

The US, EU and the UK: defence or destruction?

January 2026

Transatlantic relations are entering a period of visible tension as political, economic and strategic pressures converge across the US, the EU and the UK. President Donald Trump's return to office has accelerated these stresses rather than created them, exposing structural



weaknesses that had been masked by habit, shared rhetoric and institutional inertia. Nowhere is this more apparent than in debates over European defence, NATO's future role and the increasingly transactional nature of US alliance management.

Trump's administration has revived a long-standing American critique: that European allies rely on US security guarantees, while failing to generate sufficient military capability of their own. While this argument predates Trump, his approach differs greatly in tone and method. Rather than framing defence shortfalls as a shared problem, the administration has treated them as leverage points, linking security commitments to trade, territory and political alignment. The renewed US interest in Greenland has become the most visible manifestation of this shift.

Greenland and the limits of alliance unity

Greenland's strategic importance is well established; its location anchors North Atlantic and Arctic security, hosts critical early-warning infrastructure, and sits astride emerging Arctic shipping routes and resource zones. From a purely strategic perspective, Washington's focus on Greenland is not new. What is new is the explicit focus on territorial acquisition as a legitimate policy option within an alliance structure built on sovereign equality.

European governments, Denmark in particular, have rejected the notion outright. The concern within NATO is not simply the status of Greenland, but the precedent such an approach would set. If alliance cohesion depends on power asymmetry rather than consent, the credibility of collective defence becomes conditional rather than mutual.

While NATO formally remains intact, the episode has highlighted an uncomfortable reality. The alliance has no mechanism by which to manage coercive behaviour by its largest member toward smaller ones.

For the EU and UK, the Greenland issue has forced a reassessment of assumptions long taken for granted. The US remains indispensable to European security, yet, increasingly unpredictable in how it defines shared interests. This ambiguity now frames all discussions on defence spending and strategic autonomy.

Defence commitments in weak economies

European defence policy is being formulated against a backdrop of sustained economic fragility. Growth across much of the EU remains weak, debt levels are high and public finances are already stretched by demographic pressures, energy transition costs and post-pandemic obligations. The UK faces similar constraints, compounded by structural trade frictions and limited fiscal headroom.

Despite this, European leaders continue to commit rhetorically to large increases in military spending. These commitments are often stated as inevitable responses to external threats, particularly Russia and broader global instability. What is less clearly addressed is how such spending can be financed without either significant economic growth or politically costly reallocation from social expenditure. Neither condition currently appears realistic.

This gap between declared intent and economic capacity is increasingly visible. Defence targets are announced in principle, deferred in practice, and justified through future-oriented language that postpones accountability. The result is a cycle of ambition without delivery.

Political pressures and public opinion

European governments are not constrained by public opinion in this process; they are increasingly detached from it. Across multiple EU states and in the UK, defence expansion, energy policy and fiscal tightening have proceeded with limited public consent and, in many cases, explicit public opposition. The resulting political unrest is not a constraint on policy formation but as a consequence of it.

Rising living costs, reduced public services, alongside declining purchasing power, are frequently described as external pressures weighing on voters. In reality, many of these conditions are the direct outcome of policy choices made by the same political institutions now arguing that defence spending leaves them with no alternatives. The framing of defence as competing with social stability obscures the fact that both are being shaped by the same fiscal and regulatory decisions.

This disconnect has produced a growing legitimacy problem. Governments justify military expansion as necessary for security, while large segments of their public perceive declining personal security in economic terms. The absence of a credible narrative linking defence spending to tangible public benefit has widened this gap further.

Balancing defence and diplomacy

Stripped of institutional language, the situation is straightforward. Most European states and the UK cannot afford a sustained military buildup at the scale now implied by their political commitments. They also cannot openly acknowledge this without conceding strategic irrelevance within NATO and in their relationship with the US.

As a result, European defence policy has become performative. Announcements substitute for capability, co-ordination substitutes for funding, and future integration substitutes for present readiness. The repeated emphasis on collaboration and efficiency reflects necessity rather than strategy. These mechanisms were supposed to deliver results decades ago; their rebranding does not change the underlying financial constraint.

The reality is that Europe remains militarily dependent on the US and fiscally unable to close that gap for the foreseeable future. This dependence limits diplomatic autonomy at precisely the moment Washington is signalling a more conditional approach to alliance leadership.

Conclusion: defence without illusion

The current trajectory of transatlantic relations is defined less by confrontation than by erosion. Trust is thinning, assumptions are being tested and the institutional language in use is no longer sufficient to mask structural imbalances. The US push for Greenland, whether realised or not, has served as a stress test for NATO's internal coherence and for Europe's ability to assert its own strategic boundaries.

For the EU and the UK, the challenge is not choosing between defence and diplomacy but reconciling ambition with capacity. Military expansion is being promised in economies that lack the ability to sustain it, by political systems that are increasingly disconnected from public consent. Acknowledging these limits does not weaken security; failing to do so risks undermining it. Whether this moment leads to recalibration or further strain will depend less on declarations and more on whether governments are willing to align strategy with economic reality. For now, the gap between the two continues to widen.

KCS Group International – Strategic Intelligence & Corporate Security

KCS Group International is a leading provider of security and intelligence services, operating in some of the world's most difficult environments on complex cases of fraud, theft, corruption or market dynamics. We gather intelligence through the discreet use of human sources to level the playing field and help our clients identify and deal with any risks, weaknesses and threats which could impact on their business, financially or reputationally.

Our key areas of expertise include: Corporate Intelligence Services – New market or sector entry research – Know your customer screening.

In addition, we offer a unique service in the areas of Cyber Security and Cyber Risk. This covers penetration testing, vulnerability assessments, intelligence gathering and cyber security audits – providing unparalleled analysis, contingency planning and implementation.

To find out more or to arrange a meeting to discuss your business needs, please email the team at info@kcsgroup.com or call (00 44) 20 7245 1191 – www.kcsgroup.com