

The US “Blitzkrieg” against EU Tech Policy

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The US “Blitzkrieg” forces Europe to trade its tech rules; the deal will shape the future of global tech governance.

Just days after taking office, [President Donald Trump](#) wasted no time reinvigorating trade tensions. Speaking at the January 2025 World Economic Forum in Davos, he threatened to impose sweeping tariffs on major economies and blamed Europe for what he described as an unfair campaign of “*taxation*” through tech rules and regulatory fines on US tech giants. With that, the Trump administration launched an all-out offensive, a “*blitzkrieg*” against Europe’s ambitious tech regulations, which have piled on costly compliance burdens for major players in Silicon Valley. The speed and ferocity of this assault have left European policymakers struggling to respond.

At stake is Europe’s role as a “*global standard-setter*.” Unlike the United States, which exports technology, Europe exports regulations to impose its values in the [global battle to regulate tech](#) between Europe, China and the US. The so-called “[Brussels effect](#)” has led countries worldwide to replicate its rules, effectively shaping global tech governance. By cracking down on Big Tech, Europe has made it most costly for them to do business, and Washington has taken notice.

In Trump’s crosshairs are the EU’s landmark tech laws: the Digital Markets Act (DMA), aimed at curbing the dominance of tech giants; the Digital Services Act (DSA), which moderates online content moderation; and the Artificial Intelligence Act (AIA), the world’s first comprehensive AI regulation. These rules impose heavy obligations on major American firms, restricting their ability to operate in Europe and to innovate. For the Trump administration, they are an ideological affront, an assault on the principles of free enterprise and free speech.

Whereas the Biden administration supported Europe on the need for stricter oversight of Big Tech, Trump has taken a harsh political U-turn in the opposite direction. He has found allies in US tech executives, including Meta CEO Mark Zuckerberg, who has publicly called on Washington to shield American firms from what he characterises as European “[censorship](#)”. And Washington is listening.

The week of February 10 marked the beginning of a multi-pronged US counteroffensive. In a matter of days, the Trump administration launched a series of calculated strikes: [slapping a 25% tariff](#) on steel and aluminium imports from all trading partners, including European manufacturers; sidelining Europe in brokering [a peace deal with Vladimir Putin](#) to end the war in Ukraine; [interfering in Germany's electoral process](#); and publicly [denouncing EU tech regulations](#) as “*excessive regulations*” and “*onerous international rules.*”

And how did Europe respond? With little more than words. While European leaders reaffirmed their [commitment to enforcing tech rules](#), they failed to mount a strategic response.

But standing firm on enforcement carries its own risks. As EU regulators intensify investigations under the DMA and DSA, imposing penalties on US tech giants could lead to a diplomatic fallout and swift retaliation from Washington through tariffs on additional European exports.

The EU is caught in a dangerous trap: enforce and risk US economic backlash, or retreat and forfeit its credibility as the world's digital rulemaker. While it is unclear what Europe will do, one thing is clear: [European tech policy is now part of trade negotiations](#).

Trade negotiations, after all, are about leverage. And Europe holds powerful cards. The EU tech rules can serve as both a carrot and a stick in its dealings with Washington.

Europe has already used its first carrot: shelving its proposed AI Liability Directive, which would have established an AI liability regime, [under pressure from US tech firms](#). More crucially, key investigations under the DMA and DSA remain unresolved, whereas major DMA cases against [Meta](#) and [Apple](#) are due by March 25 2025.

However, these unresolved cases are also Europe's leverage. If Washington escalates its trade tensions, Brussels can retaliate by ramping up enforcement, turning investigations into political weapons, just as [China did when it launched an antitrust probe into Google](#) the day the US imposed tariffs on Chinese goods. Indeed, Brussels has already signalled its willingness to play hardball, vowing to strictly enforce the DMA and DSA [in the e-commerce sector](#) in the context of actions to ensure its safety and sustainability.

The most pressing question is thus whether Europe will wield its regulatory power as a carrot or a stick. Will it undermine its tech policy to negotiate a trade deal? Or will it enforce them

and risk a full-blown confrontation with Washington? The answer will shape not just EU-US relations but the future of global tech governance.

About

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