

In Search of a Balance: Europe and America in the Trump Era

GIACOMO BRIDI

The 2026 edition of the Transatlantic Symposium, the annual symposium organised by IAI in cooperation with the Italian Ministry of Foreign Affairs, explored how the changing political landscapes in the United States and Europe influence transatlantic relations at a time of great geopolitical uncertainty. The discussion started from the premise that the future of the transatlantic partnership can no longer be understood solely through the lens of shared strategic interests: increasingly, domestic political dynamics, ideological divisions and competing visions of the international order are shaping both sides' approach to the relationship. Across four panels, the Symposium examined the domestic political roots of transatlantic tensions, the challenges posed by China and growing economic interdependence, the future of European security and NATO, and Europe's role in an increasingly fragmented multilateral order. The second day turned to the US midterm elections, examining the issues creating political cleavage, the growing discontent, and the ideological developments among the two opposing camps, all while considering the possible repercussions on Europe.

The 17th edition of the Transatlantic Symposium, organised by the Istituto Affari Internazionali (IAI), brought together around thirty Italian, European, and North American diplomats and experts to discuss the hot topics of the year in the transatlantic agenda. The day's programme consisted of four panel discussions on diverse yet key topics for understanding the current state of transatlantic relations. The 2026 Transatlantic Symposium was realised in cooperation with the Italian Ministry of Foreign Affairs and International Cooperation (MAECI) and thanks to the support of Fondazione CSF/Fondazione Compagnia di San Paolo.

The Symposium was attended by both diplomats and experts. Italian officials included the Political Director Cecilia Piccioni, who delivered the initial remarks, and the Head and Deputy of the Policy Planning Unit, Pietro De Martin and Antonino Tedesco,

Giacomo Bridi is intern at the Istituto Affari Internazionali (IAI).

Report of the 2026 Transatlantic Symposium, IAI's annual forum bringing together diplomats and experts from the United States and Europe to discuss the main issues on the transatlantic agenda behind closed doors. The 2026 edition was organised in cooperation with the Policy Planning Unit of the Italian Ministry of Foreign Affairs and International Cooperation, which hosted the event on 28 September 2026. The Symposium was made possible thanks to the support of Fondazione CSF/Fondazione Compagnia di San Paolo.



respectively. Also present were the Heads of Policy Planning, or their deputies, from the foreign ministries of France, Germany, Poland and the United Kingdom, as well as from NATO and the EU. Diplomats from Canada and the United States also participated. Experts comprised the IAI research team – including President Michele Valensise and Head of Research and Symposium manager Riccardo Alcaro – as well as four prominent experts from the United States and the EU each. The US experts were Kori Schake (American Enterprise Institute), Stewart Patrick (Carnegie Endowment for International Peace), Matt Duss (Center for International Policy) and Curt Mills (editor of *The American Conservative*). The EU experts were Celia Belin (European Council on Foreign Relations), Francesca Ghiretti (Rand Europe), Sascha Lohmann (Stiftung Wissenschaft und Politik) and Rosa Balfour (Carnegie Europe).

The opening remarks reminded everyone present of the importance of a multilateral dimension which is still alive and was in display the preceding week, during the plenary session of the United Nations General Assembly, while at the same time it was underscored how there are many geopolitical and geoeconomic dimensions through which to improve relations between the two sides of the Atlantic. It is essential in this regard to replace the emotional and pride-driven approach that divides the two sides of the Atlantic with a dispassionate reflection on what, and how much, unites us. In a year shaped by the crucial midterm elections in the United States, the forum was devoted to tackling the main issues arising from US-EU relations, as well as from the challenges posed by China, Russia, as well as the uncertain future of multilateralism and the rules-based order.

1. The domestic context of transatlantic relations

The focus of this panel was on the impact of domestic policy on transatlantic affairs.¹ The changing political landscape in Europe means that different governments will have different ways of dealing with the United States. They will base their approach on their international priorities and their ideological convictions.

This perspective naturally applies to the United States, where the debate (foreign policy-wise) is increasingly structured around the tension between liberal internationalism and nationalism, while in Europe it intersects with the cleavage between Atlanticism and Europeanism. A certain agreement on Europe still exists between the mainstream left and right in the United States – namely on the conviction that the former needs to ramp up its contribution to its security, as well as on the strategic importance of NATO (however reformed it will be) for the United States.

¹ See Alcaro, Riccardo, “Politics over Geopolitics: The Domestic Roots of Transatlantic Relations”, in *IAI Papers*, No. 26|16 (October 2026), <https://www.iai.it/en/node/23075>.



On the other hand, we see the rise of the US “new right”, which increasingly applies a nostalgic and idealised view of Europe as the cradle of a Western civilisation now lost to the masses of immigrants at the hands of its technocratic elite, and the growing ideological cross-pollination between nationalist forces in the United States and Europe, which could turn the transatlantic relationship from a primarily strategic alliance into a politically and ideologically driven relationship. At the same time, geopolitical pressures, particularly from Russia and China, continue to push towards cooperation. The central question is therefore whether geopolitical imperatives or domestic ideological preferences will ultimately have greater influence over the future of transatlantic relations. What is sure is that a fragmented Europe will be prone to geopolitical pressure, at best, and fertile ground for future extractionist policies by the great powers, at worst.

The discussion broadly challenged the idea that Trump represents a temporary interruption in an otherwise stable trajectory, as well as the notion that it represents something completely new in the American political landscape. The Trump presidency's nationalistic stance simply represents the latest instance of a long American tradition of unilateralism and aloofness from long-term commitments (longer, in fact, than Atlanticism itself). The president has been a central character in the US political sphere for the past ten years, a fact that has fundamentally shifted the right's sensibility towards Europe, and something that will not easily change after 2028, also given the increasing scepticism towards the Old Continent held by many in the left fringes of the Democratic Party.

Two main points arise when looking at the United States ahead of the upcoming November midterms. First, even if the Democrats win both houses of Congress, it is highly unlikely that the Trump Administration will moderate its course of action. Having stretched executive power to previously unreachable limits, the president is more insulated from congressional opposition than ever and would probably use whatever obstruction or pushback it receives as a way to shed blame for its own shortcomings.

Secondly, foreign policy enters the midterms only insofar as the Iran War is the direct cause of high prices – particularly as they relate to gasoline and diesel. In this context, Europe only plays a marginal role and both sides have yet to develop a clear strategic vision on the role of the continent, which tends to be fixed on ideological convictions. It is therefore unlikely that a Democratic win would change much in transatlantic relations, nor will it be automatic if a Democrat or a traditional Republican wins the Presidency in 2028. Faced with this situation, Europeans should try to adapt by learning to expect the unexpected, talking to both sides (especially those whose opinions differ substantially from the Europeans, as has been done with conservatives since the advent of the second Trump Administration), and trying to dominate the agenda



based on the interests that the US Administration in power can relate to. Europeans would thus need to search for issues on which there's maximum consensus on the US side: an example is the burden-sharing structure and reindustrialisation, especially in defence, where a transatlantic defence industrial complex based on advantages of scale and comparative advantage could be palatable to leaders on both sides of the Atlantic.

2. The China challenge

The focus of this panel was on the unique challenges posed by China to transatlantic economic power, especially looking at the critical materials supply chains, a field where the United States and EU struggle to diversify away Chinese dominance in the field of processing.² Its share of global rare-earth refining, although declining, stood at approximately 85 per cent in 2025, while China is also home to roughly 70-95 per cent of minerals such as lithium, cobalt and graphite. Europe is particularly exposed, as China supplies it for 100 per cent of its rare earth needs, while in the United States the share does not fall under 70 per cent. As China showed that it can weaponise his control over critical bottlenecks in the supply chain during its trade confrontation with Washington, the EU and United States have responded through domestic policies, bilateral partnerships and initiatives such as their 2026 Critical Minerals partnership, FORGE, but there are two less visible sources of vulnerability. The first is dependence on Chinese mining technologies. As mining becomes increasingly digitalised, artificial intelligence (AI), autonomous machinery, batteries, connectivity and software are becoming integral to exploration and extraction. This means that supply chains can be geographically diversified while remaining technologically dependent on Chinese companies and ecosystems, creating new layers of dependence. The second is governance and information: China is seeking a greater role in shaping the rules governing mineral supply chains, including regulation around outgoing investments.

During the debate, it was observed that China is now boasting a vertically integrated offer of services that were traditionally the realm of Western countries, the latest demonstration of China's development into a post-industrial economy. Participants noted that, having possibly peaked economically, China is transitioning toward a greater focus on security while it uses a wide toolkit of measures to impose economic coercion on its "partners". This concurrently opens up a window for the West to jump in and offer better conditions to third countries compared to China's framework based on the dichotomy "extraction and infrastructure". Connected technologies should also be an area of transatlantic cooperation as well as a dialogue on using Chinese models in AI development.

² See Maremonti, Francesca, "Transatlantic Cooperation on Critical Material Supply Chains: Rock-Solid?", in *IAI Briefs*, No. 26|51 (October 2026), <https://www.iai.it/en/node/23072>.



Meanwhile, in Washington, the debate on China is more open than how it may appear: the Trump Administration shifted its discourse away from the aggressive tones of the first term, which was continued during the Biden presidency also on the basis of an ill-construed political strategy that aimed at recreating bipartisan consensus on China as it had been the case on the Soviet Union during the Cold War. Nonetheless, the Trump administration's unwillingness to work on regulating the AI sector is a symptom of a fear that China may “win” the AI race. The challenge posed by China, more than dictating the imperative on the private sector to lose some economic freedom, opens up opportunities to cooperate in order to compete.

3. European security and Russia

The starting point of this panel was the acknowledgement that Russia's war of aggression against Ukraine catapulted Europe into a pre-1945-like kinetic security environment. The structural variable of change, however, is America's position on the need for Europeans to step up in taking care of their own security.³ This in part eases the paradox that has been going for decades: the United States wanted at the same time a strong Europe, but one that aligned completely fully with American interests, to the detriment of the development of the EU. The Russian threat and America's uncertain commitment to NATO highlight the need to set aside the wishful thinking that someday, somehow things will go back to “normal”, and invest in power politics to make this the moment in which the EU steps up, even though this will be difficult in times of rising nationalism.

The first order of business in this power politics is the establishment of a stronger defence industrial base built on the basis of our knowledge of what a war in the new century looks like, as well as on the comparative advantage among countries: each country should identify a domain in which it can lead, aligning public authority with private capability and converting national specialisation into greater European capacity and political weight within the Alliance. This should be pursued in a structural way that does not stop at “rearmament for rearmament's sake”, which in itself is not a substitute for collective security. Then, the increasingly hybrid character of Russia's attacks should be taken into account, thus shifting to a more universal, whole-of-society approach to preparedness which in turn lowers the threshold for retaliation. Germany's response to the attempted drone attack at Leipzig/Halle airport in August 2026 represented an important shift towards this view.

For these goals to become reality, Europe needs to pace up its investments and accelerate both cohesion and the pooling of resources and competences in areas

³ See Irdi, Beniamino, “Rethinking European Security When the American Anchor Slips”, in *IAI Briefs*, No. 26|50 (October 2026), <https://www.iai.it/en/node/23071>.



still heavily guarded by national(ist) interests with a systemic view that goes beyond mere rearmament and actually has a strategy for collective security front and centre. In this field, transatlantic cooperation becomes realistic when it does not require long-term commitments from Washington. One such example is, again, building a strong defence industrial base that offers significant economies of scale, thus making Europe strategically interesting and indispensable.

In any case, there is a sense that European policymakers have not fully grasped the consequences of the US anchor being lifted, or at least a deep renegotiation of the relationship, and the reality is that Europeans' capability to effectively deter Russia on their own is still at least five to ten years out. It is also important to note that Europe strengthening its own defence will also be useful to deter future threats that may arise.

For the time being, Europeans can be relieved by the United States' talk of NATO 3.0, which signals a lingering interest in the alliance, and by how far rearmament has come in just a few years.

4. Multilateral regimes

The panel started from the acknowledgment that there is a growing divergence between US and European approaches to global governance amid the broader crisis of the rules-based international order.⁴ The United States' indifference to issues of democracy, development, human rights, health, climate and AI risks represents a qualitative difference of traditional American *modus operandi*, while Europe remains anchored in the multilateral system, for which it foresees reform rather abandonment. On the opposite side, the second Trump Administration has adopted a much more selective and interest-driven approach, withdrawing from or reducing engagement with several international organisations and agreements.

At the same time, there are still wide areas for transatlantic cooperation. Informal and flexible formats such as the G7 can still provide space for cooperation on economic security, China, technology and AI governance, even where broader value-based alignment has weakened. The EU therefore faces a dual challenge: preserving those areas of practical transatlantic cooperation while building wider coalitions with middle powers, strengthening engagement with the Global South, and using its regulatory power to help sustain and reshape global governance without depending entirely on the United States.

⁴ See Greco, Ettore and Federica Marconi, "US and European Visions of Global Governance", in *IAI Briefs*, No. 26|52 (October 2026), <https://www.iai.it/en/node/23073>.



This has proven necessary as the United States has repudiated its global leadership and adopted a model of foreign policy based on the four Rs of Retreat, Rebel (by adopting coercive and disruptive measures against disliked institutions), Replace (with transactional, Trump-dominated foreign policy groups of the so-called Mar-a-Lago diplomacy) and, in some limited cases, Reform (which proves to be very costly for the affected institutions). All this has narrowed the window for cooperation on AI, trade and climate at the multilateral level and replaced it with a transactional, bilateral logic. At the same time, this has opened a door for other countries to explore their agency and establish alliances of middle powers. Areas of cooperation between middle powers include international law and a legally based international order, trade, climate financing, AI guardrails and alternatives to the dollar as a reserve currency, mindful that no global order can result from middle powers cooperating under the level of two superpowers.

For this reason, all powers should focus on efforts to double down on the traditional rules-based order, especially the EU and EU-member countries, which should build a stronger coalition of democracy-supporting countries. But in areas where the United States has retreated, Europeans have not yet been able to fill the gap completely; this represents a failure to live up to its values, its promises, as well as a waste of opportunity to cooperate on addressing issues that interest other countries, such as AI, climate, human rights, bioweapons, space and global health.

In fact, as of now, the EU has a problem in channelling its agencies now that its traditional tripartite international identity (focused on the European, Euro-Atlantic and international levels) is over. Now, there are uncertainties as to which way should be taken: should the effort be directed at rebuilding whatever it can be rebuilt of the multilateral system, or should a stronger European sovereignty be the way forward?

As of now, there is no answer. The level of ambition of Europe even while it pursues pragmatic multilateralism has really gone down, and the Union has done little to address the reputational damage done to it by its perceived inability to make choices and find its agency.

5. Public conference

The second day of the Symposium involved a public conference titled “America before the Mid-Terms: Conflict and Transformation in US Politics, Economy and International Role”, jointly organised by IAI and the Center for American Studies (CSA), which also kindly hosted the event.⁵ The conference was attended by selected invitees from the private sector, academia and institutions.

⁵ See the conference programme in IAI website: https://www.iai.it/sites/default/files/260929_tss.jpg.



It centred on the upcoming US midterm elections and on what they might reveal about the direction of American politics. The discussion began with the state of the US economy, which was described as sending contradictory signals. Growth remains relatively strong, unemployment is low and the AI boom is generating substantial economic activity, but these positive indicators coexist with persistent inflation, high public debt and significant inequalities. The benefits of this growth are very unevenly distributed, and large parts of the population continue to feel that the American economy and political system are failing to address their concerns. The AI sector is particularly emblematic of this contradiction: it has become a major driver of GDP growth, while public trust in the technology industry and in the concentration of economic power remains limited. Trump's close relationship with the technology sector can be potentially problematic for his populist appeal, while the rest of America feels like it lost its agency on virtually all issues.

This broader sense of discontent is linked to a deeper crisis of confidence in political and economic institutions. Both Republicans and Democrats are facing relatively low levels of popularity, while the country continues to experience what was described as a wider populist revolt. Within the Democratic Party, establishment figures are increasingly being challenged by candidates representing a more explicitly economic-populist agenda. The underlying demand is not necessarily for a specific ideological programme, but for a greater sense of control over political and economic life, alongside concerns about corruption, inequality and the influence of powerful private interests. At the same time, there was disagreement over whether the current moment should be understood primarily as a demand for profound reform or as a more disruptive, potentially revolutionary reaction against the existing political order.

The discussion then turned to the midterm elections themselves. Particular attention was given to several competitive races that could provide a measure of the strength and the direction of the Democratic Party, the resilience of the Republican coalition and the future trajectory of American politics. A Democratic breakthrough in Texas, for example, could be potentially highly significant because of the state's longstanding Republican dominance, while Michigan is an important test for the future of the progressive and economic-populist wing of the Democratic Party leading up to 2028. Other Senate races are indicators of whether moderate Republican voices can survive within an increasingly polarised party. More broadly, the outcome of the midterms will not simply be a judgement on Trump's presidency, but an important precursor to the 2028 presidential race and to the internal struggles that will shape both parties.

The final part of the discussion addressed foreign policy and transatlantic relations. Here, the speakers were relatively sceptical about the extent to which a Democratic victory in Congress would fundamentally alter the administration's foreign-policy



trajectory. Congressional constraints on presidential power exist, particularly in areas requiring explicit congressional action, but the administration retains considerable room for manoeuvre. A Democratic majority could nevertheless launch investigations, increase political pressure over issues such as corruption or the Iran War, and use foreign-policy controversies as part of a broader political strategy ahead of 2028.

Foreign policy also appears to matter to voters more than is sometimes assumed, particularly in relation to the war with Iran and its economic consequences. At the same time, the dominant concern for most voters remains domestic, with foreign policy generally less important than issues directly affecting everyday economic conditions. On the issue of China, American public opinion may be more open to coexistence and restraint than the rhetoric of political elites would imply. This could potentially create space for a more bipartisan debate in the future. The implications for Europe are correspondingly uncertain. Americans continue to value alliances, but transatlantic relations are not central to the electoral debate. European governments therefore cannot assume that political change in Washington will automatically produce a different approach to the alliance. The future of US foreign policy and transatlantic relations will remain closely tied to the unresolved domestic political, economic and institutional tensions within the United States.

The Istituto Affari Internazionali (IAI) is a private, independent non-profit think tank, founded in 1965 on the initiative of Altiero Spinelli. IAI seeks to promote awareness of international politics and to contribute to the advancement of European integration and multilateral cooperation. Its focus embraces topics of strategic relevance such as European integration, security and defence, space, international economics and global governance, energy, climate and Italian foreign policy; as well as the dynamics of cooperation and conflict in key geographical regions such as the Mediterranean and Middle East, Asia, Eurasia, Africa and the Americas. IAI publishes an English-language quarterly (*The International Spectator*), an online webzine (*AffarInternazionali*), two book series (*Trends and Perspectives in International Politics* and *IAI Research Studies*) and some papers' series related to IAI research projects (*Documenti IAI*, *IAI Papers*, etc.).

Via dei Montecatini, 17
I-00186 Rome, Italy

T +39 06 6976831

www.iai.it



Latest Documenti IAI

Editor: **Lorenzo Biondi** (l.biondi@iai.it)

ISSN 2280-6164 | DOI 10.82088/IAIdoc2609

- | | |
|----------------|--|
| 26 09 | Giacomo Bridi, <i>In Search of a Balance: Europe and America in the Trump Era</i> |
| 26 08 | Christian Labriola, <i>The Russian Way to Military Recruitment and the Spectre of Mobilisation</i> |
| 26 07 | Andrea Grillo, Alessandro Marrone e Michele Nones, <i>Intelligenza artificiale e Difesa italiana: sfide e opportunità</i> |
| 26 06 | Alessia Chiriatti and Ettore Greco, <i>Sustainable Transitions and Competitiveness: Policy Directions for the European Union and Italy</i> |
| 26 05 | Federico Castiglioni and Luca Cinciripini, <i>The Future of European Defence: Industrial Ambition, Operational Constraints and Flexible Partnerships</i> |
| 26 04 | Matteo Bursi, Federica Marconi and Alessio Sangiorgio, <i>The Reshaping of the European Economic Sovereignty</i> |
| 26 03 | Karolina Muti (ed.), <i>Lessons for Europe and Italy from Other Space Powers: The Civil-Military Interconnection</i> |
| 26 02 | Alessia Chiriatti, <i>Unlocking Strategic Potential Outside the EU: Italy-Turkey Bilateral Partnership in Defence</i> |
| 26 01 | Elio Calcagno (ed.), <i>Taking Multi-domain Operations from Theory to Practice</i> |
| 25 15 | Luca Barana, Matteo Bursi and Luca Cinciripini, <i>How to Fund European Ambitions? Opportunities and Challenges for the Next MFF</i> |