

Policy Brief

A kinder, gentler “America First?” Taking stock of transatlantic relations under Biden

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Over 100 days into the Biden administration, how have transatlantic relations shifted? This policy brief builds upon analysis from an October 2020 piece titled “No going back? A transatlantic cooperation agenda under Biden” and examines lessons for European policymakers from the first few months of Joe Biden’s presidency. It argues that while Biden has retained many core parts of Donald Trump’s “America First” agenda, there are still several promising avenues for transatlantic cooperation over the coming years. These include accelerated climate action, coordinated economic stimulus, and ensuring global vaccine access. Reaching these goals will require joint action to defuse geopolitical tensions and ensure greater economic justice at home and abroad.

Introduction

Sighs of relief could be heard across Europe as Joe Biden was inaugurated as the 46th US President on 20 January. European Commission President Ursula von der Leyen [hailed](#) his election as “resounding proof that, once again after four long years, Europe has a friend in the White House” and the Commission published a proposed [transatlantic agenda](#) on how to seize the “once-in-a-generation opportunity” that Biden’s presidency presents. Nearly four months into his presidency, was European optimism about the new White House occupant justified? The results so far are mixed. Encouragingly, Biden has kept many of his promises to return the US to a more collaborative approach, rejoining multilateral institutions like the World Health Organisation (WHO) and the Paris climate agreement and reassuring allies in the G7 and NATO.

At the same time, many longstanding points of transatlantic disagreement remain contentious. Most notably, Biden’s [“Buy American” agenda](#) has disappointed free trade enthusiasts, lingering sanctions and tariff disputes strain relations with key allies, and the US appetite for geopolitical competition still outstrips Europe’s. Moreover, many of the thorniest issues in international politics—such as the Iran nuclear deal, significant progress on the climate crisis, or ensuring equitable global vaccine access—remain unresolved. As outlined in the October [pre-election policy brief](#), addressing them will require a transatlantic alliance dedicated to new forms of cooperation, such as fighting inequality and defusing conflicts with geopolitical rivals.

1) No transatlantic panacea

Following up on his 2019 Munich Security Conference pledge that America would soon return to its leadership role in world affairs, Biden triumphantly proclaimed that the United States was indeed “back” at the event’s virtual 2021 iteration. Given the manifold challenges that had worsened or emerged since the Obama administration, however, it was clear that a mere restorationist foreign policy would be insufficient to solve global challenges. Moreover, optimism regarding America’s “return to the world stage” ignored the longstanding tendencies toward unilateralism and “à la carte multilateralism” in US foreign policy.

Indeed, Biden’s January executive order for US agencies to “Buy American” immediately raised alarm bells in Brussels. The order, which aims to use procurement policy to boost US industry, struck many observers as remarkably similar to Trump’s protectionist policies. Additionally, Biden’s “foreign policy for the middle class” and deep divides within the Democratic Party on trade policy mean that a return to Obama-era liberalising initiatives like the Transatlantic Trade and Investment Partnership (TTIP) is extremely unlikely. In the short-term, the clock is still ticking on how to resolve the dispute stemming from Trump-era metals tariffs and tensions over a proposed EU carbon border tax are rising.

The controversial Nord Stream 2 natural gas pipeline from Russia to Germany remains a flash point between Berlin and Washington. Biden has not been as aggressive as Trump on the issue, but he has repeatedly called the project a “bad deal” and the State Department under Antony Blinken warned that “any entity involved in the Nord Stream 2 pipeline risks U.S. sanctions and should immediately abandon work on the pipeline.” While NS2 remains primarily a bilateral Germany-US conflict, the threat of American extraterritorial sanctions highlights the broader issue of European economic sovereignty.

The Biden administration’s lack of earnest progress on re-joining the 2015 Joint Comprehensive Plan of Action (JCPOA), the nuclear deal with Iran that the US abandoned in 2018, also leaves a Trump-era wound festering. Rather than immediately engage, Biden chose an airstrike against Iranian-backed militias in Syria in an apparent effort to put pressure on Iran. Washington’s insistence that Tehran fully comply with the deal—while America remains outside of it and its sanctions hamper Iran’s ability to combat the COVID-19 pandemic—remains an unrealistic negotiating tactic. In recent weeks, the US has stated that it will re-join formal talks in Vienna, but a more cooperative approach is needed if such efforts are to succeed.

On a global level, Biden has largely followed his predecessor’s 2017 National Security Strategy focus on “great power competition” with China and Russia. Biden has promised “extreme competition” with China and his administration imposed additional sanctions on Russia over alleged cyberattacks. European attitudes and policies toward both countries have hardened in recent years. Still, the EU has shown itself much less willing to seek outright confrontation than the US, as it has declined to place additional sanctions on Russia and recently signed a trade and investment agreement with China. On both issues, the US risks leaving its European allies in a lurch if it leaps too far ahead in implementing combative policies.

Most significantly, US policy toward COVID-19 vaccinations has had a decidedly nationalist bent to it. While the speed of the rollout has been admirable, the United States has jealously guarded vaccine stocks, building up a surplus of tens of millions of doses and refusing to export them.

2) Signs of progress

Despite some notable continuities in US foreign policy, there are clearly many improvements in Biden’s approach to the world. On a rhetorical level alone, American allies can rest assured that most disagreements will be settled in a respectful way. Diplomatic spats and artificial crises will play little or no role in the transatlantic relationship under Biden. That alone has value and enables both parties to work together more constructively.

Aside from mere rhetoric, Biden has already addressed many of the lowest hanging fruits in transatlantic and global relations. Shortly after taking office, his administration declared that it would re-join the WHO. Only a few days later, US Secretary of State Antony Blinken announced

that the US would be re-joining the United Nations Human Rights Council. The US has also agreed to a [pause on retaliatory aircraft tariffs](#) for the time being, temporarily halting an impending escalation which stemmed from a 2019 WTO ruling that the EU had been illegally subsidizing the plane-maker Airbus.

Crucially, Biden has emerged as the most pro-climate president in US history. On his first day in office, the US re-entered the Paris climate agreement, a necessary but insufficient step toward reducing global greenhouse gas emissions. Frans Timmermans, Executive Vice-President for the European Green Deal, hailed the “huge difference” Biden’s presidency has made for joint climate action and President von der Leyen [thanked](#) Biden for his initiative. Shortly after the EU passed [new emissions targets](#), European officials joined a two-day conference which Biden hosted at the end of April, during which he announced a [planned 50% reduction](#) in greenhouse gas emissions from 2005 levels by 2030. Under Biden, the US has also agreed to [co-sponsor](#) the creation of a vast Marine Protected Area in Antarctica. While some [climate analysts](#) and [economists](#) have encouraged more climate spending than the current infrastructure bill provides, the amounts are still far more than could have been expected during a second Trump presidency. Balancing geopolitical confrontation with climate cooperation remains a challenge, but US “climate czar” John Kerry has [pledged](#) that walking this thin line is possible, an argument that finds some support in [China’s recent participation](#) in Biden’s climate conference.

3) Seizing the moment

As discussed in a pre-election [policy brief](#), the United States and European Union could form the most effective future partnership by broadening their traditional focus on trade liberalisation and mutual defence and focusing more on climate change and inequality. The Biden administration offers an opening to seize this opportunity, but more must be done.

Addressing economic inequality, both through [public spending](#) and enhanced tax enforcement, is one of the most promising avenues for transatlantic cooperation. Indeed, with democratic institutions under strain on both sides of the Atlantic, more is needed to show citizens that the benefits of our economic and political systems can be widely shared. Encouragingly, US Treasury Secretary Janet Yellen has called for a [global minimum corporate tax](#). The EU should work with the US on this taxation plan, as well as efforts to combat other forms of [tax avoidance](#) and illicit financial flows by obtaining [greater oversight](#) over the world’s financial infrastructure.

Europe can also learn from Biden’s domestic agenda. His “planetary” stimulus, which is predicted to add a [full percentage point](#) to global growth in 2021, dwarfs anything attempted in the EU. A greater [European economic effort](#), such as through coordinating EU-funded industrial policy, [rethinking fiscal rules](#), and increasing the [bargaining power of labour](#), is needed to avert the most damaging economic effects of the COVID-19 pandemic and make EU economic governance more resilient.

Given the political constraints climate policy in the US faces, Europe must both cooperate with the US on shared goals and transcend its [greenhouse gas reduction targets](#). The Biden administration’s climate goals are admirable, but many rely on easily-reversible executive orders (recall that [Trump undid](#) much of Obama’s climate efforts, a cycle that could repeat itself after the 2024 election). While the US will remain a vital partner regardless of the outcome of future elections, unpredictability at the federal level means that Europe must [seize the current moment](#) by fostering joint innovation in climate technology, continuing to build relationships with sub-federal governments, and cooperating in multilateral fora on more aggressive emissions cuts.

The US and EU must avoid unnecessarily antagonistic rhetoric toward other global powers if they are to succeed in convincing other nations to meet their climate goals. While Western countries are right to voice their support for democratic values, simplistic distinctions between a “free” and “authoritarian” world are unhelpful and risk dividing the world and increasing geopolitical confrontation when humankind can least afford it.

Vaccine access is the currently most urgent issue facing the world. The US and EU must work jointly to speed up deliveries to the developing world, both through increased production and relaxed IP restrictions. To date, Biden has pledged \$4 billion for the COVAX program, in addition to

donating some of the country's unwanted Astra Zeneca doses. Recently, he even heeded activist calls to [relax intellectual property](#) (IP) protections with a TRIPS waiver at the WTO, a move the EU has not yet matched and [Germany has actively opposed](#). These slow steps and the patent impasse must give way to rapid action: [buying out](#) or [waiving patents](#) and [manufacturing and distributing](#) doses as rapidly as possible. With the West facing a crisis of confidence and fearing rising global powers, there is no better way to ensure global goodwill and influence than sharing lifesaving technology with countries that need it most. Out of sheer self-interest, European countries should ensure that doses can be produced as widely as possible: wealthy countries could [lose trillions of euros](#) in economic output by failing to ensure equitable vaccine access in the rest of the world.

Europe should also heed signs that the US may be starting to abandon a military-first approach to global engagement. Biden's decision to withdraw US troops from Afghanistan—largely the result of a population [frustrated](#) with decades of "forever war"—has [irked some NATO allies](#) and may present near-term challenges for European countries. However, taking a broader perspective, there may also be benefits for Europe. The US has [long neglected](#) diplomacy and foreign aid in favour of ever-expanding military budgets, a trend that reached its peak with the Trump administration. The planned Afghanistan withdrawal is only one small step toward a broader potential retrenchment, but it may [trigger](#) a larger rethinking of the United States' global role away from a military-first tendency and towards a more comprehensive approach to peace and security. Although foreign policy can vary widely between presidents, most of the [top 2024 Republican contenders](#) favour a nominally anti-interventionist posture, indicating that a more restrained US foreign policy may be here to stay. The EU must be ready for such a shift, both through active engagement with the US on diplomacy and development and a more clear-cut vision of its own "[strategic autonomy](#)" in security and defence.

While it's clear that Biden's presidency will not resolve all transatlantic woes, it does provide an important window of opportunity for the US and EU to jointly tackle global problems. This opening may be slim: midterm elections in the US, which are [projected](#) to lead to a Republican House majority, are only 18 months away. This could spell the end of Biden's ambitious early phase in office, much as President Obama was constrained by an obstructionist GOP after the 2010 midterms. Europe should seize this opportunity and direct transatlantic energy to where it is most urgently required: ensuring global public health, fighting inequality, and jointly tackling the climate crisis.

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