

TRUMP 2.0

WHAT DONALD TRUMP'S RETURN WOULD MEAN FOR THE WORLD

Ian Bremmer

WHAT if Donald Trump wins on November 5th, 2024? With polls giving the former President near-even odds of taking back the White House, governments, investors, and corporations worldwide are scrambling to work out what a second Trump term will mean for U.S. foreign policy. Some are inclined to think Trump 2.0 would be just a repeat of his first term in office. But that's a mistake—and it's worth unpacking why.

To be sure, there would be important similarities. It's not as if Trump has changed as an individual and a leader since 2020. For better or worse, the 78-year-old former president is still the same charismatic, narcissistic, authoritarian, impulsive, and transactional person he was when he left office. Four years of experience didn't make much difference to how President Trump approached governance at the end than at the beginning of his term. He is now eight years older—and a bit slower, even

if not as much as President Joe Biden—than he was when Americans first elected him, but he is none the wiser, more restrained, or more effective at policymaking.

Trump's worldview and foreign policy impulses also remain unchanged. The former President still sees every trade as a zero-sum contest between winners and losers—where one country's gain is another's loss and the only thing that matters is winning at all costs. In his view, the world's sole superpower has become a "sucker." It has no special responsibility and can't afford to act as the global policeman, promoter of free trade, and cheerleader for democratic values. Allies are as good as the money they spend, and values are something other countries use to constrain U.S. power and rip off American taxpayers. The only national interest worth defending is self-interest, and self-interest is principally measurable in dollars. To be strong, America must be feared,

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"Sorry to keep you waiting, complicated business" – Trump announces his victory after the 2016 election

and to achieve this, Washington must flex its military and economic power to extract gains from other nations. In sum, a second Trump term would mean a return to his assertively unilateralist and transactional "America First" foreign policy, where every engagement is a negotiation and every commitment a point of leverage.

But there would be some significant differences, too. Even though Trump would remain primarily focused on himself and generally uninterested in the business of governance, his second administration would be staffed with more ideologically aligned and

experienced senior officials ready to implement the President's agenda from the start. That wasn't the case in 2017, when Trump and his team had little experience in making Washington, DC, bend to their will. That's why senior appointments in 2017 and 2018 included career Republican professionals, less ideologically aligned with Trump's worldview. These institutionalist staffers often checked his most disruptive policy impulses (remember chief White House economic adviser Gary Cohn famously pulling draft U.S. withdrawal notices from NAFTA and a South Korea trade agreement from the Resolute Desk) but were later replaced by less seasoned

loyalists. The opposite is likely to be the case if he wins again, as Trump's second-term foreign policy advisors will be more ideological than at the start and more experienced than at the end of his first term.

A more important difference between Trump's first and second terms is the international environment in which the latter would take place. While the former President hasn't changed since 2020, the world around him has become dramatically more dangerous. A global pandemic notwithstanding, it's one thing to have a comparatively peaceful environment and historically low interest rates, as President Trump generally enjoyed from 2017 to 2021. It's another thing to be President with two major wars raging, vastly more geopolitical instability, and U.S. mortgage rates at 20-year peaks.

This is not to say that Trump would fail at everything he tries to do in foreign policy. That certainly wasn't the case in his first term, when he scored some notable successes, including a revitalized North American Free Trade Agreement, the historic Abraham Accords, fairer cost-sharing among NATO

members, and new and more robust security alliances in Asia. Many will also note that there were no major wars under his watch other than the winding down of America's longest in Afghanistan, whereas Russia and Iran's proxies started two new ones under President Biden—implying (or outright claiming) that they never would have dared had the supposedly stronger Trump been in office to deter them.

Counterfactuals aside, few will dispute that these accomplishments took place amid a generally benign geopolitical context, at least before the COVID-19 pandemic began near the end of Trump's term. Two regional wars, intensifying great-power competition with China, serious chaos threatened by emboldened rogue actors like Russia and Iran, a sluggish global economy strained by structural supply chain shifts, still-elevated inflation, and high interest rates, and disruptive technologies like artificial intelligence would place new demands on Trump's leadership.

The more challenging and volatile geopolitical context means the implications of a more unpredictable U.S. administration would be much more far-reaching

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and impactful on the global stage than they were when Trump first took office. The stakes are significantly higher than they were in 2016—and as a result, the outcomes that Trump 2.0 would deliver are more extreme than those Trump 1.0, the current Biden administration, or a Kamala Harris presidency would. The best example of this is China, which Trump would take a much harder line toward after the Biden administration managed to halt the slide in relations caused by bipartisan U.S. containment policies started by the first Trump administration and continued by Joe Biden. This would begin with the return of Robert Lighthizer, Trump's hawkish and competent trade czar, and a push to impose 60 percent tariffs on all Chinese imports.

It's important to understand that Trump's foreign policy is first and foremost trade policy. The former president has held that bilateral trade deficits are "unfair," U.S. allies are "ripping off" American taxpayers, and tariffs are "the greatest thing ever invented" since the 1980s. Are countries paying enough for whatever he thinks they're getting from the United States—be that on defense or trade? Trump's answer is invariably no, and his playbook is the same: To threaten punitive measures such as tariffs or the withdrawal of U.S. security support as a bargaining tool to extract trade concessions or increased defense spending. This was Trump's approach



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to most of America's key relationships during his first term, and it will remain so during his second.

In the case of China, regardless of whether Trump would be willing and able to follow through on his maximalist 60 percent threat, the former President's trade advisers say they mean business about decoupling—as opposed to Biden, who says he only wants to de-risk. The average tariff rate on Chinese imports would at least double from current levels, with larger and more disruptive increases on intermediate goods (like semiconductors and auto parts) critical for U.S. and global supply chains. Estimates suggest that even a non-maximalist tariff regime would deal a devastating blow to an already fragile Chinese economy (it would also provide a stagflationary impulse to a slowing American economy).

The outcome of Trump's gambit would depend on Beijing's response. Chinese President Xi Jinping might take such an unprecedented escalation to mean that his strategy of engagement and conflict management has run its course, and that the United States will never be a reliable partner. Beijing

would retaliate strongly in this scenario, although lacking reciprocal tariff responses, it would do so asymmetrically in areas where it does have leverage—particularly if Trump's initial moves go beyond trade and target sensitive

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areas such as technology, immigration, or even the Chinese Communist Party itself. China could resume unsafe intercepts of U.S. patrol aircraft and test alliance relationships with Tokyo or Manila at a moment when these allies already doubt former President Trump's resolve.

Lest we forget, Trump's transactional approach would antagonize American allies in Asia and Europe as much as (if not more than) adversaries, creating space for China to drive a wedge between them and Washington and pushing some to balance their relations toward Beijing. Most dangerously, tensions could flair over Taiwan, where the cross-strait relationship is deteriorating and hawkish Republican advisers would increase the odds of Chinese beyond-precedent escalatory behavior. Overall, the expectation here would be a sharp worsening of the relationship and a new cold war, which has been at least postponed (if not avoided) under the Biden administration. Accelerating economic

decoupling would increase the likelihood of direct military confrontation between the two superpowers.

But there is an alternate scenario. Xi could decide that China's worsening economic prospects, which Beijing now openly acknowledges, demand a more conciliatory response to Trump's escalation. Senior Chinese officials are actively debating offering Trump a "grand bargain" he could sell at home as a win, as long as the escalation was limited to trade and modest enough that China's economy could absorb the blow

without provoking domestic instability. It's possible, and indeed likely, that neither of those conditions would be met. But if they were, Trump might be open to a historic deal only he could achieve through swagger and hardball "or else" policies—a Nixon-goes-to-China moment—perhaps using support for Taiwan as a bargaining chip. After all, the former President cares much more about reducing the trade deficit with China than he does about defending Taiwanese sovereignty or ensuring American technological dominance.

A "grand bargain" would be strongly resisted by trade and China hawks in the new Trump administration as well

as Congressional Republicans who are aggressively vocal about their desire to contain China's rise and, in some cases, degrade the Chinese Communist Party. Beijing is weighing the role of Elon Musk as a potential backchannel and friendly counterweight given his ties to Trump and commercial interests in

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China. The economic decoupling and general mistrust that's already baked in make finding common ground unlikely—but not impossible. Trump 2.0 would therefore entail both bigger risks and opportunities than a Harris administration, which would continue Biden's

de-risking policies and keep U.S.-China relations on a managed decline.

Beyond China, Mexico would be in the crosshairs of a second Trump administration as it attempted to cut border security and trade deals yet again, in an early test for President Claudia Sheinbaum. Negotiations to extend the U.S.-Mexico-Canada Agreement in 2026 would start early as Trump used the threat of tariffs to stem the flow of migrants and limit China's ability to circumvent U.S. tariffs by transshipping through Mexico. Trump's abrasive rhetoric might get relations with Sheinbaum off to a contentious start. Still, both sides know the United

States has all the negotiating leverage—especially with Trump having all the political capital he would need to militarize the border.

Mexico is also the country most aligned with economic decoupling from China, benefiting from nearshoring and friendshoring trends. Politically, Mexico can't allow U.S. troops to operate autonomously in its sovereign territory, but there's plenty of space to cooperate more closely on this front—especially if that helps to clean up the endemic cartel issue and spillover crime and corruption challenges. And Mexico is also susceptible to U.S. economic pressure to close its

southern border to illegal migrants from Central and South America, as it did in Trump's first term. Ultimately, there are more than enough vested interests in both countries to find mutually beneficial compromises here, setting Trump up for easy breakthroughs.

Other countries with large bilateral trade surpluses with the United States would also be targeted by Trump because of "unfair" advantages. Such is the case of Taiwan, which the former president has

accused of underpaying for U.S. defense while overcharging for TSMC semiconductor exports. Observers took this as an admission that Trump is preparing to

The Abraham Accords, had already exposed the indifference that Arab governments feel toward the Palestinians, whose plight was largely decoupled from the agreements. While Hamas' October 7th, 2023, terrorist attacks have put hopes for a breakthrough deal between Saudi Arabia and Israel on hold, Trump's transactional nature could revive this possibility.

cede Taiwan in the event of a Chinese invasion—or worse, negotiate the island away in a grand bargain. It's much more likely that, in keeping with his trademark transactional approach, he's just playing hardball to pressure Taipei into shouldering a greater share of the island's defense—especially given strong support for Taiwan from rank-and-file Republicans and would-be cabinet members. But his willingness to even toy with the idea for the sake of purely pecuniary gains—how much more money could

the U.S. get out of this—would represent a sharp break with longstanding bipartisan orthodoxy, severely weaken Taiwanese and U.S. deterrence, and invite Chinese aggression.

Then there's the hot wars. In the Middle East, Trump and his aides would provide strong and unconditional support for Israel's actions with little concern for any humanitarian or escalation concerns. While the war continues to expand, both Hamas and Hezbollah

have tapped out their ability to further escalate the conflict. Palestinians' prospects will continue to deteriorate in Gaza and the West Bank, but with Israel so militarily superior and Israelis uninterested in a two-state solution, their odds of changing their lot peacefully are next to nil. The Palestinian population would only become more radicalized as their desire to fight continued to grow, increasing the risk of terrorism for years to come. However, the Palestinian cause would eventually recede from the headlines, and the international community would move on.

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ment of Trump's first term, had already exposed the indifference that Arab governments feel toward the Palestinians, whose plight was largely decoupled from the agreements. While Hamas' October 7th, 2023, terrorist attacks and the crushing Israeli response to them have put hopes for a breakthrough deal between Saudi Arabia and Israel on hold, Trump's transactional nature and strong relationships with like-minded, deep-pocketed Gulf leaders could revive this possibility. Riyadh still wants

it and continues to engage quietly to improve economic and security relations, even as it publicly demands a Palestinian state in exchange for nor-

Trump's strong support for Israel's ongoing efforts to degrade Iran and its proxies could create wildcard risks for the region. An unrestrained and emboldened Israeli government would see a second Trump term as a unique opportunity to escalate the conflict and even strike Iran's nuclear program. Unlike Biden or Harris, Trump would support this move.

malization. A bit of time and some concessions to the Kingdom—such as a U.S. security agreement and increased weapons sales as well as a civilian nuclear program—could soften that requirement and open the door for a landmark deal that stabilizes the Middle East and allows the Trump administration to pivot its attention toward China while leveraging Saudi Arabia's status as a regional power to project American influence.

The flip side is that Trump's strong support for Israel's ongoing efforts to degrade Iran and its proxies, combined with his own willingness to use U.S. military force against them—recall his targeted assassination of Iranian defense chief Qassem Soleimani—could create wildcard risks for the region. With Hezbollah effectively incapacitated, the Islamic Republic is no longer capable of deterring Israel. An unrestrained and emboldened Israeli government would see a second Trump term as a unique opportunity to escalate the conflict

and even strike Iran's nuclear program. Unlike Biden or Harris, Trump would support this move. As the last several months have shown, Tehran has no interest in a direct war with either the United States or Israel that it cannot

win, particularly when it would destabilize the economy, jeopardize recently normalized relations with the Gulf Arabs—and the prospect of détente with the West—and threaten the regime's survival. Escalations are more likely to lead a Tehran focused on self-preservation to back down than to hit back. But continued exposure to joint U.S.-Israel attacks on its nuclear program—and perhaps even its leadership—would leave Iran with no good options

but to redouble its nuclearization efforts for deterrence, potentially destabilizing the strategic balance in the Middle East more broadly.

Trump has famously claimed that if elected, he will end the war in Ukraine within “24 hours” by unilaterally forcing Presidents Volodymyr Zelensky and Vladimir Putin to accept an immediate cease-fire on terms possibly favorable to Russia (i.e., along

existing territorial lines), using military aid to Ukraine as leverage over both sides. In the likely event that Zelensky, who he personally dislikes, rejected his terms, he would not hesitate to cut off U.S. military and financial support for

Ukraine. But if it was Putin who refused to negotiate—as is probable as long as Ukraine has a foothold in Russia's Kursk—Trump would boost American aid to Ukraine and toughen sanctions on Russia as a means to securing a ceasefire. After all, he doesn't want to look like the pushover who took no for an answer and “lost” Ukraine. Nor does he take issue with Ukrainians' right to self-defense—indeed, it was the first Trump administration that

provided Javelin anti-tank weapons to Ukraine—after former President Barack Obama had thought it was too risky a move. Rather, Trump thinks Ukraine's defense should be paid for primarily by the countries that have the biggest stake in it: the Europeans.

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military capabilities to take back all its territory, and Russia will never agree to a voluntary return. In fact, Ukraine will be de facto partitioned no matter who wins the U.S. election. The longer the war goes on, the worse off the Ukrainians will be as they run out of troops to send to the front, and Western support becomes more constrained.

A ceasefire that recognizes this reality could allow Ukraine to end up in a strong geopolitical position without having to give up its territorial claims. NATO accession would definitely be off the table under Trump—it would be close to a non-starter under Harris, and for several NATO members, too. But if the former president was prepared to commit to

hard U.S. security guarantees to deter Russia from attempting to take additional Ukrainian territory in the future, the onus would then be on the Europeans to fund Ukraine's reconstruction and fast-track its EU integration. The rump Ukrainian state would get about as good an outcome as it plausibly could.

Ultimately, it's unlikely that Trump's pressure would sway either Moscow or Kyiv to make significant enough concessions to bring about a ceasefire. Putting aside Ukraine's willingness to negotiate,

Putin would have little reason to agree to a deal if he believed time was on Russia's side. The conflict in Ukraine would therefore continue, presenting an ongoing security problem for Europe. Russia would continue to attempt to take more Ukrainian territory and launch missile strikes into Ukraine, while an increas-

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ingly desperate Kyiv would continue its drone and asymmetric warfare to retake its land. Meanwhile, NATO would remain in a hybrid war with a nuclear-armed Russia led by an older, more insulated, and error-prone Putin. And Russia's alignment and cooperation with Iran and North Korea—two other rogue states willing to break international law and committed

to sowing chaos—would only grow stronger and more unpredictable in this environment.

Speaking of NATO, Trump's return to the White House wouldn't lead to an American withdrawal but it would turn the transatlantic security partnership into a more transactional affair, straining the alliance and undermining European unity and collective defense. As in his first term, Trump would use threats to pull back from longstanding U.S. security commitments to NATO

as a lever to force European partners to shoulder more of the financial burden of their defense—with the target set higher than the previous 2 percent of GDP—and secure favorable trade concessions. But this time around, he would go further than just bluster.

While Trump would keep key military assets in Europe, he would pull back American troops from current deployment rotations, including from NATO's eastern flank, feeding lingering doubts about the validity of the Article 5 mutual

defense guarantee. He would likewise withdraw from military exercises with countries he believes are ripping off the United States. Trump's desire to force a ceasefire in Ukraine on terms favorable to Russia would also exacerbate the growing rift inside Europe between frontline states and the budding number of populist, pro-Russia, and Euroskeptic governments, undermining the EU's continued political cohesion and policy unity.

A divided, leaderless, and fiscally challenged EU would be unable to act on French President Emmanuel Macron's call to bolster its "strategic autonomy," shore up its collective de-

fenses, and fill the U.S.-shaped defense hole, leading to a weakened European security architecture that invites opportunistic probing from rogue actors. Putin would be emboldened to pray upon European divisions and test NATO's re-

solve through low-intensity escalations. Front-line NATO states closest to Russia's borders—Poland, the Baltics, and the Nordics—are right to worry for their national security under a second Trump Presidency.

One leader who would be happy to welcome back Trump is North Korea's Kim

Jong-un. The former president remains intrigued by the enduring prospect of a deal he believes no one else can get with a dictator only he is willing to talk to: North Korean denuclearization. That would be bad news, of course, for U.S.-allied South Korea and its hawkish President Yoon Suk Yeol, who would have little say in what Trump offers Kim in exchange. Last time around, Trump unilaterally canceled joint military exercises, questioned the U.S. troop presence in South Korea, and undermined Seoul's deterrent. The U.S.-South Korea alliance is much stronger today than it was in 2017 (or ever, really)—but Seoul's all-time-high trade surplus with the United States puts the country

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in Trump's crosshairs. An attempt by Trump to revive unilateral diplomatic engagement with Kim would not go down well in Seoul. It's possible Pyongyang may not be as interested in a deal that includes a freeze in its nuclear program now that it's receiving active support from Moscow and Tehran as part of the "axis of rogues." But if Trump were to offer an attractive enough grand bargain, this could push the conservative Yoon administration (or its successor) to develop a South Korean nuclear deterrent with wide-ranging implications for regional security, broader proliferation, and the global balance of power.

"Second tier" foreign policy issues like South America, Southeast Asia, the Balkans, or Africa—as well as more strategically critical areas that Trump isn't

very exercised about, such as artificial intelligence and climate change—will be almost entirely decided by appointed policymakers and spread across the bureaucracy. That implies more consistency and incrementalism in these areas than those

above, at least unless and until a crisis emerges from any of them.

The race for the White House will remain too close to call until the

votes are counted. If Donald Trump wins, U.S. foreign policy uncertainty and volatility will be with us long beyond that. A second Trump term and a return to "America First" at a time of heightened geopolitical turbulence would be more likely to precipitate both catastrophic breakdowns and improbable breakthroughs. Trump 2.0, in this context, is a recipe for a sharper and deeper geopolitical recession. ●

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