



Surviving Trump 2.0: What does the US election mean for Europe's economy?

The EU-US economic relationship is the world's most important. For the European economy, the US election has high stakes.

The CER's new policy brief '[Surviving Trump 2.0: What does the US election mean for Europe's economy?](#)' argues that European leaders risk becoming complacent with Kamala Harris's current success in the polls. Policy-makers are fixated on Trump's proposal for across-the-board tariffs and his obsession with the US trade deficit with Europe. But under both Harris and Trump, the fundamental economic dilemmas facing Europe will remain the same.

The EU's economy remains dependent on imports from China, while being increasingly dependent on the US to soak up its exports. As the US pushes the EU to join in its decoupling from China, and potentially a broader trade war, can the EU's business model survive?

The policy brief argues that the EU should take the offensive. It should deepen trade ties with the US and boost transatlantic co-operation, in order to boost the flagging European economy. But it must also work to reduce its vulnerability to coercion from both the US and China, and secure closer co-operation with other countries to help collectively defend freer trade despite Washington's growing protectionism.

Aslak Berg, research fellow at CER said: *"The US remains the EU's indispensable partner and it is vital to ensure functioning transatlantic co-operation on trade and regulation. The EU and the US have different approaches to China, but share many of the same concerns. The EU should therefore seek as much co-operation with the US as its WTO commitments allow while continuing to strengthen its capacity to defend its own interests."*

Zach Meyers, assistant director of the CER said: *"One of the most important reasons for sluggish EU economic growth is the continent's reluctance to embrace US technology and innovations. Transatlantic co-operation will be essential to help Europe digitise, just as co-operation with other third countries will be necessary to help Europe defend the global trading system against Washington's protectionism."*

Notes for editors:

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