

EUROPE AT A CROSSROADS: WINNING OR LOSING?

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EDITORIAL



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"If one does not know to which port one is sailing, no wind is favourable."

Seneca

The winds of history are shifting: a multipolar world, the rise of power politics, and transatlantic uncertainty all batter the European project. The port to which we are sailing is far from clear. And yet, as the [latest Eurobarometer \(May 2025\)](#) reveals, public support for the European Union (EU) has rarely been higher in this century: 52% of Europeans trust the EU, the best result since 2007. Optimism about the EU's future sits at 62%. A remarkable 88% call for stronger rules-based cooperation, and 81% support a common security and defence policy. These figures reflect approval, and, more importantly, expectations. The people, it seems, are ahead of their leaders.

The question to the political leadership is whether it delivers a Europe that wins or one that loses. The answer requires a frank assessment, not just of the EU institutions, but also of the Member States whose collective decisions shape the EU.

Geopolitics: Caught between old alliances and new realities

For decades, Europe could afford to ignore geopolitics, sheltered as it was under the American security umbrella and secure within the multilateral institutions it helped shape. That world is gone. The invasion of Ukraine by Russia shattered illusions and forced the EU to demonstrate unity and resilience. It has done so, to its credit. The promise of EU membership to Ukraine, Moldova, and Georgia

was a bold, geopolitical choice. Support for Ukraine remains strong across the continent, even as the United States (US) sends mixed signals.

The greatest geopolitical challenge today lies across the Atlantic. For too long, Europeans have assumed that Washington would defend them, even as successive US administrations asked Europe to shoulder more of its own burden. Today, with Donald Trump back in the White House and openly questioning NATO's Article 5 guarantee, the old paradigm is crumbling. The recent NATO summit confirms this. In response to the acceptance by the Europeans of a new spending target of 5%; they did not receive any assurances on Article 5 from the American President. Overall, the meeting, while short and harmonious, left a bad after-taste. It was embarrassing to see European leaders queueing to flatter the US president, behaving more like vassals than partners; Mark Rutte, the former Dutch Prime Minister turned Secretary General of NATO, easily won the palm of obsequiousness. There were no questions about the reality of the "new deal" President Trump seems to offer to the Europeans: pay more for defence, accept that there are no US guarantees in return, and continue doing as told by Washington. This does not sound like a good deal for Europe. The logic of autonomy suggests the opposite. If Europeans are to pay more for their own defence, it is only reasonable that the money strengthen European industries and that they make their own strategic decisions. But the US continues to lobby against European defence procurement preferences and demands control over Ukraine's reconstruction, while Europeans are expected to foot the bill. Washington insists on 5% defence spending even as it downplays the Russian threat. Why did no one ask the Americans to explain why the 5% are needed and against whom.

A similar failure of strategic independence is evident in the Middle East. The atrocities committed by Hamas on October 7 rightly drew universal condemnation. But Israel's disproportionate and shocking response of killing tens of thousands of Palestinian civilians is a clear violation of international law and the values the EU professes. At the same time Israel is stepping up its illegal annexationist policies in the West Bank (which is not run by Hamas!), in full contradiction with the Two-State solution the EU has always promoted. Yet, the EU's reaction has been muted and hesitant and purely verbal; this erodes its credibility and leads to justified accusations of blatant double standards. Those EU Member States who prevent the EU from taking a tougher stance should ask themselves a simple question: is it morally defensible to excuse Israel's cruel treatment of the Palestinians because of what they did to the Jews in the past?

The Israeli attack on Iran raises issues, too. Europeans have long been proud of their role in helping to broker the 2015 Iran nuclear deal, which was working until the first Trump administration unilaterally tore it up in 2018. Now, Trump's second administration has joined the Israelis in bombing Iran. It was strange to hear President von der Leyen call on the Iranians to come back to the negotiating table at a time when Europeans and Iranians delegates discussed the nuclear issue in Switzerland. The reference by the German Chancellor to Israel doing the "dirty job" for the West by striking Iran seems to give a country which is not party to the Treaty on the Non-Proliferation of Nuclear Weapons (and not known for caring much about international law) a mandate to enforce the respect of the same treaty by a country which did sign it.

People outside of America and Europe will ask whether negotiating deals with the West

is the right thing to do. They see through the inconsistencies. If Europe wishes to be a credible actor, it must stand on its own principles, not follow Washington blindly, nor hide behind its own historic responsibilities.

Inside the EU, there seems to be a growing disconnect between the public and the political élites on these issues. This is dangerous. It reminds one of the support given by some EU countries to the (disastrous) invasion of Iraq in 2003, in spite of a majority of their population opposing the war.

Trade: Paying for protection?

The erosion of Europe's geopolitical autonomy extends to the economy. The US has made military protection a bargaining chip in trade. Europeans are expected to tolerate new tariffs, extraterritorial sanctions, and the application of US law to their own firms, in exchange for continued US military presence.

This asymmetric relationship has grown untenable. The 2018 US "Cloud Act" effectively forced European tech companies to cooperate with the American National Security Agency. Export controls, secondary sanctions, accounting rules dictated by the US, the continued domination of the American rating agencies, and the special status of the dollar give Washington leverage over European businesses. Meanwhile, the US uses the Foreign Corrupt Practices Act as an economic weapon, with three-quarters of the fines falling on foreign firms, two-thirds of them European. In February 2025, the Trump administration went one step further and suspended enforcement of this Act for US companies alone.

The outcome of the ongoing negotiations on trade is unknown. But there are worrisome signals that the EU may go too far in accepting the logic (or absence thereof)

behind the US tariffs. This would be a disaster. [Paul Krugman's advice](#) is apt: "Stand up for yourself. In trade, in GDP, in everything but the most advanced technology, you are no more dependent on the United States than the US is on you." This does not mean turning inward. On the contrary, Europe should double down on multilateralism and pursue free trade agreements elsewhere. The entry into force of the EU-Japan Strategic Partnership Agreement and the deal with Canada are models to follow. The EU should at last ratify the Mercosur agreement, a geostrategic step that has been delayed too long by domestic European contradictions.

The Single Market: Putting Europe's own house in order

Even as it aspires to autonomy abroad, Europe is hampered by dysfunction at home. Economist Luis Garicano recently wrote of '[The myth of the Single Market](#)': he pointed out that, according to research by the International Monetary Fund, Europe's internal trade barriers, hidden costs, and regulatory dysfunction represent a de facto tariff of 45% on goods and 110% on services. Since the mid-1990s, trade costs have fallen more for imports from outside the EU than for trade within it.

Why is this? Because mutual recognition no longer seems to apply as it did in the wake of the Cassis de Dijon ruling by the European Court of Justice of 1979. Exceptions have become the rule. EU directives, rather than harmonising laws, often pile on top of national ones, with 'gold-plating' by Member States. The Commission, meanwhile, seems to go soft on its core role as enforcer of EU law. According to Garicano, formal action against infringements has fallen by 80% over the past years. Strategic autonomy begins at home. If

Europe cannot make its own market function properly, it cannot hope to compete on the global stage.

The EU should not accept a retreat into nationalism, raw power politics and protectionism. History has taught us the cost of that: competitive devaluations, beggar-thy-neighbour tariffs, and millions of ruined lives. Instead, Europe must articulate an alternative narrative. As historian Dipesh Chakrabarty once argued, the challenge is to move towards a civilised capitalism, one that balances economic openness with social justice, autonomy with cooperation, and principles with pragmatism. This should also include holding on to the Green Deal objectives while showing flexibility on the way there.

Strategic autonomy is a fine slogan. But it requires real action, and it will cost something. It will mean confronting contradictions: ratifying trade agreements even when they inconvenience certain lobbies; enforcing the Single Market even when it angers Member States; resisting US pressure even when it feels uncomfortable.

Conclusion: Choosing the right port

Seneca's wisdom remains as true as ever: if you do not know to which port you are sailing, no wind is favourable.

Europe must decide what kind of actor it wants to be in the world. If it continues to drift, taking its cues from Washington and failing to put its own house in order, it risks delivering a Europe that loses: a vassal in geopolitics, a fragmented market at home, and a lone preacher in the desert. As Tom de Bruijn's book on geopolitics aptly titled it: "hoogmoed en onmacht" — arrogance and impotence — is not a recipe for success.

If on the other hand Europe heeds the message of its citizens, who demand more cooperation, more defence capacity, and more optimism about their future, it can still deliver a Europe that wins: principled, autonomous, effective. The choice is ours. But it requires sailing with a purpose.

All the opinions expressed in this publication are the sole view of the author, and do not represent the position of the Trans European Policy Studies Association (TEPSA) or of its Members.

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