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The Unilateral Delusion: How Europe Mistook American Underwriting for American Aggression

EXECUTIVE SUMMARY

In March 2026, the Prothean Institute published *The Multilateral Illusion*. That brief examined how Russia, China, Iran, and Venezuela weaponised the rules-based order from outside — using its institutions, its norms, and its financing as instruments against the system itself. The West, distracted by short electoral cycles and the comfortable fiction of constructive engagement, looked away.

This brief examines the other half of the same collapse. The bad actors did real damage. But the order did not die only because its enemies attacked it. It also died because its supposed defenders hollowed it out from inside. For forty years, Europe — and to a lesser but real extent Australia — extracted from the security architecture without paying for it. They consumed the goods American power produced and condemned American power for producing them.

The good actors had a delusion of their own. They believed America was acting unilaterally. America was actually acting on behalf of the entire Western-aligned world, including them. The freedom of navigation that moved their goods, the SWIFT system that cleared their banking, the nuclear umbrella that protected their cities, the alliances that deterred their adversaries — all of it was American-funded and American-enforced. Calling that unilateralism was the convenience that allowed them to take the benefits without sharing the costs.

This brief argues that the multilateral order collapsed because both halves of its membership defected. The revisionists defected openly. The allies defected quietly. Both contributions to the collapse must be named for the diagnosis to be complete. The institute does not exempt civilisational allies from the analytical standards it applies to civilisational adversaries. Neither does the strategic environment.

1. The Two Failure Modes

The Multilateral Illusion brief catalogued one way the rules-based order failed. Russia used UN Security Council vetoes to shield genocidal clients. China used WTO membership to extract Western technology while never opening its own market. Iran used the nuclear non-proliferation framework as cover for the programme it had no intention of abandoning. Venezuela used Inter-American Development Bank financing to consolidate the regime that destroyed its economy. The pattern was consistent: the institutions were treated as instruments to be weaponised against the values the institutions were meant to protect.

That brief was not wrong. It was incomplete. The order did not die only because Russia and China and Iran and Venezuela attacked it. It also died because the countries that claimed to defend it would not pay to defend it.

Across forty years, the United States underwrote a security architecture that benefited the entire Western-aligned world. American carrier groups kept sea lanes open. American intelligence flowed into European and Australian agencies. American nuclear weapons deterred attacks on European cities. American financial infrastructure cleared the trades that funded European prosperity. American troops sat in Germany, Korea, Japan, and the Gulf to make American security guarantees credible.

Europe and Australia consumed all of this. They did not pay their agreed share of the cost. They condemned the country paying the cost when it acted in ways their domestic political audiences disliked. And they convinced themselves, over decades, that the security goods they were consuming were not American actions in any morally relevant sense — only the security actions they disapproved of were American actions, and those actions were American unilateralism.

The bad actors did not pretend to defend the system. The good actors did. The pretence is the additional failure mode this brief is required to name.

This is the unilateral delusion. America was not acting unilaterally. America was acting for the whole Western-aligned world, and most of the world consumed the benefits while disowning the bill. Europe believed America was acting alone because that belief made it unnecessary to pay.

2. What Europe Actually Did

The empirical record is not in dispute. It has been visible for decades. The political class chose not to look at it. Four domains demonstrate the pattern.

Defence

In 2014, three NATO members met the agreed 2 percent of GDP defence spending target. The target had been agreed by every member, including those that did not meet it. For the entire

post-Cold War period, most of NATO Europe sat below the line they had themselves signed. Germany was the worst case. By 2022, when Russia invaded Ukraine, the Bundeswehr — the army of Europe's largest economy — was a documented hollow force. Soldiers had no helmets. The submarine fleet had collapsed to a single operational vessel at one point. Leopard tanks sat in depots without spare parts. The official audit told the German parliament the army could not, in 2022, defend German territory if it had to.

This was not an accident. It was the result of thirty years of German governments choosing social spending over the defence commitments they had signed onto in writing. The pattern repeated across Western continental Europe. The UK, Poland, the Baltic states, and the Nordics — countries with actual memory of Russian aggression — funded their militaries properly. France retained capability but used it for independent French foreign policy rather than collective contribution. Every American president from Clinton to Biden told the Europeans they were not paying their share. The Europeans agreed in communiqués and did not pay. By the time Trump arrived in 2017, the American voter had been watching this for a quarter of a century.

Market access

Europe presented itself as the global champion of open markets. In practice, the EU operated one of the most aggressive protectionist regimes in the developed world, with the protection systematically pointed at American firms and American agricultural exports. The Common Agricultural Policy locked American food producers out of European markets while subsidising European producers to dump excess output on third-country markets. GDPR was applied with a hand visibly heavier on American technology firms than on European ones. The Digital Markets Act and Digital Services Act were drafted with American firms — Apple, Google, Meta, Amazon — explicitly in their sights, while European competitors were treated more leniently. The European Commission's competition fines fell overwhelmingly on American firms.

Australian wine producers learned a similar lesson in a different domain. When Beijing decided to punish Australia for daring to question Chinese conduct on Covid-19, the European market did not open to absorb the displaced Australian wine. Europe's market access was reciprocal in name and one-way in practice.

Energy

This is the cleanest case, because the choice was so explicit and the cost so visible. Germany — Europe's largest economy and the country whose security guarantees were most expensive for America to provide — chose Russian gas over American liquefied natural gas. The choice was made repeatedly. It survived Russian aggression in Georgia in 2008, the annexation of Crimea in 2014, the shooting down of MH17 in 2014 (which killed Australian and European passengers), Russian use of chemical weapons in Salisbury in 2018, and every American, Polish, and Ukrainian warning.

Nord Stream 2 was completed despite the explicit objection of every American administration from Obama onwards. Germany was simultaneously asking the United States to underwrite German security against Russia and paying Russia for the gas that funded the Russian

military. The contradiction was not concealed. It was visible to anyone who chose to look. The German political class did not choose to look until the gas stopped flowing in 2022. The bill arrived. Germany now pays roughly four times more for energy than it did in 2020, has begun de-industrialising as a result, and is buying — at premium prices — the American LNG it spent twenty years refusing.

Coalition warfare

Iraq and Afghanistan were the operational test of whether the alliance was a real alliance or a free-rider arrangement. The answer was visible in the casualty figures. The United States lost roughly 2,400 servicemembers killed in action in Afghanistan and roughly 4,500 in Iraq. The United Kingdom lost 456 in Afghanistan and 179 in Iraq. Australia lost 41 in Afghanistan. Canada lost 158 in Afghanistan and zero in Iraq because it declined to join. Poland, Romania, the Netherlands, Denmark, and Estonia each lost personnel in proportions that — relative to their size — matched the British and Australian commitments.

France refused Iraq outright and led European opposition to it. Germany sent personnel to Afghanistan under national caveats so restrictive that American commanders publicly described them as crippling — German troops could not patrol at night, could not engage in offensive operations, could not deploy outside specific zones. Belgian, Spanish, and Italian contributions were largely token. The pattern was that the UK, the Anglosphere allies, and the Eastern European front-line states fought the war. Western continental Europe contributed press releases. Then those same Western continental European countries spent twenty years moralising about American conduct in the wars they had declined to fight.

Defence under-funded for forty years. Markets closed selectively against the country providing security. Energy bought from the adversary the security was meant to deter. Wars fought by allies who turned up, then condemned by allies who did not. This is what extraction looks like when its beneficiaries call themselves defenders of the rules-based order.

3. Why the Allies Could Not See What They Were Doing

This is the part that requires the institute's diagnostic frame, because the empirical record above is well known and not in dispute. What is not well understood is why the European political class — and to a meaningful extent the Australian one — could spend forty years extracting from the alliance while sincerely believing they were defending it.

The Prothean Institute applies what we call the Madisonian standard. James Madison, writing Federalist No. 51 in 1788, set out a simple principle of institutional design: durable institutions must produce good outcomes from self-interested people. They cannot rely on virtue. The test is not what people should do. The test is what people will do, given the incentives the structure presents to them. Where good behaviour requires people to act against their own interest, the

system will fail. Where the structure aligns self-interest with good outcomes, the system will succeed.

Apply that to the post-1945 alliance. America offered Europe and Australia an apparently unconditional security guarantee. The guarantee was not priced. It did not appear to require the recipients to demonstrate reliability, contribution, or loyalty in order to keep receiving it. It was treated, by everyone involved, as a permanent feature of the international environment — like geography, or weather.

Now apply the Madisonian standard. A European or Australian politician facing electoral pressure had two options. Option one: tell voters that the alliance has costs, that those costs are real, that they will appear on the budget, and that voters will need to accept reduced social spending or higher taxes to pay for the security architecture from which they benefit. Option two: tell voters that defence spending can stay flat or fall, that the alliance is a permanent feature of the international environment requiring no additional contribution, and that any American complaints about under-funding can be safely ignored because the Americans will continue underwriting whatever happens.

Option one was electorally costly. Option two appeared costless. The structure rewarded silence. Forty years nearly every leader of European and Australian politicians, of every party, took option two. They did not take option two because they were bad people. They took it because the structure made option two rational and option one impossible. This is the Madisonian point: the politicians were not the problem. The structure that made the wrong choice obviously rational was the problem.

On the American side, the same incentives ran in the opposite direction. American voters paid the bill. American sons and daughters fought the wars. American taxpayers funded the carriers. American politicians faced sustained domestic pressure to ask why the wealthy democracies of Europe and the Pacific Rim were not paying their agreed share. The pressure was constant across both parties. It built across decades. Every American president from Clinton onwards complained about it publicly. The American voter watched all of this and waited for someone to do something about it.

The asymmetry was structurally unsustainable. The only question was the timing of the collapse.

The Madisonian point is not that no Anglosphere leader understood reciprocity. Some did. John Howard told Australian voters honestly what the American alliance cost and what it bought, sent troops to Iraq and Afghanistan, and built the bilateral capital that made the 2004 free trade agreement and later AUKUS possible. Tony Abbott did the same in a shorter window — direct on the alliance, direct on its costs, willing to spend domestic political capital on the proposition that Australia's security depended on showing up. Tony Blair sent British troops to Iraq across an opposite-party divide because he understood that the bilateral relationship was more important than the partisan dividend available from theatrical separation. The cost to Blair was substantial. He absorbed it because he understood what was at stake.

The European political class did not free-ride because European politicians are bad people. They free-rode because the structure of unconditional American security guarantees made free-riding the rational choice. The Madisonian standard says: blame the structure, not the actors. The actors were doing what self-interested actors will always do when the structure permits it. The exceptions — Howard, Abbott, Blair — are the proof that the structure could be resisted. Most politicians chose not to.

4. The Substrate That Made the Delusion Possible

Free-riding is not the same as believing you are not free-riding. The empirical record explains the behaviour. It does not yet explain how the behaviour was sustained alongside a sincere European belief that Europe was the morally serious party in the alliance and America was the embarrassing junior partner who needed civilising.

That belief was made possible by a substrate of ambient anti-Americanism that European progressive political culture spent forty years constructing and conservatives never seriously contested. It is examined in detail in a parallel Prothean series.¹ In compressed form: across the post-Vietnam period, European elite discourse settled on a reading of American power as simultaneously too aggressive, too unsophisticated, and too prone to military adventure to be trusted. The reading had real elements. Many American foreign policy decisions were genuinely flawed. But the reading was applied selectively. The American actions Europeans benefited from were never coded as American actions in the morally weighty sense. Only the American actions Europeans disapproved of were.

This was the cognitive infrastructure that made the unilateral delusion sustainable. The American carrier group keeping the Persian Gulf open for European-bound oil was not American unilateralism. The American invasion of Iraq was. The American intelligence flowing into European agencies that disrupted terrorist attacks in European cities was not American unilateralism. The American detention practices at Guantanamo were. The American nuclear weapons deterring Russian attack on Berlin were not American unilateralism. The American refusal to ratify the Kyoto Protocol was.

The selection was not random. The actions Europe benefited from were the ones it disowned as American actions. The actions Europe disliked were the ones it insisted were uniquely American. This is how the unilateral delusion functioned at the level of European public discourse. America was always either acting alone in ways Europe found embarrassing, or acting on behalf of values Europe was claiming as its own. Either way, Europe got to keep the moral high ground without paying for the security.

¹On the substrate of ambient anti-Americanism in Anglosphere elite discourse and its consequences for political-class category recognition, see Prothean Institute, *The Idiot Reading: Why the Anglosphere Right Still Thinks There's an Idiot in the White House*, Policy Brief, May 2026. On the bilateral consequences of the substrate, see Prothean Institute, *Decorum Discarded: How the Anglosphere Political Class Broke a Working Bilateral Norm and Sent the Bill to Its Own Publics*, Policy Brief, May 2026.

The Iraq war of 2003 was the most consequential demonstration of the pattern. France and Germany did not just decline to participate. They organised continental opposition to it. They did so while continuing to consume the security goods American power produced. They moralised about American conduct in a war they had declined to fight, while expecting American protection against the threats they preferred not to confront.

The reciprocity test came twice. The first time was Iraq in 2003. America entered a war it considered necessary for its own strategic reasons, and asked its allies to share the burden as a demonstration of the alliance functioning. The European response was to refuse, condemn, and organise continental opposition. The UK turned up. Australia turned up. Poland and the Eastern European front-line states turned up. Western continental Europe did not. America fought the war it had asked help with, took most of the casualties, and absorbed most of the cost.

The second test came in 2022 with Ukraine. This time the war was on European soil. The threat was European. The strategic stakes were primarily European. Europe wanted to respond — and discovered, after thirty years of under-investment in defence, that it could not. European militaries did not have the ammunition. European industries could not produce shells at scale. European intelligence depended on American collection. European logistics could not sustain a major operation without American enablement. Europe was, in 2022, structurally incapable of mounting the response Europe wanted to mount.

America showed up. The American response to a war on European soil — a war America could plausibly have declined — was more generous than the European response had been to Iraq, which was a war America had directly asked Europe to share. American military aid to Ukraine across 2022 to 2025 exceeded the combined contribution of every European country other than the UK. American intelligence sharing was decisive. American industrial mobilisation was the only mobilisation that mattered.

Read the two test cases together. America asked Europe for help in Iraq and was largely refused. Europe needed help in Ukraine and America shouldered the bulk of the burden. The asymmetry is the diagnostic. America operates a generous reciprocity standard — modest contributions are treated as alliance loyalty rather than as free-riding. Europe operates no reciprocity standard at all. The expectation is that American support is owed regardless of what Europe contributed when American support was requested.

The implicit American offer has been remarkably modest across decades. America commits 20,000 troops and asks for 1,000 in return — and is content to call it square. America funds 70 percent of NATO and asks for 2 percent of GDP from members — a level so low it represents little more than acknowledgement that the alliance exists. America sustains the global security architecture and asks that allies refrain from publicly humiliating the country sustaining it. None of these are demanding terms. Most allies have failed to meet them. The European political class has spent forty years treating these minimal terms as imposition rather than as the bargain price of the security architecture they have benefited from.

5. Trust as the Capital That Was Spent

Alliances run on two things. Leverage is one. Trust is the other. Leverage is what you can do to a partner if they do not cooperate. Trust is what allows partners to cooperate without constant verification of every transaction. The Multilateral Illusion brief examined how the leverage architecture replaced multilateral consensus as the operating currency of contemporary strategy. This brief examines a parallel and causal mechanism triggered the shift toward leverage: the depletion of trust capital across forty years of allied behaviour. The two analyses are companions.

Trust is built slowly. It is the accumulated record of partners showing up when called, paying their share, declining to humiliate counterparts for domestic political advantage, holding the line in difficult moments. It is durable but it is not infinite. It can be drawn down through repeated minor failures across decades. Each individual episode is survivable. The accumulation is not.

The longitudinal record an American voter has watched between 1995 and 2026 is the trust ledger:

Year	What the American voter watched
Late 1990s	NATO Europe persistently below 2% of GDP defence spending. Clinton raises it. Communiqués agree. Nothing changes.
2003	Iraq coalition splits. France and Germany not just decline — they organise European opposition.
2003–2011	Afghanistan. German and Western European troops operate under national caveats American commanders openly call crippling. American casualties accumulate.
2008	Russia invades Georgia. European response weak. Nord Stream planning continues.
2011	Libya. France and UK lead politically. American military assets do most of the work. Europe declines responsibility for the migration consequences.
2014	Russia annexes Crimea. European response is sanctions. Nord Stream 2 begins anyway.
2015–2016	European migration crisis. Europe expects American help managing the strategic problems Europe imported.
2017–2020	First Trump administration. European response is performative outrage rather than commitment increase.
2019	Macron declares NATO "brain dead" while presiding over a French military stretched thin because other Europeans declined to invest.
2021	Afghan withdrawal exposes that European forces depend entirely on American logistics, intelligence, and air support. They cannot evacuate their own people without American enablement.

Year	What the American voter watched
2022	Russia invades Ukraine. Germany announces Zeitenwende. Delivery is partial and slow.
2024–2026	American electorate, having watched all of this across thirty years and six administrations, ratifies an explicit alliance reassessment.

Each episode was survivable in isolation. The accumulation across thirty years was not. The trust capital that allowed cooperation without transactional verification had been spent. By 2024, it was not there to be drawn on. The leverage architecture that the Multilateral Illusion brief documented is what remains when trust is gone. It is the strategic equivalent of cash-only transactions in a market where the cheques have been bouncing for thirty years.

Leverage is what you fall back on when trust is depleted. Multilateral Illusion examined the new currency. This brief examines one of the mechanisms by which the prior currency was destroyed. Both are necessary to understand what comes next.

It is worth being honest about what the alternative would have required. Both Trump and the Democratic establishment had the political capital, in 2024, to continue the prior arrangement. Mainstream American media still believed in the multilateral order. The Atlantic Council, the Council on Foreign Relations, the major newspapers, the bipartisan foreign policy consensus — all of these would have supported a continuation. A different president, in either party, could have run the play one more cycle. Some of that capital was still there to be spent.

Trump chose not to spend it. The choice was deliberate and consonant with his approach to other accumulated risks the political class had been deferring for decades. The Iranian nuclear programme had been deferred since the 1990s. The Chinese trade arrangement had been deferred since 2001. Venezuela's transformation into a narco-state under Chavez and Maduro had been deferred since the early 2000s. Hezbollah's accumulation of precision-guided missiles in Lebanon had been deferred since 2006. Hamas's Iranian-funded arsenal had been deferred across multiple cycles. The institutional capture of the FDA, the intelligence services, the federal bureaucracy — all of these had been deferred by every previous administration on the grounds that disrupting them was too costly in the short term.

Trump's diagnosis is that the accumulating risks have reached the point where one administration must accept the cost of arresting them, because no future administration will have a better opportunity. Each year of deferral makes the eventual reckoning more expensive. Each year of European free-riding makes the eventual confrontation harder. Each year of unaddressed Iranian capability brings the regional war closer. The choice is not between disruption and continuity. The choice is between disruption now, on terms the disrupting administration can shape, or disruption later, on terms imposed by accumulated reality.

Whether Trump's specific instruments are correct in every case is a separate question. The diagnostic underlying his approach — that accumulated political risk eventually becomes uncontrollable, and that one administration must accept the cost of arresting it — is

structurally accurate. The European political class is responding to an American president who has decided to do the work successive administrations of both parties refused to do. The response, predictably, has been to attack the work rather than to ask why it was deferred for so long that someone had to do all of it at once.

6. Trump as Consequence, Not Cause

It is comforting for the European political class to read the present moment as a Trump phenomenon. If the rupture is about one personality, it can be waited out. A different American president will arrive eventually and the prior arrangement can be restored. This reading is wrong. It mistakes the messenger for the message.

The trust capital was already exhausted when Trump arrived in 2017. The American electoral coalition for unconditional alliance underwriting had been hollowed by thirty years of accumulated grievance before any specific politician named the change. Trump named it. He did not create the conditions that made naming it electorally viable.

Consider the counterfactual. Suppose Trump had never run for president. Suppose a different politician with similar instincts had won in 2016 — or that a more conventional Republican had won and pursued a quieter version of the same alliance reassessment. Would the underlying calculus have shifted? The evidence says yes. The reassessment is bipartisan. The Biden administration retained the Trump tariffs on China. It conducted the Afghan withdrawal in a manner that exposed European dependency on American enablement. Its USTR characterised the Trump-era trade architecture as effective. The American voter base that funded European security at zero charge for fifty years had simply contracted below political viability, and the contraction was visible in both parties' shifting positions across the Obama, Trump I, Biden, and Trump II administrations.

Trump made the change explicit and theatrical. He did not invent it. The personalisation of the mechanism is itself a European delusion — a way of avoiding the structural diagnosis by attributing the rupture to a personality that can be repudiated. The personality will pass. The structural change will not.

There is a precise parallel here that explains what comes next. The Prothean Institute has documented elsewhere² that conservative governments in the Anglosphere have historically slowed progressive momentum without reversing it. Howard, Cameron, Harper, Morrison — all presided over institutional environments that continued to drift left even when conservatives held office, because the underlying institutional infrastructure favoured progressive direction. The progressives were the revisionists. The conservatives were the brakemen. The brakes slowed the train. They did not change its direction.

²On the structural pattern of conservative governments slowing but not reversing progressive direction, and the underlying institutional infrastructure that produces the asymmetric ratchet, see Prothean Institute, *Nothing Left to Conserve: The Structural Conservatism That Keeps Losing the Culture War and the Reckoning That's Overdue*, Policy Brief, April 2026.

The same dynamic is now operating in reverse, with the sides swapped. Trump is the structural revisionist on the alliance question — reading reality accurately and acting on that reading. A subsequent Democratic administration will function as the brakeman. It can slow the departure from European partners, restore some diplomatic decorum, and offer European political classes the polite forms they have been missing. It cannot reverse the underlying calculus, because the trust capital required to restore the prior arrangement has not been rebuilt and cannot be rebuilt by a single American administration without European behavioural change that is not on the table. Whoever holds the structural initiative determines the direction. The other side becomes the brakeman. The labels swap. The dynamic does not.

Personalising the mechanism mistakes the messenger for the message. Trump is the recognition of reality, not its cause. A subsequent Democratic administration will function as the brakeman — slowing the departure from European partners without reversing it. The structural reassessment is the new direction. Both parties will operate within it.

This matters for what comes next. Better European management of Trump's ego — a more flattering tone, a less theatrical performance of contempt at G7 summits, fewer leaked anti-Trump asides from foreign ministries — would have slowed the unwinding and produced more graceful transition. It would not have preserved the prior arrangement. The prior arrangement was structurally exhausted regardless. European political classes that continue to behave as though the next American election will reset the calculus are misreading the moment as fundamentally as they misread Trump in 2017.

7. Not All Allies Performed Equally

"Europe" is not a useful unit of analysis for what comes next. Lumping the UK, Poland, the Baltics, and the Nordics in with France, Germany, Italy, and Belgium weakens the diagnosis and gives critics easy purchase. The brief should be precise about who performed and who did not, because the precision matters for what comes next.

The reliable bloc is the UK and the Anglosphere allies who turned up in Iraq and Afghanistan; the Eastern European front-line states (Poland, the Baltics, Romania) who fund their defence properly because they remember Russia; the Nordics (Finland, Sweden, Denmark, Norway) who joined NATO without coercion and brought serious capability; and the Netherlands, which has consistently contributed in proportion to its size.

The unreliable bloc is Germany (Bundeswehr collapse, Nord Stream, Russian gas dependency maintained against thirty years of warnings); Italy (defence spending below 2 percent until 2025, Belt and Road agreement signed in 2019, energy dependencies on adversaries); Spain (lowest NATO spending bracket, Iraq withdrawal under Zapatero); Belgium (defence underfunding so severe NATO has publicly cited it); and Luxembourg (rounding error).

France warrants its own paragraph because France's recent conduct goes beyond extraction into something harder to explain charitably. Across 2023 to 2026, the French government has taken positions on Iran and Gaza that materially advantage actors whose stated objective is the destruction of the United States and Israel. France led European recognition pressure on Palestinian statehood while Hamas tunnels were still being cleared. France argued for the easing of Iranian sanctions while the Iranian regime was supplying drones to Russia and missiles to Hezbollah. France's posture toward the Iranian-funded axis has, on multiple specific decisions, run closer to the Tehran-Beijing-Moscow line than to the Anglosphere line. This is not free-riding. This is something else. Iran's stated objective is "death to America" and "death to Israel." A French government that materially supports that programme, while continuing to expect American security underwriting, has crossed a line that simple extraction does not describe. The word that fits is closer to a stab in the back than to free-riding.

The United Kingdom under Starmer warrants separate treatment for the opposite reason. The Starmer government's posture toward the second Trump administration has been the most antagonistic British conduct toward an American president in the post-war period. The signals from Downing Street, from the Foreign Office, and from Labour-aligned commentariat have been visibly cooler than at any point in the modern bilateral relationship. This is genuinely damaging. It is also recoverable. The underlying British-American relationship has seventy years of trust capital deeper than the current government's posture. A British government that returns to the working norm — Conservative, Reform-led, or even a recalibrated Labour — can rebuild the bilateral relationship within a single electoral cycle. The damage Starmer is doing is real but reversible. The structural foundation is intact.

Australia sits in a similar category to the UK — unnecessarily antagonistic ruling elite and government, with residual goodwill available to a successor administration that understands the relationship and seeks to rebuild it. The proof that the goodwill exists is in the historical record. Under Morrison, when the first Trump administration imposed steel and aluminium tariffs on the rest of the world, Australia was excluded. The exclusion was not accidental. It was the product of a Morrison government that maintained the bilateral relationship in working condition, an Australian ambassador (Joe Hockey) who understood the relationship as a working bilateral asset, and a Trump administration that responded to demonstrated reliability with reciprocal treatment. Australia got the exception because Australia, at that moment, was demonstrating it deserved one. The same exception is available to a future Australian government that performs the same demonstration.

The current Albanese government, like the Starmer one in the UK is moving in the opposite direction. Public commentary from Australian ministers, the public broadcaster, and the Labor-aligned commentariat has run consistently cooler toward the second Trump administration than toward the Biden administration, despite the substantive policy continuities between the two on issues of direct Australian interest. The same pattern documented across Europe — performance of contempt for domestic political dividend, with the bilateral cost displaced onto the Australian public — is now operating in Canberra. The Morrison-era exception that Australia received was the product of choices Australian governments made. The current Australian government is making the opposite choices, and the cost will be denominated in capability, timing, and bilateral standing.

Japan, South Korea, and the Anglosphere Pacific allies have generally performed better than continental Europe across the post-Cold War period and have been treated by both Trump administrations accordingly. Countries that demonstrated reliability over decades have been accorded continuing partnership. Countries that extracted are being asked to demonstrate reliability they previously declined to demonstrate. Countries actively advancing the agendas of America's adversaries are in a category of their own.

8. What Now Follows

If trust capital is depleted and leverage is the operating currency, two things follow for what the architecture should now look like.

The first is tiered alliance architecture. The unconditional security guarantee that prevailed from 1945 to 2024 is gone. It was always going to fail the Madisonian test eventually because it created a structure in which free-riding was rational and contribution was costly. The replacement should be conditional: deeper integration, intelligence sharing, technology access, and security guarantees for countries demonstrating sustained reliability over years; transactional relationships only for countries that demonstrated the opposite. The reliable bloc named above earns the deeper tier. The unreliable bloc earns the transactional tier until they rebuild trust through structural commitment over multiple electoral cycles.

This is exactly how mature institutions handle trust elsewhere. A British high-street bank does not extend an unsecured overdraft to every account holder regardless of payment history. Trust is granted on demonstrated behaviour over time and removed when behaviour drifts. The same logic applied to alliances would produce a healthier architecture than either the prior unconditional arrangement or pure transactional leverage.

The second is that there are no shortcuts back. The political capital required to restore the prior unconditional arrangement is gone. It was burned through across thirty years of European extraction. Performative loyalty in the wake of Trump II — sudden professions of NATO commitment, theatrical defence spending announcements, communiqués pledging unprecedented strategic alignment — will not restore it. Trust capital is rebuilt the way it was originally accumulated: through twenty years of demonstrated structural commitment across electoral cycles, through actual delivery of pledged capability, through the absence of foreign-minister briefings undermining bilateral counterparts, through serious economic decoupling from the adversaries the alliance is meant to deter.

The *Zeitenwende* is the early test case. The German announcement in February 2022 was correct. The delivery has been slow, partial, and contested. By 2026, German defence spending has risen but remains structurally constrained by domestic political resistance to the social-spending trade-offs honest defence funding requires. The Madisonian test of whether *Zeitenwende* is a real structural shift or a performative episode that fades when pressure relaxes is whether the German political class has accepted that the cost must be paid by the German voter, or whether it is still hoping the cost can be deferred. The early evidence is not encouraging.

The opposite case is the Indo-Pacific. The American alliances with Japan and South Korea are growing in value while the alliances with Western continental Europe are contracting. Japan announced in 2022 a doubling of defence spending to 2 percent of GDP, and is delivering it. Japan is acquiring counterstrike capability, integrating with American forces at deeper levels than at any point since the war, and quietly building the industrial base needed to sustain a long-term competition with China. South Korea is expanding its defence industry, has become one of the largest arms exporters in the world, and is positioning itself as a serious contributor to allied capability rather than as a free-rider. Both countries face existential threats their European counterparts do not. Both have responded by investing in alliance-relevant capability rather than by extracting from alliance-provided security. The Trump administration has rewarded the difference. Japanese and Korean leaders receive better bilateral treatment than German or French ones because their countries are demonstrating different behaviour.

This is the proof of concept for the tiered architecture. Reliability is rewarded. Extraction is not. The same standard applies on both sides of the world. The countries that meet it are accorded the relationship. The countries that do not are not.

9. The Australian Choice

Australia is the only Anglosphere country whose strategic posture in 2026 is genuinely undecided. The UK has its history and its capability. New Zealand has chosen the smaller-target path. Canada under Carney has chosen the contempt-theatre path. Australia has not yet chosen.

AUKUS is the most consequential defence agreement Australia has signed since ANZUS in 1951. It commits the United States, the United Kingdom, and Australia to integrated submarine technology and broader defence-industrial integration over thirty years. If delivered, it places Australia in the inner circle of American allies for the next half-century. If not delivered, the alliance accumulated across seventy years is hollowed in a single decade.

This is not the deepest problem. The deepest problem is that for forty years almost no Australian politician of any party has attempted to explain honestly to Australian voters what the American alliance is, what it costs, and what it buys. Australians have benefited enormously from the alliance — open trade routes, intelligence sharing, the implicit nuclear umbrella, the deterrent effect that has kept Australia out of major-power conflict since 1945 — but most Australians could not name the benefits if asked. The benefits have been invisible because no Australian politician has been willing to make them visible.

Abbott was the last consistent exception with the courage to name the costs as well as the benefits. Both lost domestic political ground for doing so. The lesson taken by every Australian politician since has been that honest articulation of the alliance is electorally expensive, and that the cheaper option is to take the alliance for granted, take the benefits for granted, and never explain either to the public. Forty years of this approach have produced an Australian electorate that does not understand what is at stake, an Australian political class that is no

longer capable of explaining it, and an Australian foreign policy that drifts because nobody is willing to anchor it.

This is the gap that a serious Australian leader would now fill. Tell voters what the alliance has done for Australia. Tell them what it costs and what it buys. Tell them what AUKUS will deliver and what it requires. Tell them that the Indo-Pacific is now the centre of strategic competition, that Australia's prosperity depends on the outcome of that competition. Tell them that the political class has been performing contempt for their security partner for cheap domestic dividend, and that the bill is being charged to them rather than to the politicians who incurred it. Make the alliance visible. The public can decide what to do about it once they can see it. They cannot decide while it is invisible.

The next federal cycle is the moment. Australia can choose to become a reliable ally in the inner tier of the new architecture, in which case AUKUS delivers and Australia is treated by Washington as a senior partner alongside the UK and Japan for the next half-century. Or Australia can drift, in which case AUKUS falters and Australia receives the transactional treatment that Western continental Europe is now receiving. The choice is not abstract. It will be made by Australian voters who do not yet understand they are making it. The political class that is performing contempt for cheap dividend is spending strategic capital that does not belong to them. The capital belongs to the Australian public. The public is paying the bill while being told the bill is somebody else's fault.

10. The European Choice

Europe has fewer options than its political class wants to acknowledge. Three are nominally on the table.

The first is rebuilding trust through twenty-year structural commitment. This is hard. It requires telling European voters that the alliance has costs, that those costs were always real even when no one was naming them, that they will appear on the budget as reduced social spending or higher taxes, and that there is no shortcut. It requires sustained capability investment delivered, not announced. It requires economic decoupling from China and Russia at meaningful cost. It requires holding the line for two decades without theatrical pivots when domestic politics tempt them. This is the option that preserves the alliance. It is also the option that requires European political classes to do something they have demonstrated for forty years they will not do unless forced.

The second is accepting the transactional-only relationship. Buy what you need from America at market price. Negotiate access on a deal-by-deal basis. Accept that intelligence sharing is conditional, that technology transfer is conditional, that security guarantees come with explicit conditions including alignment on China policy, defence spending floors, and end-use restrictions on technology. This is the option Europe is currently drifting into by default. It is workable. It is also significantly worse for Europe than Option One.

The third is building independent European strategic capacity. Macron has been articulating this for a decade. France has neither the population, the economy, nor the political alignment with the rest of Europe to deliver it alone. Germany has the economy but lacks the political

will, the strategic culture, and the demographic base. The combined EU does not have a unified foreign policy, a unified defence procurement, or a unified intelligence apparatus. Building these from current baseline would take twenty to thirty years of sustained investment and political will that Europe has not demonstrated since the 1950s. By the time the capacity exists, the strategic environment that made it necessary will have moved on. Europe cannot, on current trajectory, build independent strategic capacity in time to matter.

Rebuild trust the hard way, accept transactional relationship, or build independent capacity that cannot be built in time. There is no fourth option. The drift the political class is currently performing is not a fourth option. It is denial of the choice.

There is no fourth option. The choice is Option One, Option Two, or pretend the choice is not real and continue drifting toward Option Two while denying it. The third path is the one European political classes are currently taking. The drift is not strategy. It is the absence of strategy in the presence of a structural change the political class has not yet accepted as real, and while the demographic and voter trends complicate the decision making are significant but outside the scope of this Brief.

11. Conclusion: The Symmetric Diagnosis

The Multilateral Illusion documented how the bad actors weaponised the rules-based order. This brief documents how the good actors hollowed it. Both contributions to the collapse are necessary to understand the present moment. The institute does not exempt civilisational allies from the analytical standards it applies to civilisational adversaries. The strategic environment does not exempt them either.

The Madisonian frame applies to both halves of the diagnosis. The bad actors weaponised the system because the system rewarded weaponisation. The good actors hollowed it because the system rewarded hollowing. In both cases, the structure produced the behaviour. In both cases, the corrective is structural, not moral.

For forty years, Europe and Australia consumed American security goods while denying that the goods existed. They moralised about American power while requiring American power to underwrite their prosperity. They performed contempt for the country whose protection allowed them to perform contempt safely. They did so not because they were bad people but because the structure made it costless to do so. The structure has now changed. The costs are now arriving. The publics whose political classes incurred them are paying the bill.

The unilateral delusion was that America was acting alone. America was not acting alone. America was acting for the entire Western-aligned world, and most of the world chose to deny that this was happening because denying it was cheaper than paying for it. The denial has finally cost more than the payment would have. That is the position from which Europe and Australia now have to negotiate. The position is worse than the political class wants to admit. Naming it honestly is the first step in repairing it.

The Multilateral Illusion ended with a question: whether the West could deploy its leverage with strategic intent before its advantages eroded. This brief ends with a different question, addressed to the West's own allies. Will the European and Australian political classes accept the structural diagnosis and rebuild trust capital across the next twenty years through demonstrated commitment? Or will they continue drifting toward the transactional-only relationship while pretending the drift is entirely attributable to the Americans? The first option preserves the alliance. The second option ends it. There is no third option. The political class that performed the contempt theatre has spent capital that did not belong to them. The publics now have to decide whether to pay it back.

About Prothean Institute

The Prothean Institute is an independent strategic research organization dedicated to understanding, preserving, and renewing the foundations of thriving societies.

Our mission is to develop political, cultural, and social frameworks that are deeply aligned with the structures, instincts, and emotional architectures that sustain human flourishing across generations.

Our work focuses on:

- Developing strategic whitepapers, policy briefs, and advisory documents to support effective governance and leadership.
- Conducting philosophical, historical, and behavioral analysis of political and cultural trends.
- Equipping leaders with frameworks that connect emotional resonance to rational clarity and practical governance.

At the Prothean Institute, all policy recommendations and strategic analyses are grounded in strict epistemic rigor and the reality of real-world conditions and human nature. Idealism, where entertained, is explicitly noted as distinct from core analysis. We reject abstractions untethered from reality and seek to equip leaders with tools that work in the world as it is — not as we might wish it to be.