



Rebalancing Transatlantic Relations—A Roadmap for 2030



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Context

Global politics has entered a new era of geopolitical rivalry and strategic competition. Security crises are multiplying across Europe, the Middle East, and the Indo-Pacific, each reinforcing and amplifying the others. This turbulence is not isolated. It is the direct consequence of systemic rivalries—most notably between Washington and Beijing—that are actively reshaping the international order and testing the resilience of the transatlantic alliance.

China and Russia are expanding their spheres of influence through overt and gray-zone tactics to challenge US leadership. China's rise has triggered a cascade of Indo-Pacific strategies from the United States, Europe, Japan, Australia, and others designed to manage, balance, or counter Beijing's ambitions. This competition is not confined to military posturing. It extends to trade, technology, supply chains, and even development cooperation.

The race for technological dominance is redistributing global power. While innovation remains crucial, the decisive factor in the technological race is the ability to swiftly scale up and deploy new technologies across sectors. Ukraine's widespread use of inexpensive drones, responsible for 60%–70% of all damage to Russian military equipment, including advanced systems, demonstrates how rapid tech diffusion can upend traditional military hierarchies. A technological arms race is playing out in the broader competition between the United States and China, with the two powers vying for supremacy in artificial intelligence (AI) and digital infrastructure.

Transatlantic allies are losing strategic ground. Smaller states and regional powers are asserting unprecedented agency and, in so doing, reshaping global alliances, trade, and investment flows. The engines of economic growth—critical resources, youthful labor forces, and rapidly expanding markets—are now concentrated outside Europe and North America, accelerating the shift in global influence. Emerging economies are also carving out their own technological paths.

The United States and Europe are increasingly competing, rather than collaborating, to secure their strategic interests. Disagreements on core issues—paths to economic growth, technology regulation, European security, and the risks of economic interdependence—are hampering cooperation. Meanwhile, political and structural rifts are eroding the old certainties of transatlantic cooperation and driving allies apart.

The war in Ukraine has exposed diverging US and European security priorities. Shifting US politics has cast doubt on Washington's long-term commitment to collective defense, while tariffs and transactional diplomacy have injected volatility and mistrust into the relationship. Meanwhile, Europe's institutional complexity, fragmented decision-making, and overreliance on American security guarantees frustrate US policymakers. And Europe's inability to close innovation and growth gaps with the United States weakens its leverage as a partner. Since the 2008 financial crisis, US economic growth (1.97% on average annually) has consistently outpaced Europe's (1.17%). The widening gap is fueled by superior US productivity and overwhelming tech dominance. America's top 10 technology companies

Readers' Guide

All views and proposals in this paper are those of the four authors only and not necessarily those of GMF.

For the sake of clarity, this paper understands Europe to include the EU, Iceland, Liechtenstein, Norway, Switzerland, and the United Kingdom.

are valued at \$20.7 trillion, dwarfing Europe's top 10 valuation of \$2.7 trillion. Apple alone is worth more than all of Europe's leading firms combined.

The transatlantic alliance is under strain and faces the urgent task of reinventing itself. It must be rebalanced to remain politically strong and sufficiently agile to secure its interests in this emerging world order. Deep divisions exist, particularly over economic models and regulatory approaches, but the United States and Europe share key strategic concerns, especially related to China, and they continue close security cooperation. The alliance's resilience is also anchored in economic interdependence. In 2024, transatlantic trade in goods and services approached \$2 trillion, and mutual direct investment reached \$7.5 trillion. Both factors supported roughly 16 million jobs on both sides of the Atlantic. The bilateral trade and investment relationship remains the world's largest. These are not nostalgic connections; they are hard strategic assets that underpin global stability and prosperity.

To remain relevant, the transatlantic partnership must move beyond legacy structures and sentimentality. Its future strength depends on its ability to bridge political divides, harness technological innovation, and deliver solutions to the defining challenges of the 21st century. The stakes are clear. The decisions made by the United States, Europe, and their allies in the coming years will determine whether the transatlantic partnership remains a pillar of global order or is sidelined by the shifting balance of power.

In this context, politicians, business leaders, and engaged citizens across the Atlantic are calling for a comprehensive reassessment of US-Europe cooperation. Responding to this imperative, GMF convened a high-level Transatlantic Taskforce to craft bold, forward-looking recommendations for rebalancing and strengthening the transatlantic alliance over the next five years (2025-2030).

Chaired by GMF President Dr. Alexandra de Hoop Scheffer and retired Gen. Curtis Scaparotti, GMF trustee and former NATO Supreme Allied Commander Europe, the taskforce brought together a distinguished group of policymakers, military leaders, business executives, and leading experts from both sides of the Atlantic. The group represented a broad spectrum of sectors, regions, generations, and political affiliations, and met three times between February and May 2025 to deliberate the alliance's future.

Drawing on these discussions, this brief presents five strategic steps to rebalance the transatlantic alliance over the next five years. These recommendations aim to lay the foundation for adaptive, resilient transatlantic cooperation in a rapidly evolving global landscape. They are:

1. Adopt a gradual and orderly transition plan for the European security order
2. Deliver high-impact joint US-European industrial projects
3. Cut red tape and accelerate procurement to unleash innovation
4. Showcase the domestic gains of transatlantic competitiveness
5. Make bold strategic offers to build partnerships beyond the transatlantic core

Recommendation 1: Adopt a gradual and orderly transition plan for the European security order

For the United States, Europe's assuming greater responsibility for its own defense is not merely a question of fairness. It is also a strategic imperative that enables Washington to redirect its focus and resources to pressing challenges elsewhere, especially the Indo-Pacific. Europeans increasingly acknowledge the need to bolster their defense capabilities, but they are wary of a potentially sudden US disengagement that would leave NATO exposed and deprive the alliance of the leadership and the critical enablers that only the United States currently provides. Europe's challenge is to accelerate its defense readiness and integration, ensuring credible deterrence and resilience, while maintaining the transatlantic unity that underpins collective security.

Planning for Responsibility-Sharing

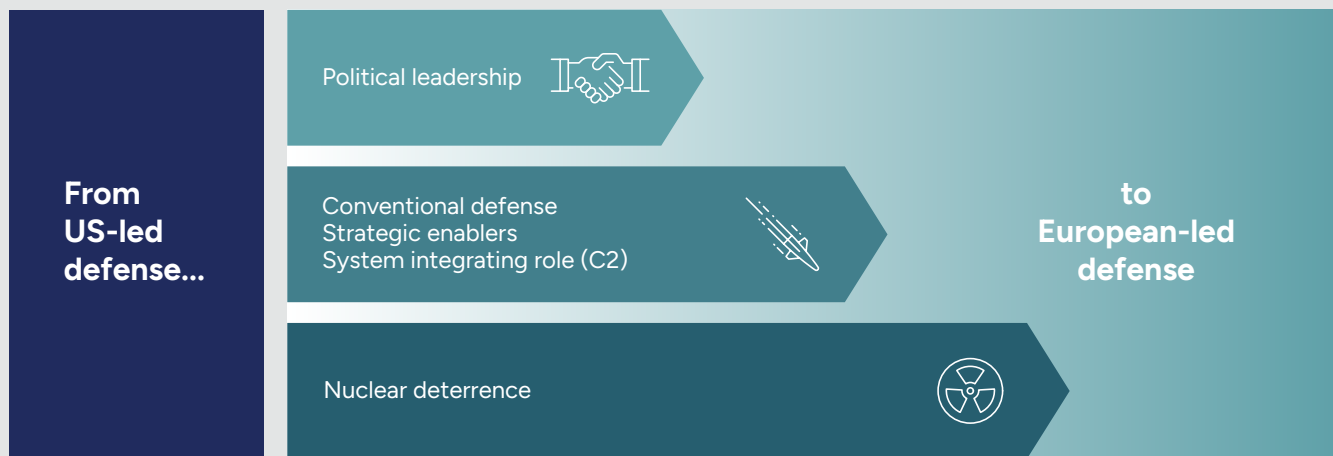
A phased, coordinated transition plan is essential. A realistic mid-term target could be a 70/30 (Europe/United States) burden-sharing split, with Europe assuming political leadership and primary responsibility for conventional defense, while the United States retains its nuclear umbrella and a tailored conventional footprint. Achieving this will demand that European allies, Canada, and Türkiye redefine a collective "way of war" aligned with their capabilities. This effort can be led within NATO and in coordination with the US administration to strengthen the alliance's long-term resilience. This would also allow Washington's allies to assume a greater share of critical enablers such as intelligence, surveillance, and reconnaissance (ISR), long-range precision strike, integrated air and missile defense, strategic lift, and air-to-air refueling.

The objective is not to replace the United States or NATO but to establish a European-led security order grounded in a clear-eyed assessment of the political leadership, industrial base, financial resources, and military strengths of all allies.

Securing Washington's Support: Ask Little, Do More

To secure Washington's support for a transition plan, European governments should limit their demands to a few critical capabilities that they cannot replace in the short term, primarily in the nuclear and high-end conventional domains. In return, Europeans must demonstrate tangible progress toward NATO's new defense-spending targets and its Defence Planning Process (NDPP) commitments, while accelerating force integration and interoperability across the alliance.

Fig. 1 | Timeline to move from US-led security to European-led security in Europe



Data: GMF, June 2025

Europe must simultaneously accelerate the modernization of its defense infrastructure to rebalance the alliance's security architecture. More allies plan to raise their defense spending to at least 3.5% of GDP by 2032. The EU has already begun this process by committing an additional €150 billion to joint procurement and military innovation. For its part, Germany plans to permanently deploy a 5000-strong armored brigade in Lithuania and is also including defense-related infrastructure spending in a €500 billion infrastructure modernization plan. Across the English Channel, the United Kingdom has announced the construction of a fleet of 12 nuclear-powered submarines over the next decade.

Several European countries are also pursuing deeper defense-industrial cooperation with Ukraine, which saw its annual output of basic first-person view drones (FPVs) surge from a few thousand in 2022 to over 2 million in 2024. Ukraine's skilled workforce, frontline experience, and technical prowess in emerging technologies position it as a catalyst for European defense innovation and a natural force multiplier for the continent's deterrence posture.

To accelerate capabilities development and interoperability, Europe should remain open to purchasing from US defense firms, mainly for products whose demand outstrips Europe's current production capacity. But the United States must understand that politicized criticism of Europe risks hardening support for a "Buy European" approach, with new EU defense funding channeled exclusively into European systems and technologies. Policymakers and industry leaders on both sides of the Atlantic must confront this challenge directly in Washington, emphasizing the strategic and commercial risks to US influence and American companies' market access in Europe.

The emergence of a European political leadership on security affairs

The transition to a more balanced alliance demands that Europeans assume far greater political leadership on security and defense. The United States has traditionally guided NATO strategic decisions and settled intra-alliance disputes, but this role should be increasingly transferred to European capitals. New European coalitions are already taking shape. France and Poland have agreed on a strategic partnership, while France and the United Kingdom are leading talks on the “coalition of the willing” to support a ceasefire in Ukraine. Initiatives such as the European Sky Shield and expanded naval operations such as Operation Aspides signal Europe’s intent to respond collectively to emerging threats.

A key test for European political leadership will be its ability to engage in meaningful intra-European burden-sharing, ensuring a coherent division of security responsibilities based on each ally’s military and geographic position. The Weimar Plus format can serve as a valuable model of coordination for this and could anchor sustained European support for Ukraine with more limited but essential US backing. In return, allies would benefit from Ukraine’s battlefield-driven defense innovation and operational experience, gained over three years of high-intensity conflict.

Finally, while Washington has not signaled a change to its nuclear posture, European capitals must plan for all scenarios, including a future in which US guarantees are weakened. That requires difficult doctrinal debates and greater flexibility across the full spectrum of deterrence tools, from tactical nuclear weapons and long-range precision strike to cyber capabilities. France and the United Kingdom must lead discussions on nuclear and high-end strategic capabilities, while non-nuclear allies must adapt their conventional contributions to strengthen collective deterrence. The objective is clear: Build a credible, European-led security architecture that strengthens NATO, reduces reliance on US guarantees, and safeguards against nuclear proliferation in Europe.

In summary

The United States seeks to recalibrate its role in European security, making it imperative for allies to adopt a robust transition plan that ensures strategic leadership and deterrence and avoids capability gaps. Securing Washington’s support for this requires Europeans to drive the responsibility-sharing agenda by demonstrating credible, tangible progress, especially in conventional defense, that goes well beyond meeting spending targets.

Recommendation 2: Deliver high-impact joint US-European industrial projects

On both sides of the Atlantic, reindustrialization is seen as central to addressing geopolitical fragmentation, reducing strategic economic dependencies, and driving job creation. Launching joint strategic industrial projects is an effective way to rebuild trust among transatlantic partners, close critical capability gaps, and strengthen the position of transatlantic partners against global competitors.

Delivering High-Impact, Joint Industrial Projects

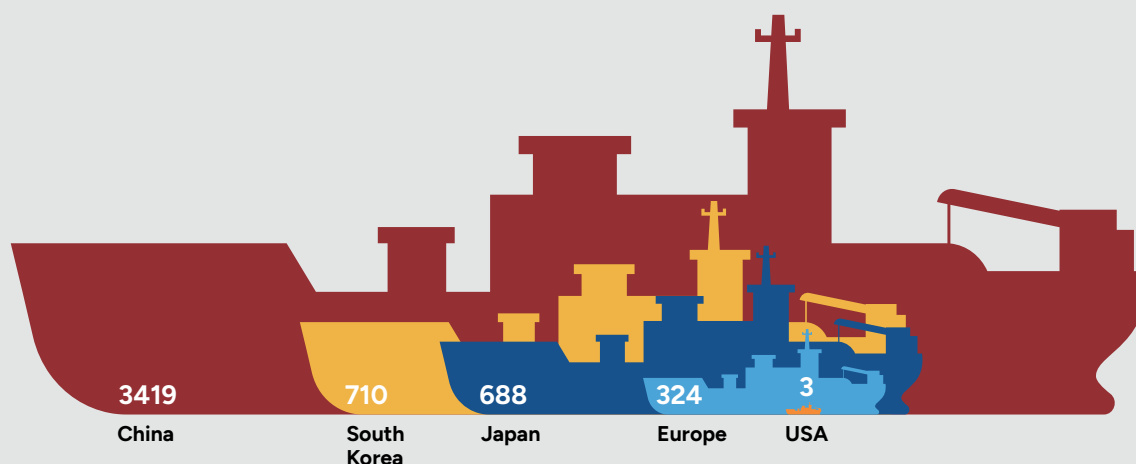
The United States and Europe should launch a new generation of high-impact, focused projects, ones that are visible, fast-moving, and tied directly to shared economic and security interests.

Recent initiatives such as the creation of the White House's new shipbuilding office have opened the door to international collaboration on advanced vessels and polar-class icebreakers. The office has drawn interest from European partners such as Finland, and South Korea and Japan.

Other joint initiatives could focus on hybrid threat prevention, the protection of critical infrastructure, and the co-development of leading technologies. The United States and Europe have experience to offer. The United States leads on AI and technology innovation, while Europe is much faster at building large infrastructure projects such as rail networks, roads, and airports. The US construction sector has experienced an 8.4% decline in production output since 2000. The EU's declined less, 4.8% over the same period. And European contractors have invested more in digitalizing construction processes and on-site robotic technology, significantly improving efficiency.

New joint US-European cooperation could include further developing and deploying secure telecommunications networks through initiatives such as the NATO-affiliated Multinational Collaboration on 5G to protect critical 5G/6G infrastructure from hybrid threats and cyberattacks. Joint ventures in semiconductor foundries and research hubs to reduce reliance on single-country suppliers and strengthen supply chain resilience offers another opportunity for transatlantic cooperation in pursuit of shared interests.

Fig. 2 | Civilian ships on order, 2024



Data: BRS Shipbrokers, [Annual Review 2025](#)

Other projects could involve vaccine development, medical supplies manufacturing, and rapid-response biotech platforms to ensure greater biotechnology and pandemic preparedness. Yet another area is co-investing in ventures to operationalize NATO's work on AI and quantum computing, focusing on critical applications for defense, cybersecurity, and industry. Finally, transatlantic partners could explore cooperation on satellite constellations, space situational awareness, and joint missions for Earth observation and security. Nuclear innovation, such as small modular reactors (SMRs), also provides opportunities for cooperation.

These projects are more than technological milestones. They rebuild trust, create jobs, and offer tangible evidence of the transatlantic partnership's value to citizens. Finnish President Alexander Stubb's "icebreaker diplomacy" shows how joint industrial ventures can capture political attention and dispel the notion that transatlantic cooperation is outdated.

Meeting Multiple Objectives: Innovation, Delivery, and Strategic Alignment

The defense-industrial sector could become a deep well of cooperation. Pillar II of the Australia-United Kingdom-United States Pacific security pact (AUKUS) highlights how targeted, industrially focused cooperation can enhance supply chain resilience, drive innovation, and strengthen strategic alignment among allies. AUKUS has faced delays and export control barriers, and is currently under review by the Trump administration, but it has nonetheless reinforced allied cooperation in cyber, AI, quantum, and undersea technologies, and could serve as a model for similar partnerships with countries such as Japan, Canada, France, Germany, and New Zealand.

Ultimately, trust is the linchpin for impactful US-European industrial projects. American policymakers may quietly back targeted cooperation that delivers growth and jobs, but public criticism of Europe and threatening higher taxes on European investors risk driving Europe to seek alternatives and to slow investment in the United States. Such divisions undermine US and European strategic and economic interests, and reinforce perceptions in Moscow and Beijing that the West is fragmented and declining.

In summary

In the current political environment, the United States and Europe should launch joint, high-impact industrial projects tied to shared economic and security goals to create jobs, generate revenue, and strengthen the transatlantic community's ability to compete with global competitors.

Recommendation 3: Cut red tape and accelerate procurement to unleash innovation

The transatlantic economy faces ongoing disruptions amid intensifying great-power competition. Success now depends on rapidly creating, adopting, scaling, and integrating new technologies and processes across sectors. At the same time, climate change, pandemic disasters, and geopolitical tensions have exposed the dangers of overreliance on single foreign suppliers and legacy domestic players. The United States and Europe must prioritize procurement reform to exclude risky suppliers, and streamline licensing and approval procedures to unlock innovation and sharpen their industrial and technological edge.

Getting Procurement Right

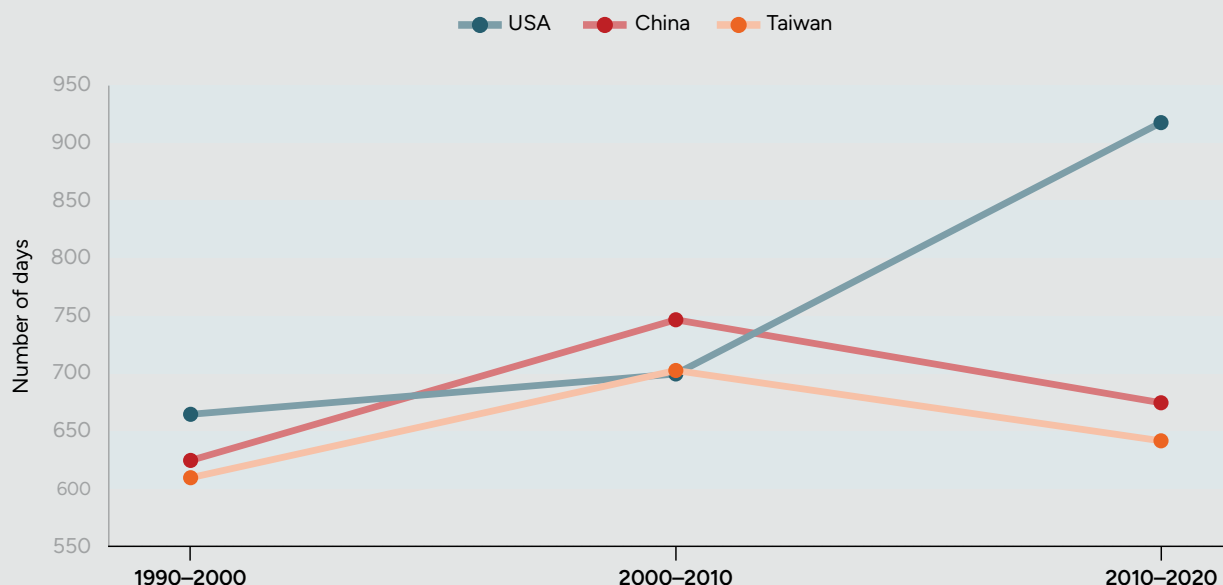
For the transatlantic allies, procurement reform, such as investment screening, is an essential step to building greater resilience amid overlapping crises. Procurement accounts for 10%–15% of GDP in advanced economies, and its purpose has steadily shifted from focusing exclusively on maximizing cost efficiency to securing long-term strategic value by strengthening supplier relationships, securing innovation, mitigating supply-chain risks, and aligning with broader security and growth objectives. Used strategically, procurement can help protect transatlantic critical infrastructure, stimulate local innovation, and create new jobs and goods for exports.

Defense procurement is a priority. To improve the US military's ability to respond quickly and effectively to threats, Washington should favor shorter contracts over long and rigid procurement processes, and expand its pool of suppliers beyond the traditional defense giants such as Lockheed Martin and Northrop Grumman. This should involve embracing innovative, venture-backed companies, especially for emerging technologies such as drones, and integrating them into supply chains. Similarly, Europe's ambition to expand its defense-industrial base will stall without more innovation-friendly procurement akin to the Pentagon's Defense Advanced Research Projects Agency (DARPA) or the Defense Innovation Unit (DIU) models. Speed and agility are vital. Ukraine's drone sector illustrates what is possible. Since 2022, the number of domestic drone manufacturers has soared from seven to around 500, with the government in Kyiv basing long-term contracts on a specific 50% local content requirement. As a result, some Ukrainian drone companies are sourcing up to 70% of their components domestically, increasing the resilience of the value-chain and turbocharging Ukraine's defense tech ecosystem.

Reforms to health procurement is another priority. Transatlantic disagreements over health procurement continue to flare up, as illustrated by recent UK-US talks during which the two sides accused each other of distorting competition and prices through opaque or unfair procurement rules. The United Kingdom faces criticism for favoring domestic pharmaceutical firms, while US procurement is complicated by fragmented federal and state authority, which makes it harder for foreign companies to understand how procurement works in every state and, crucially, how to participate in the process. US procurement is also complicated by the fact that not all states adhere

to the World Trade Organization’s General Agreement on Procurement. These challenges complicate transatlantic discussions on prosperity and competitiveness, and prevent allies from working more together on countering unfair competitive practices from countries such as China. Accelerating and expanding procurement rules for critical energy infrastructure should also be explored, in particular ways to exclude high-risk vendors from critical grid infrastructure.

Fig. 3 | Average number of days to build new semiconductor fabrication plants, per decade



Data: World Fab Forecast, [CSET](#)

A joint government-led overhaul of procurement is unlikely in today’s political climate. But an expert-driven transatlantic initiative, led by scientists, industry leaders, and legal experts, could identify key reforms and opportunities to improve transatlantic standard-setting by building on some of the work of the former US-EU Trade and Technology Council. This initiative should aim, among other goals, to make recommendations for coordinated responses to distortive practices by global competitors.

Reducing Government Review and Approval Time

Reducing government review and approval times is essential for accelerating industrial projects and innovation.

The United States excels at mobilizing private capital, but it struggles to deliver large-scale industrial projects quickly due to long permitting processes. Recent moves such as President Donald Trump's executive order to revise the length of environmental reviews under the National Environmental Policy Act could help, but more reforms will be necessary to cut down approval time, which can take from six weeks to a year. In contrast, European countries such as Spain, France, and Denmark manage large infrastructure timelines more efficiently, but they struggle to scale innovation across Europe's fragmented market. Both sides have lessons to share.

Policy and regulatory differences, particularly in export controls, further slow joint transatlantic projects. Strict US defense licensing rules can delay the export of European systems containing American components, such as those in Sweden's Saab Gripen fighter jet, by 60 to 90 days, thereby holding up deliveries to partners such as Ukraine. Regulatory disputes and intellectual property disagreements, for example between France and Germany, have also stalled the production of critical European capabilities. If the transatlantic alliance is serious about unleashing innovation and rapidly expanding capabilities, these bureaucratic and regulatory barriers must be dismantled.

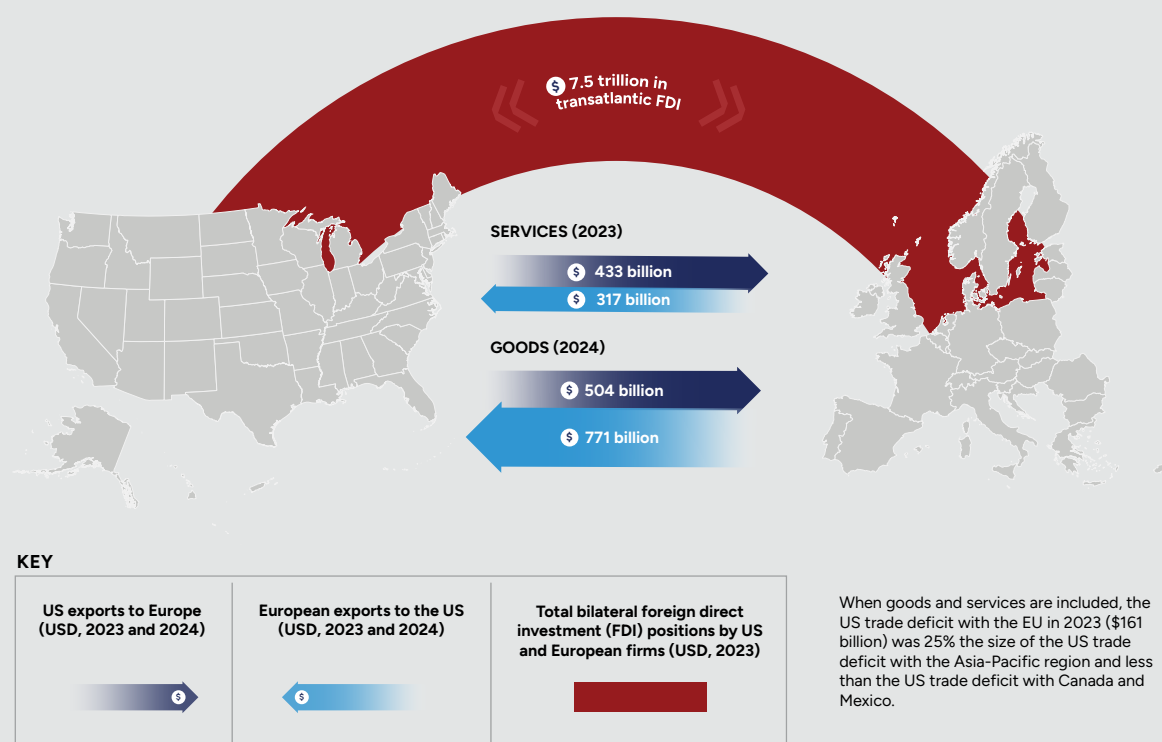
In summary

Procurement and permitting reform are not minor technicalities. They are strategic levers to strengthen transatlantic competitiveness. Experts, scientists, and industry leaders on both sides of the Atlantic should put forward joint proposals to modernize government and private-sector procurement systems to exclude risky suppliers and to set new standards for global competition.

Recommendation 4: Showcase the domestic gains of transatlantic competitiveness

Sustained transatlantic engagement is critical for coordinating responses to shared challenges, especially in Ukraine, and for preserving meaningful dialogue amid political turbulence. Despite ongoing cooperation among senior officials, political relations are tense. The gap between US and European societies is also widening, increasing the risk of long-term political, economic, and strategic drift.

Fig. 4 | The US-Europe trade and investment relationship, 2024



Data: American Chamber of Commerce in the EU, [Transatlantic Economy 2025](#). Latest data available.

Reaffirm the Domestic Benefits of Transatlantic Cooperation

Europe must make a sharper, more pragmatic case for why cooperation serves American interests. It creates jobs, forges advanced industrial partnerships, drives leadership in emerging technologies, and enhances coordination to shield supply chains and industries from unfair competition, particularly from China. European firms are behind \$3.5 trillion in foreign direct investment (FDI) in the United States, representing over 60% of all foreign investment

and directly employing 5.3 million Americans. The earnings on these investments are increasingly reinvested in the United States. In 2023, \$190 billion in European company profits made in the United States were reinvested there. These concrete benefits underscore the alliance's direct contribution to US prosperity and competitiveness.

That said, the EU and European countries must be prepared to assertively defend their interests, leveraging the strength of their markets as necessary. At the same time, they should accelerate efforts to dismantle intra-European regulatory barriers that undermine competitiveness, drawing directly on the actionable recommendations of the 2024 Draghi and Letta reports for the European Commission. These call for a more integrated single market, reduced regulatory burdens, and a new “fifth freedom” for research and innovation.

To maximize impact, the EU should also broaden its competitiveness and economic security agenda to include neighboring countries such as the United Kingdom, Switzerland, and Norway, thereby fostering common Europe-wide solutions and strengthening resilience across the continent.

Revise Counterproductive Rhetoric

When political tensions escalate, both sides should embrace a strategy of constructive hibernation, quietly agreeing to disagree to keep disputes from derailing broader cooperation.

The United States must recalibrate its rhetoric. Threats and confrontational language erode political trust, alienate European businesses and consumers, and ultimately undermine long-term US commercial interests in Europe. Meanwhile, the threat of new tax hikes on foreign investors in the United States, which is currently being discussed as part of the One Big Beautiful Bill, risks driving Europe toward hedging strategies with rivals such as China, the very outcome Washington seeks to prevent.

A more sophisticated diplomatic approach is essential. Consistent European engagement with the United States, in Washington and at the state level, will help stabilize transatlantic ties and shield them from political turbulence. Meanwhile, businesses with strong transatlantic ties must champion the value of cooperation—not just in Washington and Brussels, but in regional capitals, parliaments, boardrooms, universities, and think tanks.

In summary

Europe and the United States need to reframe the transatlantic alliance around pragmatic cooperation that delivers clear economic and strategic benefits. When tensions flare, both sides should adopt a policy of “constructive hibernation”, minimizing public criticism to ensure disagreements do not derail collaboration in areas of shared interest.

Recommendation 5: Make bold strategic offers to build partnerships beyond the transatlantic core

Today's challenges extend beyond the transatlantic alliance, and the United States and Europe need to devise flexible, interest-driven coalitions to respond to them. However, the pool for partnerships has become much more competitive, with many countries, such as India, Saudi Arabia, and most African nations, choosing the partnerships that best suit their national interests. The United States and Europe do not always come first in this regard and must be ready to offer something ambitious to secure new partnerships.

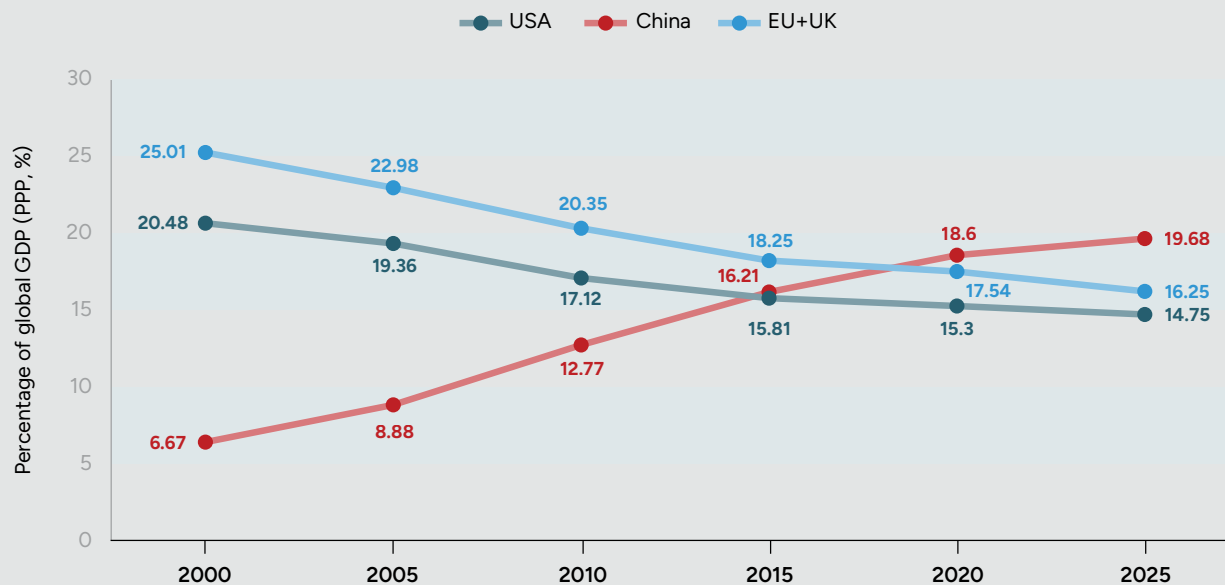
Building Coalitions Around Security and Prosperity

Security cooperation and economic partnerships remain the two most effective levers for coalition-building. The United States aims to limit formal security commitments and recalibrate its global trade relations, but it must also address the expectations of its partners.

Major deals, such as the recent \$142-billion US-Saudi defense agreement and expanded technology partnerships, demonstrate that bold offers in defense, technology, and economic development can attract and anchor new partners. These initiatives often require domestic trade-offs but are essential for engaging regional powers that seek more balanced, mutually beneficial relationships with the West.

In this regard, Europe holds untapped influence, especially in Latin America and Africa. Given the nature of Europe's geoeconomic power, mutually beneficial economic partnerships centered on market access, investment, innovation cooperation, and infrastructure projects are likely to garner greater interest than those built solely on hard security cooperation. Europe should also increase support to countries where the loss of USAID funding will be hard felt. The complementarity of the US and European offers could serve as a transatlantic approach to new pivotal powers worldwide.

Fig. 5 | Share of global GDP based on PPP, 2000 to 2025 (%)



Data: IMF

Flexible, High-Impact Initiatives

Strategic challenges—securing supply chains, accessing critical raw materials, reducing single-country dependencies, and countering economic coercion—demand agile, interest-driven coalitions. In the technology race, the United States is only three to six months ahead of China in areas such as AI and quantum computing. However, the United States, like Europe, still excels at scaling and applying innovation, a competitive edge rooted in open, collaborative systems. This speed and openness should be the foundation of new technology-focused coalitions with G7 and G7+ partners such as Australia, Japan, New Zealand, and South Korea. Crucially, these alliances must be framed around strategic resilience and reduced overdependence, not as “anti-China” blocs. Europe and the United States should also help mineral-rich countries to develop the necessary infrastructure to extract, transport, and transform critical minerals. The Lobito Corridor is a major infrastructure initiative focused on improving rail connectivity among Angola, the Democratic Republic of Congo, and Zambia to transport minerals and goods to global markets via the Atlantic port of Lobito. Part of the US-led Partnership for Global Infrastructure and Investment, the effort is 80% EU-funded.

Deepening political and industrial cooperation with Ukraine would also help develop a competitive model for technological innovation. Integrating the country into a broader transatlantic partnership would expand access

to critical minerals and raw materials while leveraging Kyiv's battlefield-tested innovation and industrial capacity. Ukraine's experience in conventional and emerging technologies offers valuable lessons for strengthening strategic cooperation beyond the transatlantic core.

The war in Ukraine has underscored the interconnectedness of today's security challenges. China's economic and technological support for Russia, and North Korean troops in Ukraine, illustrate how regional conflicts now have global implications. This makes robust transatlantic cooperation on technology and innovation more relevant than ever—not just for the Euro-Atlantic, but for partners worldwide.

Transatlantic partners should launch targeted, high-visibility projects in sectors such as AI, semiconductors, energy, and defense. The projects should be modeled on recent US-India and US-Saudi agreements. Similarly, they should pursue multilateral infrastructure and connectivity projects, such as the India–Middle East–Europe Corridor, to enhance economic integration and counter rival initiatives such as China's Belt and Road Initiative. Finally, they should be ready to offer co-investment and technology transfer opportunities that address partners' development and security needs, making the United States and Europe more attractive and reliable partners.

In summary

The United States and Europe must recognize that they are no longer automatically partners of choice. The transatlantic partners need flexible, interest-driven coalitions beyond their alliance's traditional core to secure their interests, stay competitive in the global economy, and maintain influence. To win over new partners, the United States and Europe must offer attractive deals focused on infrastructure, technology, and supply-chain resilience—along with traditional security guarantees—even if their offers may be met with political pushback at home.

Conclusion

The proliferation of security crises across Europe, the Middle East, and the Indo-Pacific—compounded by intensifying systemic rivalries, particularly between Washington and Beijing—is fundamentally reshaping the international order and testing the resilience of the transatlantic alliance. In this volatile environment, political and structural divisions threaten to drive transatlantic partners further apart, even as their collective influence wanes in the face of fierce global competition.

Once the anchor of global stability, the alliance now faces a critical test: adapt to a world that is quickly becoming multipolar and in which economic, technological, and military power is more diffuse or risk irrelevant as global dynamics evolve. The United States, Europe, and their other allies in the transatlantic community continue to share vital strategic interests, making close cooperation not just logical, but essential. To safeguard these interests, the transatlantic partnership must be rebalanced in its approach, tone, and responsibility-sharing to match today's realities.

This paper sets out a blueprint for that transformation by offering five concrete recommendations for governments, policymakers, businesses, and citizens to ensure the transatlantic alliance remains agile, politically robust, and, above all, relevant over the next five years.

Fig. 6 | A Roadmap for Transatlantic Relations 2025–2030



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