GREAT DECISIONS

Summer 2026 Update

Trump's Tariffs • Ukraine: Unfinished Negotiations • Today's Nuclear Age, Now Without New START

Trump's Tariffs

The biggest shakeup to President Trump's tariff agenda came from the courts. On February 20, 2026, the Supreme Court ruled 6–3 in Learning Resources, Inc. v. Trump that the International Emergency Economic Powers Act (IEEPA) does not authorize the president to impose tariffs, striking down the April 2025 "Liberation Day" tariffs and the fentanyl-related tariffs on Canada, Mexico, and China. IEEPA, a 1977 law, granted the president broad regulatory powers over international commerce during declared national emergencies arising from foreign threats. The Court concluded that IEEPA does not authorize the president to impose tariffs and emphasized that Congress—which is granted the power to levy taxes by Article I of the Constitution—had not clearly delegated said power to the executive.

The government must now refund billions of dollars collected from businesses and importers. Within hours, the administration invoked Section 122 of the Trade Act of 1974 to impose a new 10 percent global tariff—an authority set to expire July 24, 2026, unless Congress extends it—and has since opened sweeping Section 301 investigations into manufacturing overcapacity and forced labor to build a more durable tariff regime. A U.S. court actually rejected the Section 122 tariff in May, and there is a stay currently keeping it in effect on appeal. Trump has continued to use tariffs as leverage, warning in a post on Truth Social in June that any tax by European countries on large U.S. tech companies would be met with a 100 percent tariff. This tariff, Trump wrote, would "supersede Trade Deals made with the Country, whether implemented, signed, or not."

The economic costs are becoming visible. The average effective U.S. tariff rate, which peaked near 27 percent in 2025, still stood at 11.8 percent in April 2026—the highest in decades—functioning as roughly a $1,000 tax increase per American household in 2025, adding further upward pressure to food prices both domestically and abroad.

The diplomatic fallout may prove longer lasting. Rather than falling back in line, trading partners are hedging away from Washington: Canada and China announced a "trade reset" in early 2026, with Canadian Prime Minister Mark Carney calling China "more predictable" than the United States, while the EU signed new trade deals with the Mercosur bloc and India. Carney told Davos in January that "the old order is not coming back"—a sentiment now echoed across a growing debate among foreign policy analysts over whether the postwar liberal international order is being reshaped or genuinely dismantled.

Recommended Readings

Steil, Benn and Yuma Schuster, "A Year After 'Liberation Day,' Experts Review the Costs of Trump's Tariffs," Council on Foreign Relations (April 2, 2026)

"Is Trump Reshaping the World Order?" Brookings Institution (February 23, 2026)

"Trump Tariff Tracker," Atlantic Council, Geoeconomics Center (updated July 2, 2026)

Researched as of July 2026.

Ukraine: Unfinished Negotiations

Negotiations appeared closer to a comprehensive settlement than at any previous point since Russia's 2022 invasion—and then stalled just short of the finish line. U.S. envoys Steve Witkoff and Jared Kushner produced a 28-point framework in late 2025, refined through rounds of talks in Florida, Paris, the UAE, and Switzerland into a competing 20-point European counterproposal and a revised 28-point plan addressing territory, troop caps, and NATO membership. By January 2026, U.S., European, and Ukrainian officials were describing the deal as roughly 90 percent complete. It has not closed since. Western intelligence assessments and several independent analysts even argue that the Kremlin likely staged or exploited an alleged drone attack on Putin's residence to strengthen its negotiating position, although this has never been conclusively established. Talks stalled further for over two months in spring 2026 as Washington's diplomatic attention shifted to the Iran war; a trilateral round scheduled for late February was postponed days before the U.S.-Israeli strikes. By May, Secretary of State Rubio himself acknowledged that U.S. mediation had not produced a "fruitful outcome."

The war's momentum has shifted alongside diplomacy. For the first time since 2023, Ukraine retook more territory than it lost in January and February, and again in April 2026—challenging Russia's strategy of relying on attrition. Ukrainian drone strikes on Moscow-area oil refineries and supply and ammunition depots have slowed Russia's offensive tempo and exposed Moscow's difficulty defending even its own capital, prompting Putin to scale back May's Victory Day parade—historically a showcase of Russian military strength—over concerns about drone attacks. NATO, meanwhile, held firmer than Moscow anticipated, committing major funding for 2026 and 2027 despite friction elsewhere. Trump's own posture toward Zelensky has shifted from dismissive to warmly acknowledging Ukraine's battlefield progress, including U.S. approval for licensed domestic production of Patriot interceptors in July, the same missile-defense system already licensed to Japan and Germany.

That momentum produced the war's most concrete diplomatic result to date: a U.S.-brokered three-day ceasefire and 1,000-for-1,000 prisoner exchange running May 9–11, after Putin unilaterally declared a shorter, Victory-Day-only truce that Kyiv called insufficient. Putin said afterward that he believed “the matter is coming to an end” and floated direct talks with Zelensky—but he has conditioned any leader-to-leader meeting on a deal being almost finalized, and the ceasefire itself collapsed within days, with both sides trading blame for violations. No comprehensive ceasefire or settlement has followed.

European officials, for their part, have begun explicitly acknowledging their own marginal role in the process: Ukraine's foreign minister described Europe as having been “largely sidelined by Washington” over the past year, and Finland's president has publicly urged Europe to start talking to Moscow directly—a sign that even as U.S.-led diplomacy has come closer than ever to a deal, Europe is simultaneously preparing to act with less reliance on it.

Recommended Readings

Dickinson, Peter, "NATO Summit Dashes Putin's Hopes of Outlasting the West in Ukraine," Atlantic Council, UkraineAlert (2026)

Khostova, Margaryta and Amelia Hadfield, "'One More Day': Ukraine Is Edging the War of Attrition," CEPA (May 2026)

"Ukraine's Battlefield Gains Fueled by Drone Dominance," The Hill (May 30, 2026)

Researched as of July 2026.

Today's Nuclear Age, Now Without New START

For decades, one treaty stood as the last hard limit on the world's two largest nuclear arsenals—and this year, it disappeared. On February 5, 2026, New START, the treaty that has capped U.S. and Russian deployed strategic nuclear warheads since 2011, formally expired. Signed in 2010 and extended once already in 2021, the treaty could not be extended a second time under its own terms. Together, the U.S. and Russia hold roughly 85 percent of the world's nuclear warheads, so for the first time since the early 1970s, there are no legally binding limits on either country's strategic nuclear forces, and no successor treaty is under negotiation.

A second major test came from outside the U.S.-Russia relationship entirely. The U.S. and Israel struck Iran's nuclear facilities in June 2025, then launched a larger offensive in February 2026 that killed Iran's Supreme Leader—notably while active negotiations with Tehran were still underway. That timing is what many nonproliferation analysts consider the war's most dangerous lesson: Iran was attacked despite being at the table, undercutting the argument that diplomatic engagement offers real protection against a nuclear-armed adversary. Since the war, prominent voices within Iran's regime have pushed to withdraw from the NPT (Non-Proliferation Treaty) and pursue a weapon outright, and Iran's own submissions to the May 2026 NPT Review Conference argued that strikes on IAEA-safeguarded facilities by a nuclear-armed state violate the treaty's basic logic—an argument that appears to have contributed to that conference's collapse, the third consecutive failure to reach consensus after 2015 and 2022.

The strain is showing across the broader nonproliferation architecture, not just the U.S.-Russia relationship. The Nuclear Non-Proliferation Treaty's Review Conference, convened in New York just months after New START lapsed, collapsed in May 2026 without a consensus outcome document—the third such failure in a row, after 2015 and 2022. Diplomats from 130 countries could not resolve disputes over country-specific language involving Iran and the United States, and the conference president ultimately withdrew the draft rather than force a vote. The Bulletin of the Atomic Scientists has set the Doomsday Clock at 85 seconds to midnight, the closest it has ever stood, citing eroding arms control, expanding capabilities, and ongoing conflict.

The longer-term risk may be structural rather than diplomatic. Whether the informal Abu Dhabi understanding holds, or whether the major powers are simply entering an unconstrained buildup with no framework to slow it, remains an open and closely watched question.

Recommended Readings

"Nukes Without Limits? A New Era After the End of New START," Council on Foreign Relations, Expert Roundup (February 2026)

Sokov, Nikolai, "End of New START: Short- and Medium-Term Options," Vienna Center for Disarmament and Non-Proliferation (2026)

"Three Truths About the End of New START and What It Means for Strategic Competition," CSIS, Nuclear Network (February 2026)

Researched as of July 2026.