

## US elections 2024: Implications of a potential Trump or Harris presidency for the EU

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### Introduction

With the United States (US) elections happening on 5 November, uncertainty remains not only about the outcome itself but also the timing and clarity of the final election results when they get announced. Last time, it took close to four days until most media outlets had enough certainty about the outcomes in the major swing states to call Joe Biden the winner. It can be expected that Donald Trump will contest the results – both in key swing states and at federal level.

Depending on who wins the White House, much is at stake for European politics of the next 5 years. Republicans and Democrats might agree on scaling up and investing in domestic industries but that would be the fossil or clean tech industry depending on the election results. They also have [diverging views on climate action](#), defence, trade and multilateralism at large.

*Strategic Perspectives is a think tank that presents non-partisan views. This paper is an analysis of potential scenarios and their implications for the EU. This paper will focus on potential Harris and Trump II scenarios and repercussions for the EU in terms of trade, geoeconomics, industrial, economic and energy policies, as well as international climate cooperation.*

### Key dates:

- 5 November: US elections
- 7 November: Meeting of the European Political Community in Budapest, Hungary
- 8 November: Informal European Council in Budapest, Hungary
- 11-22 November: 29<sup>th</sup> UN Climate Summit (COP29) in Baku, Azerbaijan
- 12-13 November: COP29 world leaders climate action summit in Baku, Azerbaijan
- 18-19 November: G20 leaders' summit in Rio de Janeiro, Brazil
- 17 December: [US electoral college](#) meet in all 50 states and the District of Columbia and cast their ballots - one vote each for president and vice president.
- 17 December: Environment Council
- 19-20 December: European Council
- 1 January: Poland takes over rotating EU presidency
- 6 January: US electoral votes are read and counted before a joint session of Congress
- 20 January: US Inauguration Day: The new president and vice president are sworn in and take office.

### Highlights of the policy briefing:

- Irrespective of who wins the US elections, [substantial investments](#) and policy reforms are needed for the EU to regain leadership in the [cleantech race](#). The EU can show how the transition to climate neutrality and the Clean Industrial Deal are the best way to secure its competitiveness and prosperity.
- A no-regret in both scenarios is for the EU to define a new geoeconomic stance on the US and China to clarify acceptable levels of risk exposure for energy, technology, supply chain and material import dependencies and how to reach them to show unity among leaders.
- Under a Trump II scenario, the EU can anticipate more tariffs and protectionist measures to be announced, reduce its LNG import dependence and strengthen international cooperation.
- Under a Harris scenario, continuity of many Biden policies and positions can be expected. Transatlantic relations can then focus on accelerating the global energy transition.

## Chapter 1: Overall risks of a Trump II presidency

In the event that Donald Trump is re-elected, a high degree of disruptiveness can be expected domestically and internationally. His second term would likely be obstructionist and anti-cooperative, characterised by an inflammatory protectionist tone and measures typical of his first round in power. Furthermore, the current state of affairs of European politics shows internal divisions and nationalist narratives in several Member States. Therefore, Trump could play the *divide et impera* strategy with the European Union (EU) and undermine its unity.

As will be highlighted throughout this paper, a second Trump presidency could be more radical, organised, protectionist and impactful. The threats to democracy, human rights, the rule of law, multilateralism and the rules-based world order are real and could cause a range of repercussions that are difficult to grasp. Many of his threats (i.e. cutting funding to the United Nations (UN) system) might take time or cause court cases intended to stop him but are still likely to be effective, especially with the majority in the Supreme Court in his favour.

### **Project 2025**

The ideas set out in '[Project 2025](#)' give a prelude of broader and better organised plans to emerge in the next 5 years. Project 2025 is the plus-900 pages document issued by the Heritage Foundation. The document covers four policy lines aimed at redesigning US politics and its democratic structures in the years to come, such as sovereignty and weakening the administration. Despite Donald Trump officially distancing himself from the publication following criticism, it can serve as a blueprint to understand the conservative roadmap for power.

The overall stated goal of Project 2025 is to increase the presidential power to directly control all of the federal bodies according to what is labelled as 'unitary executive theory'. This would reduce the checks and balances mechanisms in place and leave more room for manoeuvre for the President.

On climate politics and economy, Project 2025 lists a proposal to stop the "[war on oil and gas](#)" in the name of energy security. On tariffs and trade, the document does not give a unifocal vision, rather proposing two competing ones: free trade or tariffs.

### **Multilateralism and international relations**

The upheaval of the international liberal order is underway and a second mandate for Trump could further destabilise it. New emergent centres of power like China, India, Brazil and South Africa are advancing in their geopolitical and geoeconomic quest in times of weak US global leadership.

Based on the programmatic agenda points listed in 'Project 2025' and the public statements made by Donald Trump, the political and financial design of the multilateral system would be at risk. Trump has been particularly critical towards the United Nations (UN) and its humanitarian aid capacity, but spared no effort towards the World Bank (WB), the International Monetary Fund (IMF) and the Organisation for Economic Cooperation and Development (OECD). Concretely, Trump could withdraw from some of them or undermine their functioning by [decreasing the US funding](#).

The US is the single largest contributor to the UN system, it provided more than \$18 billion in 2022, accounting for [one-third](#) of the UN's funding, among which is a share of [25% of the peacekeeping budget](#). The previous Trump administration had notably cut funding to the World Health Organization (WHO) by 20% and threatened to withdraw from the body entirely during the pandemic. While some of these threats are [unlawful](#) without Congress approval, the Trump administration might still achieve [results](#), especially if the Republicans win Congress.

### **Implications for European politics**

A range of far right and populist parties made serious gains in the European elections on the back of a strong campaign. Even if this didn't translate into them having substantially more legislative power in the Parliament, the additional seats and formation of new political groups mean their visibility increased. Already ahead of the last European elections, Trump's former advisor Steve

Bannon had plans for a far-right '[supergroup](#)' in the European Parliament. Over the last five years, the Republican party and the European far-right aligned more on inflation, immigration, and a rejection of the traditional institutions — Trump's main themes — have all played a role in the far right's rise in Europe. Trump's return to the White House could embolden them again, especially like-minded leaders and politicians.

The US elections will happen at a time of a political leadership vacuum at EU level as many leaders focus on domestic priorities. Initial individual reactions by leaders will unlikely send a unified European message to the world and the debate on the broader implications of a Trump II presidency would last for the years to come. An even tougher US stance on China and additional trade tariffs would come in sync with the Europeans also becoming more assertive, as shown the recent tariffs on Chinese electric vehicles.

Concerns about Trump's statements on security, [North Atlantic Treaty Organization](#) (NATO), support for Ukraine, response to potential trade threats and tariffs seem to be the [most pressing](#) ones for the continent. Security, including energy security, will certainly be a top priority for the incoming Polish EU presidency. At times when austerity measures and fiscal conservatism dominate national budget debates, many governments might not be prepared to commit to substantial additional support for Ukraine, military or investments for industrial competitiveness right away. Other governments will follow Mario [Draghi's advice](#) and argue that injecting substantial investments into the European economy is long overdue to keep the EU competitive. Hence it would be timely to continue the joint borrowing of recovery funding to support the military, Ukraine and European industry. Whilst a potential Trump win could therefore worsen already brewing conflicts, it also has the potential to galvanise cross-party alignment.

Instead of a one-off debate in the immediate aftermath of the elections, EU leaders might face the need to respond to his actions regularly. In fact, there are high chances that the results will not be clear by the [Informal European Council](#) on 8 November. Still, leaders will be able to discuss potential responses to both candidates, marking their concerns, priorities and red lines. The incoming Polish presidency would be organising formal outreach to the future US President, given that they will be in charge on Inauguration Day on 20 January 2025.

Whilst the EU will obviously maintain open lines as well as a certain level of engagement and cooperation with an incoming Trump administration, it is important that it does not come across as naïve or unprepared. The EU risks undermining its credibility if the intention to avoid any provocation or direct criticism turns into the perception that the bloc turns a blind eye to any attacks on democracy, human rights or the rule of law or it sacrifices its own interest to appease Trump on trade.

### **Strategic Perspectives recommends governments prepare:**

- Clear joint lines in response to a potential Trump win to both show unity and leverage the weight of the entire EU in the debate.
- For the need to substantially ramp up support for Ukraine, the military, the UN system and European industry and consider the extension of the joint borrowing scheme that has been applied to recovery funding.

## **Chapter 2: Trump's plan on trade and geoeconomics**

### ***A tougher stance on China through tariffs***

Trade is a key priority for President Trump. His first mandate featured high tariffs and trade bans on Chinese goods with the goal of favouring the US job market. His tariffs had cost [245,000 jobs](#) in the US but the primary goal was to broaden his own voter base.

This time around, Trump faces a different situation compared to 2016. The posture that the US will adopt on China will be in response to a far more conflictual world where trade and military spending mutually influence each other – and might not differ substantially between Republicans and

Democrats anymore. J.D Vance would be a hardliner on China as Vice-President given he publicly stated that Beijing represents the [biggest threat](#) to the US. So, Trump has opened the door to an intense debate on trade policies, mainly on the following options:

- **Tariffs:** Trump acts following the same political moves he used in his first mandate, imposing high tariffs on Chinese goods, thus creating a trade deficit. However, less exposure to the Chinese market would not lead to overall decreased dependence on the Chinese sphere of influence in markets like Malaysia or Thailand. Therefore, the US manufacturers would not be able to fully replace Chinese imports on their own. Even if in terms of public perception, tariffs could make Trump popular with voters in the industrial heartlands, in terms of job creation and manufacturing capacity, this posture would not ensure huge benefits. Indeed, by definition, a trade deficit implies more spending than production capacity.
- **Divestment and bans on Chinese goods:** This approach follows the idea that China represents an existential threat to the US. Therefore, deterrence is paramount to counter it and he assumes he could entirely cut ties with the Chinese market. Practically speaking, this might not be possible but would rather result in export control and restrictions, inbound screening of goods, cut off any Chinese presence in critical infrastructures, supply chain resilience policies and technology control. Renewed and reinforced economic security measures would be implemented as the tool to fight against China.

### ***Risk of extending tariffs universally***

Risks arising from US trade policy decisions also exist for the EU. A full-blown Transatlantic trade conflict is unlikely given the [strong ties](#), so the EU is bound to engage in trade discussions with any future administration. Trump mentioned the option of a [universal baseline tariff](#) of 10-20% on all imports to the US, apart from those from China (for which the tariff would be of 60%), currently amounting to \$3 trillion per year. This means that EU goods would be directly affected by this move. According to Goldman Sachs, the EU would lose around [1 percentage point of GDP](#) if Trump decided to impose tariffs.

Despite China being recognised as the main adversary, Trump [publicly declared](#) in a conversation with Elon Musk on X that Europe also takes advantage of the trade conditions currently in place, therefore suggesting tariffs as a solution to it. Whilst his public statements do not always coincide with actual moves, these kinds of declarations could pressure the EU to buy American products and adopt US standards in sectors like high-tech. Even if tariffs were not the preferred solution, other non-economic measures could be adopted to promote reshoring and reindustrialisation.

### **Strategic Perspectives recommends the EU:**

- For defining a new geoeconomic stance and clarifying its relations with China, including acceptable risk exposure for technology, supply chains and material import dependencies, as well as how to reach them.
- Remains in close contact with industry leaders of companies that might be most affected to discuss how to counter or respond to US tariffs, as well as potential protectionist measures.
- Anticipates tariffs or protectionist measures from the US when designing the Clean Industrial Deal and Competitiveness Fund.

## **Chapter 3: Assumptions on Trump's industrial, economic and energy policies**

### ***Economics and finance***

Tax, spending, and industrial policy are interlinked topics in the approaching US presidential elections. The next President's economic policies will determine the growth path of the US and impact financial market trends accordingly. Trump is expected to prioritise tax cuts – at least to the level of 2017 – and thus cause a debt increase to create jobs and foster market growth. If he faced

resistance on the Democratic side (in the event that they were to win the Senate) he might focus more on foreign policy.

On top of the tax cuts, trade disputes and protectionism would be the dominant theme, and the EU would be more heavily impacted as well. Especially if the next Trump administration would decide to [“retaliate”](#) against the EU’s Carbon Border Adjustment Mechanism (CBAM).

### ***Industrial policy and the Inflation Reduction Act (IRA)***

Trump’s industrial idea for the US is to forge the resurgence of a solid and competitive American industrial base (based on fossil fuels) to lead the technology competition with China. This push for fossil fuel sources would be accompanied by an attempt to overturn or weaken Biden’s measures for the energy transition, starting from the Inflation Reduction Act. However, fully repealing the IRA would be very difficult for Trump, given it was passed by Congress as a bi-partisan law. It would thus require the majority of Congress members to undo it, very hard to achieve in either case of a Democratic majority or a Republican one. Especially as [around 80% of IRA-sponsored investments](#) have benefitted [republican-governed areas](#), making it quite popular in the Republican circles. His America first principles and ambiguity on the IRA are reflected in his position on electric vehicles, which he dislikes if they are imported from China but favours when produced by Tesla and his ally Elon Musk.

If repealing the IRA is not an option, its application could realistically become tougher and delayed under Trump:

- Conditions to access tax credits could be made stricter, e.g. by being based on the origin of the clean manufacturing products;
- Requests for funding for clean energy projects are reviewed by governmental staff. In the case of a Trump-led government, little attention would be given to the know-how of reviewers.

These two factors together could lead to delayed project initiation, more relaxed scrutiny for clean energy projects and scaling back of tax credits. Indeed, [around 30%](#) of IRA energy and climate funding could be at risk under Trump. If Trump managed to affect the IRA, however, it could benefit the EU competitiveness agenda as the US would effectively withdraw from [the cleantech race](#). Whilst additional jobs in the fossil fuel sector might be created in the short-term, this could hamper the US’ competitiveness in growing global cleantech markets.

### ***Energy policies and Liquefied Natural Gas (LNG)***

Donald Trump has [highlighted](#) that fossil fuel production brings socio-economic benefits and jobs to Americans whilst reducing inflation, according to what is labelled as [“energy dominance”](#). Overall, this strategy consists of relaxing American tax laws, accelerating permitting procedures, abolishing environmental and climate policies, and providing a cascade of direct subsidies to fossil sources, as well as tariffs when needed.

Trump’s approach in justifying this political line is that choices for the US and its industrial base need to be driven purely by the market. However, Trump’s conceived market would prioritise the use of fossil fuels, also through additional financial support for infrastructure projects and oil and gas drilling. This would be at a time when drilling has already reached [unprecedented rates](#). In Trump’s assumptions, this would halve inflation and decrease energy prices. The success of this plan is questionable given the volatility of the oil and gas market, but Trump will seek to directly control it. This potential pressure on the EU is also only effective for a few years as gas demand is [expected to drop](#).

It was under his first presidency that Trump signed an agreement with the previous Commission President Juncker to export LNG to the EU. Trade flows have increased ever since, reaching a [new high](#) in the wake of the Russian war in Ukraine. Not only could Trump try to increase the LNG volumes sent to Europe but he could also impose a [tariff on LNG](#) as a bargaining tool to negotiate increased

defence spending with the EU. LNG export increases to the EU in exchange for military spending and contributions to NATO by the US represents a realistic scenario under Trump II. Internationally, this would be a bad sign for the energy transition narrative, turning the US into a laggard.

#### **Strategic Perspectives recommends the EU:**

- Reduces LNG import dependency by speeding up deployment and investments in renewables, electrification and grids, and halting constructions of new gas infrastructure.
- Not compromises on fully applying the Carbon Border Adjustment Mechanism (CBAM) to the US.
- Highlights that net-zero transition is a key guarantee for the EU's competitiveness and prosperity in case Trump scales back the IRA, showing that the EU maintains its course with the industrial transition that is feasible and brings socio-economic benefits.

### **Chapter 4: Implications on global energy and climate cooperation in case of a Trump win**

Not only has Trump voiced climate denialism repeatedly, he has also [stated](#) that American society stands to gain financially from more fossil fuel exploration. Contrary to [evidence](#) and European views, Trump states that using more fossil fuel would bring down inflation and energy prices. A future Trump presidency would thus undermine the global consensus reached at the 28<sup>th</sup> UN climate summit (COP28) to transition away from fossil fuels. Without any credible action by the next US administration, other major fossil fuel producers such as Saudi Arabia or Qatar have an excuse to not implement any measures to reduce production or consumption.

China continued to actively engage in climate negotiations and action during the first Trump presidency, notably by co-chairing with Canada and the European Union the [Ministerial on Climate Action](#) (MOCA) and pledging to get to net zero no later than 2060. There is little indication on what the Chinese leadership would decide this time, it is unlikely though that China would weaken its [dominant position](#) in the global cleantech race.

A future Trump administration would thus have serious repercussions on various diplomatic fora that discuss climate and energy, for instance the meetings of the Group of 7 (G7) and 20 (G20), the UN climate convention (UNFCCC) and a range of initiatives and cooperation in which the US is involved. This would be a significant loss as bilateral statements with China are commonly the most impactful for global climate and energy cooperation. When the two largest economies and emitters agree on a position, this regularly sets the basis for a multilateral outcome, such as the [Sunnylands Statement](#) from last year that laid the foundation for the G20 and COP28 results.

#### **G7 and G20**

The ability of the US to combine geopolitical, security and economic interests in its bilateral relations allows it to assert significant diplomatic pressure on partner countries. It is most evident in the G7 or G20 context that the US sways countries to back its positions in the outcome documents. Even countries that are not traditionally perceived as cleantech or climate leaders have advanced through bilateral cooperation with the US, as examples in [Japan](#) or [India](#) show. Whilst the G7 morphed into an effective G6 when Trump disengaged the last time, the G20 dynamics risk becoming difficult to navigate.

The G20 leader summit under Brazilian leadership this year will happen just 13 days after the US elections and would provide an opportunity for leaders to discuss a Trump win on the margins of the summit in the presence of President Biden. The Brazilians seek to demonstrate Global South leadership which could still be effective under Biden, before South Africa takes over the presidency in 2025 and has to tackle disputes with the Trump Administration (if they engage). This year, the G20 will see preparatory talks on the landing ground for agreeing on a new climate finance goal at COP29 and we will likely see a range of countries submitting 2035 NDCs well ahead of the [February deadline](#) next year. The upcoming [South African summit](#) in 2025 may then struggle to agree on anything on

climate before the US is meant to take over the presidency in 2026. In short, the G20 can still agree on an outcome text on energy and climate ahead of the disruption caused by a Trump win.

### ***UN climate regime***

In June 2017, the Trump administration withdrew from the Paris Agreement, though it [took three years](#) for this to come into effect due to the built-in rules that no country could leave within the first three years of ratification. It took an [executive order](#) from President Biden in order to rejoin and the US delegation still had a seat at the table, negotiating on agenda items under the framework convention (UNFCCC) which are [different](#) from negotiations of the Paris Agreement.

This time, [Trump threatens](#) to withdraw from the framework convention itself. The process would probably take about [one year](#) and would likely be challenged in court by a senator to cause delays or be considered unconstitutional. However, re-joining would require a two-thirds majority in the senate, a [requirement](#) that, given current politics, would leave the US out of climate negotiations for the foreseeable future. Most countries are expected to confirm their support for multilateral climate negotiations and the Paris Agreement already at COP29 but, in the case of a Trump win, it is difficult to anticipate the impacts on the regime in the long term if the US remains absent. A future Democratic presidency could at least re-engage in other international initiatives that the US is heavily involved in, such as the [Methane Pledge](#) and [Just Energy Transition Partnerships](#) but Trump is expected to halt the US' support for them.

### **Strategic Perspectives recommends the EU:**

- Secures stronger alignment with leaders of emerging economies in the global South by engaging with the Brazilian and South African G20 presidencies.
- Prepares a joint statement with other countries on the importance of the Paris Agreement in the case of a Trump win during COP29.
- Steps up co-operation on decarbonisation with emerging and developing countries, especially by accelerating the reform toward a more equitable governance of international financial institutions, providing support for the rapid deployment of renewable energy and increasing the tools ([Global Green Bond Initiative](#)) that can leverage more private finance for the global South.

### **Chapter 5: Continuity of the Biden agenda under Harris**

As California Attorney General, Kamala Harris had a strong [track record](#) on climate and energy. Before entering the White House, she supported the Green New Deal, called for a ban on fracking, a tax on carbon pollution, and [has prosecuted oil companies](#) for environmental violations. Back in 2019, she had put together a [\\$10 trillion plan](#) to build a clean economy by 2045 that included decarbonised electricity by 2030 and 100% zero-emission vehicles by 2035, as well as halting new (and phasing out existing) fossil fuel leases on public lands.

Already as Vice President, she saw the “Green New Deal” [turn into](#) the Inflation Reduction Act and has experienced what is politically feasible when being in the White House. While her personal ambitions might be high, she is largely expected to provide continuity on most topics of the Biden administration. Her speeches as a candidate are [deliberately light](#) on policy details, especially those related to climate and energy, given they could shrink her voter base in swing states, so [she supports fracking](#) in Pennsylvania.

There is a high certainty that the Harris administration would continue to engage on climate and energy bilaterally and in multilateral settings, also in the context of the Paris Agreement. The Harris administration would be responsible for implementing the 2035 climate goals that the US is expected to announce this November (at the G20 or COP29), ahead of the [10 February deadline](#) for NDCs. The [Democratic Party Platform](#) covers the following:

- Support investment in and deployment of energy efficiency and clean energy to lower energy prices for households and create new jobs.
- Build more climate resilient communities given the extreme weather events such as forest fires or hurricanes affecting the US.
- Continue to increase operation costs for the oil and gas industry by phasing out fossil fuel subsidies, making companies clean up drilling sites or raising the fees for drilling on public lands.
- Make electric vehicles account for 50 percent of all new passenger cars sold in the U.S. by 2030.
- Support the COP28 agreement to transition away from fossil fuels.
- Support the global goals to triple renewable energy and double energy efficiency by 2030.
- Commit to achieving \$11 billion dollars of climate financing a year by 2024, to help develop the international clean energy market.
- Elevate climate and energy priorities through the Multilateral Development Banks or [debt-for-nature swaps](#).

The analysis within the following two chapters is based on a mix of her previous actions or recent remarks, the priorities of the Democratic platform and comments of well-informed policy experts. In fact, the lack of clarity on her policy agenda has featured in [national](#) and [international media](#).

### ***Stance on trade***

If elected, Harris would likely focus on continuing a balanced trade policy that promotes American manufacturing and protects workers' rights. Like President Biden, she took a [tough stance](#) on China (albeit softer than Trump), emphasising the need to hold it accountable for unfair trade practices, intellectual property theft, and human rights abuses. Harris would likely maintain targeted tariffs on specific Chinese goods to protect US industries while also advocating for multilateral alliances to address global trade challenges in the context of the World Trade Organisation.

The Biden administration has turned Trump's tariffs on EU steel and aluminium imports temporarily into a ["tariff rate quota" system](#) until 2026 but the next US administration is expected to take up the issue again. The continuation of the EU-US [Trade and Technology Council](#) could remain the forum to smooth out disputes regarding trade and industrial policies .

### ***Industrial, economic and energy policies***

If Kamala Harris wins the presidency, the next four years would likely focus on additional action to combat climate change, prioritise clean energy and enhance environmental justice. She would continue to foster efforts in the manufacture of electric cars and other clean energy technology and support households with the uptake of renewable energy and efficiency through the IRA. However, the IRA is [insufficient](#) to help the US to achieve its [2030 climate pledge](#), let alone a new 2035 goal, and hence additional policies would be needed to make the US credible.

Central to this agenda would be substantial continued investments in green technology and infrastructure, ensuring that marginalised communities benefit from the transition. The federal government might increase funding for research and development of clean energy technologies, aiming to spur innovation in carbon capture, battery storage, and energy efficiency. The fact that [oil drilling](#) and [LNG exports](#) reached an all-time high under the Biden administration, however, casts doubts about if Harris has the willingness and ability to set the US on course to reduce its fossil fuel production and consumption.

### **Strategic Perspectives recommends the EU:**

- Discusses industrial transition in more detail in the context of the Trade and Technology Council in order to better align on respective impacts of investments and trade measures such as CBAM and tariffs (especially the aluminium and steel tariffs) in a trusted space.



- Uses initiatives such as the Germany-led [Climate Club](#) to discuss standards, policies and finance for the industrial transition with a wider group of like-minded countries.

## Chapter 6: Domestic and international energy agenda under a Harris presidency

The forthcoming years are key to the global energy transition and to implement the decisions taken at COP28 where countries [committed](#) to tripling renewable energy and doubling energy efficiency by 2030, as well as moving away from fossil fuels. In the context of the G7, the US agreed to decarbonise their power systems by 2035 but have made [insufficient progress](#) so far. Whilst the Harris administration might plan to accelerate energy decarbonisation domestically and internationally, it would face substantial obstacles. In fact, the US is now the [main producer](#) of oil and gas in the world and has regained full energy sovereignty, contributing to keeping [electricity prices very low](#) compared to Europe. It is not certain that a Harris administration would be ready to forfeit such a competitive and financial advantage.

### *Domestic zigzag on fossil fuels*

The fossil fuel industry is deeply enshrined in the US economy, employing about [1.7 million](#) people (in 2019) and contributing about [\\$1.8 trillion](#) to the US economy (in 2021). The US produces and consumes [one fifth](#) of the world's oil. Harris therefore [remains ambiguous](#) on actual plans to address the sector. Within the realm of what might be politically feasible are:

- Boosting renewables, energy efficiency and electrification as an effective way to reduce fossil fuel demand;
- Continuing to work on regulating methane to reduce emissions and [increase production costs](#) for the fossil industry,
- Making the current '[pause](#)' on permitting for new LNG export infrastructure permanent.

### *International cooperation*

Internationally, Harris has advocated for partnerships with other countries to advance clean energy technologies and share innovations and best practices to accelerate the global transition to renewables. The [Just Energy Transition Partnerships](#) could see a new appeal if the US engages more strongly and actually delivers the promised finance to them if Congress approves.

Whilst policies and platforms are still not defined, experts assume potential interest to engage more with Africa in bilateral cooperation. Harris could start engaging with major economies in the G20 to ensure their NDCs are submitted by February and include tangible energy goals for fossil fuels and renewable energy. Even if the US' own plan wouldn't include these goals, the US administration might sway countries like Japan or India to be more ambitious due to the approach of linking security, trade and economic priorities to their cooperation.

### **Strategic Perspectives recommends the EU to:**

- Encourage the Harris administration to show credible leadership on the transition away from fossil fuels by committing to no new oil and gas licensing and setting out a tangible reduction of production and consumption for the next decade.
- Confirm with the Harris administration that the EU gas demand is expected to [decline](#) over the next decade and reinforce the support of the US decision to stop building more LNG export infrastructure.
- Strengthen cooperation or alignment on energy decarbonisation in developing countries, through the Just Energy Transition Partnerships or similar platforms that support the decarbonisation of countries in the global South.