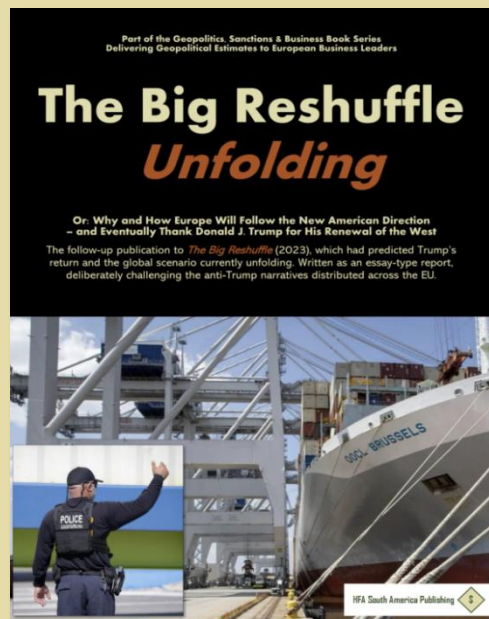


The Big Reshuffle *Unfolding*

- Preview -



HFA South America Publishing





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Front: U.S. CBP photos by Jerry Glaser – public domain. Big one: Containers are lifted off a container ship by quay cranes, at the Port of Savannah June 28, 2023. Small one: U.S. Customs and Border Protection officers with the Office of Field Operations conduct Non-Intrusive Inspections (NII) of shipping containers at the Port of Savannah, June 28, 2023.

Back: U.S. Navy photo – public domain. By Mate 3rd Class Jarod Hodge. PACIFIC OCEAN, (June 18, 2006) - A U.S. Air Force B-2 bomber is accompanied by F-15s, F-16s, as well as Navy and Marine Corps F-18s, as it flies over the USS Abraham Lincoln (CVN 72), USS Kitty Hawk (CV 63) and USS Ronald Reagan (CVN 76) carrier strike group during a joint photo exercise (PHOTOEX) in preparation for Valiant Shield 2006. The PHOTOEX featured the bomber as well as 16 other aircraft and the U.S. Navy Kitty Hawk Carrier Strike Group. The Air Force is currently participating in Valiant Shield 2006, the largest joint exercise in recent history. Held in the Guam operating area (June 19-23), the exercise involves 28 Naval vessels including three carrier strike groups, more than 300 aircraft and more than 20,000 service members from the Navy, Air Force, Marine Corps, and Coast Guard.

Picture on prior page:

Florida Governor Ron DeSantis, President Donald Trump, Secretary of Homeland Security Kristi Noem on a security and illegal immigration related field trip in Florida. (Photo by ANDREW CABALLERO-REYNOLDS/AFP via Getty Images; licensed under 2222320232, 2104706420.)

**South America,
September 2025**

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Contact:

For publishing-related inquiries: hfasa.office@protonmail.com

For business inquiries: os@rsb-international.com

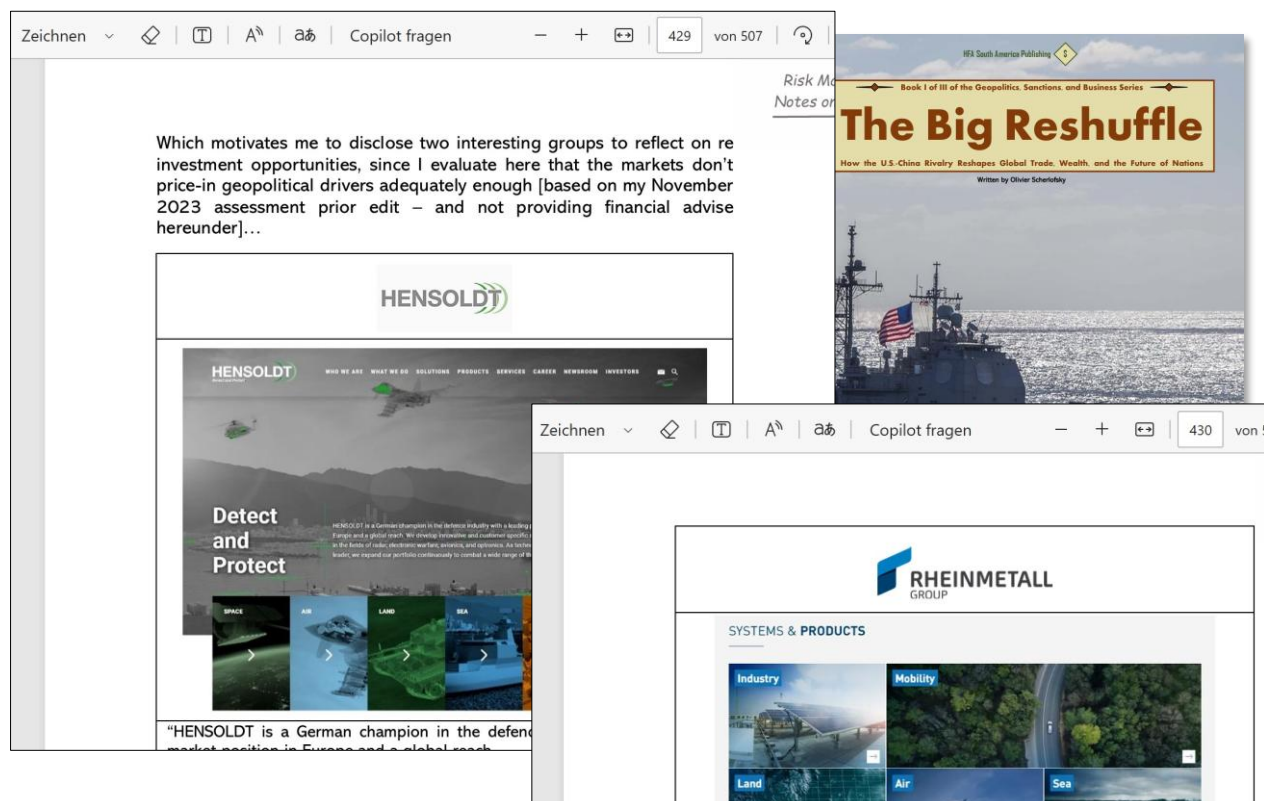
The “So What?!” from a Business Perspective: Can Geopolitical Ideas Be Translated Into Profits? Yes, as those Know Who Took Our 2023 Publication’s “Stock Ideas” Serious...

This report provides no financial advice, but offers general ideas outside of the (EU) mainstream. Should the track record be an indicator, it is worth mentioning, that the only time I had provided such investment-related ideas in publications before, the performance speaks for itself:

The predictions made in my prior publication, The Big Reshuffle (2023), not only performed (1) with respect to substantial (geo)political changes ahead (which most did not want to see; compare, for example, most EU analysis papers or business analysts during the Biden years) but (2) also with respect to very tangible business ideas: Among others, did this white book predict the shift toward 3.5%–5% of GDP defense spending in Europe. At the time of publishing, this was considered “impossible” by the many who lacked the kind of insights that our geopolitical intelligence approach produces. Related to that, The Big Reshuffle included two “ideas” for stocks corporations to watch, based on our assessment that geopolitical trends were underestimated (and thus their effects not yet properly priced in): the German defense players Rheinmetall and Hensoldt. (**These were the only two stock ideas provided** in the book, so they represent 100% of the book’s “stock performance”). Note: These two titles are not start-ups or “growth chips”; Rheinmetall is even a DAX 40 constituent, and thus a German blue-chip. **Now see their exceptional rise since then – and compare it with any other blue-chip.**

The only two stock market ideas published (in The Big Reshuffle, 2023), to provide examples how our geopolitical estimates could directly translate into market gains		
	At the time of The Big Reshuffle’s final edit (Nov 2023)	Now (June 2025)
Rheinmetall AG ISIN: DE0007030009	At about: € 280	Between: € 1750 and € 1900
Hensoldt AG ISIN: DE000HAG0005	At about: € 25	Between: € 90 and € 100

From the PDF version of The Big Reshuffle, as published in late 2023:



The Content's Structure and Key Takeaways

1. In Europe, Blunt Anti-Trump Media Coverage Merged with Nostalgic Post-Cold War Idealism Creates a Systemic Blindness for the Strategic Reshuffle Unfolding
 2. The U.S. Has a Cycle of Self-Chosen Strategic Change and Renewal – Due to Its Geopolitical Substance, Unique Political Setup, Flexible Elites, and Can-Do Culture
 3. The Outlines of a New American Grand Strategy Can Be Identified: Prepare America for a Different Age and Counter China
 4. The Executors of America's Strategic Transition Phase: The American Tycoon Trump and His New Team of Loyal Winners
 5. Trump's Election and Reelection Have Been Clear – and Telling – American Choices
 6. A Suggestion Regarding Where to Place Trump Historically and Grand Strategically: Nixon, Reagan, Trump
 7. Why and How America's Old Allies in the World Will First Complain – but Eventually Follow the New American Direction
 8. In the U.S. and Europe, from the Right to the Left, Conservative Values Push Back Against Recent Progressiveness and Its Belief in Ever-More Globalization
 9. Conclusion and Most Likely Scenario Direction Ahead: America Is (a) Renewing Its Homeland, Western Hemisphere, and Allied Bloc, while (b) Preparing for the Long-Game Against a Rising China
- About the Publisher and the Author
 - Attachment: About The Big Reshuffle (2023)

**1. In Europe, Blunt Anti-Trump Media Coverage
Merged with Nostalgic Post-Cold War Idealism
Creates a Systemic Blindness
for the Strategic Reshuffle Unfolding**

The structure of this Chapter, and its takeaways in a nutshell:

1. Challenging the Anti-Trump Narratives in Europe Helps to See Where the World Is Really Heading
2. Five Biases That Keep Europe Blind: Anti-Trump Media, Post-Cold War Idealism, Historical Amnesia, Incapability to Understand Trump's Tactical and Strategic Style, and Europe's "Rule-Follower Naivety"
3. Trump's Team Is Preparing America and the West for a New Historical Era
4. Trump's Realism and Negotiation Style Are Reshaping Western Capitalism for the Age of Geopolitics
5. Why European Corporations Must Adapt to Trump's Approach or Face Strategic Decline
6. Europe Can Survive and Thrive – But Only by Joining Trump's New America
7. Bias Driver 1 – Post-Cold War Idealism: Trump Accepts the End of an Era, While Europe Clings to Illusions
8. Bias Driver 2 – The Anti-Trump Media Loop: How Systematic Negative Coverage Distorts Europe's View
9. Bias Driver 3 – Ignoring America's Historic Cycles: Why Waiting for a "Return to Normal" Is Futile
10. Bias Driver 4 – Misunderstanding Trump's Unorthodox Leadership: The Logic Behind His Strategic Approach, Communication Style, and Deal-Maker Tactics
11. Bias Driver 5 – Europe's Rule-Follower Naivety: Treating Rules as Untouchable Until New Rules Replace Them
12. Looking Beyond Daily Noise: Track Long-Term Outcomes – Preparing the West, Brokering Peace, and Countering China

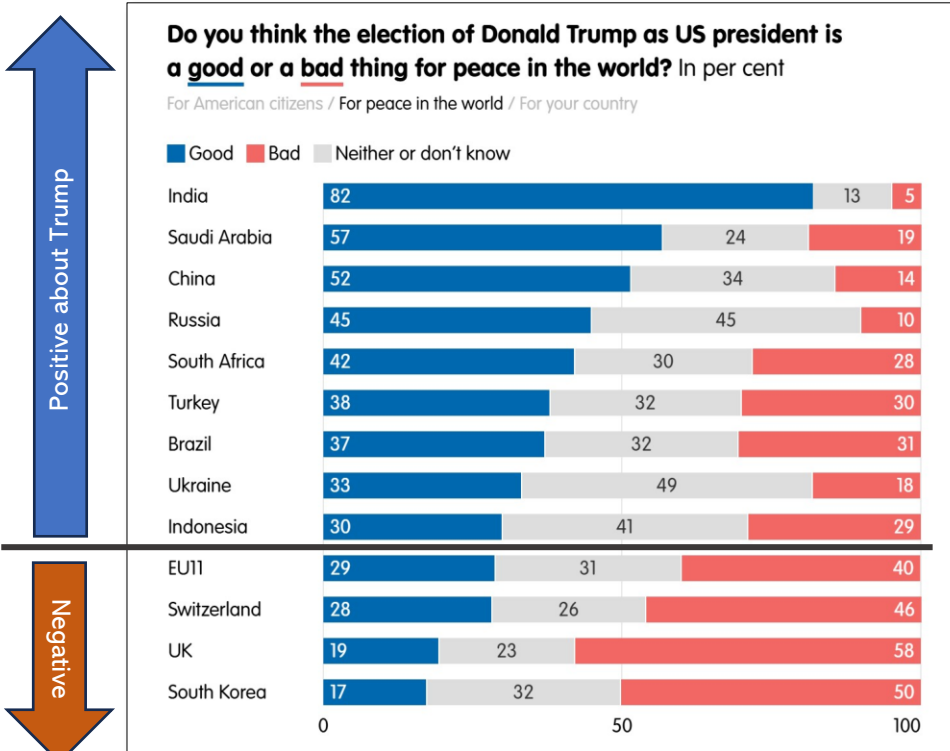
Chapter Intro: If My Fellow Europeans Want to Understand Where the World Is Heading, I Suggest they Challenge the Unhelpful Anti-Trump Narratives Spun Across EU Media Outlets

In *The Big Reshuffle* (2023) we laid out as the “most likely” geopolitical scenario ahead, that in order to renew itself and counter China, the U.S. would grand strategically readjust (first) itself and (then) its bloc (Europe,...); by re-electing the “Strategic Disruptor” Donald J. Trump who – this time with a deep and broad administrative base – would then lead this cyclical adaptation. Now, August 2025, even CNN (its “data guru” Harry Enten), has to admit: **“The Donald Trump administration is arguably the most influential this century; and probably dating back a good portion of the last century as well. Love it, like it, lump it. Trump is remaking in the United States of America.”**¹ And we can add: As well as the world; whereas in many ways, this geopolitical renewal is already playing out – not least by successful peace politics. (So far achieved peace efforts by Trump, within the first months: India/Pakistan, Rwanda/DRC, Armenia/Azerbaijan, Cambodia/Thailand, Egypt/Ethiopia. Furthermore, thanks to Trump’s unconventional approaches critical progress – progress not seen before – occurred in: Israel/Iran, Israel/Palestinians, Serbia/Kosovo, Ukraine/Russia).

However, while in much of the world the recent election of President Trump is viewed (very) positively, Europe remains the only large region where Trump is still painted as erratic, irrational, or worse. To cite the fitting words of the European Council on Foreign Relations (a think tank not known as “Trumpian”), which organized the following revealing survey:

Alone in a Trumpian world: The EU and global public opinion after the US elections

Timothy Garton Ash Ivan Krastev Mark Leonard X



Survey and graphic by the European Council on Foreign Relations:

“A new survey for ECFR reveals people in many countries around the world are upbeat about the second Trump presidency. Many think Trump will not just be good for America but that he will bring peace or reduce tensions [...]”

<https://ecfr.eu/publication/a-lone-in-a-trumpian-world-the-eu-and-global-public-opinion-after-the-us-elections/>

¹ CNN’s “data guru” Harry Enten:
https://www.youtube.com/watch?v=2QtqKZ4x_Qk

How can the perception gap be so wide? As a geopolitical observer and an Austrian/European who, since decades, is conducting business across continents (and living across the world, from the U.S. to Southeast Asia) I have reached my own conclusions. I doubt that “everyone outside Europe is blind or driven by Trump propaganda”. Rather, in the EU most media reporting on Trump is skewed by deep biases and resulting flaws.

Relatedly, many Europeans opposing the current American direction remain hopelessly hopeful for a return to a “pre-Trump America”. Naively not understanding that neither Republicans (who easily could govern for 12 years, as under Reagan/Bush) nor Democrats would rebuild post-Cold War pillars – from WTO dominance and open-border approaches to “value interventions” or “forever/nation-building wars”. Instead, U.S. foreign policy will likely follow a renewed, Realism-based grand strategy focused on the long game against China – a China increasingly flexing its muscles and poised to dominate Asia and Europe through supply-chain dependencies and, next, control of key sea lines, unless a U.S. course change intervenes. (Realism being the leading International Relations paradigm until the 1980s across politics and leading academics. It underpinned the West's post-World War II rise, enabled effective diplomacy, and helped avoid World War III while winning the Cold War.)

From a European perspective the *irony* being that actually **Trump's “pushy readjustment” of the West is saving Europe** – from the brutal decline those increasingly face who stick to post-Cold War Idealisms while under geopolitical and domestic challenges not seen since World War II.

This is not to blame (my fellow) Europeans. **Most people in the world form views on U.S. politics from media narratives** rather than experience. In that sense hereunder offers a reflection tool for Europeans – helping to explain why (since 10 years) most in the EU are constantly surprised about Trump, his victories, and his geopolitical moves. Thus hereunder is a tool to test the opposite view against the anti-Trump misconceptions and assumptions distributed across the EU. Or to put it in theatrical terms (for those who hoped for a Harris victory and cannot see the grandeur of Trump's presidency): Hereunder is playing the devil's advocate.

Upfront Clarification by the Author, About Hereunder Unusual Report Approach:

The following report is written “*essay style*” and provides a **pro-Trump perspective**. For a good reason: To balance against the anti-Trump framing existing in Europe. To speak with Hegel's* dialectic: By **adding hereunder the missing (1) thesis (pro-Trump) to the existing (2) antithesis (anti-Trump) circulating in the EU**, readers can hopefully forge their own balanced (3) synthesis – and, with it, a sharper analytical compass for the years ahead.

*Hereunder is, however, more “Luhmannian” than “Hegelian”: Our applied GAST approach, which helped us predict geopolitical developments that contradicted mainstream opinions, is a mix of Geopolitical Intelligence Analysis (“GA”) and Luhmann's Systems Theory (“ST”).

(Luhmann is now increasingly recognized as the greatest German sociologist since Max Weber. His magnum opus is an interdisciplinary Systems Theory – dispersed across about 80 books and hundreds of articles – which he developed during a 30-year academic project that begun after his time at Harvard. Therein Luhmann analyzes and merges the history, evolution, and logics of politics, economics, culture, media, and more. Luhmann's Systems Theory thereby builds in part on the tradition of Hegel while taking a pragmatic, functional, complexity-aware, and Realism-based approach to politics and ethics. Rather than searching for a single overarching principle (such as Hegel's Reason/Spirit), Luhmann's approach focuses on evolving distributed structures/systems and their flows of communication as action (power/law/money/news ...) between humans – individuals and collective systems like markets, political publics, governments. Thus, Luhmann is “colder”, more complexity- and multi-perspective-aware, and, in my estimate, analytically sharper than Hegel. For those into Clausewitz: Luhmann is, in my mind, the “Clausewitz of the Civilian World”. Parallels with the breakthrough thinking of Andrew Marshall and his “Office of Net Assessment” in the Pentagon also come to mind – the concept that, with its non-linear, comprehensive, and qualitative thinking, became a game changer for strategic planning during the last Cold War. Interestingly enough, translating Luhmann from German into English is even worse than translating Clausewitz, and thus, as in the case of Clausewitz, it took and still takes decades to introduce Luhmann into strategic American thinking.)

Thus, the short answer to the question why in Europe the perception is so heavily lopsided can be summarized as follows: In the case of Donald Trump, since about 10 years EU media outlets tend to spread dark and framing narratives – in an exceptionally systemic manner (i.e. across the spectrum of different established news-papers and TV stations). Making it difficult for Europeans to perceive Trump differently – until it becomes clear, that the reporting was neither objective nor predictive. But that process of recognition will take years to unfold. (Eventually Europeans will likely feel: *“What they told us about Trump and his America created a picture that did not match reality... President Trump and the renewed America are much stronger and better – for itself, for Europe, for world peace – than what the pushed sentiment suggested.”*)

To Halt Its Decline, Established Media Should Learn from the Most Successful New and Social Media Formats

At the same time, hereunder is not a condemnation of “mainstream media” in Europe. I myself would prefer these outlets to develop a fair perception of President Trump, the New America, and the success stories they produce. (Being someone who since early childhood days has intensively read, watched, and listened to a broad range of these established outlets. Thanks to my grandparents and parents – my father, for example, made his PhD by merging Political Science with Communication Science/Journalism.)

After all, **media – established, new, and social – fulfills a critical role in our democracies. But to stay relevant, outlets must adjust their perceptual prisms** to new realities; otherwise fewer people will read, watch, or listen. And among that shrinking share even fewer will consider them credible. If established EU outlets want to help themselves and their societies, they should consider learning from newer outlets, podcasts, and social channels that (a) have become go-to sources for a growing share of the population and (b) deliver meaningful content – such as the Joe Rogan interview format or the 2WAY platform in the U.S. (We will refer to 2WAY as an exceptionally helpful source for understanding U.S. politics.) These platforms deliver open, unbiased views of changed world realities and of the new generations of politicians that have emerged. Represented by Trump in the U.S., as well as those in Europe who understood already how to start playing according to the new game in history: Be it in the center or among conservatives (Germany’s Merz after abandoning the Merkel doctrine), be it on the Right (such as Italy’s Meloni), or on the Left (Danish Social Democrats, e.g.). (For more on that cultural-political shift see Chapter 8.)

For these and other reasons, there is a good chance that some of today’s anti-Trump-leaning EU outlets will eventually rethink and adapt – not least because this balancing of the media world is already happening in the U.S., and EU media is strongly influenced by narratives created in America’s media sphere. To be precise: they are mostly influenced by what Left-leaning American outlets create. Even when EU outlets do not recognize or admit the influence, it is observable: A large number of narratives from certain U.S. media, think tanks, or interest groups later appear almost copy-paste in EU media. This “becoming realistic” among established EU outlets will take time – and strong, honest characters who self-reflect, understand, admit, and adjust, which will make them more successful as journalists and businesspeople through greater credibility, pragmatic flexibility, and better predictive estimates.

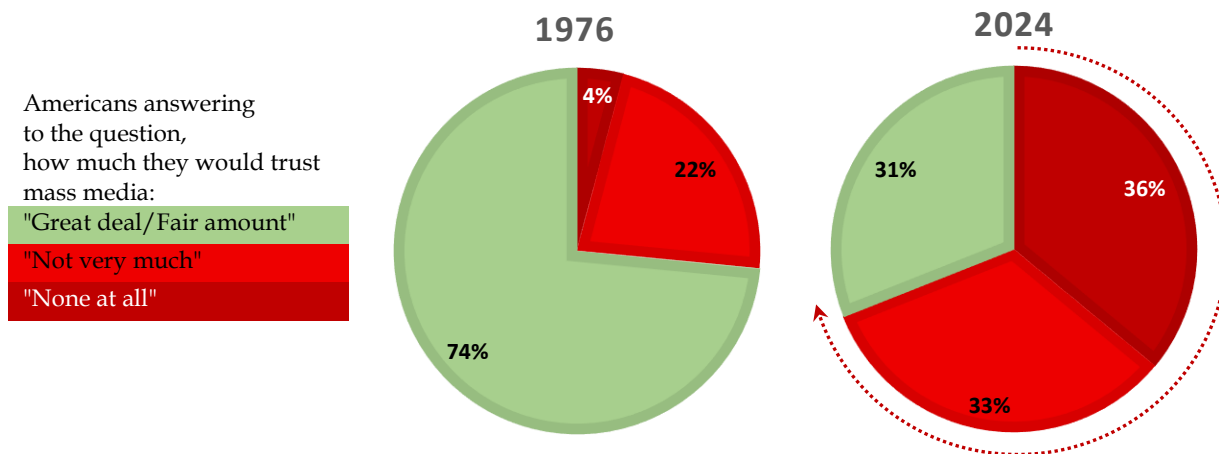
For now, however, most Europeans who depend on EU coverage are kept in the dark regarding the real plans and capabilities of President Trump and his team.

This blunt Anti-Trump framing of most outlets will not help established EU media outlets stop their existentially threatening decline. In the U.S., they could already study where the “moralistic journalism” of recently is leading...

A Friendly Recommendation for European Media Outlets: To Remain Credible and Relevant, Stop Framing Donald J. Trump, Since the Dark Tales About Him Will Soon Look Ridiculous

Or: People Eventually Stop Believing, Reading, Paying,
Once they Repeatedly Experience Gaps Between Reporting and Reality

Over the recent decades, in the U.S. (like in Europe) it became ever more “popular” among journalists to be “mission-driven” and to “explain” to their readers/watchers how/what they should think about the world and others. Where “necessary to convince” even framing actors, such as Donald Trump, once he had challenged the dogmas of the time. This rise in activist/moralist attitudes eventually correlated with an exceptional decline in trust by the readers/watchers. To think that this correlation is not related to effects of causation, would be naive, to put it mildly: **People eventually feel misled by those who constantly “frame” their stories in order to “sell” something...** To take Gallup's data on the topic of media trust in the U.S., comparing early polls to the last ones:



Whereas for the future of established media outlets this steep decline down to a historic low is even worse than what these numbers suggest, considering the rest of the related poll data points well-developed by Gallup:

- Most of the remaining “media believers” get older and older: Younger readers/watchers are even much less trusting than what the above average numbers tell
- It is not a “general trust problem”, but a “media trust problem”:
 - o Trust in news media has fallen more steeply than trust in other major U.S. institutions
 - o Honesty and ethics ratings for news professionals have declined sharply, with TV reporters now at 13%, and newspaper reporters at 17%.

Graphics by the author. Data source:
<https://news.gallup.com/opinion/gallup/657239/five-key-insights-americans-views-news-media.aspx>

To reflect on the origins of the related anti-Trump narratives spun across Europe in a more comprehensive way, this Chapter 1 will identify and address five bias drivers behind the perceptual gap Europe vs. world...

**Five Self-Inflicted Bias Drivers Leave Many in Europe Clueless:
(a) Systematic Anti-Trump Reporting, (b) a Post-Cold War Idealism
Blocking the View on Geopolitics, (c) a Lack of Understanding for
U.S. History, (d) the Unorthodoxy of Trump's Approaches, and
(e) Europe's "(Annoyingly) Dogmatic Rule Follower Naivety"**

So how is this vast gap between the perceptions of Europeans vs. almost all others in the world possible, with regard to Trump? As a general rule of thumb, I deem it helpful to consider five (now merged) "EU Post Cold War Bias Drivers", which recurrently hinder a clearer – and much more balanced – view on Donald J. Trump; and the related direction and actions of the new America. Unless European actors (such as in business and politics) depart from such presumptions and the related biases, they risk strategic misreads, policy errors, and avoidable friction with Washington – while missing historic opportunities. Opportunities those in Europe will seize, who started to understand the "system Trump" and the cyclical turn of America. In the second half of this Chapter 1, we will elaborate these bias drivers in depth. For now, here is a comprehensive overview:

- **Bias Driver 1: Outdated Idealism**

A now outdated post-cold war "one world Idealism" and related naivety in terms of geopolitics and what games powers play has left many in Europe blind regarding how to analyze geopolitical powers, from the U.S. to China or Russia – thus, the powers and their logics that in the long run shape the world, no matter what lofty "value papers" from the EU or the UN "visualize", "expect", or "recommend".

After the end of the Cold War, different types of Idealism in business, as well as on both the Left and the Right in politics, pushed aside Realism and started to dominate the perception of most observers in the West. In certain professions, like among most journalists in the EU, these Idealisms became dogmas – regarding their effects one might be tempted to say they became "a replacement for religious beliefs". But these Idealism-driven concepts could not survive reality – or at least they did not. Such as the European beliefs that ever-increasing globalization would be the natural path of history or that military hard power would become obsolete. Related to that, these Idealisms made it impossible to grasp the geopolitical struggles ahead, such as the dimension and consequences of the bloc-building process resulting from the U.S.-China rivalry. However, because adaptations to new paradigms take years, Idealistic presumptions still distort the perception and reporting of too many – who are now shocked or surprised by "a world going crazy". While in the U.S. this Idealism bias is already fading away, too many in Europe still try to hold on to it (hopelessly doing so, but nevertheless delaying the necessary changes in perceptions, decisions, and actions).

- **Bias Driver 2: A Self-Enforcing Anti-Trump Reporting Loop**

10 years of morally loaded, systematic anti-Trump coverage in EU media outlets mean that old (and faulty) negative reporting drives new negative reporting, as it takes a lot of reflection and courage to admit mistakes – particularly in such an emotionalized environment. Most EU media outlets have entrenched an anti-Trump reporting bias, often importing U.S. partisan narratives and filtering Trump through an ideologically narrow lens. With framings such as the use of (wrong) presumptions treating it as "fact" that Trump would "hate" or "despise" Europe – while in reality Trump/MAGA is only against certain recent (anyway unpopular) developments and their advocates in Europe. Such coverage blinded and still blinds

European media consumers – and loads them with emotional baggage that makes clear observations even less likely.

- **Bias Driver 3: Cluelessness About U.S. Political Cycles**

The bias generated by the lack of knowledge about U.S. history and cycles. Trump's "breaking with the recent past" is neither bad nor will it bring him down, rather the long-term logic of American revival stands behind his rise to power. Now even CNN started to acknowledge that Trump is "on a roll": "Who among us could deny how consequential Trump 2.0 is turning out to be? But in order for you to recognize that, you need to have an open mind about what's transpiring."² And this is embedded in a historical-political logic in the U.S.: As will be outlined, every few decades the U.S. proactively changes its internal and external approach – with a normality difficult to understand in most other nations and political cultures. The lack of awareness about this process made things worse; since it suggests that "the U.S. will turn back to the pre-Trump era" – instead of understanding the cyclical effect: The U.S. never turns back, once its cyclically occurring "change agents" have been President. Change agents that always broke some old pillars, in order to build new ones on top of the remaining ashes... Just like that – although always accompanied by the (unpleasant) noises of change. And one can already see how this cycle plays out this time: Like all disruptor Presidents, Trump initially faced extraordinary resistance – since disruption is not welcomed by most of those who have made their bed; be it in business, politics, or the "civil society".

But like before, the resistance eventually breaks. Which started to happen since Trump's exceptional re-rise – a well prepared and systemically executed return. Now, unlike during Trump's first presidency, more and more U.S. key players reposition – from former "Trump-skeptical" law firms to "Trump-skeptical" corporations to "Trump-skeptical" media outlets to "Trump-skeptical" donors to "Trump-skeptical" universities. Either they fall into a neutral position or one that has to be labeled pro-Trump. And the few "anti-Trump" entities that will keep the adversarial positioning will just confirm to all others that it makes little sense to do so. The prior hoax of "Trump not being a legitimate President" that was fabricated, is no longer working. Context: Since 2016, Trump faced unusual resistance, often enough via "dirty tricks" by political adversaries, civil servants, or private actors. Furthermore, unlike his first term, the administration now has the people, means, and will to probe past conduct, within the law: revoking security clearances to sideline contractors and firms, and prosecuting former officials who e.g. manipulated reports. Early steps are already having a chilling effect – certain ex-officials getting nervous, and private actors are quietly abandoning "progressive agendas", cutting deals – or seriously losing business. All while Europeans have to read or hear every month about another "reason/X" why President Trump might lose his position ("Is X the thing that brings Trump to fall?!") – despairingly illusionary ideas. Related to the strength of Trump's administration and the new Republican Party he shaped or shapes is the – in Europe – little understood reality that Trump represents much more than some "populistic instincts". As we will see, Trump has leading intellectuals behind him, who provide coherence and depth to the "America First" doctrine. They blend leading government, corporate or finance, media, and scholarly experience and prove that MAGA rests on



Michael Anton (Director of the Secretary's Policy Planning Staff at the U.S. Department of State) describes well how *America runs through periodical cycles of renewal* – and unlike many other intellectuals, he actually helps shaping U.S. geopolitics. His works help understand that and how the U.S. every few decades chooses to change; that it can do so without rupture; and that Realism tethered to constitutional self-government is the proper compass for the current phase. This also reflects the spirit of the readjustment: Neither Idealism nor Isolationism, but Realism.

Whereas Anton's importance, political-philosophically a "West Coast Straussian" (named after the (geo)political/ philosophical school of the German-Jewish immigrant Leo Strauss), runs even deeper: Anton is one of the intellectuals whose writings helped prepare the ground for Trump's rise. (See Chapter 2 for more.)

In the U.S. Department of State, Michael Anton is responsible for aligning long-range strategic thinking with operational diplomacy. In this role he has already been entrusted with leading American delegations in sensitive negotiations, underlining that Policy Planning under his leadership is an active driver of U.S. foreign policy rather than a theoretical exercise. Before returning to government in 2025, Anton built a career that bridged politics, policy, and finance. He wrote speeches for Rudy Giuliani and served in the National Security Council under President George W. Bush, later holding senior communications posts at Citigroup and BlackRock.

² So Michael Smerconish on his CNN show that "tackles American political and news stories of the week":
<https://edition.cnn.com/audio/podcasts/smerconish-on-cnn>

firm intellectual roots; ensuring it is translated into strategies that create lasting real-world effects. Now in Europe too, first corporations who had felt the urge to join political agendas and trends (“progressive fashions”, anti-Trump statements, ...) start to realize their mistake and look for ways out. When now e.g. a U.S. state pension fund or U.S. senator lambaste European companies for their failed “woke capitalism”, the company's executives are forced to take note. We already see firms scaling back on virtue-signaling and refocusing on profitability, resilience, and security – aligning with the more pro-nation, pro-industry, pro-wealth creation mood spread by Trump's America.

- **Bias Driver 4: Trump's Hard-to-Read Style**

Interpreting Donald Trump through conventional political or diplomatic lenses – as most in Europe do – is a reliable path to error. What looks to many commentators like inconsistency or chaos is, in practice, often a deliberately engineered cycle: Trump first stirs the environment, then manages the resulting dynamics toward a preferred outcome, like a deal. His related decision style usually starts with mapping risks and options and hearing trusted voices to develop joint – and even competing – courses of action; then he alone takes responsibility for the call, with a ready Plan B to preserve agility and leverage.

Having perfected this pattern in business and later exported it to the geopolitical arena, Trump now relies on an integrated process that blends branding, agenda shaping, mobilization, provocation, strategic retreats, shifting time frames, and targeted pressure – all while keeping his eye on eventual tangible, lasting wins. A builder by nature, Trump seeks concrete results and legacies. Furthermore, in his ventures and projects Trump shapes the environment towards preferred outcomes, while also covertly securing the downside (“Plan B”), so that either the upside emerges “inevitably” or otherwise at least nothing stops his path forward. Thus, Trump is no gambler: He transforms apparent risk into controlled opportunity.

In short, volatility becomes a tool: By shaking the environment Trump can shape it (or at least create new openings), and more often than not he eventually secures an outcome he prefers.

Whereas one of the most underestimated realities in Europe is the quality of Trump's teams and the related decision making processes. Trump builds teams as a competitive meritocracy: he assembles diverse problem-solvers, pressure-tests them in real time, keeps the high performers and moves on from the rest – valuing core competence, boldness, loyalty, and results.

In contrast to these realities, too many in Europe reporting on Trump seem to be on a constant rollercoaster: full of shock, awe, and “he is totally erratic”-labels – or underestimating the effectiveness of Trump and his moves.

- **Bias Driver 5: Europe's “Dogmatic Rule Follower Naivety”**

In the West (and to a certain degree other parts in the world), since 1944/1945 the United States has acted as the principal system leader, narrative influencer, and rule maker, while Europe's political, societal, and economic elites have largely operated as followers – while not necessarily recognizing or admitting it. Whereas this was not a bad thing, or at least just the nature of geopolitics: It underwrote stability and helped win the first Cold War, and there is no real alternative other than international anarchy, since Europe (the EU) would be incapable to become the rule maker for the U.S. (and all others).

However, this reality created a certain type of “follower bias” in Europe: U.S. ideas travel through thinkers and elite-training channels into European universities, media, bureaucracies, and



In Europe, the story is still painted that (a) Trump, and his people would be less capable, often less educated, erratic figures, who (b) would fail domestically and internationally. A bias guaranteeing naive perceptions. Since reality is, that Trump and his second administration is far more effective than any U.S. President has been in decades – as even leading analysts on CNN have to admit.

Part of this narrative that Trump would fail domestically is built on the flawed idea, that he would be acting against the U.S. Constitution, knowingly or not. And that the U.S. legal system would stop him. This, however, is based on a gross underestimation of (1) the legal sophistication of Trump's lawyers and (2) the role and leeway the U.S. Constitution provides to a U.S. President – capable and willing to use it. So, Team Trump knows exactly what it is doing, legally. Resulting in legal victories against lower courts. Legal scholar Kate Shaw, specialized on the Supreme Court, in the NYT:

“[...] in the first couple of months of the administration, Trump is making these just wildly broad assertions of executive authority and Executive Orders and other kinds of actions and he is running into the kind of buzzsaw of the lower courts applying settled doctrine, reading the constitution and statutes and saying like no, you can't do that. [...]”

But starting in about April, the Supreme Court started to get into the mix. And in a series of rulings, actually 16 in a row, the Supreme Court has sided with Trump and against challenges to Trump and against lower courts that have ruled against Trump. You know, in this wild streak of victories for Trump that have largely happened under the radar because they are happening on the shadow docket.”

(The U.S. Supreme Court's “shadow docket” consists of orders and summary decisions made without full briefing or oral arguments. It is meant to be used for emergency rulings and procedural matters but can shape major policy with limited explanation. The shadow docket allows faster less publicly scrutinized outcomes.)

boardrooms, where they become the taken-for-granted premises. Once internalized, these frames harden through institutional isomorphism and Europe's consensus-heavy, multi-level governance. As a result, when the U.S. revises the rules it originally designed, established European elites frequently react with confusion and delay, before gradually re-stabilizing around the new paradigm – a process well described by norm life-cycles and Systems Theory.

The punch line being: In strategic inflection points, America iterates the playbook, while Europe – shaped by a rule follower bias – treats each such edition as gospel. In the EU, yesterday's rules are zealously defended and perceived as beyond question – until pressure forces an adjustment. Once the new narratives and rules are memorized, many behave as if these new narratives and rules had always existed. It is a canon-effect (related to group think dynamics) that can be observed among humans ever since forms of religion existed – amusingly enough flaunted among many in the EU who consider themselves as being “too rational for religious thinking” yet still yearn for a “global canon” to believe in – one that cannot be questioned. Until a new canon has been established “from above”. Then – after a transition period full of confusion and “screaming and kicking” – the unthinkable becomes the new only-thinkable.

What makes the resulting biased reporting worse, is the political(!) structure of Europe's current journalism landscape. As, for example, proven in Germany where Greens (less than 12% of the votes) are the most popular party among journalists: “According to a study by Technical University Dortmund, an alarming political monoculture prevails in the German media. In practice, this leads to a restriction of diversity of opinion.”³ During the last 10 to 20 years it has become so normal for European journalists to lean Left that many no longer try to be subtle about their fringe partisanship. Becoming an existential problem for journalism, as established media formats are now in the biggest crises in terms of credibility, economic viability, and relevance since decades. Of course, the decline of an old business model is regularly a win for those who adapt smartly: The journalists and outlets that understand this issue while still offering traditional quality standards, and e.g. report fair on Trump, are able to rake in substantial wins. (As mentioned: This balancing process has slowly but surely started in the American media landscape, and it will – as always with a time lag – spill over to Europe, eventually.)

Most importantly, however, is that in Europe these biases block a clear view on the grand historic development unfolding...

The Bavarian state TV, which is under legal obligation to be non-partisan, interviews a politician – with a TV team member wearing a label of the Green party (which represents less than 12% of German voters). In a most conservative German state (Bavaria) – emphasizing how far the distance is between those who report and the rest of the population (i.e. democratic representation).

Picture from:
www.welt.de/debatte/plus256382020/Bayerischer-Rundfunk-Im-Zeichen-der-Gruenen.html



**We Witness Nothing Less than Team Trump Preparing
America and the West for a New Period in World History**

Considering these biases and the underlying structural one-sidedness, one can see how difficult it becomes for most of those journalists to see through, be clear, and be fair when the topic is Trump and his presidency. To them, for example the recent American turn against globalization and related post-Cold War norms (as initiated by Trump, but partially already copied by Democrats), must come as a shock. Driven by post-Cold War

³ www.welt.de/debatte/plus256332012/Deutsche-Medien-Wo-die-Gruenen-auf-41-Prozent-kommen-und-niemand-AfD-waehlt.html

prisms it must feel like heresy when, e.g., Marco Rubio remarks during his confirmation hearing as Secretary of State:

"The post-war global order is not just obsolete, it is now a weapon being used against us.

*[...] if we don't change course, we are going to live in a world where much of what matters to us on a daily basis, from our security to our health, will be dependent on whether the Chinese allow us to have it or not. That's an unacceptable outcome."*⁴

Or when President Trump, in front of Arab Gulf State leaders, points at

"[...] so-called nation-builders, neocons, or liberal nonprofits, like those who spent trillions and trillions of Dollars failing to develop Kabul, Baghdad, so many other cities.

[...] In the end the so-called nation-builders wrecked far more nations than they built. And the interventionists were intervening in complex societies that they did not even understand themselves. [...]

*Peace prosperity and progress ultimately came not from a radical rejection of your heritage but rather from embracing your national traditions and embracing that same heritage that you love so dearly. [...]"*⁵

And since breaking with dogmas (i.e. "committing heresy") causes emotional reactions (like shock and anger) among those socialized by these dogmas, the quality of analysis suffers even more. Some of the most intelligent people can be observed being mentally blocked by such "perceptual prisms", caused by above biases. Which brings us straight to the question whether hereunder analysis can help overcome the related darkness. Empirically, the answer is yes...

Why It Is Worth Considering the Analytical Opinions Below: Our Geopolitical Approaches Have Delivered a Track Record that Beat What Most "Predicted" in Recent Years

Our analysis has a record of predicting geopolitical directional events and trends that many others did not see. The underlying approach combines (a) a broader geopolitical and historical framework with (b) research into Trump's deal-making and leadership style from the 1970s to the present and (c) our experience as geopolitical lobbyists, attorneys, consultants.

In *The Big Reshuffle* (our 2023 white paper) we described our models and resulting scenarios, which contradicted most publicly held opinions at the time. Our "substance-instead-of-norms" models predicted Trump's return in the U.S. and a swing in the EU toward more conservative policies (for example, we foresaw a change in the German government to CDU/CSU leadership and defense budgets moving toward 3%–5% of GDP). More importantly, we identified geopolitical drivers stronger than most "economic rationalities," business interests, and "norms and values" of the post-Cold War order. As pointed out, Realism is returning – not as cynicism but as a practical ethic – one that will save the U.S. and the West from an otherwise ugly decline in an increasingly different world. It is that, what we now witness in the U.S.

⁴ Source of official transcript:

<https://www.rev.com/transcripts/marco-rubio-confirmation-hearing>

Source of PBS News videos/screenshot:

<https://www.youtube.com/live/RtBRzei4iio>

⁵ Trump's full remarks at the US-Saudi Investment Forum, by FOX 35 Orlando:

<https://www.youtube.com/watch?v=5RINobmDCwU&t=23s>

LIVE: Marco Rubio testifies at Senate he...



**Every Few Decades America Renews Itself and
Its Directions – and Thereby Adapts to New Internal and
External Realities and Needs; A Process Facilitated through
“Strategic Disruptor Presidents”, from Washington to Trump**

Too often overlooked in current thinking about U.S. Presidents is an identifiable pattern: since the War of Independence in the 1770s-80s, the U.S. has undergone cycles of adaptation (via disruptive change) ingrained in its sociopolitical DNA. There are different ways to describe these cycles. (One of the best published descriptions is George Friedman's 2020 masterpiece *The Storm Before the Calm*.) We will offer our own interpretive model. It helped us and our clients recognize why and how change would happen under Trump – and why there will be no return to a “pre-Trump U.S.” of the post-Cold War period. From that perspective, it becomes clear that **every three to four decades America readjusts its direction to new realities and preferences – “shockingly” discarding some prior norms** treated as “set in stone”. This occurs through a transition phase – as rough and loud as to be expected in the world’s most media and activism intensive democracy. Once these phases cycle out, America moves on – without looking back. Just like that.

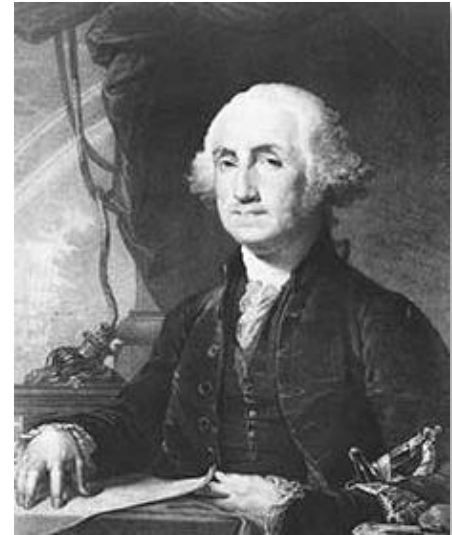
This process is often facilitated by strategic “disruptor” Presidents who deliberately think the unthinkable – and execute on it, breaking with prevailing arrangements. In that sense, President Trump represents the cyclical U.S. process of change that began with George Washington and last occurred under Ronald Reagan. In all cases, it took years for their historic roles to be recognized. (More on these American cycles in Chapter 2, and on Trump’s place among disruptor Presidents in Chapter 6.)

Self-chosen transitions are a normal feature of the American system. While (a) political systems in Europe, Russia, and China tend to change course only after extreme shocks (revolutions, wars, economic collapses,...) or pressure from higher geopolitical powers, (b) the United States has fundamental, self-initiated strategic change in its DNA. This meta-difference makes it hard for non-Americans to accept that there will be no “return to post-Cold War America” as represented by Clinton, George W. Bush, Obama, and Biden. Those planning to “wait until Trump is gone” will wait forever. As will be shown:

- The new Republicans are likely set for a run akin to Ronald Reagan's era – twelve straight years of Republican Presidents; and
- Democrats, when next successful, will neither be able nor inclined to restore Obama/Biden doctrines, especially in geopolitics and geo-economics, but also recent “wokeness” will not survive, as Democrats too will (have to) swing back in order to win again. (Whereas even Biden largely continued the strategic course Trump initiated rather than returning to globalization/WTO orthodoxy – despite anti-Trump rhetoric.)

In this sense, President Trump is best understood as one of the cyclical “Strategic Disruptor” Presidents who usher the country into a new phase. Across its history, the United States has relied on such disruptors to break stale paradigms and realign with emerging realities:

- 1780s/90s – George Washington led the creation of the United States by breaking decisively with the old order.
- 1820s/30s – Andrew Jackson shattered early-republic hierarchies and turned the presidency into a popular tribune.



Some of America’s “Strategic Disruptor Presidents”, then and now. (Official White House portraits of Presidents Washington, Reagan, and Trump.)

- 1860s – Abraham Lincoln broke an unsustainable party system, won a brutal civil war, transformed a federation into a nation-state, and embedded constitutional freedom for all races.
- 1900s – Theodore Roosevelt introduced federal regulation (radical at the time) and projected American power far beyond its borders.
- 1930s/40s – Franklin D. Roosevelt buried laissez-faire orthodoxy with the New Deal and built a new world-order system – anchored, among other things, by a gold-backed U.S. Dollar.
- 1970s/80s – Richard Nixon and Ronald Reagan acted as tandem disruptors, decisively ending pillars of the Roosevelt system (e.g., the gold standard) and building new ones (e.g., the Petrodollar Order), laying the groundwork for financialization and globalization that helped win the first Cold War.⁶
- 2010s/20s – As before, some “holy rules” from the Nixon/Reagan era (“rules of globalization”) turned from (1) necessary and positive to (2) disadvantageous and ripe for change. Pragmatic Americans accept this cycle more readily than rule-bound, conformity-oriented cultures prevalent in Europe.

Thus:

Roughly 40 years after Reagan’s turn, Donald J. Trump is the newest link in that chain of American revival – a return to Realism after a phase of excessive Idealism. Post-Cold War Idealism appeared in many forms: post-national ideologies that envisioned a borderless, ever-globalizing future; efforts to redesign foundational civilizational understandings according to “progressive” ideas (“nations are bad and borders should be uncontrolled”; “Europe/America should not produce energy, manufacture, use cars and planes, foster families, or grow”; “Europe needs no military”; “defund the police to become safer”; “genders don’t exist”; “economic success generally stems from theft”; “the West is evil while all others are victims of Western colonialism,” etc.). This Idealism was not confined to the progressive Left; variants of it blurred judgment in business, on the Left, and on the Right. Such agendas were often advanced by beneficiaries – including non-Western powers, radical groups, criminal cartels, and certain NGOs and corporations – and helped propel the election of Donald J. Trump as the personification of a pendulum swing back.

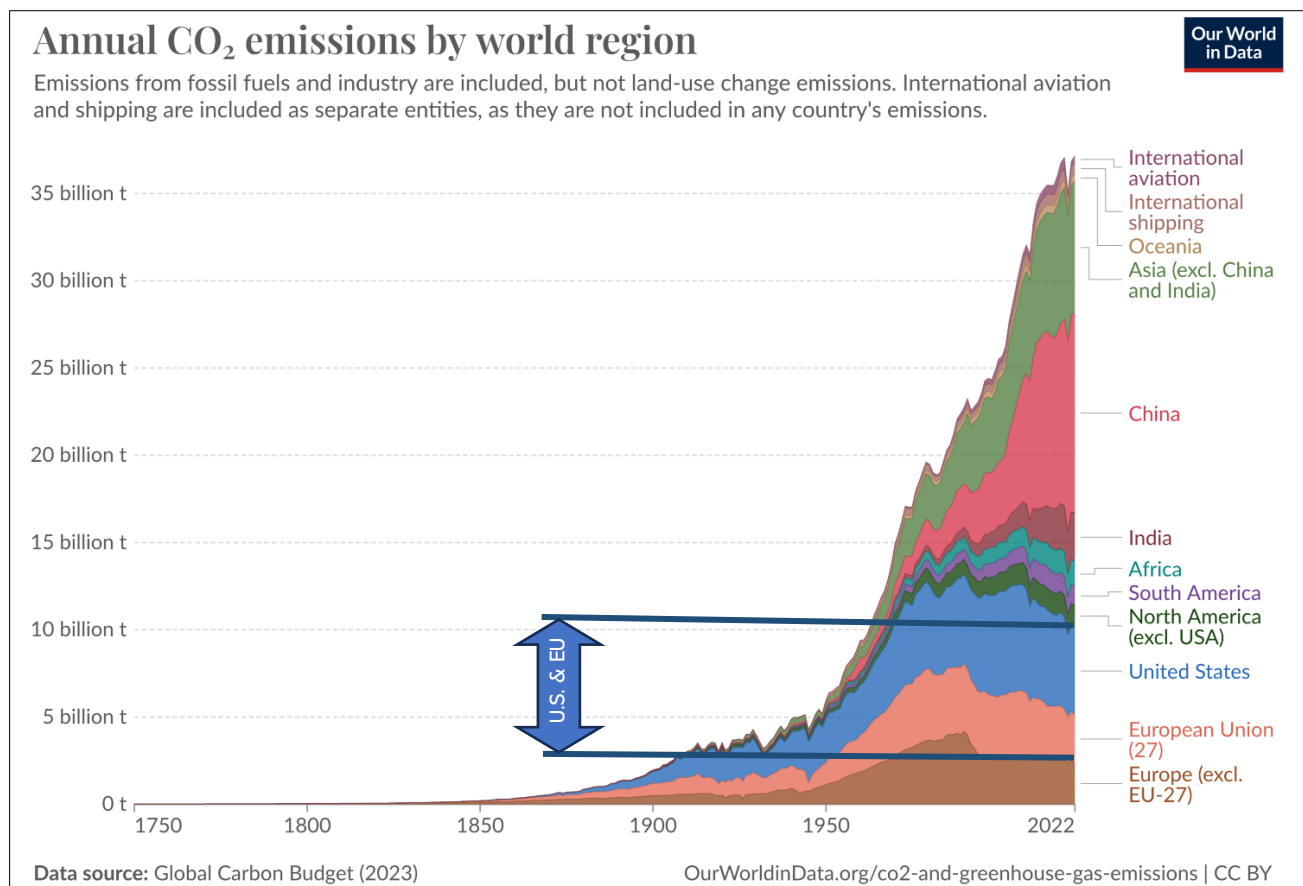
Each disruptor President was condemned in his time as reckless, a rule breaker, even a law breaker. (The latter is usually untrue, as the U.S. Constitution gives Presidents ample latitude to act – especially when, as now, a President forges a disciplined congressional majority.) Yet in Europe a picture is still painted of a weak, embattled President Trump. Leaving Europeans in the dark about the power he and his movement are holding, since the 2024 landslide and the transition that followed.

⁶ Thus, here we regard Nixon and Reagan as sharing the transition leadership of America’s last great change period – the 1970s and 1980s – when they laid the foundation for globalization by opening financial markets and trade. A globalization that initially served the West very well – until it stopped doing so.

Geopolitics and Goeconomics Under a New Realism

Geopolitically and goeconomically, we now see Trump and his team both (a) reacting to and (b) shaping the unfolding “big reshuffle.” As with all great shake-ups, it is impossible to predict where every token will land once matters settle, yet the broader patterns (as described in The Big Reshuffle) are discernible – and recognizing them is necessary to survive and thrive in this new era. At the same time, in the first six months Trump has achieved more than Biden did in four years – particularly if one understands the grand strategic intentions of the New America: In our assessment, President Trump and his team in fact started to (so far successfully) implement a grand strategic change across theaters to...

- (re)industrialize the U.S. first and, secondarily, its allies;
And
- stop China from soon dominating Asia and Europe through control of critical supply chains and the fastest military and naval buildup since World War II.



In general, concerns about the environment are legitimate, and feasible efforts to keep/make our earth as habitable as possible can only be welcomed. But historically (i.e. in reality) the related answers rest in a mix of technological progress, economic vivacity, and geopolitical success of democratic capitalism (Rule of Law,...).

The question overlooked by the Idealists being: Should the West now de-industrialize while China and others are ever more industrializing? So a China bloc could use the related capacities to secure control of vital physical resources and lines of communication? What for? So that everyone becomes ever more dependent on authoritarian China, while the West would soon lack the economic-technological vitality and industrial capacity to (a) stay internally stable and (b) defend its vital interests and ultimately itself?

In the U.S., the years of the “Obama/Biden morality” (which we still see alive in the EU) are gone – and will not return. If a “moral superpower EU” however would not be careful, it would risks severe de-industrialization-induced decline without saving the world. Thankfully, Trump's readjustment of the West will force Brussels to return to Realism – not least in terms of economic and technological policies.

Vital Objectives Driving the New American Geopolitics, We Can Identify

To help grasp the shift ahead, we simplify the geopolitical main objectives we see pursued by the U.S. as follows:

A. The Offensive Grand Strategic Objectives: Preparing the U.S. and its Allies for a New Age of Geopolitics

- **Strengthen the Own Sphere and Vital Interests Instead of Focusing On “Global Value Missions”**
First a secure Homeland that is dominating the Western Hemisphere (“Monroe Doctrine”). Secondly transform the Western bloc from a burden into a capable, supporting sphere: have a re-industrialized, militarily less dependent, Western bloc that helps securing vital interests (not “values” but supply chains and critical raw materials) around the globe, while heavily buying U.S. technology and defense products.
- **Prepare and Renew America Internally and Economically**
 - o **Domestic institutional renewal and effective immigration policies**
Civil-service/personnel reform, rollback of politicized mandates, cutting red tape (less regulations across energy, industry, infrastructure, defense), secure the border, shift to merit-based legal immigration with tighter security screening and actions.
 - o **Rebuild a modern industrial core, while balancing environmental concerns with vital interests**
...via streamlined permitting and procurement and, where needed, the Defense Production Act. Scaling semiconductors, AI/robotics, shipbuilding, pharmaceuticals, critical minerals, and munitions. Anchored on energy dominance (oil, gas, nuclear, next-gen). Allies scale parallel trusted production to form a distributed industrial ecosystem.
 - o **Safeguard Dollar leadership and avert a debt crisis**
...through reciprocity in trade (baseline tariff plus targeted surcharges), anti-dumping enforcement, coordinated currency realignment, and pro-growth tax and regulatory reform that expands the productive base.
 - o **Balance Dollar centrality with re-industrialization**
As structural deficits narrow, sustain global Dollar demand by channeling allied investment into U.S. projects, while disciplining predatory practices through reciprocal trade tools and investment screening.

B. The Defensive Grand Strategic Objectives: Preventing a Communist China from becoming Eurasia’s Hegemon

Without a strong counter, Beijing could soon (1) control supply chains (in part already reality), frontier technologies, multilateral bodies, the information sphere, and trade lifelines. And then (2) dominate both Asia and Europe, from East Asia, to Russia, and the EU. The U.S. will counter this in all dimensions of national power:

- **Diplomatic: Bloc-Building and Step-by-Step Containment**
Drive wedges between China and U.S. allies (and, where feasible, China’s partners, from Russia to Iran); make alliance support conditional on real burden sharing: Europe builds credible regional defense so U.S. assets prioritize the Indo-Pacific; audit international organizations and condition aid on outcomes that counter CCP (Chinese Communist Party) influence.
- **Economic: Execute sector-specific decoupling**
...with tariffs and more: tight export controls, outbound-investment screening, capital-markets transparency/delisting, limits on adversary acquisitions of strategic land/firms; secure rare earths and critical medicines; reroute essential supply chains to trusted shores with allied parallel regimes.
- **Informational/Ideological: Counter and expose CCP influence operations**
Shut covert “police stations” and front groups; restrict or ban CCP-linked data-harvesting apps; harden academia; advance a positive narrative of traditional American and Western values.
- **Military: Have allies step up and Prioritize Indo-Pacific deterrence**
...with dispersed/survivable basing, long range precision fires, undersea advantage, resilient C4ISR (Command, Control, Communications, Computers, Intelligence, Surveillance, and Reconnaissance), AI enabled kill chains (end-to-end targeting process: find, fix, track, target, engage, assess effects), and surges in munitions and shipbuilding. Deepen AUKUS (Australia – United Kingdom – United States security partnership) and the Quad (Quadrilateral Security Dialogue – Australia, India, Japan, United States); require partners to field credible magazines and A2/AD (anti-access/area-denial) layers; rebuild warfighting culture and cohesion. Have Europe (1) take care of Europe and (2) to some degree support global tasks vs. China (NATO along sealines and in the Indo-Pacific,...).

And it is such clear “thinking and acting in terms of hard realities” that we summarize as applying the rationale of Realism. Which by the way also rearranges the vital task of striking a proper balance between environmental concerns, prosperity, and geopolitical security.

The underlying rationale is to renew the U.S. (incl. its position in the Western Hemisphere) and counter Beijing’s playbook across all dimensions of national power (strategized under the DIME concept⁷). Countering a “state-capitalist, communist” China that seeks to fuse economic monopolization, new capabilities in military coercion and maritime power, and ideological capture to translate money into power (port acquisitions, digital currencies, influence over standards bodies and media, etc.). Overall, America’s answer is comprehensive DIME power, executed by a government refocused on outcomes and a society confident in its values. Everything else in geopolitics – even serious regional problems like the Russia–Ukraine war – will increasingly be managed through the lens of the long game against Communist China.

As a result, this context will reshuffle – if not reset – the world system. Thereby, with our framework outlined in *The Big Reshuffle* at hand, one can interpret current events more reliably and avoid errors caused by post-Cold War thinking. The following two current examples illustrate how these models help us and our clients to see the forest, not just the trees:

- **Example 1: U.S.-China “deals” will not “safe globalization”**

China is playing its rare-earths card more aggressively (export controls halting critical supplies to the West). Such dependencies force the U.S., in the short run, to accept limited accommodations with China – while intensifying efforts to (a) reduce dependence and (b) encircle China.

Accordingly, the U.S. and allies are accelerating a multi-pronged diversification program: domestic mining, African and European projects, recycling, and new processing (with meaningful volumes arriving between 2025 and 2028).

Moreover, a settlement among Ukraine, the West, and Russia would almost certainly increase the flow of critical raw materials and energy from both Ukraine and Russia. Trump has already secured the Minerals Deal with Ukraine, and, unlike Biden, he fosters a Russia-Ukraine peace effort – fully aware this would aid the struggle against China.

- **Example 2: Why overwhelming Iran’s mullahs has a vital anti-China and re-industrialization component**

The Israeli and U.S. fight against Iran has grand-strategic effects beyond Israel’s (legitimate!) self-defense: A beaten Iranian regime – compelled to accept U.S. terms or even removed – advances the so called India-Middle East–Europe corridor. It simultaneously counters a Beijing move that has been underappreciated in Western reporting: Since the Biden years, when U.S. resolve looked weak outside the West, China tries to position itself to replace America as the most relevant external power in the Middle East – and it does so via Iran:

- In 2021, China and Iran announced a 25-year “strategic partnership” with plans for USD 400 billion of investment in energy, infrastructure (including port access for China’s naval buildup), and transportation.

⁷ DIME being an acronym in American geopolitical strategy. It groups geopolitical power in four dimensions: Diplomatic, Informational/Ideological, Military, and Economic.

Linking Iran to the Belt and Road and expanding trade, oil exports, and military/cyber cooperation.

- Early 2025 China and Iran completed a direct rail corridor from Xi'an to the Aprin dry port near Tehran – a Belt and Road milestone that would help China bypass U.S. naval blockades in a conflict.

From this perspective, either Iranian factions inside Iran replacing the pro-China Mullah regime, or pushing the old regime to move in the right direction, would curb China's Middle East reach and reduce its access to cheap energy. While reintroducing affordable energy to the West just as strategic re-industrialization begins. (In Iran itself, Western technology and investment would make energy access far more efficient, enriching a new Iran and the West. While crowding out less effective Chinese projects – similar to the effect a later Ukraine/Europe/Russia peace could have on energy and mineral strategies.)

If sustained (and under Trump it will be sustained), this new American approach preserves Dollar primacy without industrial decline, turns the Western alliance into a manufacturing and defense powerhouse, and keeps the strategic center of gravity from tipping toward an authoritarian bloc. Allies step up, rivals face hard power and hard choices, and the U.S. state regains the agility to act decisively. Peace, prosperity, and the protection of a democratic, rule-of-law-based Free World are pursued through strength – and strength begins at home, first in America, then in Europe and other allied regions.

Thereby, under our – so far confirmed – “most likely” scenario, some multinational pillars will survive, such as the transatlantic alliance, but their fundamentals will change. NATO will almost certainly be stronger, with Europeans carrying much more of the burden (supplied with U.S. arms and intelligence) and physical U.S. backing as a last resort. This renewed NATO will also support American and broader Western maritime interests – not least in the Indo-Pacific. The EU, too, will survive – if it adapts to the new Realism and aligns with the new American direction – since the United States and NATO will remain the only capable geopolitical actors in the West. An “autonomous EU without the U.S./NATO” would be helpless (as will be shown) – a concept few in Europe, other than Paris, which is rapidly losing influence in the EU, still dream about. In this scenario the EU will adapt and align accordingly, not least because Eastern Europeans are on the rise and states like Germany will move toward their Realism-driven approach to culture, economics, and defense. Some post-Cold War institutions will survive on paper (many IGOs, such as the WTO), but most will lack relevance – except for those whose salaries or contracts depend on them.

Early Evidence for Our “Most Likely Scenario”, which Sees Trump’s New Geopolitical and Goeconomic Approach Becoming a Historic Success

Too many in Europe, misled by anti-Trump narratives, focus on the noise. A different lens shows a coherent long game. The United States is converting tariff leverage into concrete alignment by allies and by markets. Early moves already point to strategic gains across alliances, supply chains, and deterrence.

- Japan

Tokyo read the signal and cut a pragmatic deal. In July, Washington and Tokyo agreed a framework that sets a 15% U.S. base tariff on most Japanese imports while Japan commits a

directed U.S.-bound investment and loan package of roughly USD 550 billion and wider market opening for U.S. goods. Implementation steps, including auto and parts relief by mid-September, are now in force or queued through executive actions and Federal Register filings. The FX side was handled in parallel to keep volatility contained. Net effect: tighter U.S.–Japan economic interlock and stronger alignment on tech and supply-chain security.

- **South Korea**

Seoul moved toward a Japan-style outcome: aiming to cap U.S. tariffs at 15% while advancing a multi-hundred-billion U.S. investment package and tightening origin controls to curb China-linked transshipment into the U.S. market. In security, the existing five-year Special Measures Agreement already lifts Korean cost-sharing by 8.3% in 2026, and officials link trade talks with alliance management rather than decoupling the two tracks.

- **Canada**

Ottawa initially postured, then removed its Digital Services Tax to unlock talks and de-escalate tariff threats. Washington immediately restarted negotiations; both sides are now working toward a broader package that also folds in border and anti-fentanyl measures. Bottom line: access to a 75%-of-exports customer mattered more than retaliation theater.

- **Australia**

Canberra chose discipline over escalation. It sat in the low-teens tariff bracket, accelerated AUKUS implementation, and explicitly ruled out retaliation while tightening investment screening in sensitive sectors. Washington reciprocated with carve-outs inside the broader tariff architecture. Result: privileged ally status preserved and deeper interoperability.

- **United Kingdom**

The U.S.–UK Economic Prosperity Deal is not a simple tariff give-and-take. It conditions tariff relief on “supply-chain security” and even ownership tests in steel and aluminum, and pairs quotas and MFN resets with non-tariff barrier work. Early operational pieces include a 100,000-unit auto quota at 10% and tariff-free trade in specified aerospace products, alongside UK openings for U.S. beef and ethanol. The architecture explicitly targets third-country circumvention risk.

- **European Union and NATO**

Brussels thundered first, then settled. The U.S.–EU deal set a 15% base tariff on most EU goods alongside large EU energy purchases and U.S. investment flows, while both sides advanced rules-of-origin and anti-transshipment enforcement. In parallel, Europe’s defense outlays jumped: all NATO allies are projected to meet the 2%-of-GDP benchmark in 2025, with new capability targets agreed at The Hague. Strategic convergence with Washington on China hardened via de-risking, critical-minerals scrutiny, and prospective listings of Russia enablers, including Chinese entities.

- **North America and the Arctic**

“Fortress North America” logic advanced. USMCA’s Article 32.10 non-market-economy clause continues to deter China pacts, while “melted and poured” and related content rules close steel and aluminum backdoors via Mexico. In the Arctic, Washington consolidated influence at low cost: Greenland remains outside

Chinese airport concessions, the U.S. consulate in Nuuk is active, Panama exited the Belt and Road, and a BlackRock-led consortium moved to buy key Panama Canal-adjacent port assets from CK Hutchison amid U.S. pressure.

- **Indo-Pacific beyond Japan and Korea**

Tariff diplomacy is closing transshipment loopholes and redirecting capital. E.g.:

- **Vietnam:** Preliminary pact sets 20% on Vietnamese-origin goods but 40% on suspected transshipments; Vietnam is drafting tougher penalties to enforce origin rules while opening to U.S. goods.
- **Philippines:** Announced framework applies a 19% U.S. tariff on Philippine imports while expanding U.S. access; Manila signaled sector carve-outs still under negotiation, linking trade and security.
- **Indonesia:** Reciprocal deal lowers U.S. tariff threats to 19% as Jakarta removes barriers, liberalizes critical-minerals flows, and accepts tighter rules of origin.

The pattern holds: hedging shrinks when ambiguity becomes expensive.

- **Middle East**

June 2025 was decisive. After Israeli strikes on Iranian nuclear and missile infrastructure, U.S. power shaped outcomes: Washington helped impose costs and then brokered the ceasefire that contained escalation. The IAEA secured full facility access in the aftermath. Regional partners drew the lesson and trimmed sensitive China footprints, reopening channels for U.S. defense integration. Under sustained U.S. pressure since 2019, Israel expanded screening of China-linked investments and cooled exposure in ports and advanced tech. Those trends continued in 2025 amid wider U.S.-led realignment.

- **Private sector response**

Boardrooms are adjusting to price in geopolitics. Leading-edge fabs and packaging capacity are anchoring in the U.S.; firms diversify toward India, Vietnam, and Mexico; and index and risk decisions reflect sanctions and tariff dynamics. TSMC is ramping Arizona production and ecosystem talent; Samsung is restarting Taylor build-out; Apple and major suppliers accelerate India and Vietnam. Nearshoring to Mexico remains a core strategy despite tariff noise.

The private sector in the U.S. understands much more quickly how fundamental Trump's change is—and adapts to the new realities much better and faster than many in Europe, who are still confused about where things are heading. Not least because the negative reporting bubble in the EU deceives them, making it impossible to recognize Trump's decades-old capability to envision and execute sophisticated strategies.

Interestingly enough, *Big Tech (with all its power) shifted by and large from "progressive" to "pro-Trump".* Some even became true MAGA believers, seeing not just a good opportunity in Trump but committing to his conservative *renewal of America out of a deep belief in its necessity and future.*

All in all, starting in 2024, Big Tech began to support Trump, or at least aimed for a good relationship with him. For example, on September 4, 2025, President Trump called the Big Tech leaders to dinner; and the big names came – such as Bill Gates, Mark Zuckerberg, Tim Cook, Sundar Pichai, Satya Nadella, Sam Altman. They *lauded* the President, as Business Insider reports:

<https://www.businessinsider.com/whos-who-tech-leaders-attended-dinner-white-house-altman-pichai-2025-9>

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Sam Altman, Tim Cook, and other tech leaders lauded Trump at a White House AI dinner

By Katherine Li



In short, this initial Phase 1 of Trump's presidency is already shifting behavior: U.S. allies and strategic partners are closing transshipment loopholes that let China route sales through Western partner nations; allies spend more on Western defense and secure supply chains; and private capital starts to align with Trump's new approaches and realities.

Thus, we are also witnessing nothing less than a readjustment of American Capitalism. Here too, the big picture helps to understand a bit more...

**America's Return to Realism and Trump's Negotiation Style
Transform Western Capitalism to Fit the New Age of Geopolitics**

Applying a solid Realism paradigm to observable facts, one can identify how the private sector too – and thus: Capitalism itself – is sorting into competing blocs. Blocs where supply chains, vessels, capital, technology (even code) fly a strategic flag. The premise of “commerce softens rivalry” is dead. Economic power now serves national power. And for that reason, the United States is even readjusting the Rules of Capitalism, so to speak. Trump is even successfully asking some of the most powerful corporations in the world to provide the U.S. government a substantial share in their business – in order to foster the interests of themselves and the U.S. Give and take. Power and money. (More on that soon.)

However, contrary to the common claim that such interventions are “unheard of in American history”, impactful state action in U.S. markets has recurred in cycles. Illustrative cases include:

- **Protective (i.e. strategic) tariffs in the 19th century**
- **Antitrust legislation since 1890**
- **The New Deal (1930s) and wartime mobilization (1940s)**
- **Cold War interventions** (Export controls restricted technology flows, while defense procurement accelerated entire industries. E.g.: DARPA's ARPANET in the 1960s laid the foundation for the internet, and Pentagon demand in Apollo and Minuteman II programs in the 1960s drove microchip scale-up.)
- **Crisis stabilization in 2008:** (At least USD 700 billion TARP program for banks and auto industry.)
- **Industrial policy since 2000:** Federal spending and regulation increasingly steer markets. Examples include the CHIPS and Science Act (2022) and the Inflation Reduction Act (2022), both channeling subsidies and tax credits into semiconductors and clean energy; extensive use of the Defense Production Act (including in the COVID-19 pandemic); and large Strategic Petroleum Reserve drawdowns in 2022 to manage oil markets.
- **Global “moral” interventions and regulations since 2000s:** Regulations based on hard law or “incentive” programs and pressure (ESG, Green,...). As well as costs on wars, stabilization, and nation-building projects (multi-trillion-dollar range, to name the financial costs only).

In short: Free market absolutism was never a “holy rule” in the U.S. – actually, it rarely ever existed in America's capitalism. However, Trump is applying leverage against corporate players much more decisive than any



Two leading experts on U.S. power politics in markets are **Jennifer M. Harris** and fmr. U.S. Ambassador H.E. **Robert D. Blackwill**. They researched about how power interventions and strategic thinking are part of American Capitalism – from the first days of its existence on:

*“For most of its history, the United States has regularly understood – and exercised – geoeconomic tools as part of its strategic battery.”**

Both recommend and promote (such as during the Council on Foreign Relations event where above picture was taken) since the mid-2010s that the U.S. should *return* to its tradition of geoeconomics – in order to counter China.

* One of the conclusions resulting from two years of institutional research on geoeconomics, by Robert D. Blackwill and Jennifer M. Harris, in “War by Other Means”, 2016, page 153. In this book, they recommend the U.S. to return to geoeconomics in order to counter China.

President after Franklin D. Roosevelt did. **Trump's new American Realism demands value for America, and the option to influence strategically when necessary.**

Economic security has merged with national security and the renewal of America: Capacity, resilience, and mobilization potential outrank a mere focus on GDP. Fabs, shipyards, rare-earth refineries, AI clusters, and stockpiles join carrier groups as strategic assets. And these efforts are by-and-large linked to each other. Thus, a **new geoeconomic doctrine** is emerging. Key components of this doctrine, which are changing the nature of capitalism in the West, could be outlined as follows:

- **Tariffs and Measures Against Trans-Shipments**
A durable tariff wall prunes strategic dependence and accelerates re-industrialization (thereby inflation costs are a price the polity accepts for depth and jobs). The abilities to ship from China to the West via third nations, or from China to the U.S. via Europe, gets limited and/or much more expensive. Supply chains shift toward the U.S., near-allies, and trusted partners.
- **From Capital and Technology Controls to Embargos**
Chokepoints on advanced tools, chips, and design software aim to keep China behind the frontier, trading short-run supply frictions for long-run military advantage. Investment outbound screens further harden the perimeter, limiting the amount of capital, technology, and business knowhow flowing from the West into China.
- **Protecting the Dollar Power and Applying It via Sanctions & Co**
Control of clearing and liquidity remains the silent giant of America – offering sanctions power and the control of stock market listings and capital flows. Large Dollar swap lines to help other nations during times of financial tensions will be granted like before – but increasingly only to those who align with the grand strategic mission.
- **Geopolitical Power Financing via Traditional and Crypto Means**
Entitlement trims, tariff revenue, strategic debt placement, surplus-nation participation and other new debt tools will help sustaining American power. Such as: A federal Dollar Stablecoin regime adds fully reserved private rails that pull foreign savings into short-dated Treasuries and extend sanctions reach. As predicted in The Big Reshuffle too, the U.S. will protect Dollar power, while ensure the future of those crypto vehicles that can help America's financial power more than it hurts.
- **Rebuilding Sea Power**
Blue-water overmatch secures the arteries of trade. Without it, other levers ring hollow. Allied shipbuilding, hulls, sensors, and geography corral adversary fleets and protect shipping.
- **Alliance Reindustrialization and Rearmament**
Re-Industrialization and integrated capacity across Japan, Australia, Korea, Europe, as well as and other key allies. This and their giant rearmaments will compound deterrence and innovation. And support the U.S. industry ecosystem (supply chains,...), while providing additional export revenues.
- **Buildup of Influence Vs. Supersized Corporations**
A new approach sported by President Trump fosters strategic influence over critical, usually exceptionally large, corporations

and banks. This delivers returns to taxpayers, secures chokepoints, provides influence to serve national security, and in general offers strategic leverage and optionality. Marking the strongest U.S. market intervention since Franklin D. Roosevelt; in order to position America for an age of rivalry.

To most people, not least the last point is so surprising that it is worth elaborating it further.

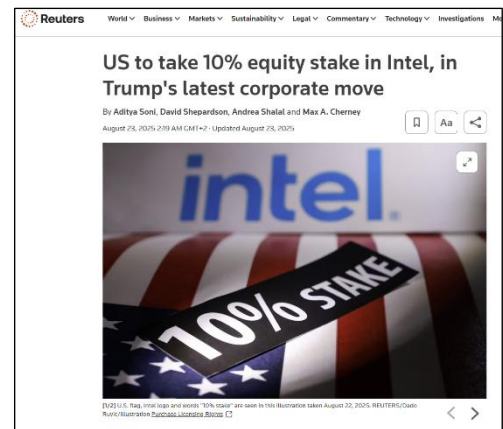
Government Leverage via Equity and Revenue Participation

To serve America's interests and readiness for the new age, Trump is also demanding more from strong multinational corporations and banks. After all, during the post-Cold War age some corporations and banks seem to have cared too little about the long-term fate of nations (while framing this in moral tones "we care about the world" – which practically meant zero responsibility).

Trump's deal style, focused on leverage and optionality (creating options for the future), fosters this new approach. He converts subsidy into stake, permission into payment, and rhetoric into enforceable control. First big and publicly recognized examples being:

- **Golden Share in U.S. Steel under Nippon Steel**
Thanks to Trump, the approval for Nippon Share to acquire U.S. Steel came with a golden share – a governance right that lets the U.S. veto closures of strategic facilities and, where necessary, require continued investment. The message is precise: production platforms critical to national security do not migrate or wind down without American consent.
- **Equity in Intel for the U.S.**
In this case a Trump-CEO meeting followed a media storm that raised concern about the reliability of Intel in the U.S. China rivalry. The President signaled: CHIPS Act money carries obligations. The result was a 10 percent U.S. stake in Intel. The grant ledger, already allocated but not fully disbursed, economically equates to the equity block. The taxpayer did not write a fresh check – it converted support into a permanent claim and a seat at the table.
- **Rare Earths Stake for the Pentagon**
The U.S. Department of Defense became the largest shareholder of MP Materials. This secures inputs for among others infrastructure, sensors, and energy systems. Ownership eliminates a single point of failure that China could otherwise weaponize.
- **Cheap Semiconductors Can be Exported to China – for a Price**
Nvidia and AMD wanted to export low-tech chips into China, arguing it would fund U.S. technology development while not helping China's tech rise or military buildup. This request received a conditional yes by the Trump administration: The condition is a 15 percent payment on those sales to the U.S. Treasury. Now financing both, American chipmaking and U.S. power.

Expect the expansion of this into defense primes, critical construction, and logistics nodes where the government is already the anchor customer. Where public money flows at scale, the public will now hold an instrument – a golden share, a revenue toll, or equity. All in all, this



Trump masterfully gained a 10% equity stake in Intel for the U.S. government – de facto for free. (Technically the U.S. pays with CHIPS Act grants, which had already been dedicated by Biden to Intel.)

Turning subsidies into ownership and aligning a national champion with U.S. interests.

This action joins the golden share in U.S. Steel, the Pentagon's MP Materials stake, and the 15% toll on Nvidia's China sales – one Realist toolbox to harden chokepoints and accelerate re-industrialization.

Among others, this federal backing buys time and capital for the foundry turnaround and signals that U.S. money now arrives with enforceable claims tied to national security and Dollar power.

<https://www.reuters.com/business/us-take-10-equity-stake-intel-trumps-latest-corporate-move-2025-08-22/>

constitutes **a generational shift in Western markets. From the post-Cold War globalization back to economic Cold War Realism.**

Allies who align industrial baselines with the U.S. will benefit from predictable access, shared capacity, and lower financing costs as risk premia compress. Those who treat this as a short period will find themselves priced out or bypassed in supply-chain design. The era of grants without strings is over. The era of strategic ownership – calibrated, temporary, and focused on deterrence – has begun.

All this would have been unthinkable under the approaches of George W. Bush, Obama, and Biden. America needed a Donald Trump as a change agent willing and able to drive such developments. To achieve progress otherwise out of reach, Trump first applies credible pressure, then offers relief for structural adaptations that fortify the Western system.

In that sense we want to end this introductory part with some relaxing diagrams and related slides. Offering summarizing overviews of grand strategic estimates, we publicly made in prior years – which predicted the “surprising turn” away from the open, globalized world. A less surprising turn, if seen through the lens of geopolitical intelligence analysis based on the good old school of Realism...

--- END OF PREVIEW ---

About the Publisher and the Author

HFA South America



HFA South America is an independent research institute operating on all continents. We are dedicated to supporting the Free World, its nations, its businesses, and its legitimate economic interests globally. Whereas we are open to all Western and non-Western nations, businesses, and people that show a positive attitude towards America and its allies.

For that purpose, we nowadays try to uphold the thinking of the most successful Cold War strategists and operators from the Western side. Such as the Dulles brothers (John Foster and Allen), Geoffrey Keyes, Franz Olah, George Kennan, Clare Boothes, Henry Kissinger, Ronald Reagan, Jeane Kirkpatrick, or George H. W. Bush ("Bush senior" who served as U.S. President from 1989 to 1993). As well as some less prominent pro-Western characters from the U.S., Canada, Europe, Latin America, Africa, Australia, and Asia.

Our research and resulting informational products aim to educate on key issues in a world affected by a fog of complexity, biases, mis- and disinformation. So key audiences can be prepared to understand and adapt quicker to actual developments of the utmost severity.

Depending on the purpose and context of a program or project, HFA South America utilizes different brands, partner entities, and channels for dissemination.

HFA South America Publishing



HFA South America has started to release certain products under its own name; i.e. under its publishing house, HFA South America Publishing.

About Our Author, Olivier Scherlofsky

Mr. Scherlofsky (born in the late 1970s) is a consultant/lawyer/lobbyist and external **OSCE** International Expert for U.S./EU sanctions law. For over 25 years, he has navigated through tasks that merge issues of security, law enforcement, international relations, and business interests. To this day, doing so while living and operating on different continents, from South America to Asia. Mr. Scherlofsky is a Partner in the American consulting and lobbying firm **RSB International**. A special service firm that serve distinguished clients; from corporations and banks to family offices and (West-aligned) governments. Among others, Mr. Scherlofsky is in charge of RSB International's **sanctions and export advisory**. Thereby, in vital projects collaborating with the Managing Partners and sanctions attorneys of some of the largest U.S. law and consulting firms, which partner with RSB. In this field, Mr. Scherlofsky is moreover a **Lobbyist registered at the U.S Congress** (LDA), author for the leading legal publisher **LexisNexis**, and external Senior Advisor for **Grant Thornton**. Furthermore, Olivier Scherlofsky is Partner at **Eventus CPI**, an Austrian firm that is RSB's local ally for special investigations and high security operations in Central Europe – *closing the circle of solution-oriented services*.



- *"Olivier possesses both kinds of intelligence that I consider critical to success; I call them "book smarts" and "street smarts". He is not only extremely bright (in an academic sense), but he is savvy, observant, strategic and insightful. [...] Olivier is remarkably well-schooled and experienced in economic sanctions, this highly technical and somewhat esoteric discipline."* --- a fmr leading partner in the world's largest law firm, who holds one of the **best success records in the history of American political consulting**.
- *"[...] Olivier Scherlofsky (RSB Partner and sanctions lawyer) is in lead of the projects, excellently managing them [...] we are happy to highly recommend their quality work to others."* --- A CCO in **one of the world's largest financial institutions**.
- *"[...] it was an extremely helpful [...] we look forward to working with you again."* --- The Chief Legal Counsel of a **U.S. energy corporation**, providing feedback in matters of sanctions compliance services.
- *"REALLY GOOD AND NEEDED session. [...]"* --- An executive who attended a post-graduate academic program for international leadership in Latin America, where Olivier Scherlofsky is **guest lecturing geopolitics and sanctions**.
- *"[...] recommend Mr. Olivier Scherlofsky, Partner at RSB International, for his exceptional skills and experience on the topic of minimizing risks of U.S./EU sanctions."* --- An official responsible for economic cooperation, within an **inter-governmental organization** central to world affairs.
- *"[...] for governments, family offices and large corporations [...] in frontier markets. [...] He thereby has proven to be of utmost value and reliability [...]"* --- The CEO of a **U.S. business intelligence** firm.
- *"[...] attest the outstanding character and professionalism [...] Olivier is a consummate professional willing to do whatever is ethically needed to be done to ensure the success of the endeavor. His vision, drive and pragmatic attitude coupled with his integrity ensure a quality product delivered on time and on target."* --- A retired **U.S. Navy Commander**, speaking as Managing Director for a **U.S. defense firm** that supports U.S. partners globally.
- *"[...] I was able to truly appreciate the personal contributions and sacrifice made by Olivier in support of our collective defense. [...] I can think of no one I am happier to recommend for United States Citizenship than Olivier Scherlofsky."* --- From a LOR by a Director within one of **America's Special Operations (Component) Commands** (Note: Back then, Mr. Scherlofsky did apply for (and received) the Green Card, not for the citizenship. Thus, he is a friend/supporter of the U.S., but not an American. Which speaks for his ability to provide an external view on U.S. policies.)
- *"[...] outstanding performance [...] with his professional personal skills and with his academic political knowledge!"* --- A Colonel from the **Italian security state**, Commander of a **NATO** special unit.



Personal “in memoriam” note of the author:
To those who, during the Cold War, saved Austria from a Soviet-Communist fate.



Women and men who, under the leadership of Franz Olah (top left) and backed by America's National Security State, did what was necessary to prepare for and, at times, actively prevent Communist attacks on Austria's sovereignty.

Such as when Olah's men, including my grandfather, actively stopped a Communist coup attempt in Vienna, September/October 1950. By organizing and decisively deploying Austrian civilian anti-Communist forces (top right) – despite the threatening presence of Stalin's Soviet Red Army.

Communist attempts like this proved that the great U.S. statesman (and Realist) George Kennan was spot on, when he in 1948 (at that time State Department Policy Planning Director) outlined to the National Security Council the need to address the problem of “organized political warfare” waged by the enemies of the West.

(See e.g. the now declassified Policy Planning Staff memo

“The Inauguration of Organized Political Warfare” from April 1948.)

And Kennan and his companions in America's National Security State had the right answers, by teaming up with reliable patriots in Europe, Latin America, and Asia.

Soon, masterpieces of U.S. foreign policy, like the Office of Special Projects (later: Office of Policy Coordination), the Marshall Plan, and certain critical planning/allied committees, followed.

We shall never forget what these U.S.-European, U.S.-Latin American, and U.S.-Asian bands of fellow patriots did. To save us from Communism by upholding the freedom and honor of their nations. The world would have turned very ugly if the Soviets had been able to expand and stick to power.

Today, we can learn from their spirit and Realism, right when the Western Free World is again existentially challenged.

Olivier Scherlowsky

Attachment:
About The Big Reshuffle (2023)

HFA South America Publishing



Book I of III of the Geopolitics, Sanctions, and Business Series

The Big Reshuffle

How the U.S.-China Rivalry Reshapes Global Trade, Wealth, and the Future of Nations

Written by Olivier Scherlofsky
Partner at RSB International

About the Author

Operating at the crossroads of geopolitics, law, and markets, Olivier Scherlofsky is an international businessman, sanctions & export lawyer, and designated OSCE International Expert in that field. Being Austrian, who has lived across Europe, the U.S., and Asia, he thereby applies U.S. and Non-U.S. perspectives accordingly.

Paul Hatch about the author's related consulting: *"Olivier possesses both kinds of intelligence that I consider critical to success; I call them "book smarts" and "street smarts". He is not only extremely bright (in an academic sense), but he is savvy, observant, strategic and insightful. [...] Olivier is remarkably well-schooled and experienced in economic sanctions, this highly technical and somewhat esoteric discipline."*

(Paul Hatch is a U.S. strategic advisor and Washington D.C. lawyer/lobbyist with one of the best success records in the history of American political consulting.¹⁾)

About **Paul Hatch**, who wrote the displayed recommendation regarding the author's consulting value (Mr. Hatch was not involved in creating, checking, or influencing the hereunder content; from joint projects he however knows the author's work and approach firsthand):

Mr. Hatch is a Washington D.C.-based lawyer and consultant. With an exceptional record and experience as a strategic advisor – navigating his distinguished clients through public and (geo)political matters of utmost criticality.

Among others, Mr. Hatch has been the executive director of the Republican Governors' Association (RGA), the committee dedicated to the election of Republican governors; during his tenure, the number of Republican governors increased from 17 to 32, back then the highest number in more than a century.

Besides being furthermore instrumental in passing U.S. legislation with profound impacts, Mr. Hatch supported key players in international politics: From a Prime Minister in a nation linked to vital U.S. interests to Kurdish governments during wartime years.

A recent global project of Mr. Hatch was the Nextlaw Public Affairs Network, now known as Dentons Global Advisors Network. Under the leadership of Paul Hatch, this legal and lobby platform with extraordinary global reach has grown to include more than 220 high-quality public affairs firms in 155 countries.

HFA South America is an independent research institute operating on all continents. Dedicated to supporting the Free World, its traditional core values, its nations, its businesses, and its legitimate interests globally. (For more on HFA South America, see end of the PDF.) Among others, we provide deep research for leading consulting firms like RSB International, where Olivier Scherlofsky is Partner. In doing so, RSB's clients, such as one of the largest financial institutions in the world, have been prepared for the changes unfolding. Changes that took and still take so many smart observers by surprise. In The Big Reshuffle we provide an understanding for the why and how – of both (a) the changes and (b) the reason these **fundamental shifts surprise most (being stuck in the post-Cold War paradigm)**.

Thereby Olivier Scherlofsky lays out and applies our geopolitical intelligence analysis tool GAST and its key findings about the most likely scenario for the U.S., Europe, and the world system. In doing so, **we have been able to predict** ("most likely scenario direction ahead", see preview PDF below) among others, that, how, and why the **United States will (a) internally return to conservative values and (b) externally leave its post-Cold War views** behind, returning to Realism and great power politics, with a long-term focus on countering the rise of China. In other words: In the 1990s the U.S. changed the course of itself and the world, driven by an Idealistic "colorful world" paradigm. In the 2020s this recent and unsustainable "one world" model is becoming history – not least due to America's own frustration over the effects of what we call Idealism, and its moralism-driven attitudes.

Similarly, hereunder white book predicted and predicts that and why **Europe will (at first) feel overwhelmed and confused about such a new America and world stage, but then (eventually) fundamentally change and adapt to these new realities - while still remaining allied to the U.S.** Since, (a) even a more self-reliant Europe is incapable to replace the American nuclear umbrella or the U.S. Navy – while being even more depend on global security and the world's oceans (Europe economically survives based on large-scale overseas imports and exports). And since (b) on the other hand the U.S. will only be able to contain China, if the latter cannot split the West and pull Europe (in addition to Russia during the last years) into its orbit.

Understanding geopolitical forces and the (often informal/implicit but powerful) grand strategies of key powers, we hereunder identify drivers that will reshuffle the world. Such as that the U.S. – under any of its Presidents – will most likely eventually try to rearrange its relationship with Russia, in order to enable its long-term goal to stop China from becoming too dominant. While expecting Europe to (again, like during the last Cold War) become serious in matters of defense, as condition for maintaining the transatlantic alliance.

*Note: The following synopsis of the book was **added after the election of Trump 2 – an event the book predicted**, confirming its findings. Consequently, there was no need to revise the content: the deeper structural forces and trends in the U.S., Europe, and globally, as outlined in the book, still apply. Indeed, they are currently in the process of unfolding. For example: not only did our white book predict and explain the rise of certain European defense stocks, but even the shift towards 3.5% to 5% GDP defense spending in Europe. At the time of publishing considered "impossible" – for those many lacking the type of insights that our geopolitical intelligence approach produces.*

The Essence of the Book - In a Nutshell

History unfolds in cycles. We are at the beginning of a return to Realism, geopolitics, and the relevance of the nation state. From markets, to international relations, to culture. In this book, the author merges geopolitical intelligence analysis with business best practice – into a guide for navigating through the Age of the U.S.-China Rivalry. The rivalry that will reshuffle the world – and has become one of the key drivers dismantling globalization.

I. The Most Likely Scenario Ahead: The End of the Recent "Post-Cold War West" Is the Beginning of a New West

In the most likely scenario laid out in the book, a reoriented (conservative, Realism-driven) U.S. will first renew and readjust itself. Then, secondly (almost in parallel but lagging behind in the process), Europe will (have to) run through a phase of fundamental change and adaption. An adaption that in the long run will enable the survival of NATO ("NATO Adjusted") and a renewed EU. Resulting in a united Europe that is grounded in strong allied nation states. Nation states again focused on security, industry, as well as freedom and wealth of its populations – not global moralizing.

Based on that Western internal and external reality realignment, like during the last Cold War, this U.S.-led Free World will become prosperous, secure, attractive, and influential again. And eventually succeed in a new type of Cold War – this time after a very long struggle vs. China. A struggle particularly fought with strategic sanctions, tariffs and other anti-import measures, export controls, subsidies, investments, and industry & monetary policies. Backed by navies if necessary. And while international trade will remain vital, it will only be mastered by those prepared and positioned well. Billions will be poured into strategic sectors. And, like during the last Cold War, probably the next economic Kondratiev wave will be triggered. *An outlook of an eventually successful U.S.-led (renewed) West that makes it highly advisable to be on America's side. Recommending businesses, but also key powers like India and Russia, to consider well where they want to stay during the years and decades ahead.*

This geopolitical reorientation is accompanied by a shift in beliefs and politics within the West: A new, popular, version of conservatism is on the rise. A process that started in the U.S. And will soon grasp Europe too: Supported by the U.S., the EU will drift towards the thinking of its rising Eastern members like Poland, who admired the "old" West – and never gave up the traditional Western values of patriotic-democratic and pro-business nature. Western values that back in the first Cold War had brought security, prosperity, democracy, while defeating communism.

II. Grasping the Deeper Structural Forces Behind America's Geopolitical Shift

Trump 1 was not an "odd outlier". Rather, his first term represents the harbinger of a new age. Trump 2 will continue and consolidate what started under his first term. And this new reality will be lasting and bipartisan: Any U.S. President of the 2020s and 2030s will (have to) continue pursuing the underlying grand strategic U.S. goal of "preventing China from becoming Eurasia's hegemon".

III. Understanding the Logic and Character of Trump's American Realism

The foreign policy logic of Trump, his administration, and the renewed, successful Republican Party is rooted in (a) great-power-driven Realism (not Isolationism!) focused on what's best for America, but also (b) a commitment to, within the Western sphere itself, defend the traditional values of Western civilization – from democracy, the rule of law, free speech, and freedom of religion to market capitalism, patriotism, family, and the willingness to uphold all of this with a strong and credible defense. While at the same time (c) accepting and respecting other nations and civilizations, as well as their perspectives in a complex and non-uniform world. Initiating a shift in the center of the West that will also bring an end to the post-Cold War paradigm, where the West was moralizing, while non-Western powers exploited Western Idealism ("Let's cheer on those Western forces who feel responsible for everything, want the West to pay for everything, or push for its own de-industrialization. While we do the opposite.").

Culturally, the origins of this Trump/MAGA foreign policy logic lie not only in the early United...

...States (from the Founders to Presidents like Andrew Jackson and William McKinley). But also (a) in the values of traditional American Anticommunism as well as (b) the related foreign policy school of Realism; both thriving between the 1950s and 1980s. At that time resulting in a paradigm that, among others, sustained the transatlantic bond during the first Cold War, enabling both NATO and European unity.

IV. A Europe (Forced by Reality) to Learn, Understand, and Adapt

Thus, this new American foreign policy still considers and values its European allies, but it expects them, to move in a similar, Realism- instead of Idealism-driven, direction; not least regarding defense burden-sharing. And since Europe has no other chance to survive geopolitically than to stay close to the U.S. and thus learn and adapt, in our most likely scenario Europe will eventually learn and adapt – to the new world realities and a new America.

V. Bottom Line for Businesses

From a business angle, we expect risks and opportunities unheard of in decades. After all, as a business being smart and daring during dynamic times is historically the right thing to do; while being too passive or sticking with obsolete worldviews becomes dangerous.

For FI and corporations, the following aspects are crucial:

- Analytical: Developing a minimum level of geopolitical intelligence (i.e., proper observation and interpretation).
- Operational: Ensuring commercial and legal-regulatory resilience (avoid compliance errors, especially serious ones, and at the same time steer clear of unnecessary, business-restricting “over-compliance due to ignorance”).
- Strategic: Having the ability to adapt accordingly in terms of positioning (investments, products/markets, etc.).

With respect to the specific consequences on the risk side, it is advisable to prepare for the following “weaponization of the economy” sub-trends in the coming years:

- Sanctions strategies and related export controls
- Tariffs and industry policies
- Use of currency power
- Other restrictions on trade and cross-border investment flows
- Increasingly extraterritorial investigations and actions by U.S. authorities
- A new “era of national security compliance”
- The reemergence of the age-old reality that it matters under which flag commercial ships sail
- Exceptionally high political risks outside the West (with decreasing rule-of-law reliability for property, operations, and personnel)

At the same time, it is important not to overlook major opportunities, which can be summarized as follows:

- Nations and blocs fostering trade and investment flows “among friends” (enabling trade pacts previously unlikely)
- Nations pouring billions into strategic sectors and supply-chain security
- Rivalry-driven positive developments at the micro level: Individual businesses having exceptional opportunities, such as (a) gaining market share from competitors who fail to understand and adapt; (b) receiving capital or contracts from Western governments now spending generously for strategic purposes; or (c) moving quickly to act on potential “swing events” in the near future.

Thus, we recommend not viewing this geopolitical reordering only as a risk but also as an opportunity. Companies that wisely align their strategies and processes can become more resilient than their struggling competitors; while unlocking new markets and possibilities. In dynamic times, the smarter and faster prevail, not (necessarily) the bigger. In light of the current upheaval, focus on both risk mitigation and opportunity seizure, based on a new paradigm understood!