrants, Trump announced 25% tariffs on the country. The levies were dropped one day later when Washington and Bogota came to an agreement⁽⁹⁾.

On 31 July, Trump announced 50% levies on Brazilian imports, citing the prosecution of former president and Trump

ally Jair Bolsonaro, as well as ‘unlawful censorship coercion’ by the Lula government⁽¹⁰⁾. Since the US runs a trade surplus with Brazil – and many Brazilian exports are exempt from the levies – the move was not dictated by economic considerations. The decision has precipitated a major political crisis between the two most populated countries in the Americas.

The US has deployed tariffs as a tool to strengthen American hegemony in the hemisphere.

Third, despite claims of a renewed focus on the Americas, several areas where the US traditionally wielded significant influence are being neglected. Rather than reasserting US presence uniformly across the continent, the administration has slashed USAID funding and cut development pro-

grammes aimed at combating drug trafficking, which were vital to many Latin American countries. Instead, the administration has concentrated on campaign priorities from 2024: migration, trade, crime and political censorship. On drugs, efforts have focused on curbing the flow of fentanyl, with little attention paid to other drugs such as cocaine, which affect South America more severely⁽¹¹⁾.

Moreover, the administration has not displayed uniform support for a return to ‘maximum pressure’. In fact, tensions have emerged between Marco Rubio, who advocates a tough approach to Cuba and Venezuela, and Richard Grenell, presidential envoy for special missions, who has signalled openness to agreements with the Maduro regime⁽¹²⁾. The deployment of

(9) Wells, I. and Cursino, M., ‘Trump imposes 25% tariffs on Colombia as deported migrant flights blocked’, BBC News, 27 January 2025 (<https://www.bbc.com/news/articles/cdxnyolnyp0>).

(10) The White House, ‘Fact Sheet: President Donald J. Trump addresses threats to the United States from the Government of Brazil’, 30 June 2025 (<https://www.whitehouse.gov/fact-sheets/2025/07/fact-sheet-president-donald-j-trump-addresses-threats-to-the-united-states-from-the-government-of-brazil/>).

(11) ‘From Amazon conservation to cocaine crackdowns: Here’s how dismantling the USAID impacts Latin America’, Fast Company, 5 February 2025 (<https://www.fastcompany.com/91273304/usaaid-latin-america-impact-amazon-conservation-cocaine-crackdown>).

(12) Gangitano, A. and Kelly, L., ‘Tensions between Rubio, Grenell flare over Venezuela deals’, The Hill, 13 July 2025 (<https://thehill.com/policy/international/5397603-richard-grenell-trump-administration-tensions/>).

US Navy forces to attack the Venezuelan cartel Tren de Aragua suggests that the tough approach has won the day – but the operation was focused on narcotrafficking, not regime change.

HEMISPHERIC FAULT LINES: MAPPING REACTIONS TO TRUMP 2.0

Trump's 'Americas First' has, so far, been less about prioritising the hemisphere and more about using it as a laboratory for new US foreign policy approaches. Trump's policy towards Colombia and Brazil, for instance, marks a new phase in tariff confrontation, with tariffs deployed not just for trade disputes, but to address wider political issues. And territorial threats to neighbouring countries are now being used as pressure tactics to solve political disputes that, normally, would have little to do with territory.

Trump's Americas policies also signal Washington's diminished faith in alliances. Greenland is part of Denmark, a key NATO ally, yet the US appears to view direct control of it as more secure than reliance on allies. Moreover, Trump's expansionist claims come at a time when the norm of the sanctity of borders is increasingly challenged, in Ukraine and elsewhere, and military contestation is once again becoming an instrument of conflict resolution⁽¹³⁾. This will put enormous pressure on the international

rules-based order that the US has led since 1945.

Trump's policies have elicited different reactions across the Americas, ranging from deep mistrust to enthusiastic acceptance. Regional actors can broadly be grouped into three categories:

1. **The betrayed:** The events of 2025 have shattered trust in the US among its closest partners. Canada, Mexico, and Colombia – long-standing allies and major trade partners – have been the primary targets. Even those who endured tariff threats during Trump's first term did not anticipate such an aggressive posture. While some may dismiss Trump's expansionist rhetoric as a negotiating tactic, the fact that he even articulated such threats has had a profound impact. As Canadian Prime Minister Matt Carney stated, 'the relationship has fundamentally changed.' These countries are unlikely to see the US as a reliable partner anytime soon and may even begin to regard it as a potential threat.
2. **The enthusiasts:** Ideologically aligned governments have embraced Trump's new policies. El Salvador's President Nayib Bukele won Trump's praise after he agreed to host deported migrants in Salvadoran prisons. In South America, Argentina's President Milei has drawn close to the administration, even promoting his government restructuring reforms as a model for Trump's Department of Government Efficiency (DOGE). This group also includes opposition political figures, such as Brazil's Jair Bolsonaro, who is exploiting Trump's sympathy to shore up support⁽¹⁴⁾.

(13) Ekman, A. and Everts, S. (eds), 'Contestation: The new dynamic driving global politics', *Chaillot Paper* No. 183, EUISS, 22 May 2024 (<https://www.iss.europa.eu/publications/chaillot-papers/contestation-new-dynamic-driving-global-politics>).

(14) Cleveland-Sout, N., 'Bolsonaro's son: I convinced Trump to slap tariffs on Brazil', Quincy Institute, 8 August 2025 (<https://responsiblestatecraft.org/bolsonaro-trump-tariffs/>).

3. **The fence-sitters:** Many countries do not support Trump but are wary of antagonising him. The massive retaliatory threats against Colombia in January prompted many countries to keep a low profile. A number of countries are signalling alignment with US priorities, especially on migration. Even Venezuela, despite its adversarial relationship with Washington, has sought opportunities for normalisation with the US ⁽¹⁵⁾. However, this strategy of accommodation may prove unsustainable: Trump has deployed coercive diplomacy against two countries – democratic Brazil and authoritarian Venezuela – both of which had initially pursued a non-confrontational approach towards Washington.

PROVING MONROE WRONG: EUROPE'S ROLE IN THE AMERICAS

What happens in the Americas is increasingly relevant for Europe. The US is exporting pressure tactics first tested in the region, including towards Ukraine and the EU. Trump's territorial ambitions also directly affect an EU Member State. At the same time, many Latin American countries share Europe's security concerns and could be vital partners for enhancing competitiveness and resilience.

In defiance of the Monroe Doctrine, the EU should affirm its role in the Western Hemisphere by focusing on three key priorities:

1. **Close ranks with partners:** The EU must strengthen ties with those targeted by Trump's threats. These countries need reliable allies, and can offer valuable lessons in navigating relations with the US under conditions of low trust. Canada is a natural partner. Building on the 2025 Security and Defence Partnership, EU–Canada co-operation can bolster Arctic security and reaffirm respect for sovereignty.
2. **Present new options:** Many Latin American states under US pressure see only one alternative: China's financial pull. With USAID cuts driving these countries even closer to Beijing, the EU must step in as a credible, values-based partner. Concluding trade agreements with Mexico and Mercosur, and expanding security cooperation with countries like Colombia, Chile and Peru, would demonstrate that the EU is serious about strategic engagement. Presenting Europe's engagement as aligned with Washington's anti-China objectives can also open channels for pragmatic cooperation with the US.
3. **Future-proof the approach:** In Latin America, alliances quickly shift with changes of leadership. Colombia, once Washington's closest partner in South America, now keeps its distance from Trump. Bolsonaro's Brazil was Trump's closest ally during his first term, yet today the US openly targets Brazil's government. Argentina, by contrast, moved closer to Washington with the transition from Fernández to Milei. In other words, today's 'fence-sitters' could become tomorrow's 'enthusiasts' or feel 'betrayed' in the future. While the US judges regional governments based on their alignment with Trump's 'Americas First' agenda, the EU's approach must

(15) France, M., 'Donald Trump's Venezuela U-turn won't put America First', *The National Interest*, 15 August 2025 (<https://nationalinterest.org/feature/donald-trumps-venezuela-u-turn-wont-put-america-first>).

go beyond the government of the day. Brussels needs to focus on building concrete, pragmatic cooperation that appeals across the political spectrum. That is how Europe can build durable trust.

CHAPTER 8

QUESTIONING THE NUCLEAR UMBRELLA

Northeast Asia and Europe in a Trump 2.0 world

by
LIZZA BOMASSI

Confidence in extended nuclear deterrence, the ultimate test of alliance credibility, is diminishing across Europe and Northeast Asia. Rising nuclear threats and the lowest levels of trust in US-allied relations in years are driving this shift. Under President Trump's second term, uncertainty has become a defining feature of alliance politics, making the old Cold War question – 'would Washington trade New York for Paris (or Tokyo)?' – no longer feel speculative.

As transatlantic and transpacific relations deteriorate, domestic proliferation options like France's *force de frappe* or even Japan's latent fuel cycle, once considered symbolic safety nets, are gaining renewed attention. These remain far from realistic substitutes, but their prominence risks making 'fallback' logic a primary organising feature of alliance dynamics, with lasting consequences for security relations. Europe, while not directly involved in Northeast Asian nuclear dynamics, could still play a stabilising

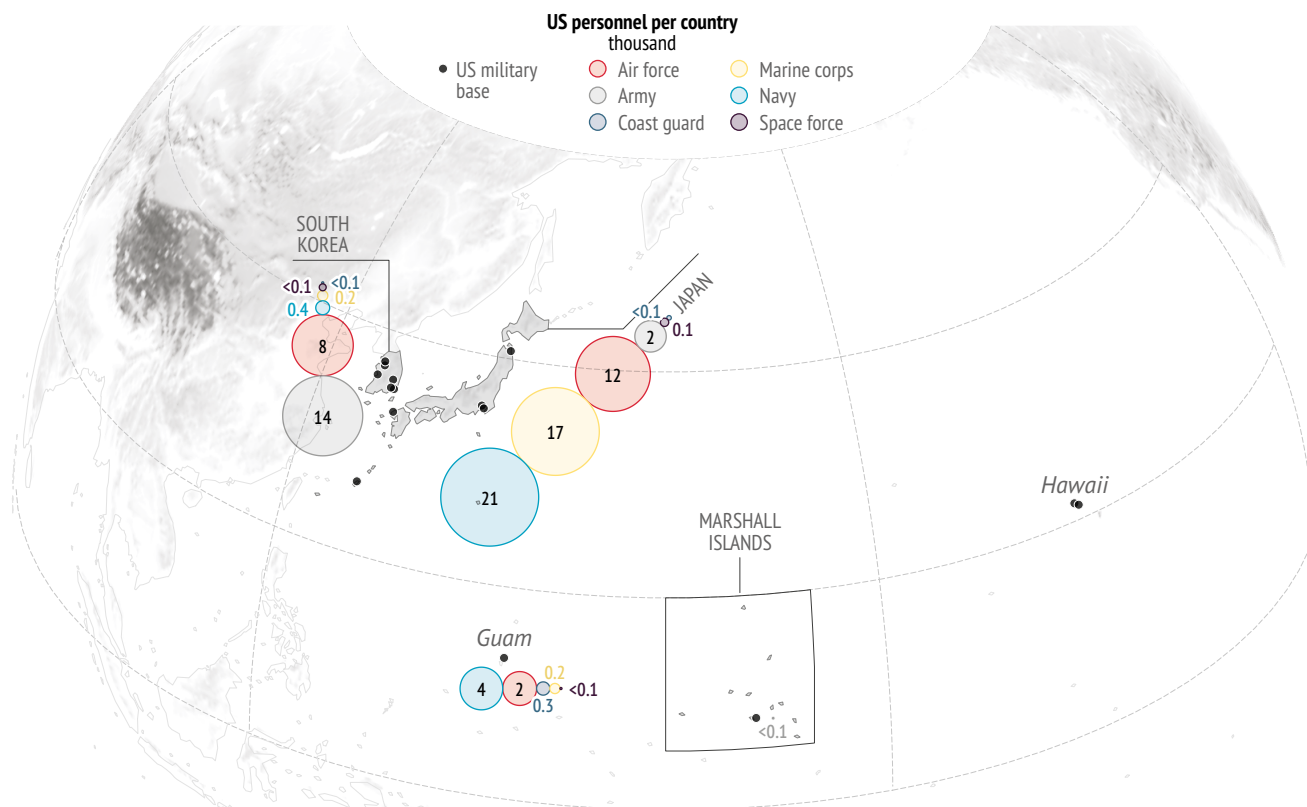
role in managing the fallout of Washington's unpredictability.

FROM CONVENTIONAL DETERRENCE TO NUCLEAR RISKS

Alliances have always tolerated friction. But what is currently unfolding is a deeper crisis of confidence in US deterrence guarantees. Vague and contradictory statements, like President Trump's comments on the questionability of defending Taiwan, have heightened concerns, casting doubt on the credibility of the US nuclear umbrella. This is happening in a global context where nuclear threats are more proximate and destabilising. Russia has openly invoked its arsenal in Ukraine; China is moving towards nearly

Is the umbrella still credible?

US military presence in Northeast Asia



Data: DoD Defense Manpower Data Center (DMDC), 2025; European Commission, GISCO, 2025

doubling its stockpile to over 1 000 warheads by 2030⁽¹⁾; North Korea's arsenal is becoming more sophisticated and explicitly targeted; and Iran's ambitions remain undeterred.

In Northeast Asia, particularly Japan and South Korea, where US security guarantees remain essential and nuclear weapons are prohibited, the debate is shifting, albeit tentatively. Statements like US Defense Secretary Pete Hegseth's call for Asian allies to match European

defence spending signal a change in US calculations, with ripple effects across the region.

Japan has long abided by non-nuclear norms. However, the late Prime Minister Shinzo Abe had a more open view towards nuclear deterrence, arguing that Japan 'should not treat as taboo discussions on the reality of how the world is kept safe'⁽²⁾. Other senior figures have echoed similar warnings about the 'nuclear alliance of China, Russia and North

- (1) U.S. Department of Defense, 'Annual Report to Congress: Military and Security Developments Involving the People's Republic of China', 2024 (<https://media.defense.gov/2024/Dec/18/2003615520/-1/-1/0/MILITARY-AND-SECURITY-DEVELOPMENTS-INVOLVING-THE-PEOPLES-REPUBLIC-OF-CHINA-2024.PDF>).
- (2) 'Abe's remarks on Japan, nuclear weapons, and Taiwan', *The Japan Times*, 27 February 2022 (<https://www.japantimes.co.jp/news/2022/02/27/national/politics-diplomacy/shinzo-abe-japan-nuclear-weapons-taiwan/>).

Korea'⁽³⁾. Yet the issue remains deeply controversial in much of Japan. A University of Tokyo 2025 survey⁽⁴⁾ found that over 60% of those polled supported continued adherence to Japan's current non-nuclear posture.

South Korea, for its part, displays an almost opposite dynamic. A 2024 Korea Institute for National Unification poll⁽⁵⁾ found that 66% of the public supported Seoul acquiring nuclear weapons, reflecting both alarm at North Korea and China's expanding nuclear arsenals, as well as diminishing trust in US deterrence guarantees. Yet follow-up surveys show this support dropping sharply once the fallout from diplomatic and economic sanctions is factored in. In policy circles too, enthusiasm is muted⁽⁶⁾,

In Europe, the impact of US unpredictability has been unmistakable. President Macron recently proposed 'extending' France's nuclear deterrent across Europe to complement NATO's nuclear-sharing arrangements and bolster Europe's nuclear defence posture⁽⁷⁾. While France would retain sole authority over their use, the proposal signals growing unease about US reliability. These doubts are amplified by debates over conventional burden-sharing and by Washington's increased expectations of allied contributions, exemplified by NATO's pledge to raise defence spending to 5% of GDP by

2035⁽⁸⁾. Although this pressure predates Trump, his second term brings uniquely punitive costs for non-compliance. One expert described this as a 'loosening of tight coupling'⁽⁹⁾. Not a break, but a recalibration which increasingly blurs the lines between conventional and nuclear deterrence.

STRATEGIC, STRUCTURAL AND SOCIETAL TENSIONS

These dynamics are not without consequence. As trust weakens, three interlinked tensions emerge: strategic, structural, and societal.

The first is strategic, marked by a risky feedback loop. When allies hedge by investing in conventional forces or nuclear capabilities, they create a paradox: from Washington's perspective, such moves can be interpreted as signs that allies are becoming self-sufficient, triggering an even swifter withdrawal of US commitments. While there is little precedent for US nuclear pullback, the 'psychology' of deterrence does not neatly separate nuclear and conventional guarantees. If allies see conventional commitments as

(3) Arms Control Association, 'Japan's new leader stirs debate on nuclear sharing', 1 November 2024, (<https://www.armscontrol.org/act/2024-11/news/japans-new-leader-stirs-debate-nuclear-sharing>).

(4) Tsuyoshi, G. et al. 'UTokyo ROLES Survey – Mar 2025', University of Tokyo, March 2025, (<https://roles.rcast.u-tokyo.ac.jp/uploads/publication/file/164/publication.pdf>).

(5) Korea Institute for National Unification, 'KINU's Announcement of the Result of the 2024 KINU Unification Survey: North Korea's Two-State Claim/US Presidential Election Outlook and ROK-US Relations', 27 June 2024, (https://www.kinu.or.kr/eng/board/view.do?nav_code=eng1678858138&code=78h7R6ucKsuM&idx=24481).

(6) Cha, V., 'Breaking bad: Nuclear deterrence in East Asia', Center for Strategic and International Studies, 29 April 2024 (https://csis-website-prod.s3.amazonaws.com/s3fs-public/2024-04/240429_Cha_Breaking_Bad.pdf?VersionId=Varqa7U3nomMidX555LpWcCWmLwFAfti).

(7) Perot, E., 'Revisiting deterrence: Towards a French nuclear umbrella over Europe', Vrije Universiteit Brussel, 20 March 2025 (<https://csds.vub.be/publication/revisiting-deterrence-towards-a-french-nuclear-umbrella-over-europe/>).

(8) NATO, 'Defence expenditures and NATO's 5% commitment', 27 June 2025 (https://www.nato.int/cps/en/natohq/topics_49198.htm).

(9) Interview with a senior Indo-Pacific nuclear analyst, off the record, June 2025.

unreliable, that uncertainty could bleed into perceptions of the nuclear umbrella even if its withdrawal remains unlikely. From an adversary's viewpoint, these shifts could either signal fragmentation (weakening alliance credibility) or escalation (increasing the risk of a coercive response).

Second, the structural tension. Years of reliance on the US security umbrella have atrophied the domestic defence industrial bases of many allies, leaving them heavily dependent on US platforms⁽¹⁰⁾. Reconstituting these capabilities is a generational undertaking which will be neither quick nor cheap. It is an overhaul that demands alignment across budgetary, technological, and personnel pipelines, as illustrated by Europe's efforts to unlock €150 billion for defence investment⁽¹¹⁾. Similar complexities appear in Northeast Asia. Japan possesses advanced enrichment capabilities but lacks integrated delivery systems and faces constraints stemming from its pacifist constitution. South Korea, by contrast, has modern delivery systems and conventional force planning but lacks fissile material. Neither possesses plug-and-play nuclear deterrent capability⁽¹²⁾, underscoring their continued dependence on US guarantees.

Third, the societal tension. In both Europe and Northeast Asia, attitudes toward nuclear weapons remains one of the least understood dimensions of national security. Societal attitudes fluctuate

depending on how the topic is framed, threat proximity, and the domestic political climate. South Korean support for pro-nuclear weapons appears strong in polls until respondents consider the potential consequences. In Japan, elite voices may question non-nuclear principles, but public opposition remains a significant constraint, rooted in the legacies of Hiroshima and Nagasaki. Europe faces similar frictions. In Belgium, for instance, protests have repeatedly targeted US nuclear weapons stored at the Kleine Brogel airbase⁽¹³⁾. Such incidents expose how elastic public opinion can be – a factor that adversaries can, and do, exploit and that policymakers must anticipate.

Together these tensions reveal a deeper shift in collective defence dynamics. Relationships once grounded in shared understanding are increasingly shaped by diminishing trust. In a world trending toward transactionalism, this fragmentation is easily exploited. Given ambiguous US signalling, preserving enough trust to ensure that allies will respond collectively, even amid uncertainty, is critical. If allies begin defaulting to individualised fallback measures, collective deterrence would not simply weaken, it could unravel. History offers precedent: after the Suez Crisis, France opted for nuclear independence and withdrew from NATO's integrated command for decades. That choice stemmed not from a lack of capability, but from a fundamental breakdown of trust.

Relationships once grounded in shared understanding are increasingly shaped by diminishing trust.

(10) Vdovychenko, A., 'Can Europe trust U.S. weapons?', Center for European Policy Analysis, 21 March 2025 (<https://cepa.org/article/can-europe-trust-us-weapons/>).

(11) European Commission, Press release, 'EU Member States endorse €150 billion SAFE defence loan instrument to boost European defence capabilities', 27 May 2025 (https://ec.europa.eu/commission/presscorner/detail/en/ip_25_1340).

(12) Interview with a senior Indo-Pacific nuclear analyst, off the record, June 2025.

(13) Nelson, A., 'Green MEPs occupy Belgian F-16 runway in anti-nuclear protest', *The Guardian*, 20 February 2019 (<https://www.theguardian.com/politics/2019/feb/20/green-meps-occupy-belgian-f-16-runway-in-anti-nuclear-protest>).

KEEPING THE EURO-ATLANTIC- INDO-PACIFIC CONNECTION OPEN

The challenge then is strengthening trust between allies to ensure that fallback measures do not harden into default strategy. While Europe is not a nuclear guarantor in the Indo-Pacific, it still has a role to play even if this runs counter to the current US administration's preference that Europe focus primarily on its immediate Eastern flank. Yet in the absence of confidence-building measures, alliance dynamics in Northeast Asia may shift in more destabilising ways.

One option is to adapt the NATO-IP4 mechanism for nuclear signalling. Though not a formal alliance, the IP4 (Japan, South Korea, Australia and New Zealand) is a values-aligned grouping facing similar questions about US reliability. Any such initiative would need careful framing to avoid perceptions of Indo-Pacific 'expansionism', emphasising crisis management and early warning mechanisms rather than force projection. A voluntary EU-IP4 grouping could begin with a joint audit of nuclear-relevant capabilities. This could echo Quad members' efforts to map sectoral vulnerabilities for contingency planning⁽¹⁴⁾, offering a tested model in a politically charged environment. The point is not to promote proliferation or expansionism, but rather to demonstrate cross-theatre cohesion and signal joint planning in the event of a crisis.

While Europe is not a nuclear guarantor in the Indo-Pacific it still has a role to play.

Scenario-based stress-testing is another essential tool. Allies need clarity on roles and expectations, especially when assumptions about thresholds or sequencing go unspoken. This is particularly relevant in flashpoints like the Taiwan Strait or the Korean Peninsula, where ambiguity could deepen miscalculation. There is also growing concern that adversaries may exploit a crisis in one region to create pressure in another – a risk often highlighted in scenarios involving Taiwan. This potential for cross-theatre opportunism may constrain US capacity to respond and complicate allied co-ordination efforts unless anticipated. Targeted simulations could help align expectations in advance, clarifying who decides, who acts, and how coordination across allies unfolds.

Finally, addressing public (mis)understanding of nuclear risk is essential. Just as climate sustainability has moved from a niche concern to a mainstream priority, so too must nuclear risk awareness broaden beyond specialist circles. The objective is not to forge uni-

form societal consensus, but to establish a more informed foundation for public debate. Tailored educational modules and interactive platforms could be introduced in public forums and media to demystify deterrence logic, for example. An informed public is less vulnerable to panic-driven populism or complacency and better equipped to support nuanced nuclear policy development.

Aligning nuclear signalling, structural clarity and civic awareness offers one way to prevent fallback logic from hardening into doctrine. The goal is to stabilise trust between allies and project a unified

(14) Lee, S., 'Prospects and Limitations for a Quad Plus Europe,' Swedish Institute of International Affairs, February 2023 (<https://www.ui.se/globalassets/butiken/ui-brief/2023/ui-brief-no.-2-2023.pdf>).

front at the nuclear threshold. The global consensus against nuclear use, however frayed, remains one of the few enduring constraints in an increasingly volatile geopolitical environment. That consensus was built not on idealism, but on the recognition of mutual destruction and irreversible cost. Such restraint endures only if reinforced and cannot be taken for granted.

CHAPTER 9

TESTING CONTINUITY

The Western Balkans at the margins of transatlantic (dis)engagement

by
BOJANA ZORIĆ

The Western Balkans are now off Washington's radar. There is currently no clear or coherent US policy direction for the region, creating a vacuum of strategic leadership. This ambiguity is raising concerns within the EU, which must now prepare for the possibility of losing the support of a key transatlantic partner. For too long, the Western approach to the region has been reactive: waiting for crises to erupt, then stepping in. Even in such circumstances, the US has traditionally provided a vital safety net to prevent further escalation.

In the Western Balkans, every political shift and policy signal between the US and EU has immediate, and often irreversible, repercussions on the ground. This is especially true in two critical areas of EU engagement: enlargement policy and regional stability and security. Regardless of whether Washington remains (constructively) engaged in these domains, the EU must double down on its efforts. The current geopolitical moment should not be viewed solely as a risk, but rather as a strategic opportunity. It offers the EU a chance to recalibrate its approach, assume greater leadership in the region, and reinforce its strategic credibility.

THE STRATEGIC COSTS OF POLICY DRIFT

One clear sign of waning American interest is the delay in ambassadorial nominations and appointments. Only Montenegro and North Macedonia have career ambassadors in post since 2018 and 2022, respectively. In other countries – including Bosnia and Herzegovina (BiH), which is undergoing a deep political crisis, and Serbia, currently facing domestic turmoil – US missions continue to be headed by *Chargés d'Affaires*. But with democracy under strain in the US and media freedom shrinking, this *status quo* may be less harmful than a more active form of engagement that inadvertently strengthens illiberal forces and turns the Western Balkans into collateral damage.

The latter scenario would directly undermine the EU's enlargement agenda. For years, US political and financial support has complemented the EU's efforts. This backing has reinforced reform momentum and bolstered democratic resilience

in societies navigating the accession process. Yet, in just six months, the global withdrawal of USAID has affected hundreds of projects across the region. From 2020 to late 2024, the US directed roughly €1.62 billion in aid to the Western Balkans. Kosovo*, BiH and Serbia stood out in particular: through USAID alone, they were among the top ten aid recipients globally, with more than €250 million invested across multiple civil society, media freedom, human rights and energy efficiency programmes⁽¹⁾. One flagship initiative, the USAID CATALYZE Engines of Growth programme, mobilised €170 million in financing between 2020 and 2024 for more than 2 000 small businesses – 41% of which were women-led or women-owned, reshaping access to capital for local entrepreneurs⁽²⁾.

But the pullout is not just financial. It is already undermining democratic safeguards. In Serbia, the suspension of USAID funding was followed by an investigation and police raids on four civil society organisations, based on allegations of fund misuse⁽³⁾. The Supreme Public Prosecution Office claimed that its actions were justified by statements made by high-level US political figures, including ‘President Donald Trump, Secretary of State Marco Rubio, [...] and FBI Director Kash Patel’ who expressed doubts about USAID’s work⁽⁴⁾. This political framing suggests a shift in how external political narratives are leveraged domestically to legitimise restrictive measures against civil society.

Equally important, regional stability and security are becoming increasingly fragile. As US engagement recedes, the space for political escalation and opportunistic actors, who were already gaining traction, widens. The US has long been a credible security actor in the region, with a role that dates back to the 1990s. Washington played a defining role in ending the war in BiH through the Dayton Agreement in 1995 and led the NATO intervention in Kosovo in 1999 when international diplomatic efforts to end the armed conflict failed. In more recent years, US influence has continued to shape regional dynamics. In September 2023, it was a direct phone call from Secretary Blinken to President Vučić that pushed Serbia to pull back its forces and helped prevent a dangerous escalation in the aftermath of Banjska. But the groundwork had been laid earlier. In 2021, the US imposed sanctions on two Kosovo-based businessmen, Zvonko Veselinović and Milan Radojičić, for their involvement in transnational criminal networks. Radojičić would later be identified as the leader of the armed group that carried out the Banjska attack.

NO LONGER ‘ALL FOR ONE AND ONE FOR ALL’

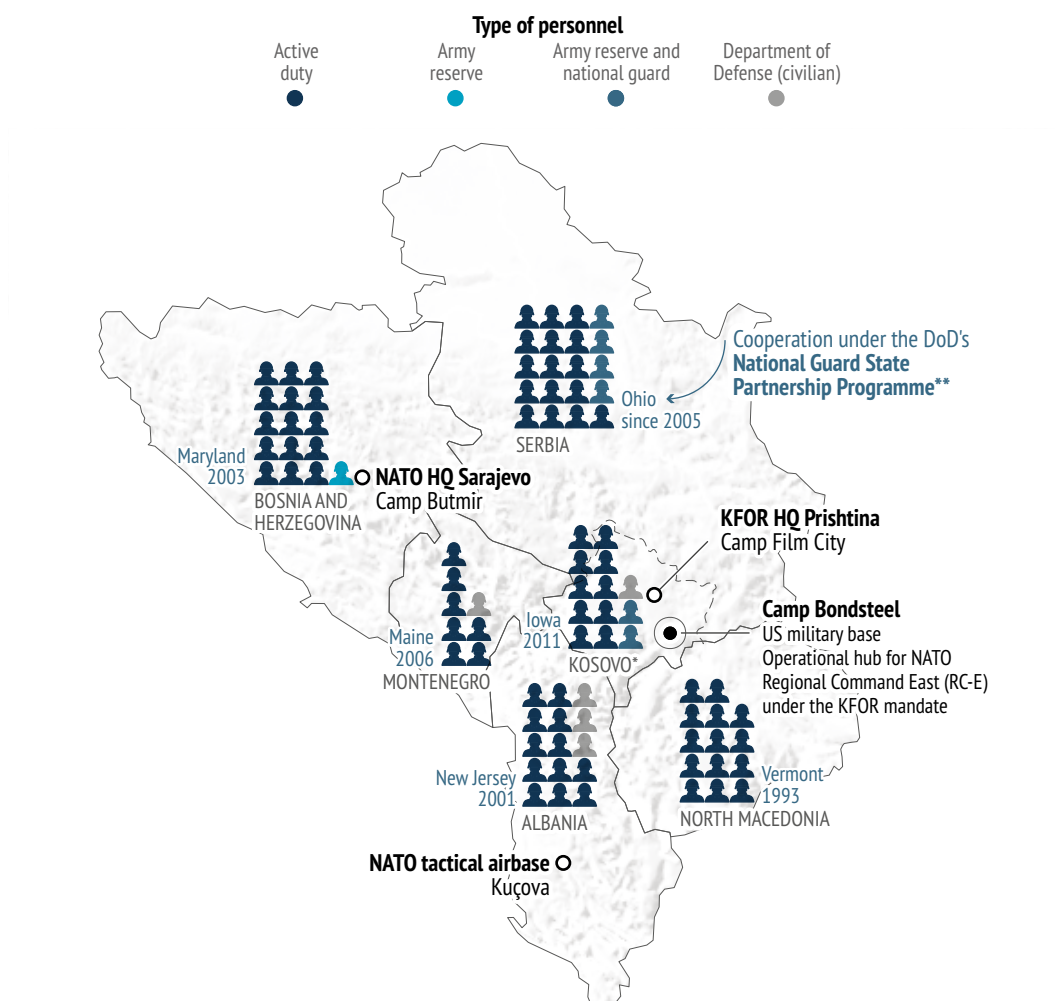
Where the EU was often constrained by internal divisions, the US stepped in to

* This designation is without prejudice to positions on status, and is in line with UNSCR 1244/1999 and the ICJ Opinion on the Kosovo declaration of independence.

- (1) See Kurtić, A. et al., ‘Trump’s suspension of US foreign aid hits hundreds of Balkan projects’, *Balkan Insight*, 30 January 2025 (<https://balkaninsight.com/2025/01/30/trumps-suspension-of-us-foreign-aid-hits-hundreds-of-balkan-projects/>).
- (2) See ‘USAID CATALYZE Engines of Growth: Transforming financing in the Western Balkans’, CATALYZE Communications 2025, YouTube video (<https://www.youtube.com/watch?v=416D1CNaPuw>).
- (3) See ‘Serbia: Attacks on civil society must stop’, Article 19, 28 February 2025 (<https://www.article19.org/resources/serbia-attacks-on-civil-society-must-stop/>).
- (4) See Republic of Serbia, Supreme Public Prosecution Office, ‘Announcement’, 25 February 2025 (<https://beograd.vjt.rs/aktuelnosti/saopstenje-915/>).

Shaking the foundations?

A drawdown of US military presence could challenge the balance of security in the Western Balkans



Data: DoD Defence Manpower Data Centre, 2025; National Guard, 2025; European Commission, GISCO, 2025.

* This designation is without prejudice to positions on status and is in line with UNSCR 1244 and the ICJ opinion on the Kosovo Declaration of Independence.

** Part of the US Department of Defense (DoD) Security Cooperation Programmes

NB: The data on type of personnel reflects only unclassified data assigned to these specific locations, including State Department and overseas Embassy staff. It excludes personnel on temporary duty or deployed for contingency operations.

make difficult decisions, thus complementing the EU's efforts. During 2021–2022, Milorad Dodik initiated moves aimed at unilaterally transferring state competencies from the central government of BiH to the Republika Srpska entity, an alarming step towards institutional fragmentation that continues to

unfold today. In response, the US Department of the Treasury's Office of Foreign Assets Control (OFAC) imposed targeted sanctions on Milorad Dodik and one entity under his control, Alternativa Televizija d.o.o Banja Luka⁽⁵⁾. US diplomacy also sought to mobilise international support and build a coalition of European

(5) See US Department of Treasury, 'Treasury sanctions Milorad Dodik and associated media platform for destabilizing and corrupt activity', Press Release 2022, (<https://home.treasury.gov/news/press-releases/jy0549>)

allies to safeguard Bosnia and Herzegovina's constitutional order.

In February 2025, the US State Department backed the first-instance court conviction of Republika Srpska President Milorad Dodik, who was sentenced to one year in prison and barred from holding office for six years. Following BiH's court decision to revoke Dodik's mandate in August 2025, Washington refrained from issuing a separate statement on the sentencing itself. Instead, the US reaffirmed⁽⁶⁾ its commitment to BiH's sovereignty and territorial integrity, urging all sides to avoid escalation – a rather muted position on the matter that contrasted with the EU's more vocal stance⁽⁷⁾.

While the US has consistently upheld BiH's territorial integrity and the Dayton Peace Agreement (DPA) up to the present day, the tone, intensity and depth of engagement have shifted markedly between the Biden and Trump 2.0 administrations. The 2024 and 2025 UN Security Council (UNSC) statements illustrate this change. Both statements reaffirmed Washington's commitment to peace and stability in BiH, but the 2024 UNSC statement was assertive, detailed, and politically sharp⁽⁸⁾. It included strong backing for the Office of the High Representative (OHR) and framed its role as

Strategic uncertainty in EU-US relations leaves the region exposed.

complementary to BiH's EU integration process. It also tackled sensitive issues head-on, including genocide denial, calling it an obstacle to reconciliation. In contrast, the 2025 statement⁽⁹⁾ was more technocratic: It maintained the formal position on the DPA and BiH's institutions but avoided politically charged issues like Srebrenica and offered only perfunctory acknowledgement of the OHR's role. Similar technocratic rhetoric was evident in the speech delivered by Deputy Secretary of State, Christopher Landau, at the 2025 NATO Parliamentary Assembly⁽¹⁰⁾. The key signal is a downgrade in diplomatic energy, rather than a shift in core policy – at least for now. American presence, partnerships and pressure can no longer be taken for granted.

TIME TO ASSERT CONTROL IN 'THE EU'S BACKYARD'

The growing disconnect between the EU and the US puts a core assumption to the test: that the US will remain a reliable, proactive partner in supporting regional stability and EU enlargement. This

(6) The Pavlovic Today, 'US calls for restraint following removal of President Dodik in Bosnia and Herzegovina', 2025 (<https://thepavlovictoday.com/exclusive-u-s-calls-for-restraint-following-removal-of-president-dodik-in-bosnia-and-herzegovina/>).

(7) European External Action Service, 'Bosnia and Herzegovina: Statement by the Spokesperson on the criminal conviction in appeal of Republika Srpska President Milorad Dodik', Press Release 2025, 1 August 2025 (<https://www.eeas.europa.eu/eeas/bosnia-and-herzegovina-statement-spokesperson-criminal-conviction>).

(8) See United States Mission to the United Nations, 'Remarks at the UN Security Council Briefings on Bosnia and Herzegovina', 2024 (<https://usun.usmission.gov/remarks-at-a-un-security-council-briefing-on-bosnia-and-herzegovina-5/>).

(9) See United States Mission to the United Nations, 'Remarks at the UN Security Council Briefings on Bosnia and Herzegovina', 2025 (<https://usun.usmission.gov/remarks-at-a-un-security-council-debate-on-bosnia-and-herzegovina-4/#:~:text=And%20as%20has%20been%20echoed,environment%20in%20Bosnia%20and%20Herzegovina>).

(10) US Department of State, 'Deputy Secretary of State Christopher Landau at the 2025 NATO Parliamentary Assembly', 23 May 2025 (<https://www.state.gov/deputy-secretary-of-state-christopher-landau-at-the-2025-nato-parliamentary-assembly/>).

assumption, rooted in decades of transatlantic alignment, is under increasing strain. A more autonomous, strategically proactive Europe is necessary to hedge against US disengagement – or the more immediate risk of counterproductive engagement – while still keeping channels of cooperation open. This could be done in the following ways:

- > **Engaging with bipartisan actors in the US to sustain a stabilising transatlantic approach towards the Western Balkans.** Historically, Washington's role in the region has been that of a stabiliser, not a disruptor. This legacy, however, offers no guarantee for the future. The argument should be framed not only in security terms but also in economic ones: reversing a 30-year record of US involvement could harm American business interests, particularly in markets like Albania and Serbia, which had already attracted attention from figures close to President Trump⁽¹¹⁾. Millions of jobs depend on trade and investment ties between the EU and the US. US exports to the EU support 2.3 million American jobs, while EU investments in the US create 3.4 million jobs⁽¹²⁾.
- > **Enhancing Europe's autonomous response capacity within NATO.** While there is currently no indication that the US will significantly scale back its military presence, uncertainty surrounding the ongoing US posture review could signal a shift towards broader disengagement. Such a move would affect troop deployments in the Western Balkans, though these remain minimal compared to the substantial

American presence on NATO's Eastern flank. Although continued military engagement remains the most likely scenario, strategic uncertainty in EU-US relations leaves the region exposed. This underscores the importance of strengthening Europe's ability to operate independently through missions like EUFOR *Althea* and the NATO-led KFOR. Reinforcing EUFOR now – and preparing to eventually replace the US contingent in KFOR – would be a timely and prudent step.

- > **Upholding democratic principles as non-negotiable while making a case for enlargement as a shared priority.** The central argument should frame enlargement not only as an EU endeavour but as a strategic instrument that also advances US interests in the region. The current enlargement *impasse* plays into the hands of rival powers such as China and Russia, undermining both democracy and security – two areas where the US has traditionally invested. Promoting democratisation through enlargement should therefore be presented as a joint objective that reinforces both regional stability and transatlantic trust. Without democracy, there can be no lasting stability or security. At a time when American engagement is faltering, the EU must resist any temptation to trade democratic conditionality for short-term stability. Enlargement must remain firmly grounded in strict adherence to the rule of law, media freedom and accountable governance.

(11) See Mian, M., 'Sold to the Trump family: one of the last undeveloped islands in the Mediterranean', *The Guardian*, 24 June 2025 (<https://www.theguardian.com/world/2025/jun/24/trump-family-kushner-undeveloped-island-mediterranean-sazan-albania>).

(12) See Council of the European Union, 'EU relations with the United States', 2025 (<https://www.consilium.europa.eu/en/policies/united-states/>).

CHAPTER 10

SECURITY PROVIDER NO MORE

How the Gulf is redefining alliances
amid America's retreat

by
KATARZYNA SIDŁO

Confidence in the US as a security guarantor among Gulf states did not collapse; it eroded, quietly but steadily. Gulf leaders read the signals early – earlier, in fact, than the European Union. While Obama's remarks about 'free riders' ⁽¹⁾ and the widely discussed 'pivot to Asia' ⁽²⁾ may have been aimed at Europe, it was the Gulf Cooperation Council (GCC) states that took the message to heart ⁽³⁾. They saw what lay ahead: a future in which Washington would be less committed, less predictable, and increasingly transactional. In response, Gulf monarchies began hedging: diversifying their diplomatic and economic relationships with a growing roster of global powers, even when those moves ran counter to US expectations.

Under Trump 2.0, Gulf states see an expanded window of opportunity: an isolationist, business-oriented White House less concerned with ideological loyalties and more receptive to deal-making. While

each country navigates this environment differently, the overall effect has been to embolden the Gulf to play a more assertive role regionally and globally. For the EU, this shifting landscape opens space to step out of Washington's shadow and pursue its own interests in the Gulf and broader Middle East and North Africa (MENA) region: clearly and consistently, but without the short-term transnationalism that defines the US approach.

A DROP AT A TIME: THE SLOW EROSION OF TRUST

Trust in the strength of the US–GCC relationship has steadily unravelled over the past four US administrations. Gulf leaders

(1) Goldberg, J., 'The Obama doctrine', *The Atlantic*, April 2016 (<https://www.theatlantic.com/magazine/archive/2016/04/the-obama-doctrine/471525/>).

(2) 'Barack Obama says Asia-Pacific is "top US priority"', BBC News, 17 November 2011 (<https://www.bbc.com/news/world-asia-15715446>).

(3) Al-Faisal, T., 'Mr. Obama, we are not "free riders"', Arab News, 14 March 2016 (<https://www.arabnews.com/columns/news/894826>).

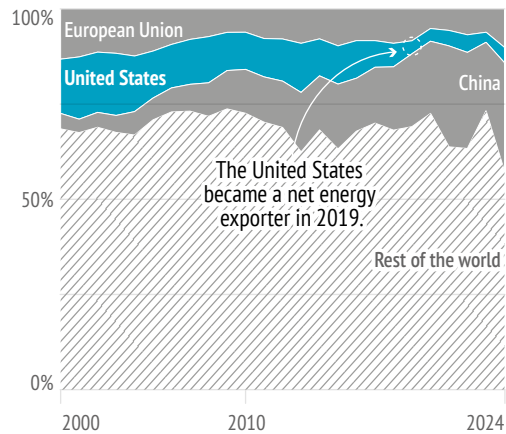
increasingly see Washington as strategically retreating from the region while pursuing policies that are more and more unpredictable and transactional.

Tensions began to mount during the Obama years, when the US distanced itself from longtime ally Egyptian President Hosni Mubarak during the 2011 uprising, engaged with Iran, and maintained a non-interventionist stance in Syria. Efforts to reassure alarmed Gulf partners⁽⁴⁾ – such as the 2015 Camp David summit – fell short of the formal security guarantees the GCC leaders sought. Donald Trump's first term initially marked a reset. His 2017 visit to Riyadh, record arms deals and withdrawal from the Joint Comprehensive Plan of Action (JCPOA) in 2018 aligned closely with GCC preferences at the time. However, trust unravelled again in 2019 due to Washington's muted response to attacks (widely attributed to Iran) on Saudi infrastructure, which reinforced doubts about US commitment, especially as America's new status as a net energy exporter reduced its incentive to secure Middle Eastern oil flows⁽⁵⁾. Biden's early moves – freezing arms sales to Saudi Arabia and the UAE and labelling the Saudi Crown Prince a 'pariah' – followed by disorderly withdrawal from Afghanistan in 2021, further strained ties. Attempts to re-engage during the 2022 energy crisis, sparked by Russia's invasion of Ukraine, were seen as transactional.

Trump's return to office was broadly welcomed by Gulf leaders, who saw in his second term the prospect of renewed partnership. And at first, the US-Gulf relationship appeared to thrive. The

Weakening ties

Volume of GCC exports of energy by recipient, %



Data: UNCOMTRADE, 2025

President's first foreign trip (following the funeral of Pope Francis) was to Saudi Arabia, UAE and Qatar, where he was received with grand fanfare and unveiled a series of deals and investment pledges (amounting in total to \$2 trillion according to the White House⁽⁶⁾). The visit also delivered a breakthrough on Syria: in a surprise move, Trump met with Syrian leader Ahmed al-Sharaa in Riyadh and announced the lifting of US sanctions. For Saudi Arabia, this was a major win, reinforcing its bid to reassert influence in Damascus. Yet trust remained fragmented. The 12-day war between Israel and Iran underscored US unpredictability: Trump shifted from ruling out US involvement⁽⁷⁾ to authorising limited strikes on Iranian nuclear sites, before swiftly imposing a ceasefire. Washington's inability – or unwillingness – to prevent the Israeli strike on Qatar in September 2025 may have dealt the final

(4) Ulrichsen, K. C., 'Transactional politics: Rethinking U.S.-Gulf security and defence relationships amid U.S. decline', *Alternatives: Global, Local, Political*, Vol. 0, No. 0, 2025 (<https://journals.sagepub.com/doi/10.1177/03043754251347671>).

(5) US Energy Information Administration, 'US energy facts – imports and exports' (<https://www.eia.gov/energyexplained/us-energy-facts/imports-and-exports.php>).

(6) The White House, 'Fact sheets' (<https://www.whitehouse.gov/fact-sheets/page/7/>).

(7) 'US tells Israel it won't take part in any Israeli strike on Iran's nuclear facilities', Reuters, 12 June 2025 (<https://www.reuters.com/world/middle-east/us-tells-israel-it-wont-take-part-any-israeli-strike-irans-nuclear-facilities-2025-06-12/>).

blow to already frayed Gulf confidence in the sturdiness of the US security umbrella.

PLAYING TO STRENGTH

With US reliability in doubt, GCC states have diversified their approaches while still relying on American arms and intelligence. Their recalibrated foreign policy agendas are increasingly driven by pragmatism, ambition, and a desire for greater autonomy. At the same time, individual states are playing to their specific strengths and seizing opportunities emerging from an increasingly fragmented geopolitical landscape.

A clear display of their more assertive posture came in response to Russia's 2022 invasion of Ukraine. Gulf countries, particularly Saudi Arabia and the UAE, resisted US calls to boost oil production, prioritising economic self-interest over alliance politics. The coordinated OPEC+ decisions to cut output in late 2022 and again in 2023, alongside their broadly neutral stance on the war, reflected a growing willingness to defy US expectations. This position unsettled Washington, which was unaccustomed to such independent manoeuvring from traditional partners⁽⁸⁾. For the GCC, the Ukraine war has become a testing ground for navigating great power competition, testing their ability to strike a balance between Western alliances and ties with Russia. It has also provided leverage to

renegotiate terms of engagement with the US, while maintaining dialogue with Moscow, whose involvement in Syria and Iran continues to pose risks to Gulf security.

Another example of the GCC's strategic adaptation has been a newfound willingness to engage diplomatically with Iran. The restrained US response to the 2019 attacks on Saudi and Emirati oil and maritime infrastructure prompted both Riyadh and Abu Dhabi to quietly reconsider their approach to Tehran. What followed was a slow but deliberate pivot: the recognition that de-escalation and selective economic engagement with Iran could offer a more sustainable path to regional stability.

In Saudi Arabia's case, this shift culminated in the restoration of diplomatic relations with Iran in March 2023. While

For the GCC, the Ukraine war has become a testing ground for navigating great power competition.

Oman played a discreet but pivotal role in facilitating early dialogue, the final breakthrough was formalised in Beijing, with China stepping in as the public broker. Allowing China to take credit was no coincidence. It sent a deliberate signal that Gulf states are broadening their diplomatic partnerships and increasingly looking beyond

traditional Western interlocutors. This move also reflected the deepening economic ties between the Gulf and China. In recent years, China has become the leading trade partner for Kuwait, Qatar, Saudi Arabia, and the UAE, and ranks among the top five for Bahrain and Oman⁽⁹⁾. It has also overtaken both the EU and the US as the largest destination for Gulf oil and gas exports – a shift that underscores how economic interdependence is reinforcing strategic engagement. By 2024, nearly

(8) Parker, T.B. and Bakir, A., 'Strategic shifts in the Gulf: GCC Defence diversification amidst US decline', *The International Spectator*, Vol. 59, No. 4, 2024 (<https://www.tandfonline.com/doi/abs/10.1080/03932729.2024.2409243>).

(9) European Commission, 'EU trade policy – statistics' (https://policy.trade.ec.europa.eu/analysis-and-assessment/statistics_en).

30% of GCC energy exports by volume were directed to China⁽¹⁰⁾. This growing connectivity is part of the GCC's own 'pivot to Asia', which has seen Gulf states expand trade and investment relationships with other major Asian economies, including India, South Korea and Japan.

At the same time, Gulf states are far from uniform in how they navigate shifting great power rivalries and their evolving relationship with the US. The UAE has leaned into diversification, joining the BRICS group in 2024 'despite its positioning as a challenge to the US-led global order. Saudi Arabia, by contrast, has held back from accepting the invitation to join the BRICS bloc, wary of straining ties with Washington – although the recent Israeli strike on Qatar pushed Riyadh toward a more assertive step: signing a mutual defence pact with Pakistan. On Israel, despite US pressure, Riyadh has ruled out joining the Abraham Accords while the Gaza war continues⁽¹¹⁾, conditioning normalisation on the creation of a Palestinian state (although without pressing forcefully for an end to the conflict). Abu Dhabi, meanwhile, has criticized Israeli actions but maintained its relations and commitment to the Accords.

Within the MENA region itself, Gulf leaders are navigating a shifting balance of power while weighing the US-Israeli relationship against their own interests. Trump's decision to bypass Israel, during his first foreign trip in May 2025, alongside his willingness to sidestep Israeli preferences in pursuit of transactional outcomes, did not go unnoticed among the Gulf leaders. The administration's direct outreach

to the Houthis and backchannel contacts with Hamas signalled a shift in priorities.

While the strategic interests of Israel and the Gulf monarchies often overlap, divergences remain – and in those moments, a quiet competition for Washington's ear

has become apparent. This was particularly evident during the 12-day war and in the context of US-led efforts to revive negotiations with Iran, which were broadly welcomed by Gulf states but firmly rejected by Israel. In the end, neither side was fully satisfied with the outcome. More recently, following the Israeli strike on

Qatar, the balance initially appeared to tilt in Israel's favour: the operation, apparently undertaken without US foreknowledge (or immediate pushback) signalled an early Israeli advantage. Soon after, however, Qatar obtained a security guarantee issued by presidential executive order, accompanied by a public apology from Prime Minister Netanyahu delivered at the White House. Taken together, these episodes underscored two key dynamics: the unpredictability of US foreign policy and the growing assertiveness of Gulf actors, as illustrated by Saudi Arabia's swift conclusion of a defence pact with Pakistan in the wake of the strike.

Amid these tensions, growing scepticism among Trump's isolationist base about the value of continued US aid to Israel – amounting to more than \$130 billion between 1948 and 2025⁽¹²⁾ – and increasing disdain for 'forever wars', gave Gulf leaders an opening to frame themselves as net contributors to US prosperity, rather than strategic liabilities.

Gulf states are far from uniform in how they navigate their evolving relationship with the US.

(10) UN Comtrade, 'UN Comtrade Plus database' (<https://comtradeplus.un.org>).

(11) As this publication went to press, the Trump administration had brokered a ceasefire in Gaza.

(12) US Department of State, 'US Security Cooperation with Israel', 25 April 2025 (<https://www.state.gov/u-s-security-cooperation-with-israel>).

Syria presents another point of divergence. Gulf states, led by the UAE and Saudi Arabia, have pushed for re-engagement with Damascus and successfully lobbied Trump to lift sanctions, arguing that regional stability depends on Syria's reintegration. Meanwhile, Israel continues to carry out strikes on Syrian territory, although arguably it is US pressure that restrains it from launching more extensive operations.

On defence cooperation, Trump's May 2025 visit to the Gulf resulted in a wave of new arms deals. In previous years, proposed sales of advanced F-35 fighter jets to Saudi Arabia and Qatar were blocked to preserve Israel's qualitative military edge (QME), a long-standing pillar of US policy⁽¹³⁾. However, Israel now faces growing unease. Trump has already demonstrated a willingness to override established norms and legal safeguards when politically expedient, and Gulf leaders appear more confident in their ability to secure deals that had long been off the table.

CATCHING UP IN THE GULF

Where does all this leave the EU? First, in contrast to the US, the EU can position itself as a stable and predictable partner, committed to multilateralism, international cooperation, and long-term engagement. There is space for deeper cooperation with the GCC where interests already align, or can be brought into alignment, particularly in areas where Washington shows limited interest such as decarbonisation and the energy transition, humanitarian and

development aid, as well as expanding research and academic collaboration⁽¹⁴⁾.

The transformation of Gulf-US ties, combined with a widening transatlantic rift and growing distrust between Brussels and Washington, opens the door for a re-imagined EU-Gulf partnership. The EU should move beyond its habit of aligning its Gulf and regional policy with that of the US and instead pursue an independent, value- and interest-driven strategy. The Gulf states have long viewed 'the West' as a monolithic bloc. Now is the time for the EU to step out from under that umbrella. The forthcoming New Pact for the Mediterranean and planned EU Middle East strategy will be the real tests of whether the EU can position itself not merely as a transatlantic bridge or part of the Western consensus, but as a capable and autonomous actor with distinct goals, principles and policies.

Finally, the EU can also draw lessons from how the GCC manages its ties with Washington. First, it should hedge strategically: stay close to the US but build real alternatives with partners such as the GCC, India, Canada and Japan, so cooperation with Washington is a choice rather than a dependency. Second, it should make Europe's value measurable: like the GCC presenting itself as a net contributor, the EU should regularly highlight its impact on US jobs, investment, energy security and defence cooperation. Finally, engage all US power centres. Rather than seeing Washington as a monolithic centre of power, the EU should follow the Gulf countries in investing in long-term ties across Congress, state governments, industry, and think tanks to insulate against changes in presidential administrations.

(13) Congressional Research Service, 'Arms sales in the Middle East: Trends and analytical perspectives for US policy' (<https://www.congress.gov/crs-product/R444984>).

(14) Sidlo, K., 'Calibrated engagement: Evolving relations between the EU and the Gulf region', Brief No.18, EUISS, July 2025 (<https://www.eiss.europa.eu/publications/briefs/calibrated-engagement-evolving-relations-between-eu-and-gulf-region>).

CHAPTER 11

TRADING TRUST FOR DEALS

The US turn in Africa and its transatlantic echoes

by
ROSSELLA MARANGIO

Commerce, security and migration are the United States' top priorities in its relations with Africa⁽¹⁾. Rather than disengaging from the continent, Washington's new mantra focuses on striking deals, controlling migration, counterterrorism efforts and fostering ties with countries willing to align with US interests. At the Abidjan CEO Forum in May 2025, the US signed deals worth \$550 million with Côte d'Ivoire⁽²⁾. At the US-Africa business summit in Angola, US companies concluded deals totalling more than \$2.5 billion with the host government and other African countries⁽³⁾. The Trump administration does not shy away from expressing approval or disapproval of its partners' policies whenever it suits

US interests, whether regarding partnerships with China or domestic reforms such as the expropriation bill in South Africa⁽⁴⁾. While projecting power through tariffs and bans, the US continues to expand its network of economic and security agreements across the continent.

While most African countries continue to seek to diversify their partnerships, leaders have also pushed back against perceived unilateral policies. A balance of outreach and pushback is emerging in Africa-US relations, driven more by pragmatism than by trust. This chapter argues that this new dynamic is transforming US-Africa relations and has significant implications for the Africa-EU

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- (1) Pecquet J., 'Fitrell lays out Trump's priorities for Africa: "Commerce, migration, peace"', *The Africa Report*, 13 May 2025 (<https://www.theafricareport.com/383729/commerce-migration-peace-us-state-departments-fitrell-lays-out-trumps-priorities-for-africa/>).
 - (2) US Embassy in Côte d'Ivoire, 'Senior Bureau official Fitrell highlights US commitment to stronger commercial ties with Africa during visit to Côte d'Ivoire', Press Release, 16 May 2025 (<https://ci.usembassy.gov/senior-bureau-official-fitrell-highlights-u-s-commitment-to-stronger-commercial-ties-with-africa-during-visit-to-cote-divoire/>).
 - (3) US Department of State, 'Record-breaking U.S.-Africa business summit yields \$2.5 billion in deals and commitments', 30 June 2025 (<https://www.state.gov/releases/office-of-the-spokesperson/2025/06/record-breaking-u-s-africa-business-summit-yields-2-5-billion-in-deals-and-commitments/>); US Department of State, 'Digital Press Briefing: Senior Bureau Official Troy Fitrell's commercial diplomacy trip to West Africa', 20 May 2025 (<https://www.state.gov/digital-press-briefing-senior-bureau-official-troy-fitrells-commercial-diplomacy-trip-to-west-africa/>).
 - (4) Pecquet J., 'Don't get too chummy with China: Five things Fitrell told US Congress on Africa', 5 June 2025 (<https://www.theafricareport.com/385509/dont-get-too-chummy-with-china-five-things-fitrell-told-us-congress-on-africa/>); Mark, M., 'Marco Rubio shuns G20 meeting in South Africa over "equality" drive', *Financial Times*, 6 February 2025 (<https://www.ft.com/content/fad1d92b-1ec5-4128-b129-91f4687bf548>).

partnership. Amid mounting US pressure and rising competition, the Africa-EU partnership gains momentum by emphasising that what counts is not only the substance of policies but also the reliability of the partnership – an approach aimed at resisting a world order shaped by coercion rather than rules.

A ROLLERCOASTER PARTNERSHIP

Commitment to multilateral institutions has long been a critical foundation of trust between the US and African countries. However, the Trump 2.0 administration has accelerated its retreat from this domain by withdrawing from UN agencies, suspending financial contributions to the UN system, exiting the Paris Agreement, and boycotting key global forums like the G20 ministerial meetings. These actions are widely perceived as dismissive of African calls for inclusive multilateralism and as undermining both African agency and multilateral institutions.

US development aid has historically been a cornerstone of its soft power in Africa. However, recent cuts to USAID and the withholding of funding from UN programmes have disrupted essential projects, particularly in the health and education sectors, with

serious repercussions projected across the continent⁽⁵⁾. This shift away from development cooperation towards more transactional economic engagements has eroded trust and jeopardised decades of partnership-building.

While the US maintains a security presence in Africa, the nature of this engagement is evolving. The suspension of US financial contributions to the UN has had far-reaching consequences for Africa, disrupting both humanitarian programmes, and peacekeeping missions, most of which are based on the continent⁽⁶⁾. In addition, Washington's opposition to UN financing for African Union-led peace support operations such as the AU mission in Somalia (AUSSOM) has further strained trust, particularly as it was accompanied by vocal demands for a 'fairer share' of contributions from Africans and Europeans. Meanwhile, air-

US development aid has historically been a cornerstone of its soft power in Africa.

strikes against the Islamic State and Al-Shabaab in Somalia have increased dramatically, from 10 in 2024 to more than 45 between February and August 2025⁽⁷⁾. The latest AFRICOM African Lion exercise, hosted by Morocco, Ghana, Senegal and Tunisia, was the largest in its 20-year history, with

over 10 000 participants from more than 20 countries⁽⁸⁾. However, these efforts are increasingly seen through a transactional lens, aimed at securing access to strategic resources, and stand in contrast to China's possible ambitions to expand its own military footprint on the continent.

(5) Cilliers J., 'Data modelling reveals the heavy toll of USAID cuts on Africa', ISS Africa, 28 February 2025 (<https://issafrica.org/iss-today/data-modelling-reveals-the-heavy-toll-of-usaid-cuts-on-africa>).

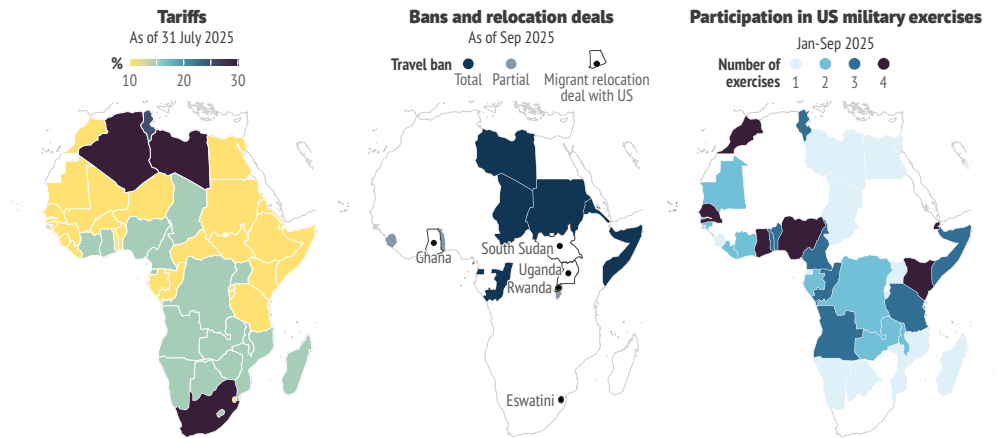
(6) See: Council on Foreign Relations, 'Funding the United Nations: How much does the U.S. pay?', 28 February 2025 (<https://www.cfr.org/article/funding-united-nations-what-impact-do-us-contributions-have-un-agencies-and-programs>).

(7) AFRICOM, 'Airstrikes 2024 and 2025' (<https://www.africom.mil/what-we-do/airstrikes>).

(8) Africom, 'African Lion' (<https://www.africom.mil/what-we-do/exercises/african-lion>).

Redrawing ties

Mapping US-Africa relations under Trump



Data: The White House, 2025; AFRICOM, 2025; USA Naval Forces, 2025; US Department of Defense, 2025; European Commission, GISCO, 2025.

NB: The depiction of borders is indicative and does not support any territorial claims.

The US's trade posture under Trump 2.0 is characterised by the imposition of new tariffs and exploiting uncertainty over the future of the African Growth and Opportunity Act (AGOA) to pressure partners into negotiating bilateral deals. Even though the AGOA expired on 30 September 2025, discussions are ongoing over a potential one-year extension⁽⁹⁾. These tariffs are widely perceived as hampering African development while selectively exempting mineral imports that benefit US interests. At the same time, migration policies, including travel bans targeting several African countries and proposals to relocate US-bound migrants to third-party African nations like Rwanda and Eswatini, have drawn criticism from the AU and civil society. These policies are seen as largely unilateral and instrumental in pressuring countries

to adopt policies more aligned with US preferences, as demonstrated by Somalia's decision to reinstate recognition of Taiwanese passports or the adoption of American border control technology⁽¹⁰⁾.

FRACTURED TRUST

Many African countries continue to adopt a cautious posture, navigating between public pushback and ongoing negotiations. Thus, in response to the US travel ban Chad suspended visas for American citizens, while the AU urged Washington to protect its border in a balanced, evidence-based manner⁽¹¹⁾. Ghana's Foreign Minister protested about alleged disrespectful remarks, recalling the

(9) 'Trump administration says it supports 1-year renewal of Africa trade initiative', *Reuters*, 29 September 2025 (<https://www.reuters.com/world/africa/trump-administration-says-it-supports-1-year-renewal-africa-trade-initiative-2025-09-29/>).

(10) Garowe online, 'Somalia lifts ban on Taiwanese passports amid US pressure and geopolitical tensions with China', 12 June 2025 (<https://www.garoweonline.com/en/news/somalia/somalia-lifts-ban-on-taiwanese-passports-amid-u-s-pressure-and-geopolitical-tensions-with-china>); Nor, M.S., 'Somalia deploys new border technology to get off Trump's US visa blacklist', *The Africa Report*, 4 July 2025 (<https://www.theafricareport.com/387347/somalia-deploys-new-border-technology-to-get-off-trumps-us-visa-blacklist/>).

(11) AU Commission, Statement of the African Union Commission on US Travel ban, 5 June 2025 (<https://au.int/en/pressreleases/20250605/statement-african-union-commission-us-travel-ban>).

depth of bilateral ties and Africa's contribution to the US, and declaring that 'Ghana will not be deterred by false narratives', a statement that echoes South Africa's President's assertion that 'we will not be bullied' ⁽¹²⁾.

However, while US-Africa relations are marked by growing distrust, trust has not evaporated entirely nor has it vanished across all countries. Morocco continues to enjoy US favour following its normalisation of relations with Israel and Washington's recognition of Moroccan sovereignty over Western Sahara. The agreement brokered between the Democratic Republic of Congo and Rwanda contributed to a more positive perception of US engagement, even if it was built on years of African-led mediation efforts, and its sustainability remains to be seen. Moreover, the US-Africa business summit and President Trump's meeting with the presidents of Mauritania, Guinea-Bissau, Senegal, Liberia and Gabon in June and July 2025 underscore Washington's continued efforts to expand its outreach to the continent.

Overall, differences across the continent reflect strategic convenience rather than enduring trust. But while the US applies pressure through tariffs and suspension

of aid, other countries are stepping up their engagement. Canada has launched its first ever Africa strategy, China has announced its readiness to extend the zero-tariff treatment to all 53 African countries with which it maintains diplomatic relations, and the United Arab Emirates (UAE) has significantly expanded its investments in Africa ⁽¹³⁾.

Growing awareness of a shifting US posture has prompted African countries to seek more diversified and deeper partnerships, including among themselves, albeit with varying intensity and through

Growing awareness of a shifting US posture has prompted African countries to seek more diversified partnerships.

different approaches. At the AU-EU Ministerial meeting in May 2025, the EU High Representative clearly stated that the EU will continue to be a 'reliable, attentive, predictable and solid partner to Africa' ⁽¹⁴⁾. Amid growing uncertainty, this reassurance could make all the difference. However, for this commitment to succeed, the EU will need to demonstrate

its strategic autonomy while maintaining cooperation with the US whenever possible, proactively managing divergences, and being prepared to push back when necessary – just as African partners are doing. This would also include exploring further cooperation in Africa with third countries such as the Gulf states and Türkiye whenever possible.

(12) Ablakwa S.O., 'Dear US, Our talk is not cheap, Sincerely, Ghana Foreign Minister Ablakwa', *The Africa Report*, 10 July 2025 (<https://www.theafricareport.com/387783/dear-us-our-talk-is-not-cheap-sincerely-ghana-foreign-minister-ablakwa/>); Wendell, R. and Peyton, N., 'South Africa "will not be bullied"', Ramaphosa says after Trump attack', Reuters, 6 February 2025 (<https://www.reuters.com/world/africa/south-africa-will-deepen-reforms-try-lift-growth-above-3-president-says-2025-02-06/>).

(13) Government of Canada, 'Canada's Africa Strategy: A Partnership for Shared Prosperity and Security', 2025 (<https://www.international.gc.ca/gac-amc/publications/transparency-transparence/canada-africa-strategy-strategie-afrique.aspx?lang=eng>); Minister of Foreign Affairs of China, 'China-Africa Changsha Declaration on Upholding Solidarity and Cooperation of the Global South', 11 June 2025 (https://www.fmprc.gov.cn/mfa_eng/wjbzhd/202506/t20250611_11645736.html); Savage, R., 'UAE becomes Africa's biggest investor amid rights concerns', *The Guardian*, 24 December 2024 (<https://www.theguardian.com/world/2024/dec/24/uae-becomes-africa-biggest-investor-amid-rights-concerns>).

(14) European Commission, EU/African Union Ministerial Meeting, Brussels, Opening speech by Kaja Kallas, High Representative of the Union for Foreign Affairs and Security Policy and Vice-President of the European Commission, 21 May 2025 (<https://audiovisual.ec.europa.eu/en/video/I-272116>).

While relations with the US may feel like a rollercoaster to many, there is no shortage of partnerships in Africa. As competition increases, most visibly between the US and China, African countries will continue to hedge as much as possible. However, the key question for African countries remains how to transform foreign investments into sustainable local growth and development. The EU also emerges as a unique partner in this regard, combining investment capacity with attention to labour standards, environmental protection and climate change concerns.

STEERING THROUGH CHANGE

The erosion of trust challenges long-held assumptions about the EU-US transatlantic and US-Africa relationships. Shared values no longer provide a stable compass; instead, pragmatism and transactional bargaining have become the norm. African and European actors must navigate a fluid landscape in which the US may selectively align with their interests – or actively exploit divisions within regional blocs to strengthen its hand.

To respond, Africa and the EU should move beyond defensive postures and adopt forward-looking strategies:

- > **Anchor US engagement to shared priorities within African and European agendas.** Rather than merely react, partners should set their own terms of engagement. They should build on areas of convergence whenever possible, for instance maritime security, the fight against organised crime and counterterrorism. At the same time, they should clearly articulate

US material interests, such as securing critical supply chains and disrupting drug trafficking routes. Reframing US bargaining positions as part of a shared, mutually beneficial agenda, rather than as sources of division, would shift the balance of agency.

- > **Repoliticise support for African integration.** The EU should defend regional integration as both a political and economic priority, a buffer against divide-and-rule tactics. The AU and its African Continental Free Trade Agreement (AfCFTA) initiative serve as key pillars of resilience against fragmentation.
- > **Broaden the agenda beyond security to include strategic areas of innovation.** This means expanding cooperation into areas that are strategic for both EU and African countries: digital governance (including AI regulation and data protection), climate adaptation finance, and critical raw materials. Supporting Euro-African value chains could benefit both continents by diversifying supply and creating value-added locally, especially in Africa.
- > **Bring Africa from the margins to the centre of EU strategic discourse.** Outreach must go beyond symbolism: Africa should be central to EU narratives about the global order, not relegated to a marginal chapter. This would grant Africa the recognition it increasingly demands as a co-shaper of global norms.

Ultimately, the EU and Africa can develop strength by investing in empowerment – of their partnership, their institutions, and a genuinely rules-based order.

CONCLUSION

NAVIGATING UNDER LOW TRUST

Europe's path forward in the age of Trump

by

STEVEN EVERTS AND GIUSEPPE SPATAFORA

For decades the transatlantic partnership was something unique – in the world and history. Together, Europeans and Americans developed the world's biggest economic relationship in terms of trade and investment as well as the most structured defence alliance, with a standing integrated military command. It was underpinned by a deep well of common values centred on democracy, the rule of law and human rights. Despite episodes of tensions and even crises, it remained a solid partnership, based on deep trust and mechanisms for managing differences. All this is now in doubt.

Since January 2025 Europeans, like others around the world, have been facing the 'Trump 2.0 tornado' and are left disoriented – unsure what to make of it and unsure what to do. Every day, they are confronted with announcements and decisions that undo decades of trust-based transatlantic cooperation. The list of unilateral actions, threats and coercive tactics (reviewed in the introduction to this volume) is by now depressingly long and familiar.

At the same time, the US role in European security remains essential. The US continues to exert outsized influence in almost every international issue and arena. In most strategic domains – security, finance, technology and ideas – what the US government thinks, says and does, sets the pace and direction. Trump and his supporters openly advance a political agenda which not only seeks to transform America, but politics around the world and the international order as such. Europeans must find a way to handle this reality. They need a shared understanding of what Trump 2.0 entails: what is new, what is different and what does it all mean?

This *Chaillot Paper* aims to provide such a clear-eyed understanding. It has documented the varied impact of three factors that shape policymaking under Trump: radical uncertainty; ideological hostility; and personal loyalty to the President. Seen through this prism, a nuanced yet still troubling picture emerges.

Many reports and analyses have already explored the implications of Donald Trump's second term in the White House.

This *Chaillot Paper* has taken the issue of trust – or rather its erosion – as its analytical entry point. It examines the numerous ways in which US actions have undermined trust. Under President Trump's second term, European governments have had to confront the hard fact that the US no longer behaves as a predictable partner and fully committed ally. Even more than during Trump's first term, the US is no longer interested in anchoring and upholding the 'rules-based international order' that transatlantic allies have pushed for since 1945. It plays power games, disrupts long-standing cooperation and weaponises uncertainty.

It is crucial to recognise that in all this Europe is not powerless – and it is not alone. This *Chaillot Paper* has shown that growing mistrust in Washington is shared across the globe, from East Asia to the Gulf, from Latin America to Africa. Allies, adversaries and fence-sitters alike are rethinking their reliance on US leadership. Some started to do so well before January 2025. For others, this is a new world.

The challenge for Europeans is to respond with both strategic clarity and pragmatic action. In broad strokes, this requires European governments and institutions to adopt a dual approach: tactical moves to reduce immediate risks in an unfavourable context combined with strategic investments to build European leverage and reshape the future balance of power. Based on lessons drawn from across the chapters of this report, five core principles emerge that should guide Europe's response.

1. PRAGMATISM

Keep channels open and cooperate where interests align

Even in a context of low trust, some interests remain shared. Global problems have not gone away. And European countries still need US cooperation and support in many areas. So, even while they may clash on methods, they can and should cooperate on Ukraine, military deterrence and selected trade matters like countering Chinese overcapacity.

Being pragmatic and transactional does not mean giving up on our values.

At times this means pursuing **transactional cooperation**. A good example is the purchase of US military equipment for Ukraine, paid

for by Europeans but really targeted on those capabilities – such as air defence and deep range strike – where European alternatives are lacking in the short term. At the same time, growing US restrictions on such weapons sales should encourage the development of European alternatives.

Being pragmatic and transactional does not mean giving up on our values. It is true and regrettable that these days, transatlantic cooperation is no longer about championing shared democratic values around the world. But there are still mutual interests to advance. And **Europeans can and should cooperate with other like-minded partners to uphold democratic values world-wide.**

In the short term and in some areas, Europeans may have to **prioritise stability in negotiations over symmetry**. This means sometimes accepting that deals will be imperfect, such as the one on trade concluded in summer 2025 whose main

goal was to prevent a breakdown in the transatlantic partnership and buy time⁽¹⁾.

2. PERSISTENCE

Stay in the game and where needed buy time

The Trump administration operates on personal loyalty, media-driven narratives and constant disruption. Decisions announced in the morning are reversed in the afternoon, or the next day. It may be tempting for European decision-makers to conclude that nothing can be done. But the EU cannot afford that attitude. It needs a strategy for successful engagement and persistence is a key ingredient.

- > **Engage at the top and act together.** Decisions in the Trump White House are made at the highest level with only a handful of advisors. Europeans must maximise all channels that provide direct access to the President himself. And they need to act together. The joint meeting where seven European leaders accompanied President Zelensky in early August to the Oval Office showed that on this basis good results are possible – or at least very bad outcomes are avoided⁽²⁾.
- > **Use the right language and symbols.** The game plan for the NATO Summit, with European allies signing up to a 5% defence spending target, linked to a Trump recommitment to article V, was smart. But saying that ‘Europe is going to pay in a BIG way, as they

should, and it will be your win’ does not help Europeans to maintain credibility *vis-à-vis* their publics. It should be clear that Europeans are increasing defence spending for Europe’s benefit, not Trump’s.

Persistence does not mean endorsing Trump’s vision; it means using the best tactics to prevent worst-case outcomes, such as an open rift over NATO’s mutual defence guarantee, or a dangerously bad deal for Ukraine, and ultimately Europe.

3. PREPARATION

Expect future shocks and get ready now

Because of Trump’s volatility, new transatlantic crises are inevitable. Old tensions over trade and tariffs, US troop presence in Europe or aid for Ukraine, are set to resurface. New clashes over digital rules or Ukraine’s reconstruction are bound to emerge. Hence, Europe must treat unpredictability as a structural feature of transatlantic relations and prepare accordingly. Two main action tracks stand out:

- > **Plan responses in advance and prepare political strategies.** It is always best to avoid having to scramble for a response once a crisis hits, and to have retaliatory measures and messaging strategies agreed in advance. The lesson of the trade agreement struck in the summer of 2025 – with its asymmetric modalities – is that

(1) European Commission, ‘EU-US trade deal explained’, 29 July 2025 (https://ec.europa.eu/commission/presscorner/detail/en/qanda_25_1930).

(2) Everts, S., Spatafora, G., Ditrych, O. and, Scazzieri, L., ‘Where do we stand after the Alaska and Washington summits?’, EUISS Commentary, 20 August 2025 (<https://www.iss.europa.eu/publications/commentary/where-do-we-stand-after-alaska-and-washington-summits>).

having retaliatory options ready is not sufficient: political will and unity are essential to maximise European leverage.

- > **Deepen like-minded coalitions.** The EU should work more closely with Canada, Japan, South Korea, Australia, New Zealand and other traditional US democratic allies. They, like us, are looking for ways to deal with coercive tactics while still relying on US security guarantees. There is certainly room for greater coordination and sharing best practices on how to deal with Trump's America. Concretely, the EU should maximise the potential of newly agreed security and defence partnerships with these countries. It could also throw its weight behind attempts to rescue the World Trade Organization (WTO), which is in crisis due to Trump's unilateral tariffs and the US blockage of its dispute settlement system.

crash programme for a 'European power build-up'. Much of this agenda was already set out in Mario Draghi's report. More than one year since its publication, the pace of implementation needs to accelerate significantly ⁽³⁾. This includes efforts to:

- > **Increase defence capacities** where US withdrawal would leave a dangerous vacuum. Governments should prioritise areas like intelligence, air defence, mid-range strike capabilities and rapid deployment forces.
- > **Invest in strategic industries.** This means enhanced support to high technology sectors, diversifying supply chains including for critical raw materials and reducing exposure to US-controlled digital platforms.
- > **Reboot Europe's economic security** by making the EU more self-reliant in trade, investment, monetary power and sanctions implementation.

4. POWER

Build the capacity to act without America

Europe can prepare better, persist for longer and be more pragmatic. But its core problems stem from its own weakness: a lack of power. A degree of tactical accommodation may be necessary to avoid an open trade war or a halt in US weapons and intelligence flowing to Ukraine. But the strategic goal must be to strengthen European power in all domains. This means EU governments and institutions working together on a

5. PARTNERSHIP

Build new alliances in a fragmented world

Europe's Atlanticists, who grew up with a certain idea about what the US stands for and what it means for Europe and the world, now feel a sense of abandonment, even strategic loneliness. That feeling is understandable. But in truth, Europe is far from alone. East Asian allies, democracies across the Americas and Gulf states are all having to adapt as well. Many are looking for new anchors – and

(3) European Commission, 'The Draghi Report: One year on', September 2025 (https://commission.europa.eu/topics/eu-competitiveness/draghi-report/one-year-after_en).

Europe must be ready to step up as ‘partner of first resort’. As shown throughout this *Chaillot Paper*, this means:

- > **Making concrete partnership offers.** The EU must offer attractive policy packages including infrastructure investments, digital deals and security cooperation. Many countries across the world will not wait for Europe, as they have other offers. The EU should aim to be seen as a credible alternative, not as a lecture-giver.
- > **Linking strategic theatres.** The US under Trump may prioritise its own hemisphere and prefer to treat other regions as separate entities. Europe does not and should act accordingly. European policy responses should recognise and leverage the deep linkages across theatres: from East Asia to the Middle East and East Africa, from Latin America and the Caribbean to the Gulf, and from the Arctic to the Antarctic – all of which are linked and directly affect European security.

The basic message of this *Chaillot Paper* is clear: this is not a one-off crisis. It is not a storm that will pass. It is a multi-round contest in which power, alliances and resilience are built over time.

So far, given Europe’s relative weakness, the emphasis has been on tactical accommodation – avoiding the worst and buying time. To prepare for the next rounds, Europe must collect more cards – and learn to play them smartly. If it manages to do so, it will not only preserve its ability to protect its own security and democratic future. It will also help stabilise a rules-based global order that others still want to preserve or reform. This task is both urgent and feasible.

ABBREVIATIONS

AfCFTA

African Continental Free Trade Agreement

AI

Artificial intelligence

ASEAN

Association of Southeast Asian Nations

AU

African Union

AUKUS

Trilateral security partnership between Australia, the United Kingdom and the United States

AUSSOM

African Union Stabilization Support Mission in Somalia

bcm

billion cubic metres

BiH

Bosnia and Herzegovina

BRICS

Brazil, Russia, India, China and South Africa

CBAM

Carbon border adjustment mechanism

CEO

Chief Executive Officer

CISA

Cybersecurity and Infrastructure Security Agency

DFC

Development Finance Corporation

DMA

Digital Markets Act

DoD

Department of Defense

DOGE

Department of Government Efficiency

DPA

Dayton Peace Agreement

DSA

Digital Services Act

EBRD

European Bank for Reconstruction and Development

EDIP

European Defence Industry Programme

EDITB

European Defence Industrial and Technological Base

EIB

European Investment Bank

EUCOM

United States European Command

FBI

Federal Bureau of Investigation

FIMI

Foreign information manipulation and interference

GCC

Gulf Cooperation Council

GDP

Gross domestic product

IRA

Inflation Reduction Act

JCPOA

Joint Comprehensive Plan of Action

KFOR

Kosovo Force

LNG

Liquefied natural gas

MAGA

Make America Great Again

MENA

Middle East and North Africa

NATO

North Atlantic Treaty Organization

NORTHCOM

United States Northern Command

NSA

National Security Agency

OBDD

One Big Beautiful Budget Bill

OFAC

Office of Foreign Assets Control

OHR

Office of the High Representative

OPEC

Organization of the Petroleum Exporting Countries

OSCE

Organization for Security and Co-operation in Europe

PAC

Political Action Committee

PDA

Presidential Drawdown Authority

PRC

People's Republic of China

QUADQuadrilateral Security
Dialogue**SAFE**

Security Action for Europe

SDPSecurity and Defence
Partnership**UAE**

United Arab Emirates

UAV

Unmanned aerial vehicle

UK

United Kingdom

UN

United Nations

UNSC

UN Security Council

US

United States

USAIDUnited States Agency for
International Development**VoA**

Voice of America

WHO

World Health Organization

WTO

World Trade Organization

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This *Chaillot Paper* argues that the transatlantic relationship has changed dramatically in 2025. The actions and rhetoric of the second Trump administration have eroded Europe's trust in the United States. Washington's hostility, unpredictability, and a policy process that prizes loyalty over competence have undermined the foundations of the relationship. The paper explores how trust has declined across six domains: defence, support to Ukraine, China policy, disinformation, big tech, and energy and climate change.

At the same time, we acknowledge that Europe is not alone in facing these challenges: countries across the world have felt the impact of Trump 2.0. The *Chaillot Paper* examines how five regions – the Americas, Northeast Asia, the Western Balkans, the Gulf, and sub-Saharan Africa – have adapted to a changed US role in the world.

The central message of this volume is that this is not a one-off crisis: US-Europe relations will not revert to their previous state. To navigate the transatlantic relationship under conditions of low trust, the EU must adopt a dual approach, combining tactical moves to reduce immediate risks and avoid a rupture, with strategic investments to build European leverage and uphold its values and interests.