# Sir Keir Starmer’s EU reset faces scrutiny as Trump threatens 50% tariffs on EU goods



Sir Keir Starmer has recently faced rising criticism over his perceived alignment with the European Union as Donald Trump warned of imposing steep tariffs on EU goods. This development adds a dimension of urgency to ongoing trade negotiations between the U.S. and the EU, with Trump threatening a 50 per cent tariff starting next month. For Starmer, who has proposed a 'reset' deal with the EU that aims to improve trade and cooperation, this backdrop raises questions about the implications for the UK's own trade relations.

Starmer's recent proposal includes significant concessions to the EU, which critics label a potential reversal on Brexit commitments. Notably, his plan, referred to disparagingly as the 'surrender' pact by some Brexiteers, aligns the UK closely with EU regulations on food standards and allows EU trawlers enhanced access to UK fishing waters for an additional twelve years. Sir Iain Duncan Smith, former leader of the Conservative Party, condemned this move, stating, "This week he stupidly went and handed ourselves over to the EU on SPS, where we have now become a rule-taker from the EU." Such sentiments echo throughout the party as concerns grow over sovereignty and potential economic repercussions, particularly if tariffs apply not just to the EU but the UK too.

The timing of Trump's threats could not be more significant; stock markets across Europe and the UK reacted swiftly, with the FTSE 100 dropping by 0.24 per cent and the German Dax and French CAC 40 experiencing even sharper declines. Analysts suggest Trump's aggressive rhetoric has dampened previous optimism around U.S. tariffs, which seemed to have subsided after trade agreements with China and the UK had been realised. The scale of EU exports to the U.S., which reached approximately €500 billion last year, underscores the potential impact of such tariffs on both sides.

Moreover, Starmer's deal includes a framework for renewed energy and defence partnerships, as well as a veterinary agreement that aims to facilitate food trade between the UK and the EU. While advocates say this could yield a £9 billion annual economic boost by 2040—albeit a figure that only marginally counteracts the estimated long-term GDP decline of 4% resulting from Brexit—critics are wary of the commitments that come alongside these potential benefits.

Political dynamics within the UK further complicate the situation. Starmer's proposed migration policy seeks to balance openness with control, suggesting a framework for revisiting asylum seeker regulations—a move that has been met with skepticism from Conservative ranks. The overarching sentiment is one of Brexit fatigue, where many citizens are wary of revisiting contentious debates, yet concerns regarding economic stability and national sovereignty remain very much alive.

As Britain navigates its post-Brexit landscape, analysts warn that the ambitions of Starmer's government to restore trust and economic ties may be tested by the complex realities of international negotiations. With the Labour Party's direction leaning towards pragmatic engagement with the EU, tensions may arise, particularly with potential implications for relations with the United States. For now, the looming threat of tariffs and the continuing critique of Starmer's EU 'reset' serve as a focal point for discussions about the future of UK's foreign trade policy and its identity on the global stage.

The need for a clear and coherent strategy has never been more pressing, as the UK grapples with the consequences of its choices and seeks to redefine its role in an increasingly fragmented global economy.

## Reference Map:

* Paragraph 1 – [[1]](https://www.dailymail.co.uk/news/article-14744791/Sir-Keir-warned-not-cosy-EU-President-Trump-threatens-Brussels-50-cent-tariffs.html?ns_mchannel=rss&ns_campaign=1490&ito=1490), [[2]](https://www.ft.com/content/ffe9c7ca-52de-457e-ab50-8bc6df5296b0)
* Paragraph 2 – [[1]](https://www.dailymail.co.uk/news/article-14744791/Sir-Keir-warned-not-cosy-EU-President-Trump-threatens-Brussels-50-cent-tariffs.html?ns_mchannel=rss&ns_campaign=1490&ito=1490), [[5]](https://www.ft.com/content/04bf9ddc-1abf-4641-a4e3-f9b5f2689ebb)
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* Paragraph 4 – [[3]](https://www.ft.com/content/7e7f481e-92dd-4d95-b46e-1d6adb911b70), [[6]](https://www.ft.com/content/e607b82a-56b7-4dde-8cfa-8d44b6d4837e)
* Paragraph 5 – [[2]](https://www.ft.com/content/ffe9c7ca-52de-457e-ab50-8bc6df5296b0), [[7]](https://www.lemonde.fr/en/european-union/article/2023/09/19/keir-starmer-leader-of-british-labour-party-outlines-european-policy_6137723_156.html)
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## Bibliography

1. <https://www.dailymail.co.uk/news/article-14744791/Sir-Keir-warned-not-cosy-EU-President-Trump-threatens-Brussels-50-cent-tariffs.html?ns_mchannel=rss&ns_campaign=1490&ito=1490> - Please view link - unable to able to access data
2. <https://www.ft.com/content/ffe9c7ca-52de-457e-ab50-8bc6df5296b0> - The Financial Times' 'Political Fix' podcast discusses Labour leader Keir Starmer's post-Brexit EU deal and its political implications. The deal re-establishes trade and diplomatic ties, including a defense partnership and restored electricity market cooperation. A veterinary agreement easing food trade and a contentious 12-year fisheries access compromise are key elements. While Starmer markets the deal as economical and pragmatic, critics like Kemi Badenoch label it a surrender due to dynamic alignment with EU rules. Public and political response has been muted, reflecting Brexit fatigue, though concerns about sovereignty and immigration persist.
3. <https://www.ft.com/content/7e7f481e-92dd-4d95-b46e-1d6adb911b70> - The UK and EU have announced a reset of their post-Brexit relationship through a three-part agreement aimed at improving economic ties, security cooperation, and energy integration. Key components include a new security and defence partnership, improved trade in agrifoods and electricity, and a veterinary agreement reducing red tape on agricultural exports. While Labour leader Sir Keir Starmer claims a potential £9bn annual economic boost by 2040, analysts note the gains would only marginally offset Brexit’s 4% long-term GDP impact. The agreement includes a controversial 12-year extension of EU fishing access to UK waters, a trade-off for securing improvements in food trade. The UK will also work towards rejoining the EU's internal energy market, which could save consumers €44bn annually. The security pact reestablishes institutional cooperation, including regular high-level meetings and potential UK involvement in the EU’s €150bn arms fund. Gains in youth and professional mobility remain uncertain, with limited commitments on work exchanges and no progress on touring artist visas. Despite some economic and diplomatic progress, the reset does not reverse the fundamental Brexit trade and regulatory realignments.
4. <https://www.reuters.com/world/uk/with-us-eu-deals-britain-embarks-high-risk-balancing-act-2025-05-20/> - Britain is pursuing a complex and high-stakes trade strategy post-Brexit, balancing its relationships with the U.S., EU, and China. It has secured trade agreements with India and the U.S., aligning more closely with the EU in defense and agriculture, while also seeking improved economic ties with China. These efforts aim to address challenges from weakened trade engagement since Brexit and economic struggles, including a projected 4% drop in long-term productivity and £2.8 trillion in debt. The deals test the patience of major global powers and highlight Britain's role as a secondary partner in U.S.-led economic and technological networks. Analysts warn that Britain risks alienation if its strategy appears incoherent or opportunistic. Tensions persist: the U.S. deal includes clauses that threaten China's access to UK steel, drawing criticism from Beijing, while EU and Japanese officials are frustrated by what they see as British favoritism with Trump. The current Labour government aims to restore trust and global economic ties, but experts caution that acting as a test case for navigating this fragmented global order could be uncomfortable and risky for the UK.
5. <https://www.ft.com/content/04bf9ddc-1abf-4641-a4e3-f9b5f2689ebb> - Nine years after the Brexit referendum, the UK’s new agreement with the EU under the Labour government marks a modest but symbolically significant step towards closer cooperation. The centerpiece is a security and defence pact that formalizes collaboration in military training, cyber and space security, infrastructure resilience, and hybrid threats. This agreement also opens the door for UK participation in the EU's €150bn Security Action for Europe procurement fund. Economically, the deal includes a veterinary agreement to ease agrifood exports and aligns emissions trading systems, potentially adding £9bn to the UK economy by 2040. However, the UK has accepted dynamic alignment with EU rules in certain areas and extended EU fishing access to UK waters for 12 years, prompting criticism from rightwing parties as a loss of sovereignty and a betrayal of the fishing industry. While the Labour government has maintained red lines against rejoining the single market or customs union, the deal reflects a shift towards more pragmatic relations. With Europe facing rising security challenges, the agreement serves as a foundation for a deeper realignment, recognizing the UK's need to foster stronger ties with its principal trade and security partner.
6. <https://www.ft.com/content/e607b82a-56b7-4dde-8cfa-8d44b6d4837e> - In the podcast episode “Is Trump a threat or an opportunity for the EU?” hosted by Gideon Rachman, Paschal Donohoe, Ireland’s finance minister and president of the Eurogroup, discusses the resilience and future of the European Union and the euro amid global challenges. Donohoe emphasizes the political determination underpinning the euro and the EU, particularly during crises like the Eurozone debt crisis and the COVID-19 pandemic. He sees the euro not as a finished project but as a dynamic one supported by collective European action. Donohoe considers rising nationalism a challenge but maintains that EU integration is a modern solution to collective problems such as trade, security, and digital innovation. He discusses the EU’s deliberative but substantial approach to handling trade tensions, particularly with the U.S., and stresses the economic weight of EU-wide negotiations. On UK-EU relations, Donohoe notes progress post-Brexit, particularly in trade and security cooperation. He also addresses rising populism and immigration, advocating for a centrist, balanced approach that combines control with openness, highlighting the economic and social benefits of migration to Ireland and the EU.
7. <https://www.lemonde.fr/en/european-union/article/2023/09/19/keir-starmer-leader-of-british-labour-party-outlines-european-policy_6137723_156.html> - Keir Starmer, leader of the UK's Labour Party, has begun outlining his European policy as the campaign for the next British general election heats up. In a series of high-profile international engagements, Starmer has focused on contentious issues like Brexit renegotiation and migration. He criticized the existing post-Brexit trade deal, calling for a major renegotiation, though he ruled out rejoining the EU single market. Starmer also proposed scrapping the Conservative law on asylum seekers arriving in small boats and suggested a readmission plan with the EU. While Conservative MPs claim this would lead to an influx of migrants, Starmer disputed it. Despite apparent differences, the Labour and Conservative stances on Brexit and migration are not vastly different. Starmer's visits to international leaders, including meetings with Emmanuel Macron and Justin Trudeau, signal Labour's commitment to repairing EU relations damaged during Boris Johnson's and Liz Truss's tenures.