America “First,” Allies Lost — Russia Wins, China Smiles

How Tariffs on Europe, Japan, and Canada Weakened the West—and Delivered Strategic Wins to China and Russia

Introduction: When Economic Nationalism Turns Inward

“America First” was never merely a slogan. It was presented as a governing doctrine—one that promised to reverse deindustrialization, punish unfair trade, and restore national sovereignty. Its appeal lay in a powerful diagnosis: globalization had hollowed out American industry while others cheated their way to prosperity. That diagnosis was not entirely wrong. But the treatment that followed was deeply flawed.

Between 2018 and 2020, the United States imposed tariffs not only on China but also on the European Union, Japan, and Canada—its closest industrial and security allies. Steel and aluminum tariffs under Section 232, repeated threats of auto tariffs against Germany and Japan, and punitive measures against Canada were justified as acts of national defense. In practice, they functioned as a frontal assault on the industrial foundations of the Western alliance.

The result was not industrial revival but industrial weakening—especially among allies whose manufacturing strength was essential to countering China’s state-led economic model. Instead of forging a coordinated industrial front against Chinese subsidies, overcapacity, and forced technology transfer, the United States fractured its own coalition. Into that fracture stepped two beneficiaries: **China**, whose manufacturing dominance remained structurally intact, and **Russia**, whose shadow strategy thrives on Western division, fatigue, and mistrust.

Trump did not set out to strengthen Beijing or Moscow. But strategy is judged by outcomes, not intentions. And the outcome of tariffing allies was a redistribution of power away from the Western industrial core and toward its strategic rivals.

The Postwar Logic Trump Rejected

For most of the postwar era, U.S. trade policy toward Europe, Japan, and Canada followed a clear strategic logic: **industrial allies are force multipliers, not competitors**. Their economic strength reinforced American power, their integration reduced conflict, and their coordination limited the space for adversarial manipulation.

Trade disputes existed, sometimes bitter ones. But they were managed within a shared architecture—GATT, the WTO, bilateral consultations—designed to preserve cohesion. Even when the United States challenged European agricultural subsidies or Japanese market barriers, it did so while maintaining a basic distinction between allies and adversaries.

Trump's tariff policy erased that distinction.

By invoking national security to justify tariffs on steel, aluminum, and potentially automobiles from allied countries, the administration collapsed decades of strategic thinking into a single transactional frame. Allies were no longer partners in a shared industrial ecosystem; they were competitors extracting unfair advantage.

This shift mattered because industrial power in the 21st century is not national in isolation. It is networked, cumulative, and scale-dependent. Weakening allied nodes weakens the system as a whole.

Europe: Undermining the Only Comparable Industrial Base

The European Union—particularly Germany—possessed one of the few industrial systems capable of partially balancing China's manufacturing power. Advanced machinery, automotive production, industrial chemicals, and green technologies gave Europe leverage that the United States alone did not have.

Trump-era tariffs undercut that leverage.

Steel and aluminum tariffs raised costs for European producers already competing with subsidized Chinese output. The repeated threat of auto tariffs against Germany introduced existential uncertainty into Europe's most important industrial sector. Investment decisions were delayed, supply chains were restructured defensively, and political attention was diverted toward managing transatlantic conflict rather than coordinating a response to China.

This had strategic consequences.

Instead of presenting a united front against Chinese industrial practices—massive subsidies, market access restrictions, and forced technology transfer—the transatlantic relationship became consumed by internal disputes. European leaders were forced to defend domestic industries from Washington while simultaneously navigating Beijing's growing influence.

From China's perspective, this was an extraordinary windfall. The world's two most capable industrial blocs were fighting each other.

From Russia's perspective, it was even better. A Europe economically pressured by its own ally was less cohesive, more politically divided, and more vulnerable to energy leverage and disinformation. Moscow did not need to convince Europeans that Washington was unreliable; Washington demonstrated it through policy.

Japan: Targeting the Wrong Model

Japan represented precisely the kind of industrial system the United States should have strengthened. High-quality, capital-intensive, technologically advanced, and export-oriented, Japanese manufacturing offered a genuine alternative to Chinese dominance in electronics, automotive components, precision machinery, and semiconductors.

Yet Japan was treated not as a strategic asset, but as a trade problem.

The Trump administration repeatedly threatened tariffs on Japanese automobiles, framing Japan's success as evidence of unfairness rather than excellence. This ignored a fundamental reality: **Japanese firms compete far more directly with Chinese firms than with American ones**. Weakening Japan did not help the United States compete with China; it reduced the number of viable competitors China faced.

The effect was predictable. Japanese firms, confronted with uncertainty in the U.S. market, accelerated diversification toward Southeast Asia and China itself. Supply chains tilted further toward Chinese centrality. Regional industrial coordination weakened.

For Russia, the implications were indirect but meaningful. A weaker U.S.–Japan industrial axis reduced Western leverage in Asia and deepened Sino-Russian strategic alignment. Fragmentation among U.S. allies increased Moscow's value as a disruptive partner to Beijing.

Canada: The Absurdity of Tariffing Integration

Canada's experience exposed the internal contradictions of the tariff strategy most starkly. Canada is not merely an ally; it is one of the most deeply integrated industrial partners of the United States. In steel, aluminum, energy, and automotive production, components cross the border multiple times before final assembly.

Tariffing Canada meant tariffing the United States.

Yet under the logic of "America First," Canada was subjected to punitive measures, triggering retaliation and political backlash. Trust eroded. Supply chains were disrupted. Firms on both sides of the border sought diversification away from North American integration.

At a time when China's continental-scale manufacturing system posed the greatest competitive challenge in modern history, the United States weakened its own continental industrial base.

Once again, the beneficiaries were external. China gained from reduced North American coordination. Russia gained from further erosion of Western unity.

Why Tariffing Allies Made It Impossible to Confront China

China's industrial dominance is not a product of low wages alone. It is the result of scale, state coordination, infrastructure investment, subsidies, and long-term planning. No single Western country—neither the United States nor Germany nor Japan—can counter this alone.

Only a **coordinated industrial bloc** could.

Trump's tariff policy made such coordination politically and economically impossible. By imposing costs on allies, the United States eliminated trust, shortened planning horizons, and ensured that any response to China would be fragmented and reactive.

Instead of a joint response to:

- massive industrial subsidies
- global overcapacity
- forced technology transfer
- market access asymmetries

the West produced internal trade wars.

China did not need to alter its model. It simply waited while its competitors weakened each other.

Why This Helped Russia Even More

Russia's economy is far smaller than China's. Its power lies elsewhere—in **asymmetry, disruption, and delay**. Since at least 2014, Russian strategy has focused on one objective: **fracture Western cohesion**.

Energy leverage, disinformation, cyber operations, and political interference all serve this goal. Trump's tariff policy aligned perfectly with it.

By alienating Europe, unsettling Japan, punishing Canada, and undermining confidence in U.S. leadership, the United States created conditions Russia could exploit without escalation. A fragmented West is easier to divide on sanctions, easier to exhaust on Ukraine, and easier to portray as hypocritical and unreliable.

In this sense, tariffs on allies did more for Russian strategy than many Russian actions themselves.

"America First" as Strategic Isolation

"America First" resonated because it addressed real grievances—deindustrialization, inequality, and unfair trade. But as policy, it collapsed critical distinctions.

It failed to distinguish:

- allies from adversaries
- industrial partners from competitors
- coordination from dependence

Tariffs became a blunt instrument, applied indiscriminately. The slogan promised strength; the policy delivered isolation.

And isolation, in a system defined by scale and networks, is weakness.

The Ukraine Dimension: Industrial Fatigue as Strategy

Support for Ukraine is often framed as a question of political will. In reality, it is a question of industrial endurance.

Sustained support requires defense production capacity, energy stability, logistics coordination, and fiscal resilience. When allied industrial bases are weakened by supply-chain disruption, energy volatility, and inflation, political fatigue follows.

Russia understands this dynamic. Its objective is not immediate victory, but time—allowing economic strain to translate into political fracture. Tariff-driven fragmentation accelerated this process by weakening the industrial ecosystems required for long-duration commitment.

The Strategic Alternative That Was Missed

There was an alternative path.

The United States could have built an industrial alliance with Europe, Japan, and Canada—pooling capacity, coordinating policy, and presenting a unified front against Chinese state capitalism. It could have targeted China's practices jointly while denying Russia the fragmentation it relies on.

Instead, it chose unilateral tariffs.

The outcome was not American renewal, but Western weakening. Not Chinese restraint, but Chinese entrenchment. Not Russian containment, but Russian opportunity.

Conclusion: Strength Comes From Building, Not Breaking

History will judge Trump's tariff policy not by its rhetoric, but by its effects. And its effects were clear.

By treating allies as adversaries, the United States weakened the industrial core of the Western system. By weakening that core, it made coordinated action against China impossible. And by fragmenting the West, it delivered strategic advantages to Russia's shadow strategy.

"America First" promised strength. In practice, it produced division.

In a world defined by scale, networks, and endurance, power is not asserted through isolation. It is built through coordination. The lesson is stark: **you cannot defeat systemic rivals by dismantling your own system first**.

Whether that lesson is learned will shape not only the future of U.S. leadership, but the balance of power in the decades to come.