

## Trump and Starmer Strike Trade Deal, but Differences on Policy Remain Clear

July 30, 2025

— Categories: Politics & Government



During a high-profile meeting at the G7 summit in Scotland, US President Donald Trump and UK Prime Minister Keir Starmer confirmed the finalisation of a limited bilateral trade agreement. While both leaders struck a cordial tone and praised the deal, sharp contrasts emerged over policy, with Trump openly criticising aspects of UK domestic governance under Labour's direction.

The new trade agreement includes provisions to scrap US tariffs on British aerospace exports and apply a reduced 10% tariff to the first 100,000 UK-manufactured vehicles exported annually to the US. Although limited in scope and with steel and aluminium tariffs still unresolved, the deal marks a tangible outcome after years of stalled US-UK trade talks. Trump hailed the deal as “fantastic”, holding up a signed copy and calling Starmer “a friend”, though he stopped short of offering wider tariff relief.

Prime Minister Starmer described the day as “very good” for both nations but sought to pivot attention to cooperation rather than American praise. While presenting a united front on trade, deeper ideological and policy divides quickly surfaced. Trump criticised UK energy taxation and immigration policies, and took aim at London Mayor Sadiq Khan, prompting Starmer to offer a restrained response. The exchange highlighted the political balancing act facing Starmer, securing economic gains through transatlantic ties without aligning too closely with Trump’s more forthright rhetoric.

Discussions also touched on pressing international issues, including the war in Ukraine and the humanitarian crisis in Gaza. Trump claimed he had issued Russia a 10–12-day deadline to agree to a ceasefire, while Starmer reiterated the UK’s support for humanitarian aid to Gaza but cautioned against unilateral recognition of Palestinian statehood. The brief unity on global matters did little to mask the broader differences in worldview.

While the Labour leadership may attempt to capitalise on the optics of cross-Atlantic diplomacy, critics argue that the agreement is superficial, failing to secure substantial relief for critical UK industries like steel.

Trump's firm tone and emphasis on American interests served as a reminder that international influence is often asserted through strength rather than concession.

Ultimately, the encounter reaffirmed the strength of the UK-US alliance but also revealed the limitations of Starmer's diplomatic approach, willing to shake hands abroad, yet hesitant to take firm stances at home.