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Spend or splinter?

NATO will not be able to work as it has in the past. New realities require addressing broader issues than simply increasing defence spending

In the six years since Donald Trump last attended a NATO summit back in his first term, the world has changed dramatically. The old international security frame of reference has failed the tests of a pandemic, a full-scale war in Europe, and a global redistribution of power driven by the rise of China and the crisis of the West. The new realities of international security pose new challenges for the US and (so far?) allies.

The world is at a dangerous point in which the power gap between the US and China has dwindled to a minimum. This calls into question all the usual foundations of international security and the world order created in accordance with the interests of the US and its allies. The institutions and norms of this world order – the UN, global trade, the neoliberal paradigm, international law, NATO, and more – prevented some violent conflicts; managed more or less effectively those that could not be prevented; and generally maintained international security.

All of this has come into question, however, due to its reliance on the power superiority of the US and the West as a whole — a superiority that is gradually disappearing. A decade ago, the Chinese economy outpaced the US economy in purchasing power parity, and the gap has grown substantially since then. Five years ago, the BRICS' share of the world economy exceeded that of the G-7 countries. Wealth, the basis of the strength of modern states, is spilling over globally. Along with wealth, influence, alliances and commitments have been redistributed. The world is gradually polarising and the contradictions between the great powers are intensifying.

For medium and small states, these processes completely change their system of reference. They are forced to adapt, to calculate the regional balance of power, and sometimes to look for new allies. Instead of betting on the West, some are ready to balance and consider the interests of the Global South, some are getting closer to China, and some are trying to get security guarantees from the West. In general, the room for

manoeuvre is narrowing, and the probability of various regional conflicts is growing. Actually, in recent years, not only the probability, but also the number and intensity of such conflicts have been growing. The Russian-Ukrainian war has become one of them.

A long time coming

Some of the processes that have transformed the modern world began even before Trump's first presidency. The decline of American leadership, for instance, can be traced back to the 2003 Iraq war, a long and slow process that weakened first the values and then the institutions on which the current world order was based. The global economic crisis that began in 2008 sharpened the contradictions between the West and the Global South, and made many poor countries even poorer. This in turn has weakened global democracy, leading to its retreat and a wave of authoritarianism — democracies are becoming weaker and less stable, and the demand for autocracy is growing. Poverty and inequality, together with new technologies, have created a favourable environment for populism and simplistic solutions, adding to international security problems in the long run. Lastly, a new wave of nationalism has come, increasing the influence and popularity of this ideology in a wide range of countries. All of this is not conducive to strengthening international security, and new dividing lines are deepening both within and between states.

So really a lot has changed between now and the NATO summits involving Trump. The US administration is responding to these changes by making dramatic revisions to the nation's grand strategy. Instead of active intervention, strengthening alliances and spreading values globally – the hallmarks of US foreign policy in recent decades – realism, pragmatism and caution, often referred to as neo-isolationism, are back on the agenda. These changes are forced. The decline in US influence and power makes previous policies too risky. This consideration is crucial to Trump's foreign policy outlook.

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His challenge is to rid the US of unnecessary commitments and costs and focus on the core problem — China. The US will need allies who, compared to clients, are willing to take on a large part of the risks and costs. Turning Europe from a client into an ally, reaching selective agreements with Russia and weakening its ties to China — this is roughly the recipe for making 'America great again' in a new geopolitical environment.

For Europe, this creates a rather complicated situation. Among today's great powers, whose contradictions are intensifying, the EU looks like a weak link. Foreign policy and security have never been its strong points; and when the world returns to the paradigm of realism, this weakness is especially noticeable. In fact, several major European states – Germany, France, Italy, Poland – act in place of the EU. Sometimes the UK joins them, but the strategic interests of these states remain different. Now they have more in common because of the Russian-Ukrainian war and the threats associated with it, but common concerns are not enough to effectively protect interests.

Another problem for Europe is slow economic growth, especially in comparison to its main competitors, China and the US. Apart from reducing the EU's global influence, this problem also prevents it from responding quickly to new threats. And if the US administration, in its quest to cut unnecessary spending and commitments, deprives Europe of effective security guarantees, Berlin and Paris will face difficult dilemmas, even if the developments in the Russia-Ukraine war are relatively favourable for Europe.

More money, less problems?

Keeping geopolitical calculations and concerns in mind, both the US and European allies are preparing for the NATO summit in The Hague, which promises to be quite complex, short and controversial. Is consensus possible on key issues — increased defence spending and position in the Russia-Ukraine war? Is NATO threatened with disintegration? And if not, what should be its place in international security architecture?

Whereas the Biden administration has emphasised alliances and values in its confrontation with China and therefore NATO has played a special role for the US, President Trump has framed the question quite differently. In its former form, NATO looks to him more like a common pleasure paid for by Washington.

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Based on the overall vision of US foreign policy, it is important for Trump to turn Europe into a true ally. The summit's key issue – increasing allied defence spending to 5 per cent of GNP – is linked to Washington's new approach.

This will not be easy, for the reasons mentioned above: the divergent

interests of European states and serious problems in their economies. As of 2024, only 23 NATO member states have met the previous 'norm' of 2 per cent of GNP. Increasing defence spending to 5 per cent quickly will be difficult for many, and some do not see it as necessary, unlike Russia's neighbours. Finding consensus may be difficult and could lead to discussion around different deadlines (2030, 2032 or even 2035) or the spending structure itself (many suggest a formula that raises defence spending to 3.5 per cent and another 1.5 per cent for infrastructure development, which can be used for defence purposes). Even if it is possible to agree on something under the pressure of Washington, there are likely to be problems with the implementation of these agreements in the future.

The traditional, and important for Ukraine, item on the agenda of NATO summits, the question of membership, is losing relevance. Realistically speaking, Ukraine has always been far from the prospect of membership, and the statements about NATO's open doors, which were in fact tightly closed, fooled hardly anyone. In 2025, it is becoming clear that the problem is not just with Hungary, but in principle: neither the Europeans nor the US are willing to take on the risks of Ukraine's membership in the Alliance. For this, Trump has additional motives of his own in his dialogue with Moscow. In this regard, the intrigue remains only in whether Ukraine will be mentioned at all in the final document of the summit and what kind of wording regarding the Russian-Ukrainian war the allies will be able to agree on.

Interest in NATO's very existence remains high among member states.

The alliance on the eve of the summit faces serious challenges, most of which are related not only to differences in priorities but also to objective changes that are taking place in the world. It is hardly likely to disintegrate. Interest in NATO's very existence remains high among member states. No one would like to lose such a reliable and effective instrument of collective security.

But it is unlikely that NATO will be able to work as before. A change in the balance of power; increased risks associated with Russian revisionism; new US priorities (the composition of representatives of non-NATO states invited to the summit – among them Australia, Japan, New Zealand, and South Korea – indicates US focus on the East Asian region) will require addressing broader and more strategic issues than the volume of defence expenditures.



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