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How U.S. plans to bleed Europe dry while waging war on China

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The theatrical events of the previous week between Volodymyr Zelensky, Donald Trump, and JD Vance have been grist for all manner of bourgeois media lies designed to obfuscate events. Trump has been touted as pro-Putin. On the other hand, in some so-called anti-imperialist circles he is being hailed as a peace hero.

There is nothing further from the truth on both counts. As of this writing, there are no details of a final peace agreement. Trump's deal at this date looks more like a 30-day stall (giving Ukraine's troops a rest and time to resupply arms), rather than a long-term peace agreement that Russia is looking for. What has happened is that the U.S. has resumed sending weapons to Zelensky and that there are continuing talks on how to plunder Ukraine, i.e., "the rare earth mineral deal."

It would be important to remind readers that behind Trump are the Pentagon generals and that no recent shifts in tactics or strategy would have been undertaken without their agreement.

Pivot to China

Despite baseless hope that the U.S. has chosen "peace" over the pursuit of

imperialist interests — U.S. Secretary of Defense Pete Hegseth in Brussels on February 12 (reading off policy drawn from Project 2025), laid out a division of labor in which Europe would continue Washington's proxy war on Russia while the U.S. pivots to another war of aggression with China in the Asia-Pacific.

Hegseth's [exact words](#) regarding China:

"We also face a peer competitor in the Communist Chinese with the capability and intent to threaten our homeland and core national interests in the Indo-Pacific. The U.S. is prioritizing deterring war with China in the Pacific, recognizing the reality of scarcity, and making the resourcing trade-offs to ensure deterrence does not fail."

This turn of policy has as its backdrop the disintegration of Ukraine's internal situation, which was based on severe losses on the battlefield. The fact that Ukraine could not win the war was known for some time by the U.S. ruling class and laid out in a RAND Corporation position paper commissioned by the Pentagon.

Expanding arms industry in Europe

U.S. imperialism has for the time being unilaterally dumped the Ukraine war on its European counterparts to focus on war with China. This has prompted rushed action among European leaders who have followed Washington, lock, stock, and barrel, for the last three years.

The chest-beating in Europe is likely staged to convince the working class of Europe that more sacrifice and suffering is needed and inevitable.

Again, in Hegseth's own words at the same Brussels meeting, before the uproar swept the press:

"Expanding your defense industrial base is important, leveling with your citizens about the threat facing Europe. Part of this is speaking frankly with your people

about how this threat can only be met by spending more on defense. Two percent is not enough; President Trump has called for 5%, and I agree.”

The European Union and Germany

In response to Washington’s dictates, Europe’s counterparts quickly scrambled to increase military spending. The European Investment Bank lifted rules barring lending for military use, which will also give the green light to other private-sector bankers and bond lenders. Ursula von der Leyen, President of the European Commission, announced an 800 billion euros war fund over the next four years.

Friedrich Merz, Germany’s new conservative Chancellor-in-waiting, pushed sweeping plans to revive its armed forces with the massive borrowing of over 500 billion euros aimed at upping weapons manufacturing. Germany is the largest European economy.

Germany’s economy in contraction

It’s important to note that Germany’s economy has been in severe contraction for the last two years, marked by declining manufacturing. This has resulted in layoffs, including at Volkswagen, which cut 35,000 jobs and shifted some production to Mexico.

The general capitalist decline unleashed in 2008 impacted the world capitalist system and was exacerbated by the COVID-19 crisis and the war on Russia. Before the war, European countries depended on cheap gas and mineral imports from Russia and on exports of cars, machinery, equipment, and consumer goods to Russia.

Both sanctions and the destruction of the Nord Stream pipeline, widely attributed to the U.S. Pentagon, have caused scarcity and inflation, which have been borne by Europe’s working class.

The big winners are U.S. weapons manufacturers

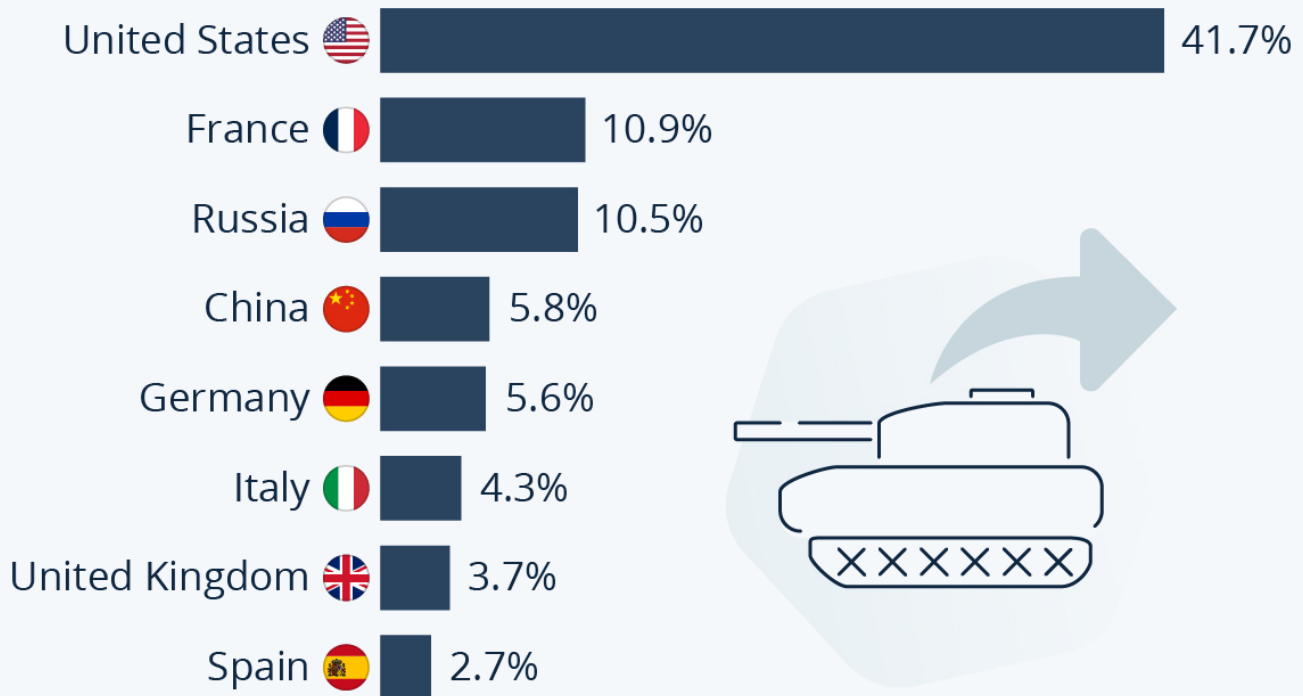
Any increase in weapons manufacturing on European soil will be negligible compared to the European NATO countries' dependence on U.S. weapons manufacturers.

Arms imports have more than doubled in the last five years, with 60% from the U.S. This includes almost 500 combat aircraft and other weapons still on order.

Italy and Britain also bought U.S.- made F-35 fighter jets and Patriot anti-air defense systems. Below is a graph that highlights the U.S.'s position on weapons exports.

The World's Biggest Arms Exporters

Share of global arms exports from 2019 to 2023, by country



Based on size/value of arms transfer independent of purchase price

Source: SIPRI



statista

The banks and bond market will be the biggest winners, outside of war manufacturers. The German and European working classes will be the losers.

Workers must fight back

Every bit of this “rearmament” will cost the working class dearly in the form of greater poverty, cuts in services, higher prices, and slashed wages. Workers’ lives will be at risk if the ruling elite succeeds in the reintroduction of compulsory military service and sending troops to Ukraine.

The next chapter must be aimed at stopping imperialist war, turning it around to fight the global billionaire class.

