CHAPTER 9

Overview and Background: International Institutions, Populism and Transatlantic Relations

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Abstract

Populist politicians and parties view international institutions as instruments of competing state interests and see global governance as empowering a detached globalist elite that must be challenged in the name of the people. This stance contrasts with perspectives that treat international institutions as semi-autonomous actors or as arenas that facilitate communication and responsiveness across societies. The two Trump administrations represent an extreme form of United States (US) unilateralism and 'domesticism', prioritizing domestic needs as the foundation of international leadership. Although the European Union (EU)'s long-standing commitment to multilateral institutions has been modified in recent years—partly in response to US pressure and partly due to internal populist currents—it continues to support transatlantic and global governance. The progression from 'Trump 1.0' through the Biden administration to 'Trump 2.0' reflects both enduring trends in US foreign policy and a weakening of constraints on presidential action. Whereas 'Trump 1.0' faced domestic and international limits, and Biden only partially restored multilateralism, 'Trump 2.0' pursues a far more radical and unconstrained agenda. These policies reshape international institutions and the broader international order, posing both risks and limited opportunities for the EU. The chapter outlines three strategic responses for the EU: *reflex, resistance* and *reconfiguration*, applied across the volume's three scenarios.

Keywords: *United States; Trump administrations; European Union; international institutions; multilateralism.*

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Introduction: The challenge

The current tensions between the United States (US), the European Union (EU) and other actors in transatlantic relations can be seen in part as a continuation of a number of trends. Since the growth of what might be termed the Euro–American system in the 1950s, there have been tensions centring on US leadership and how it is exercised, the emergence of the European integration project and its impact on transatlantic relations, and the changing domestic politics of the United States, European countries and what is now the European Union (Smith, Guay and Morgenstern-Pomorski 2025, chapter 1; Sloan 2016). Although the Euro–American system has become largely encompassed by the US–EU relationship, there are other important dimensions, particularly in security politics, where the North Atlantic Treaty Organization (NATO), established in the late 1940s and 1950s, retains a central role and has itself been a long-standing focus of transatlantic tensions over burden-sharing and the contributions of the allies. Such tensions, although at times severe, have largely been contained: partly as a reflection of common threat perceptions, partly as a reflection of shared values and a commitment to liberal democracy among the members of the system. This does not mean that everything has been plain sailing: almost every decade since the 1950s has seen transatlantic crises, some of which (for example, over the Iraq War in 2003) have been seen as presaging the 'death of the west' (Lieven 2003, Pond 2004).

Many of these crises and continuing tensions have centred on the role of international institutions. US leadership has on many occasions veered towards US unilateralism and towards 'domesticism' – the tendency to put US domestic politics and economics first, and to see international institutions as inconvenient interlocutors to be avoided or attacked if they cannot be manipulated. This inclination is evident both in the broadest terms – for example, the idea of a rules-based international order and the centrality of international law and diplomacy – and in respect of specific institutions, for example, those of the international financial order. At the same time, Europeans and particularly the evolving European Union, have placed their faith in multilateralism, the rules-based order and in the legitimacy of international institutions; this is hardly surprising given the genealogy of the European project, and the ways in which engagement with international institutions endows the EU with international legitimacy. Collective defence and NATO's role as a European security organization have also fostered a form of multilateralism, qualified by the United States' dominant role as the alliance's key contributor.

Given this broad background, what are the specific characteristics of the current transatlantic challenge to international institutions? At one level, it is the challenge of populist approaches to international order. Both in Europe and in the United States, the current politics of populism imply a super-charged priority for domestic politics, the assertion of sovereignty and forms of nativism as the basis for foreign policy, and thus a version of international order based on the power and interests of competing states (Wainer, Destradi, and Zürn 2024; Pacciardi, Spandler, and Söderbaum 2024). As a result, the EU has been challenged from within by member states asserting their right to dissent from or obstruct policies, and externally by the actions of the United States under the two Trump administrations (2017–2021 and January 2025 to the present). In this version of international politics, the role of international institutions is fundamentally challenged: they can be seen as either instruments of the dominant states or as obstacles to the legitimate actions of national authorities. This set of views constitutes a challenge to principles of multilateralism, to ideas of global governance, and to the idea that international institutions can become either independent actors in specific fields or spaces for the development of ideas about a wide variety of activities in areas such as development, conflict resolution, human rights or the environment. Populism sees these activities as generating a cross-national elite, which in itself is a challenge to the will of the people and the needs of the national state.

In this context, the advent of 'Trumpism' as a form of populism and potential authoritarianism has major resonance. Such a stance by the United States is in itself not unprecedented; the predominance of isolationism in the 1920s and 1930s, and elements of Reaganism in the 1980s can be seen as precursors or sources of the Trump posture (in fact, 'America First' and 'make America great again' have been revived by Trump as slogans, not created by him). Here, the influence of domesticism is both explicit and wide-ranging, and is made more potent by the United States' position as (still) the predominant economic and military power in the global arena. That arena is changing, and the emergence of new rivals to the United States is another key element in the current and continuing challenge; most notably, the rise of China and the revisionism of Russia has provided a stimulus to the projection of US domestic concerns and a determination to place American interests at the core of international action. No clearer illustration of the implications for international institutions can be found than in the US National Security Strategy published in December 2017, at the end of the first year of the first Trump administration:

> The United States will prioritize its efforts in those organizations that serve American interests, to ensure that they are strengthened and supportive of the United States, our allies, and our partners. Where existing institutions and rules need modernizing, the United States will lead to update them. At the same time, it should be clear that the United States will not cede sovereignty to those that claim authority over American citizens and are in conflict with our constitutional framework. (The White House 2017, 40)

Such a statement is a clear departure from the principles of multilateralism: the idea that international institutions can add value and contribute to global public goods in a wide range of issue areas. No less is it a challenge to the established principles of EU external action, which embody a commitment to multilateral institutions as a core value, explicitly stated in the Global Strategy of 2016:

> Without global norms and the means to enforce them, peace and security, prosperity and democracy – our vital interests – are at risk. Guided by the values on which it is founded, the EU is committed to a global order based on international law, including the principles of the UN Charter, which ensure human rights, sustainable development and lasting access to the global commons…The EU will strive for a strong UN as the bedrock of the multilateral rules-based order, and develop globally coordinated processes with international and regional organisations, states and non-state actors. (European Union 2016, 39)

For the EU, this general challenge from its most important international partner has, in part, been linked to challenges from within: the governments of Hungary, Slovakia and – until the elections of 2023 – Poland have challenged the legitimacy of EU actions and have professed their alignment with Trumpian populism. Although there have been some moves in EU external action away from strong multilateralism (partly as a result of pressure from the United States), the contrast remains stark (Youngs and Smith 2018; Smith 2018). Whilst Trumpian policies see international institutions as arenas for competition and as subordinate to national priorities, the EU still collectively prioritizes them as contributions to the global order and as arenas within which it can realize its role as a 'power' in the global arena.

From ‘Trump 1.0’ to ‘Trump 2.0’

There is no doubt that leaders in the EU saw the first Trump administration as a severe challenge, not only to specific EU interests but also to the norms of multilateralism and the rules-based international order on which the EU’s international legitimacy partly rested (Peterson 2018; Riddervold and Newsome 2018). In May 2018, the then president of the European Council, Donald Tusk, identified the US administration as a ‘capricious’ challenge, reinforcing the case for greater EU self-reliance (Tusk 2018). The four years of ‘Trump 1.0’ constituted a period of constant tension, not only relating to the EU and its policies (described by Trump as a ‘foe’) but also to the underpinnings of the EU’s international status. The Trump attack on international institutions, focused on the World Health Organization (WHO), the United Nations Educational, Scientific and Cultural Organization (UNESCO), the World Trade Organization (WTO) and a range of other agencies, called into question the status of international institutions in general, whilst the administration’s attacks on NATO threatened one of the key enabling pillars of the European project. On the whole, though, the worst did not happen: the administration was constrained domestically by its evident lack of preparation, and thus was unable to bend institutions such as the State Department to its will whilst experiencing internal conflicts that further weakened its capacity to act. At the same time, the residual effects of the Liberal International Order (LIO) and its rules-based system were able to moderate at least some of the Trump initiatives (Peterson 2018; Smith 2018, 2021; Schade 2023).

Part of the EU’s response to the Trump administration between 2017 and 2021 thus actually amounted to a policy of ‘wait and see’. European resistance to the erosion of the multilateral order was at least in part possible because of the limitations of ‘Trump 1.0’ and the Union’s capacity to muster collective resilience; in part, the Union’s leaders could hope that something better might emerge after the 2020 presidential election. The installation of Joe Biden as president in 2021 seemed to indicate that the period of contestation and disruption might be no more than a major blip or ‘bump in the road’ towards renewed EU–US cooperation and a reinvigoration of international institutions. European leaders, including the European Commission, certainly seemed to assume as much. In November 2020, immediately after the presidential election, the Union produced a paper aimed at setting a new agenda for transatlantic cooperation (Joint Communication 2020), whilst the nascent Biden administration was anxious to demonstrate its credentials in multilateral cooperation, global governance and transatlantic cooperation. To

quote the new president in his first foreign policy address, 'America is back', and, to all intents and purposes, this presaged a new era of transatlantic convergence regarding the EU, NATO, and global institutions, including a number of those exited by 'Trump 1.0'. The changed atmosphere of United States–European interactions was perceptible in a number of areas, with new agreements, new institutions such as the EU–US Trade and Technology Council and an absence of either verbal or more material attacks on the status and standing of the Union or NATO. The invasion of Ukraine in February 2022 led to intense cooperation in terms of both economic and diplomatic sanctions and of the broader diplomacy of European order, whilst also re-energizing the role of NATO and of bilateral military cooperation at the transatlantic level. By the time of the 2024 EU–US Summit, the declaration could say without irony that 'we are more united than ever'.

That statement appears strikingly irrelevant in light of developments since November 2024. The election of Donald Trump to a second term in November 2024 and his inauguration as president in January 2025 created an expectation of disruption and unpredictability not only in United States–European relations but also in world order more generally. It was clear from the outset that the new (returning) president had a much more well-defined agenda than in 2017, that he intended to implement it with urgency, and that there would be a much more thorough-going pursuit of the 'America First' agenda proclaimed at his first inauguration, underpinned by a more systematic approach to the purging of the federal government and in particular those elements dedicated to foreign policy and international relations (Chazan 2025; Chazan and Sevastopulo 2025). The evisceration of the U.S. Agency for International Development (USAID), the imposition of punitive 'reciprocal' tariffs on friend and foe alike, withdrawal (for the second time) from global climate institutions and from others such as the WHO and UNESCO, added up to a revolutionary attack on established international norms and processes. For NATO's European members, the exercise of what might be termed 'coercive alliance diplomacy' in US efforts to increase contributions to the alliance led to a 'deal' that promised to reduce US commitments whilst yielding major returns for the US defence-industrial complex. For the EU, built on foundations of international cooperation and dedicated to ideas of multilateralism and global governance, Trump's policies were an assault not only on its assumptions about partnership with the USA, but also on its claim to broader legitimacy as an actor within the multilateral system and a guardian of important norms and institutions. The conclusion of a strikingly one-sided EU–US trade agreement in the summer of 2025 only served to underline the apparent challenge

to the EU's status and expectations, whilst the agreement of NATO members to raise their defence spending to 5% of GDP over the next decade bore witness to the 'coercive diplomacy' exercised by Washington over its allies (Foy et al. 2025; Ganesh 2025). In September 2025, the address by President Trump to the United Nations General Assembly, in which he attacked not only the UN itself but also European countries, and provided a further onslaught on the efficacy of international institutions in general, provided a chastening confirmation of the new world that had taken hold in only a matter of months.

The impact of 'Trump 2.0'

What does the new world of 'Trump 2.0' imply for international institutions? At one level, US policies seem to imply the final dismantling of the liberal international order, with its assumptions about the role of international law and organizations and the benefits of international cooperation. As already noted, however, the pressures on the established order had been growing for many years even before the first Trump administration took office in 2017. But the second Trump administration has a much more developed idea of the uses of power and how the US position in the world can be exploited (Belin and Dworkin 2025; Kimmage 2025). In this context, the challenge posed by 'Trump 2.0' is not simply to specific institutions but also to key practices associated with the established international order. International law is to be seen as an instrument of state policy, and thus as capable of reinterpretation in line with the interests of leading states; diplomacy is redefined as a form of performative process, in which diplomatic events can be presented as 'good television' foregrounding the presence of President Trump; international organizations are seen as dispensable in light of the needs of the United States and other major 'powers'.

One of the first executive orders issued by President Trump mandated not only withdrawal from the WHO and UNESCO, but also a comprehensive review of all international organizations and their ability to serve US interests (The White House 2025). At the same time, funding for a wide range of international bodies was cut, partly due to reduced USAID funding and partly as part of a broader strategy aimed at the US withdrawal from international cooperation. The United Nations system, according to one commentator, was at risk of being reduced to the status of the League of Nations during the interwar period from 1919 to 1939 (Patrick 2025), and the roles of individual organizations have been attacked across

a very broad front. In addition to the familiar targets of the WHO and UNESCO, challenges to the WTO, the Human Rights Council (UNHRC), the International Organization for Migration (IOM), the International Maritime Organization (IMO), the International Criminal Court (ICC), and the UN Relief and Works Agency in Palestine (UNRWA) as part of the ongoing conflict in the Middle East have been mounted (see chapter 10 of this report). Not only is the UN system at issue: as previously noted, continuing attacks on bodies such as the Group of 7 (G7) industrial economies and regional organizations such as NATO and the EU itself have proliferated.

The impact of these strategies is not limited to the activities of the specific organizations targeted; it also extends to the expectations and strategies of a wide range of states in the global arena. In particular, it extends to the other 'great powers' and 'middle powers' within the international system. Where the US withdraws or distances itself from organizations, this can open up space for the injection of new forms of multilateral cooperation, for example in the form of Chinese diplomacy surrounding the Shanghai Cooperation Organisation (SCO) or the BRICS (Brazil, Russia, India, China and South Africa) grouping which has now extended to include a range of regional powers as well as its core members (Rachman 2025). As a result, the nature and extent of multilateralism in the world arena is in a state of flux – the old order has been undermined, but a new order is struggling to be born.

For the EU, part of the impact is felt in the well-established tension between the Union's internal politics and the external challenges posed by US policies. One of the key features of Trumpian policies is that they expose vulnerabilities and tensions within the EU: most obviously in the form of differential economic pressures arising from the erosion of international order in areas such as trade (see section 2 of this report), but also in the tensions observable between member states more or less receptive to Trumpian ideas. In the field of international institutions, the EU has been challenged to maintain its solidarity with the UN system and other global governance bodies. It has been challenged more fundamentally to maintain its commitment to multilateralism and to defend its investment in the institutions of the liberal international order, from which it derives important measures of legitimacy and leverage. The potential for marginalizing the EU's efforts, both in Europe and on the global stage, is real as relations among a number of potentially dominant powers come to define the new world order. In this context, the capacity of EU institutions to develop strategies and support effective diplomacy becomes

crucial. This insight was central to Ursula von der Leyen's 2025 State of the Union address to the European Parliament, which focused strongly on how the Union might respond to both the challenges and the opportunities in the current conjuncture (von der Leyen 2025).

Strategies and possibilities

How might the EU frame its responses to the challenges set out in the previous sections, with particular reference to international institutions? In her State of the Union address, President von der Leyen was anxious to underline the extent to which the EU can – and should – assert its agency in a fluctuating and potentially threatening environment. This posture is reflected, at least in part, in the three potential strategies outlined here: *reflex, resistance* and *reconfiguration*.

1. Reflex would primarily consist of adaptation to the new order, and in particular, the accommodation of US policy challenges. This strategy has risks attached to it – the most obvious being the danger of perceived dependency on the US, and the potential for forms of appeasement, as reflected in some of the accusations levelled at the EU–US trade agreement of July 2025. A corollary of this posture is that the EU's agency and legitimacy in international institutions might be reduced or eliminated – a major blow to perceptions of the EU as a multilateralist and as a force for the consolidation or preservation of international institutions.

2. Resistance would imply the use of the EU's position in international institutions as a means of standing up to US policies, and actively promoting alternatives to the Trump administration's initiatives through the exploitation of 'competitive interdependence' or 'competitive strategic autonomy' as outlined by Erik Jones in chapter 5 of this report. As with 'reflex' strategies, there are costs and risks attached to this course of action; most obviously, the costs and risks associated with the Trump administration's well-known tendency to punish those who stand up to it. It is quite difficult to see how the EU could avoid considerable costs if it adopted a policy of active resistance to the Trump administration, and as noted earlier, those costs would likely be unevenly distributed among member states. One of the consequences of a policy of active resistance would thus be heightened pressures on the EU's internal policy processes, and the risk of 'de-Europeanization' strategies being pursued by a number of member states.

3. Reconfiguration is a third potential strategy for the EU in terms of its engagement with international institutions. In other words, in this strategy, the Union would develop new forms of multilateral bodies or press for the reform of existing bodies to make them more resilient in the face of pressures not only from US policies but also from the rise of new forms of multilateralism noted earlier. Such an incremental strategy would imply an emphasis on the EU's agency within international institutions and an active attempt to shape their development in the face of challenges that are unlikely to disappear with the end of the current Trump administration. Such an 'assertive' or 'creative' multilateralism would by no means be cost-free, but it would have the virtue of coherence and consistency with the EU's core values, as frequently stated.

Where does this leave us in respect of the three scenarios for the future of transatlantic relations outlined at the start of this volume? The disintegration of transatlantic relations has been prophesied on many occasions, and the current conjuncture suggests it is a possibility. There has undoubtedly been fragmentation during the past decade, and the danger is now more explicit than ever. But the sinews of transatlantic relations, both public and private, are robust and are likely to contain the damage at least in the medium term. It is not clear that there is scope in the near term for significant progress, as long as the challenges to international institutions reviewed here persist: quite simply, the US attack on multilateralism and the rise of multiple bilateralisms are not encouraging for the future of international institutions. Most likely, there will be at least a period of muddling through, but this should be qualified by the remarks above on strategy. Simply put, the EU has an opportunity to assert and maintain its multilateral credentials and to contribute to a creative period of muddling through, in which the resilience of international institutions is enhanced, and they are reconfigured to face a challenging new world order.

The following chapters reflect a number of these general arguments. In chapter 10, Edith Drieskens explores the enduring ambivalence of the United States towards international institutions, specifically the UN system, and assesses the EU's capacity to replace or bypass the United States in the UN context. In chapter 11, Daniel Fiorino analyses the linkages between domestic and external policies in the USA, and the extent to which the EU might be able to promote incremental change in international environmental institutions in the absence of the United States. In chapter 12, Frode Veggeland provides a detailed analysis of the growth of turbulence around international institutions, and especially the WHO, which has been a major focus of US policies and thus a significant concern for the EU.

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