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Béla Háda¹

The “Mother of All Agreements”

India and the European Union signed their comprehensive free trade agreement on 27 January 2026, which is intended to be the beginning of a new era in relations between Europe and the South Asian country. The opinion as the agreement is a strategically important response to American trade policy could not be left out of the commentaries of journalists and experts. However, it is worth adding a few more aspects to this simplistic view.

First of all, negotiations on the agreement began in 2007 and stalled in 2013 due to wide-ranging disagreements between the two parties. They were finally restarted in 2022 – years before the start of Donald Trump’s second presidential term. This negotiation process led to a result by 2026.

Second, the European–Indian rapprochement did have strategic motivations, but these were initially shared by the United States. The latter was strongly motivated by the desire to link New Delhi more closely to Western economies and to gain support for its policy of limiting the great power aspirations of the People’s Republic of China. It is worth remembering that in September 2023, the India–Middle East–Europe Economic Corridor project was also established with American support, which was described by analysts at the time as a rival to China’s Belt and Road Initiative.

Third, India’s foreign trade with China and Russia has been in a strong deficit in recent years. Indian decision-makers are particularly worried about the foreign trade deficit with Beijing. In contrast, bilateral trade with the United States and the European Union has resulted in significant surpluses. After the U.S. tariff policy cast doubt on the dynamic growth in the value of bilateral trade that New Delhi and Washington had previously set as a goal, it was a logical effort on the part of India to strengthen its cooperation with the other major Western economic centrum.

And finally, there are only estimates of the real effects of the free trade agreement today, but it is worth noting that the document establishes a fairly diverse cooperation, going far beyond the regulation of tariffs. It therefore does not seem an exaggeration to emphasise its historical significance. In addition, the agreement could provide India and the European Union with significant strategic room for manoeuvre in an era when trade can become a tool for political pressure.

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Péter Klemensits¹

President Ferdinand Marcos Jr.’s “Independent” Foreign Policy and the Philippines’ Position in the New World Order

In the Southeast Asian region, the Philippines plays an important role in the strategies of the United States and China. The Philippine government is trying to establish a balance between the two world powers and at the same time take advantage of this situation. This goal is also served by the ‘independent’ foreign policy of President Ferdinand Marcos Jr., who took office in 2022. The aim of this paper is to briefly summarise the key elements of Marcos’ foreign policy halfway through his term. It emphasises that, despite the risks, closer cooperation with the United States currently appears to be more rewarding, while geopolitical tensions with China are limiting the full development of the economic partnership.

Keywords: Southeast Asia, Philippines ‘independent’ foreign policy, Ferdinand Marcos

Introduction

Parallel to the region’s growing importance, the member states of the Association of Southeast Asian Nations (ASEAN) are playing an increasingly significant role in U.S. and Chinese strategy. Geopolitically, the countries of the region are balancing between the United States and China, avoiding unilateral commitments and striving to act as a bridge. The Philippines is no exception; although it is a military ally of the U.S., it also seeks economic cooperation with China. After Benigno Aquino III’s presidency (2010–2016), during which an open commitment to the U.S. did not yield the desired results, the presidency of Rodrigo Duterte (2016–2022) saw the country’s foreign relations become more balanced through a policy of opening up to China, while its relationship with the U.S. was also reassessed. In the summer of 2022, with the inauguration of Ferdinand Marcos Jr., a modified ‘independent’ foreign policy began, whose most important principle is that the country is ‘friend to all, enemy to none’, meaning that Manila seeks pragmatic cooperation with any partner willing to work with the Philippines in exchange for economic benefits.

The aim of this paper is to briefly summarise the essential elements and results of Marcos’ foreign policy halfway through his presidential term, with particular focus on relations with the U.S. and China. To this end, it first explores the interpretation of the term ‘independent’ foreign policy, and then presents how cooperation with the United States and tensions with China can be characterised, while also highlighting the role of

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other key partners. The paper discusses Washington and Beijing's strategies towards the Philippines, and ultimately seeks to answer the question of what role Manila can play in the changing world order.

Interpreting Marcos's "independent" foreign policy

When Marcos took office in June 2022, he was expected to continue Duterte's "independent" foreign policy. This was foreshadowed not only by his previous statements, but also by the alliance between the Duterte and Marcos families (the daughter of the former Head of State, Sara Duterte-Carpio, was elected vice president).

According to the 1987 Constitution, which is still in force, an independent foreign policy essentially means that a country has a duty to defend itself and, to this end, must create strategic institutions that enable it to protect its national sovereignty, territorial integrity, national interest, and the right to self-determination.²

During the Cold War, the President's father, the late dictator Ferdinand Marcos Sr., advocated a flexible, pragmatic and development-oriented foreign policy, that focused on preserving the dignity and national integrity of the nation, promoting regional cooperation and reducing dependence on the great powers. During his "independent" foreign policy strategy, the elder Marcos sought to exploit multilateral relations with the Soviet Union, China, ASEAN, developing UN member states, the Islamic Conference, and the socialist countries of Eastern Europe, while maintaining harmonious relations with the United States. In seeking solutions to internal problems, the elder Marcos adopted a more open economic policy than before, which also required an "open foreign policy". He took advantage of the détente following the end of the Vietnam War to strengthen relations with neighbouring countries, which became possible in both security and economic terms after the establishment of ASEAN in 1967.³

During the term of Benigno Aquino (2010–2016), "independent" foreign policy was understood as the preservation of a liberal, rules-based international order that is fair and equitable to all states, "regardless of their size and relative power".⁴ In practice, under Aquino's presidency, the country embraced the rebalancing concept aimed at restoring the balance of U.S.–Philippine relations in exchange for military and political support, thus becoming one of Washington's most important pillars. In response to China's tough stance, the Philippines sought to strengthen its ties with its traditional ally, the United States, and to secure its support for military modernisation.⁵

² The Constitution of the Republic of the Philippines Article XVIII. Transitory Provisions. [online], 1987. Source: officialgazette.gov.ph [13.08.2025].

³ Resos, Archie B.: *International Realities and Philippine Foreign Policy Under Ferdinand Marcos*. [online], Foreign Policy Journal, 28.10.2013. Source: foreignpolicyjournal.com[13.08.2025].

⁴ Amador, Julio S. III. – Merced, Loui Dane – Teodoro, Joyce: *The Philippines' Foreign Policy and Relations towards Major Powers*. [online], Étude, 2014/2015. Source: scribd.com [11.07.2023].

⁵ Klemensits, Péter (2017): *Defence Reform and Military Modernization in the Philippines in the Perspective of the South China Sea Conflict*. In Kamiński, Tomasz (ed.): *Overcoming Controversies in East Asia*. Łódź: Łódź University Press, 87–103.

From the outset, the Duterte administration has emphasised the need to pursue an “independent foreign policy” based on the principles of sovereignty, sovereign equality, non-interference and peaceful settlement of disputes.⁶ Essentially, reducing dependence on the United States and fostering cooperation with China and non-traditional partners such as Russia and India were the main elements of his policy to find a middle ground in the national interest. The essence of the “Duterte doctrine” can be summarised as follows: creating a more favourable image for China; modifying the country’s U.S.-influenced strategy; mobilising the power inherent in the relationship between the state and society to strengthen Chinese influence; and transforming the country’s Western-style institutions in line with Chinese expectations and incentives.⁷

The most important principle of Marcos Jr.’s “independent foreign policy” is that the country is “friend to all, enemy to none” meaning that Manila seeks pragmatic cooperation with anyone willing to work with the Philippines in exchange for economic benefits.⁸ Marcos emphasised that Asian countries should refrain from taking sides in the competition between the U.S. and China and instead take advantage of their growing interest in the region, while keeping their own interests in mind. His flexible government policy can be interpreted as trying to promote the national interests of the Philippines by avoiding armed conflict and promoting peace, while maintaining relations with both the United States and China, thereby guaranteeing security and potential economic gains. The sustainability of this policy is, of course, heavily dependent on the behaviour of the major powers.

According to some researchers, Marcos is actually pursuing a flexible foreign policy that “helps states adapt to changing geopolitical realities. Flexible foreign policy is pragmatic. Hardline political ideologies do not guide strategy and only national interests are put first.”⁹ The expected positive outcome is that this will strengthen the alliance between the Philippines and the United States in order to meet Manila’s security needs, while strengthening relations between the Philippines and China, which could pay off in the long term from an economic perspective.

According to other opinions, Marcos’ balancing act “[n]ot only does the balancing advance the Philippines’ territorial integrity and national security, but it also puts the Philippines in a vital position in preserving global stability” with regard to the South China Sea¹⁰

In essence, we can agree with the view that an “independent” foreign policy should be judged on the spectrum of effectiveness, based on the number of national security

⁶ *National Security Policy For Change and Well-Being of the Filipino People 2017–2022*. [online], National Security Council Secretariat, 27.07.2017. Source: pagba.com [13.08.2025].

⁷ Magcamit, Michael Intal: *The Duterte Doctrine: A Neoclassical Realist Guide to Understanding Rodrigo Duterte’s Foreign Policy and Strategic Behavior in the Asia-Pacific*. [online], 2018. Source: researchgate.net [12.12.2025].

⁸ Rocamora, Joyce Ann L.: *Marcos Charts Independent Foreign Policy, ‘Friend to All’ Stance*. [online], Philippines News Agency, 25.07.2022. Source: pna.gov.ph [13.08.2025].

⁹ Banlaoi, Rommel: *Marcos Jr Fashions a Flexible Foreign Policy for the Philippines*. [online], East Asia Forum, 21.01.2023. Source: eastasiaforum.org [13.08.2025].

¹⁰ Balboa, Jenny: *Marcos Jr’s Delicate Balancing Act between China and the United States*. [online], East Asia Forum, 12.04.2023. Source: eastasiaforum.org [13.08.2025].

interests it has been able to assert.¹¹ Although this is far from easy to achieve in practice, Marcos currently maintains his "independent" foreign policy.

When assessing Marcos' foreign policy, its domestic political implications cannot be ignored. Today, political divisions within the elite are deepening over the appropriate foreign policy direction, as Marcos, the army leadership, and part of the government are pro-American, while Vice President Duterte-Carpio, the Chinese-born economic elite, and Rodrigo Duterte's close allies advocate opening up to China and view Marcos' opposing actions with disapproval.¹²

Closer cooperation with the United States

The biggest change compared to the Duterte era is that Marcos has openly spoken out in favour of strengthening economic ties with Washington and improving military relations. During Marcos' visit to Washington from 18–24 September 2022, President Joe Biden reaffirmed the United States' "rock-solid commitment" to the defence of the Philippines, which he reiterated in October, while the U.S. pledged \$3.9 billion in investments.¹³

In February 2023, during U.S. Secretary of Defense Lloyd Austin's visit to Manila, the Marcos administration offered the U.S. military access four additional military facilities, in addition to the five bases already provided for in the 2014 Enhanced Defense Cooperation Agreement. Above all, this shows how much the Philippines trusts the U.S. in terms of its defence, while at the same time not shying away from China's expected reaction, i.e. they consider business with Beijing possible despite everything.¹⁴

In the Spring of 2023, President Marcos travelled to Washington again, where a trilateral summit with President Biden and Japanese Prime Minister Fumio Kishida took place on 11 April. In addition to implementing this landmark strategic cooperation, the summit announced the creation of the Luzon Economic Corridor, an initiative to promote investment and economic prosperity in Central Luzon, Subic Bay, Clark, Metro Manila and surrounding areas.¹⁵

Marcos travelled to the U.S. capital again between 30 April and 4 May 2023, where the Biden administration pledged to support the modernisation of the Philippine Armed Forces and promote regional development through military bases, in addition to expanding economic and cultural cooperation. The two countries also issued their first bilateral defence guidelines, a document that sets out key priorities in the area of defence cooperation.

¹¹ Banlaoi, Rommel: *Marcos Jr Fashions a Flexible Foreign Policy for the Philippines*. [online], East Asia Forum, 21.01.2023. Source: eastasiaforum.org [13.08.2025].

¹² Malvar, John: *Washington's War Drive against China Fuels Political Conflict in the Philippines*. [online], World Socialist Web Site, 8.11.2023. Source: wsws.org [13.08.2025].

¹³ Geducos, Argyll Cyrus: *Marcos US Trip Nets \$3.9-billion in Investment Pledges*. [online], Manila Bulletin, 29.09.2022. Source: mb.com.ph [13.08.2025].

¹⁴ *Marcos: Increased US Access to Bases Not Meant to Worsen Tensions*. [online], Business World, 13.02.2023. Source: bworldonline.com [13.08.2025].

¹⁵ Murphy, Erin L. – Poling, Gregory B.: *A 'New Trilateral Chapter' for the United States, Japan, and the Philippines*. [online], CSIS, Center for Strategic & International Studies, 15.04.2024. Source: csis.org [13.08.2025].

In 2024, economic cooperation reached a new level alongside military cooperation. In March 2024, a presidential trade and investment delegation led by U.S. Secretary of Commerce Gina Raimondo arrived in Manila, resulting in more than \$1 billion in investments and playing a key role in promoting innovation, clean energy and food security.¹⁶ In 2024, the United States was the top export market of the Philippines, accounting for nearly \$950 million, or 17% of total exports.

To improve the Philippines' defence capabilities, the U.S. deployed the state-of-the-art Typhoon medium-range missile defence system to the islands for training purposes in April, and by the end of the year, the Philippine military leadership was already discussing plans to purchase the system.¹⁷

In July, the strengthening of the Philippine armed forces was the central topic of the 2 + 2 dialogue between the foreign and defence ministers, during which, among other things, \$500 million was made available under the Foreign Military Financing (FMF) programme to expand the capabilities of the Philippine armed forces and the Philippine Coast Guard.¹⁸

The importance the Biden administration attaches to the Philippines is highlighted by the fact that in July, at the initiative of Republicans, Congress introduced the Philippines Partnership Act of 2024, which aims to strengthen bilateral relations between the United States and the Philippines through increased cooperation in the areas of defence, trade, economic development, and regional security.¹⁹ But there were other congressional initiatives as well.

Donald Trump's inauguration on 20 January 2025 promised harmonious cooperation, but the possible withdrawal of the U.S. from the international arena prompted the Marcos administration to exercise caution and decide to strengthen cooperation with Washington's allies.

In February, at the Munich Security Conference, foreign ministers Marco Rubio and Eduardo Manalo emphasised to each other the importance of maintaining a rules-based world order in Asia. (It was encouraging for Manila that Rubio, who had proposed the 2024 Partnership Act, became U.S. Secretary of State.) In the context of tensions in the South China Sea, the Trump administration also worked to strengthen the alliance between the two countries.²⁰

However, the suspension of USAID raised questions about Trump's intentions. The Southeast Asian country was a major beneficiary of aid: the Americans had provided the country with more than \$5 billion in aid since 1961, including \$2.81 billion between 2001

¹⁶ *Secretary Raimondo Leads Successful Presidential Trade and Investment Mission to the Philippines, President's Export Council Trip to Thailand*. [online], U.S. Department of Commerce, 19.03.2024. Source: commerce.gov [13.08.2025].

¹⁷ *China Slams Philippines' Decision to Acquire US Typhon Missile System*. [online], Al Jazeera, 23.12.2024. Source: aljazeera.com [13.08.2025].

¹⁸ *Fact Sheet U.S.-Philippines 2+2 Ministerial Dialogue July 30, 2024*. [online]. Source: media.defense.gov [13.08.2025].

¹⁹ *S.4703 – United States-Philippines Partnership Act of 2024*. [online]. Source: congress.gov [13.08.2025].

²⁰ Heydarian, Richard Javad: *Philippines Hopeful but Openly Hedging on Trump*. [online], Asia Times, 26.02.2025. Source: asiatictimes.com [13.08.2025].

and 2023.²¹ In the Philippines, the temporary suspension of \$500 million in military aid raised concerns about possible changes in U.S. foreign policy, despite official statements that the measure would not affect security cooperation.

To allay the concerns of the government in Manila, Secretary of Defense Pete Hegseth visited the Philippines at the end of March, where he held talks with his Philippine counterpart Gilberto Teodoro. He reaffirmed the commitment of both countries to the 1951 U.S.–Philippines Mutual Defense Treaty, and emphasised that it covers armed attacks on the armed forces, aircraft and ships of both countries, including their coast guards, anywhere in the South China Sea. Agreement was also reached on the launch of several new initiatives to improve the Philippines' defence capabilities.

The first face-to-face meeting between the two leaders took place during Marcos' visit to Washington from 20 to 22 July. Significantly, Marcos was the first Southeast Asian Head of State to be received by Trump at the White House. President Marcos also held talks with Secretary of Defence Pete Hegseth, Secretary of State Marco Rubio and CIA Director John Ratcliffe, who reaffirmed the U.S.'s commitment to the defence of the island nation. The Trump administration also pledged its support for the Luzon Economic Corridor.²²

The trade negotiations were an important part of Marcos' trip, after Trump had previously threatened to impose 20% tariffs on Philippine imports. As a result of the negotiations, U.S. tariffs were lowered from 20% to 19%, which is higher than the 17% "retaliatory tariff" that was briefly in effect in April.²³ Marcos agreed to remove all tariffs and other restrictions on imports from the United States, including quotas and import licence requirements, and to strengthen intellectual property protection.²⁴ With this move, the Philippines can encourage U.S. investment, that could benefit key sectors of the Philippine economy and strengthen supply chain diversification in the long run. The agreement appears to be a win-win situation for both countries, even if concrete results will only be visible in the second half of Marcos' presidency.

Following the October announcement by the United States and the Philippines of a working group to deter aggression and "re-establish deterrence" in the South China Sea,²⁵ security cooperation advanced significantly when, on 17 December, the U.S. Congress approved \$2.5 billion in new security assistance for the Philippines over the next five years. This demonstrates that Washington seeks to improve the preparedness of the Philippine armed forces through a specific programme in response to tensions in the South China Sea and the Indo-Pacific region.²⁶

²¹ Baclig, Chistina Eloisa: *Impact of US Aid Freeze on PH: It's Small Anyway*. [online], Inquirer, 07.02.2025. Source: newsinfo.inquirer.net [13.08.2025].

²² *United States–Philippines Joint Statement on Secretary Hegseth's Inaugural Visit to the Philippines*. [online], U.S. Department of War, 28.03.2025. Source: defense.gov [13.08.2025].

²³ Buchwald, Elisabeth: *Trump Announces Trade Agreement with the Philippines and Terms of Deal with Indonesia*. [online], CNN, 23.07.2025. Source: edition.cnn.com [13.08.2025].

²⁴ Strangio, Sebastian: *Trump Announces Trade Deal With Philippines, Small Reduction in Tariff Rate*. [online], The Diplomat, 23.07.2025. Source: thediplomat.com [13.08.2025].

²⁵ *US, Philippines Announce Task Force for Deterrence in South China Sea | The wRap*. [online], Rappler, 31.10.2025. Source: rappler.com [13.08.2025].

²⁶ Chi, Christina: *Philippines to Get \$2.5 Billion in US Defense Aid as South China Sea Tensions Rise*. [online], Philstar, 19.12.2025. Source: philstar.com [13.12.2025].

Ambivalent relations with China

Originally, successful economic cooperation with China also played an important role in President Marcos' foreign policy plans. Between 3 and 6 January 2023, the Head of State held talks in Beijing with the aim of opening a new chapter in strategic cooperation between the two countries. Marcos and Xi Jinping eventually signed 14 bilateral agreements in areas such as agriculture, infrastructure, development cooperation, maritime security and tourism. In total, China pledged investments worth \$22.8 billion. During the talks, it was also agreed to resume joint oil and gas exploration in the South China Sea and to establish a direct communication channel to resolve contentious issues.²⁷ Like his predecessor, Marcos hoped to count on Chinese assistance in the form of loans, grants and investments. In this context, the Belt and Road Initiative (BRI) projects in the Philippines were also an important part of the discussions. However, the desire to strengthen economic ties did not prevent Marcos from staunchly defending Philippine interests in the South China Sea, as an important part of his foreign policy was to raise public awareness of what he considered China's unlawful actions, while at the same time airing his grievances bilaterally.

Despite Marcos' hopes, geopolitical tensions soon prevented economic co-operation from reaching its full potential. On 22 October, a Philippine and a Chinese ship collided near the disputed Second Thomas Shoal, with both sides blaming each other for the incident.²⁸ A week later, the Philippines accused China of firing water cannons at a supply ship.²⁹

The cooling of relations between Manila and Beijing was undoubtedly exacerbated by President Marcos not only not travelling to Beijing for the third Belt and Road Forum, but also announcing the cancellation of three major railway construction projects worth \$4.9 billion, that were part of the BRI, because the desired Chinese financial support had not arrived.³⁰ The Marcos administration thus made the delicate strategic decision to withdraw from the Chinese initiative in order to achieve its goal of diversifying its funding sources and reducing its dependence on Beijing. The reason for this decision was undoubtedly the fact that only a fraction of the projects promised by China would be completed by 2023 and there was little prospect of significant progress. As a result, public-private partnerships (PPPs) and multilateral institutions such as the Asian Development Bank (ADB) and the World Bank played a much greater role in Marcos' strategy.

While China did not look favourably on the ever-closer military partnership with the U.S., particularly the relocation of bases, the Marcos administration had significantly lowered its expectations of economic cooperation with Beijing by this time.

²⁷ Heydarian, Richard Javad: *Marcos Jr Returns from China with a Pocketful of Promises*. [online], Asia Times, 06.01.2023. Source: asiatimes.com [13.08.2025].

²⁸ *Philippines Says Chinese Vessels Hit Two of Its Boats Near Disputed Shoal*. [online], NPR, 22.10.2023. Source: [npr.org](https://www.npr.org) [13.08.2025].

²⁹ *China Deploys Water Cannon vs Philippines in New Ayungin Resupply Mission*. [online], Rappler, 10.11.2023. Source: [rappler.com](https://www.rappler.com) [13.08.2025].

³⁰ Heydarian, Richard Javad: *Why the Philippines is Exiting the Belt and Road*. [online], Asia Times, 02.11.2023. Source: asiatimes.com [13.08.2025].

On 23 March 2024, the Chinese Coast Guard deployed water cannons to prevent a Philippine supply ship from reaching the Sierra Madre shipwreck, which was serving as a garrison on the Ayungin sandbank, leading to renewed tensions.³¹ In the meantime, it became known that the Duterte government had previously tried to prevent similar incidents by concluding a kind of “gentleman’s agreement”. The agreement allowed the Philippines to carry out supply missions, provided they gave prior notice, delivered only essential goods and limited their operations to one coast guard vessel and one civilian ship. According to China, these conditions were violated in February 2023 when a Philippine Navy ship delivered construction materials to the wreck.³² Marcos rejected the conclusion of a similar secret agreement, and instead called for public diplomacy.

After the Chinese Coast Guard repeatedly rammed Philippine warships with motor-boats and then seized two Philippine warships on 17 June to prevent Filipino personnel from delivering food and other supplies, including firearms, to a ship stationed in shallow waters near Second Thomas Shoal, the incident threatened to escalate seriously. Eventually, a temporary agreement was reached – which China did not comment on – but which in principle does not violate the national position of either party. Essentially, China allows delivery missions after prior notification and “on-site inspection”, but rejects the delivery of “large quantities” of building materials needed for the construction of “permanent structures”.³³

Although tensions between the two countries have persisted, after Donald Trump took office in early 2025, Marcos offered China closer cooperation and even agreed to withdraw the U.S. Typhoon missile system from the Philippines on the condition that Beijing cease its violent maritime provocations and give up its territorial claims in the region.³⁴ Unsurprisingly, no real negotiations began between the parties, while the incidents in the South China Sea continued.

While the two countries celebrated the 50th anniversary of diplomatic relations in June 2025, tensions persisted. In Autumn 2025, it had become clear that Marcos was attempting to strike a balance between asserting his country’s claims to the resource-rich South China Sea with maintaining key relations with Beijing. At the ASEAN summit in October, Marcos said he would welcome Chinese President Xi Jinping, who last visited the Philippines in 2018, to Manila. However, he added that this would depend on whether there was “significant progress” in the negotiations on a code of conduct for the South China Sea.³⁵

³¹ Cupin, Bea: *China Causes ‘Heavy Damage’ on Philippine Resupply Ship in Ayungin Shoal – AFP*. [online], Rappler, 23.03.2024. Source: rappler.com [13.12.2025].

³² Rabena, Aaron Jed: *The Philippines Navigates Shifting Political Currents in the South China Sea*. [online], East Asia Forum, 04.25.2025. Source: eastasiaforum.org [13.12.2025].

³³ *Philippines Says Reached Deal with China to Avoid Disputed Shoal Clashes*. [online], Al Jazeera, 21.07.2024. Source:aljazeera.com [13.12.2025].

³⁴ Cupin, Bea: *Marcos Offers China a ‘Deal’: Want US Missiles Out? Leave West Philippine Sea*. [online], Rappler, 30.01.2025. Source: rappler.com [13.12.2025].

³⁵ Cai, Vanessa – Wei, Alcott: *New South China Sea Clashes Erupt as Beijing Pushes for Better Philippine Ties*. [online], South China Morning Post, 12.12.2025. Source: scmp.com [13.12.2025].

While incidents continued in the South China Sea in December, Beijing also demonstrated a willingness to engage, as shown by the appointment of a new ambassador to Manila, Jing Quan, who emphasised that a healthy relationship is essential for both countries' development and beneficial to regional prosperity and progress.³⁶

Despite the conflicts with Beijing, the economic partnership with China remains crucial for Manila. In 2023, China was the country's largest trading partner, exporting goods worth \$52.4 billion to the Philippines. The Philippines, which was China's 20th largest trading partner, exported \$10.65 billion worth of goods.³⁷ In 2024, China was Manila's third largest export market behind the United States and Japan. However, between June 2024 and June 2025, Philippine exports decreased by \$135 million (15.5%), from \$869 million to \$734 million, while imports increased by \$509 million (18.6%), from \$2.73 billion to \$3.24 billion.³⁸

While China provided \$30.5 billion in official development finance between 2015 and 2023, only \$700 million of this was actually disbursed.³⁹ In terms of investments, projects worth more than 1 billion pesos (approximately \$18 million) from Chinese sources were approved by September 2024, an increase of 237% from the same period last year, and also exceeding the total amount of Chinese investments in the Philippines in 2023.⁴⁰ The trend of significant Chinese investments on paper in the Southeast Asian country is evident, but their practical realisation remains uncertain.

Other key partners

Duterte's foreign policy was already characterised by the government's efforts to balance its dependence on China through closer cooperation with other Indo-Pacific powers. Under Marcos, these fruitful relationships with America's partners have continued, with Japan being a perfect example. The East Asian country is a key partner of the East, with a strong interest in strengthening Manila's defence capabilities while providing an alternative to Chinese funding through its investments and aid.

It was a significant event when Japanese Prime Minister Fumio Kishida met President Marcos in Manila in early November 2023. He not only announced the first official security assistance to the Philippines, but also began negotiations on a Reciprocal Access Agreement that would allow Japanese soldiers to be temporarily stationed on the islands. In July 2024, an agreement was finally concluded that will come into force on

³⁶ Sun, Luna: *China Sends Seasoned 'America Hand' to Serve as Top Envoy to Philippines*. [online], South China Morning Post, 06.12.2025. Source: scmp.com [13.12.2025].

³⁷ Reinsch, William Allan – Samuel, Reena: *Rocking the Boat: The Philippines Trade Strategy Amid Rising Geoeconomic Tensions*. [online], CSIS, Center for Strategic & International Studies, 31.01.2025. Source: csis.org [13.12.2025].

³⁸ *Philippines/China*. [online], OEC. Source: oec.world [13.12.2025].

³⁹ Chi, Christina: *China Pledged More to Philippines than Any SEA Country but Spent the Least*. [online], Philstar, 22.07.2025. Source: philstar.com [13.08.2025].

⁴⁰ *Against All Odds: Chinese Investments in the Philippines Soar Despite Ongoing Maritime Row*. [online], Bilyonario, 01.10.2024. Source: bylionario.com [13.12.2025].

11 September 2025 and is considered a milestone in the partnership between the two nations in many respects.⁴¹

In economic terms, it is significant that Japan remains the largest source of official development assistance (ODA) for the Philippines in 2024, at \$13.23 billion, accounting for around a third of the country's total ODA.⁴² Japanese Prime Minister Shigeru Ishiba last visited the Philippines in April 2025, and President Marcos visited Japan in June, with both sides discussing a number of economic and security initiatives during the high-level visits. In October, during the ASEAN summit in Malaysia, Marcos congratulated Japanese Prime Minister Sanae Takaichi on her recent victory and expressed his intention to strengthen relations between the two countries in 2026, the 70th anniversary of the normalisation of diplomatic relations. The Japanese prime minister agreed to further strengthen relations with the Philippines as a strategic partner to realise a free and open Indo-Pacific region.⁴³

South Korea is also interested in strengthening Manila's defence capabilities, and the Marcos administration is seeking to capitalise on this opportunity. On 7 October 2024, during President Yoon Suk Yeol's visit to Manila, a strategic partnership was forged between the two countries, covering the areas of security, economy and culture.⁴⁴ The South Korean defence industry plays an active role in the development of the Armed Forces of the Philippines – from the mid-2010s until today, the East Asian country has become the source of the Philippine Navy's most valuable acquisitions.⁴⁵ South Korean companies also have considerable potential in the area of infrastructure investment. In 2024, South Korea was the Philippines' fourth largest trading partner, with bilateral trade totalling \$13.2 billion. South Korea was also the leading source of foreign tourists to the Philippines, accounting for 26.37% of all tourist arrivals.⁴⁶

President Marcos also attaches great importance to the partnership with India. Between 4 and 8 August 2025, the Philippine Head of State was received by Prime Minister Narendra Modi in New Delhi to mark the 75th anniversary of the establishment of diplomatic relations between the two countries. The relationship has been upgraded to a strategic partnership, and a total of 18 agreements have been signed. The partnership covers the areas of defence, maritime cooperation, trade, digital technologies, tourism, space exploration, culture and science. The defence and security partnership is

⁴¹ *Exchange of Diplomatic Notes for Entry into Force of the Japan-Philippines Reciprocal Access Agreement*. [online], Embassy of Japan in the Philippines, 12.08.2025. Source: ph.emb-japan.go.jp [13.12.2025].

⁴² *Japan Remains PH Top Development Partner*. [online], Japan International Cooperation Agency, 08.08.2025. Source: jica.go.jp [13.08.2025].

⁴³ *Marcos, Takaichi Agree to Bolster PH-Japan Cooperation*. [online], GMA News Online, 27.10.2025. Source: gmanetwork.com [13.12.2025].

⁴⁴ Bajo, Anna Felicia: *PH, South Korea Elevate Ties to Strategic Partnership*. [online], GMA News Online, 07.10.2024. Source: gmanetwork.com [13.12.2025].

⁴⁵ Háda, Béla: *A Fülöp-szigetek haderőfejlesztésének tengeri dimenziója – eredmények és kilátások* [The Maritime Dimension of the Philippines' Military Development – Results and Prospects]. [online], NKE, John Lukacs Stratégiai Védelmi Kutatási Elemzések, 2025/13. Source: uni-nke.hu [13.08.2025].

⁴⁶ Gita-Carlos, Ruth Abbey: *Marcos, Lee Reaffirm PH-SoKor Strategic Ties, Eye Closer Cooperation*. [online], Philippine News Agency, 15.08.2025. Source: pna.gov.ph [13.12.2025].

considered a central pillar, as evidenced by the Philippines' purchase of BrahMos cruise missiles from India in 2024–2025, which will significantly strengthen Manila's coastal defence capabilities.⁴⁷

Australia is also an important partner. In September 2023, Prime Minister Anthony Albanese visited the Philippines and a strategic partnership agreement was signed between the two countries. On 28 and 29 February 2024, Prime Minister Albanese received President Marcos in Canberra for his first official visit to Australia. During the talks, agreements were reached on cooperation in the area of cybersecurity and a partnership in the area of maritime security, among other things.⁴⁸

The Philippines and Australia reaffirmed their defence cooperation at the Philippines–Australia Defence Ministers' Meeting held in Manila in August 2025, highlighting that the two countries are working on a new defence agreement to be signed next year.⁴⁹

Conclusion

President Marcos' "independent" foreign policy is not without precedent. Like other Southeast Asian countries, the island nation is fundamentally forced to draw a cautious line between the U.S. and China, and adapt to the changing world order.

Since former President Duterte's opening towards China did not bring the results the Philippine government had hoped for, Marcos' desire for a closer partnership with the United States is understandable. During Joe Biden's presidency, the stable relationship between the U.S. and the Philippines promised significant results, but with the inauguration of Donald Trump, the situation is no longer so clear, as the Trump administration expects more from the Philippines, as evidenced by the trade agreement. The importance of the island nation to Washington is obvious, and it seems that the U.S. is willing to demonstrate this in environmental terms as well.

Although Marcos initially had high hopes for economic cooperation with China, he was prepared to accept the negative consequences due to geopolitical differences. China seems to be taking a wait-and-see approach for now, anticipating that Trump's unexpected moves might alienate even its allies, and that it might even strike a more favourable deal with a president who is more sympathetic to China after Marcos. For all these reasons, no significant improvement in Sino-Philippine political relations can be expected in the short term, even if the current level of economic partnership is likely to remain unchanged.

In fact, Marcos is walking a tightrope where it is very difficult to maintain the independence of his foreign policy, and where he is trying to combine elements of previous strategies that were considered successful, based on the experiences of the two previous presidencies – Aquino and Duterte.

⁴⁷ Cabato, Luisa: *18 Business Deals between PH, India Signed during Marcos' State Visit*. [online], Inquirer, 07.08.2025. Source: globalnation.inquirer.net [13.12.2025].

⁴⁸ Romero, Alexis – Mateo, Janvic: *'More Robust' Philippines-Australia Ties Seen in Marcos Jr. Visit*. [online], Philstar, 29.02.2024. Source: philstar.com [13.12.2025].

⁴⁹ Flores, Mikhail: *Philippines, Australia to Seal New Defence Pact as China Tensions Rise*. [online], Reuters, 22.08.2025. Source: reuters.com [13.12.2025].

The last three years have also made it clear that Marcos wants to strengthen partnerships with the U.S.'s regional allies and reduce its dependence on the two world powers. So far, this endeavour has been successful and, although it does not fundamentally affect the dynamics of relations with the U.S. and China, it may improve the Philippines' negotiating position with them.

However, Marcos' foreign policy can only be fully understood in the context of domestic political developments. Relations between the Marcos and Duterte families deteriorated rapidly after the elections, and they are now open rivals. Although the Marcos family appears to be the stronger side, the 2025 Senate elections have shown that the Duterte clan also enjoys significant support. Although interest groups and much of society support the Marcos' pro-American policies, the Duterte family is backed by the Chinese lobby, so the president must also consider their interests when thinking about his next moves. He also has a controversial relationship with his Vice President Sara Duterte, who has made no secret of her intention to run for president in 2028.⁵⁰

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⁵⁰ Ombay, Giselle: *Sara Duterte 'seriously Considering' 2028 Presidential Bid.* [online], GMA News Online, 14.01.2025. Source: gmanetwork.com [13.08.2025].

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China and the U.S. in Southeast Asia

Competing Visions, Divergent Approaches

This study examines U.S. and Chinese strategic communication in Southeast Asia during 2025, a year shaped by Donald Trump's second presidential term. Focusing on Xi Jinping's April 2025 visit and Trump's October 2025 trip, the analysis compares how each leader's messaging was formulated and received across the region. Drawing on official messages and Southeast Asian responses, the study finds that regional actors often perceived China's communication as aligning with their development and connectivity priorities, while viewing the United States as an indispensable security and diplomatic partner. These perceptions illustrate how Southeast Asian states navigate the coexistence of China's regional messaging and the U.S.' continued strategic presence, informing their hedging and alignment strategies.

Keywords: Southeast Asia, China, United States, strategic competition, diplomacy

Introduction

Southeast Asia has emerged as a central arena for competition between China and the United States. The region lies at the crossroads of major maritime trade routes and global supply chains, with key sea lanes such as the Strait of Malacca facilitating a substantial share of international commerce and energy transport. Its strategic importance is multifaceted: for China, Southeast Asia represents a traditional sphere of influence, deeply embedded in historical, economic, and political ties; for the United States, regional alliances intersect here and across East Asia, creating a high-stakes environment where security commitments, economic interests, and diplomatic signalling converge.³ In this respect, Southeast Asia plays a role in today's great-power competition analogous to Europe during the Cold War, acting as a pivot region whose alignment has significant implications for regional and global order.

Although competition between China and the United States in Southeast Asia has long existed, it became particularly pronounced in 2025. Two high-profile presidential visits underscored the region's strategic significance: in April, Xi Jinping, General Secretary of the Chinese Communist Party, visited Vietnam, Malaysia, and Cambodia

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³ Marston, Hunter S. (2024): *Navigating Great Power Competition: A Neoclassical Realist View of Hedging*. *International Relations of the Asia-Pacific*, 24(1), 29–63.

to project Beijing's vision for Southeast Asia and its role in shaping the regional order.⁴ Subsequently, U.S. Secretary of Defense Pete Hegseth attended the Shangri-La Dialogue in May⁵ – marking the second Trump administration's first ministerial-level engagement in an international forum – followed by President Donald Trump's visit to the region in October to communicate Washington's strategic priorities. These engagements provide a unique lens for assessing how each power seeks to influence Southeast Asia, through economic initiatives, security commitments, and broader narratives of governance, identity, and cooperation.

The central research question guiding this study is: Who delivers what to Southeast Asia, and which great-power approach aligns more closely with the region's strategic and economic priorities? This question is not only descriptive but also theoretically significant, as it illuminates how Southeast Asian states navigate great-power pressures through strategies such as hedging, bandwagoning, and regional coalition-building. By examining which incentives and narratives resonate with local actors, the study contributes to broader debates in international relations about the effectiveness of economic versus security-focused diplomacy and the conditions under which smaller states maintain autonomy amid competing influences.

To address this question, the study employs a comparative case-study approach, concentrating on the official visits of Xi Jinping and Donald Trump, alongside the Shangri-La Dialogue. The research proceeds in four stages: first, China's diplomatic initiatives are analysed in terms of narrative, objectives, and tools; second, U.S. messaging is examined, considering both ministerial and presidential engagements; third, the two approaches are compared to highlight convergence, divergence, and regional resonance; and fourth, the study analyses the content of these messages based on the leaders' official statements during the Southeast Asian visits, assessing how they shape the strategic positions of both great powers and influence the broader regional situation. By doing so, the paper offers a nuanced understanding of how great-power signalling affects Southeast Asian perceptions, choices, and the evolving balance of power in the Indo-Pacific.

Theoretical framework

Southeast Asia has long been recognised as a strategic theatre where great-power competition becomes particularly visible, due to the intersection of vital economic corridors, maritime chokepoints, and diverse political systems. The region's significance is heightened by the concentration of smaller states that, lacking the independent capacity to balance major powers militarily, adopt sophisticated survival strategies to preserve sovereignty and autonomy. These strategies often include hedging – engaging with multiple great powers without full alignment – and bandwagoning, in which states align more

⁴ *Xi's Southeast Asia Visit Deepens Shared Commitment to Neighborhood Amity, Cooperation*. [online], The National Committee of the Chinese People's Political Consultative Conference, 21.04.2025. Source: en.cppcc.gov.cn [26.05.2025].

⁵ *Remarks by Secretary of Defense Pete Hegseth at the 2025 Shangri-La Dialogue in Singapore (As Delivered)*. [online], U.S. Department of Defense, 31.05.2025. Source: defense.gov [04.06.2025].

fully with a dominant power. From a theoretical perspective, such behaviours are closely connected to balance-of-power and neorealist frameworks, illustrating how smaller states navigate systemic constraints while maximising security and economic returns.⁶ Regional integration initiatives, facilitated primarily through the Association of Southeast Asian Nations (ASEAN), provide an additional tool for collective bargaining, helping states mediate disputes and preserve strategic flexibility.⁷

A second dimension of scholarly focus lies in the ways great powers seek to project narratives and influence the strategic calculus of these smaller states. Both China and the United States employ economic incentives, ideological framing, and cultural diplomacy to present their governance models as desirable, leveraging shared histories, developmental paths, and identity markers.⁸ Recent studies⁹ highlight narrative diplomacy between 2023–2025, showing how high-level visits, multilateral forums, and strategic media messaging are used to shape regional perceptions. China's discourse often invokes historical regional ties, non-interference principles, and 'shared development' to portray its rise as a cooperative alternative to Western-led frameworks. The United States, conversely, emphasises rules-based order, liberal norms, and security commitments, seeking to position itself as the guarantor of stability while highlighting the risks of unbalanced alignment with China.

The advent of Donald Trump's second presidential term introduced a particularly acute lens for examining these dynamics. Trump's transactional, unpredictable foreign-policy style functions as an independent variable that alters the interpretive environment for Southeast Asian states.¹⁰ Scholars have noted that unpredictability – manifested in shifting priorities, ad hoc bilateral deals, and personalised diplomacy – intensifies strategic uncertainty, making the 2025 high-level engagements especially revealing for both the effectiveness of U.S. narrative diplomacy and the relative appeal of China's long-term engagement. Methodologically, analysing Trump-era rhetoric and public addresses allows researchers to track how deviations from traditional U.S. diplomatic norms affect smaller states' hedging and alignment strategies.

In sum, the literature underscores three interconnected insights: 1. Southeast Asian states employ diverse hedging and alignment strategies to manage great-power pressures, consistent with balance-of-power theory; 2. China and the U.S. actively deploy narratives, economic tools, and cultural diplomacy to shape the region's strategic environment; and 3. the peculiarities of Trump-era U.S. diplomacy – particularly unpredictability and transactionalism – amplify the stakes of these engagements, making 2025 an exceptionally

⁶ Mearsheimer, John J. (2001): *The Tragedy of Great Power Politics* (updated edition). New York: WW Norton & Company; Christensen, Thomas J. – Snyder, Jack (1990): *Chain Gangs and Passed Bucks: Predicting Alliance Patterns in Multipolarity*. *International Organization*, 44(2), 137–168.

⁷ Acharya, Amitav (2001): *Constructing a Security Community in Southeast Asia: ASEAN and the Problem of Regional Order*. London: Routledge.

⁸ Shambaugh, David (2021): *Where Great Powers Meet. America & China in Southeast Asia*. New York: Oxford University Press.

⁹ Marston 2024.

¹⁰ Khong, Yuen Foong – Liow, Joseph Chinyong: *Southeast Asia Is Starting to Choose. Why the Region Is Leaning toward China*. [online], *Foreign Affairs*, 24.06.2025. Source: foreignaffairs.com [02.12.2025].

revealing year for assessing regional responses and alignment patterns. This framework provides the foundation for analysing the April and October diplomatic visits and understanding their implications for regional order, sovereignty, and influence.

Methodology

This study employs a qualitative, comparative case-study approach focused on high-level diplomatic engagements in Southeast Asia during 2025. The cases include China's April visits to Vietnam, Malaysia, and Cambodia, as well as the U.S. Shangri-La Dialogue in May and President Trump's October tour of the region. The primary sources comprise official speeches, press releases, joint statements, and public addresses by key leaders. These sources were selected to capture both the stated intentions of the great powers and the content of their strategic messaging.

The research applies discourse analysis to examine how narratives are constructed and communicated. Particular attention is paid to the articulation of economic, security, and identity-based incentives, as well as efforts to shape perceptions of regional order, sovereignty, and partnership. Messages are investigated along five thematic axes: 1. economic cooperation and development initiatives; 2. security assurances and military engagement; 3. identity and historical framing; 4. regional integration and multilateralism; and 5. strategies aimed at constraining the rival power. This framework allows systematic comparison of the tools, objectives, and rhetorical styles employed by China and the United States.

Regional reception was inferred from official statements, media coverage, and publicised responses of the host governments. By cross-referencing these responses with the content and style of great-power messaging, the study assesses both the effectiveness and resonance of each diplomatic approach. This methodological approach ensures that the analysis is empirically grounded, transparent, and directly connected to observable diplomatic behaviour, rather than relying on secondary interpretations or speculative commentary.

China: visit and message

Between 14 and 18 April 2025, Xi Jinping, General Secretary of the Communist Party of China and President of China, made an official state visit to three Southeast Asian countries: Vietnam, Malaysia, and Cambodia. This was Xi's first foreign trip in 2025,¹¹ which was directly preceded by the Central Conference on Work Relating to Neighbouring Countries, held in Beijing on 8–9 April, where China emphasised the strategic importance of its relations with neighbouring states.

- Vietnam (14–15 April): During his visit, Xi met with Tô Lâm, General Secretary of the Communist Party of Vietnam, and Lương Cường, President of Vietnam. The parties signed 45 cooperation agreements covering infrastructure development,

¹¹ *Xi's First Overseas Visits This Year are of Great Significance: Spokesperson*. [online], The State Council. The People's Republic of China, 11.04.2025. Source: english.www.gov.cn [08.06.2025].

artificial intelligence, supply chain integration, and joint maritime patrols.¹² Xi emphasised the importance of building a ‘community with a shared future’ between China and Vietnam, as well as strengthening inter-party relations between the two countries.¹³

- Malaysia (15–17 April): In Malaysia, Xi met with Prime Minister Anwar Ibrahim, and the two leaders issued a joint statement on maintaining peace and stability in the South China Sea, as well as on cooperation within international institutions.¹⁴ During the visit, 31 agreements were signed,¹⁵ covering areas such as infrastructure, the digital economy, artificial intelligence, and green development.
- Cambodia (17–18 April): During his visit to Cambodia, Xi met with King Norodom Sihamoni and Prime Minister Hun Manet. The two governments signed 37 cooperation agreements covering education, healthcare, tourism, agriculture, and infrastructure development.¹⁶ The construction of the Funan Techo Canal was mentioned as a significant project aimed at promoting Cambodia’s economic development.¹⁷

During the visit, China conveyed a clear, multi-layered narrative that was evidently aimed at reshaping the regional and global status quo. This was clearly reflected in the route: Vietnam is one of China’s most significant regional critics, especially on the South China Sea issue;¹⁸ Malaysia, as the rotating chair of ASEAN, holds a mediating position,¹⁹ while Cambodia is Beijing’s most loyal partner.²⁰ The selection of these countries thus provided China with the opportunity to convey a unified yet nuanced message to three states in different regional positions. This message was built on three main thematic pillars: the necessity of multipolarity, the benefits of economic partnership, and the principles of shared development and mutual respect. Together, these served to form China’s self-positioning – not as a dominating great power, but as a reliable partner – while strategically aiming to reduce U.S. influence by fostering long-term engagement in the region through the announced projects.

Throughout these visits, China consistently avoided sharp confrontational rhetoric. Instead, it outlined the possibility of an alternative world order, in which, in contrast

¹² Mai, Lauren – Poling, Gregory B.: *The Latest on Southeast Asia: Xi’s Visit to Southeast Asia*. [online], CSIS, Center for Strategic & International Studies, 24.04.2025. Source: csis.org [08.06.2025].

¹³ Vietnam News Agency: *Vietnam, China Reaffirm Top Strategic Ties during Xi Jinping’s State Visit*. [online], The Investor, 15.04.2025. Source: theinvestor.vn [23.05.2025].

¹⁴ *Joint Statement Between the People’s Republic of China and Malaysia on Building a High-level Strategic China-Malaysia Community with a Shared Future*. [online], Ministry of Foreign Affairs, People’s Republic of China, 17.04.2025. Source: mfa.gov.cn [17.05.2025].

¹⁵ Mai–Poling 2025.

¹⁶ Mai–Poling 2025.

¹⁷ Cheang, Sopheng: *China and Cambodia Agree on Financing for a 94-Mile Canal Linking the Mekong to the Gulf of Thailand*. [online], AP News, 19.04.2025. Source: apnews.com [08.06.2025].

¹⁸ Dinh, Hau: *Vietnam Condemns China for Assault on Its Fishermen in the Disputed South China Sea*. [online], AP News, 04.10.2024. Source: apnews.com [08.06.2025].

¹⁹ Singh, Gurjit: *High Expectations of Malaysia as ASEAN Chair*. [online], Gateway House, 13.02.2025. Source: gateway-house.in [08.06.2025].

²⁰ Peck, Grant – Cheang, Sopheng: *China’s Leader Xi Jinping Holds Talks in Cambodia to Wrap Up His 3-Nation Southeast Asia Tour*. [online], AP News, 17.04.2025. Source: apnews.com [08.06.2025].

to the Western dominance, sovereign, partnership-based relations prevail. The idea of ‘South–South cooperation’ was particularly emphasised, which envisions horizontal and mutually beneficial collaboration as opposed to the U.S.-led liberal order. China consciously positioned itself as a partner rather than a dominating power. This was reflected partly through restrained references to historical memory and the cultural heritage of the tributary system, and partly through the strong use of the concept of a ‘community with a shared future’. In Chinese communication, joint infrastructure development, educational scholarships, digitalisation, and healthcare programmes all served the purpose of presenting the Chinese presence as acceptable, stable, and predictable in the long term. In doing so, China deliberately held up a mirror to the policies of the second Trump administration, which signalled to the region betrayal by allies, disregard for their interests, and withdrawal of resources.²¹

From a strategic perspective, the narrative served multiple purposes:

- Marginalising the United States: China seeks to displace the United States from the region not through open confrontation, but by offering competitive, alternative proposals. This is particularly evident at the level of economic and infrastructure cooperation. This is an area where the U.S. offers truly little to the region, despite its crucial importance for regional development.
- Offering an alternative to the Western world order: China’s diplomatic language is based on the principles of sovereignty, mutual respect, and non-interference, contrasting these with the Western values-based frameworks.
- Establishing long-term engagement: economic support, the renegotiation of BRI projects, and flexible Chinese lending terms all aim to bind the countries of the region to Beijing in the medium term and reduce their dependence on the United States or other Western powers.

With this strategic communication, China not only strengthened bilateral relations but also conveyed its universal value proposition – a worldview in which the Chinese economic and political model appears not as a challenge, but as an alternative.

The regional reception of the Chinese visits

The reception of China’s diplomatic efforts by Southeast Asian countries can be characterised as cautious openness. Each country’s response reflected its strategic position and existing ties with Beijing.

- Vietnam: Demonstrated a reserved but constructive approach. While avoiding overt alignment, official statements highlighted the importance of economic cooperation.²² Vietnam’s cautious tone reflects its strategic need to balance engagement

²¹ Ng, Eileen: *Southeast Asian Nations Want to Discuss Tariffs with Trump as a Unified Bloc, Malaysia PM Says*. [online], AP News, 26.05.2025. Source: apnews.com [26.05.2025].

²² *China, Vietnam Support Multilateral Trade Regime amid U.S. Tariff Pressure*. [online], Reuters, 15.04.2025. Source: reuters.com [08.06.2025].

with China against concerns over sovereignty and territorial disputes in the South China Sea.

- Malaysia: Received the Chinese narrative diplomatically, appreciating the economic initiatives and acknowledging the possibility of a multipolar world order, while maintaining strategic neutrality.²³ The visit reinforced Malaysia's mediating role in ASEAN and its preference for flexible foreign policy positioning.
- Cambodia: Openly supported China's initiatives, repeatedly invoking 'shared development' and 'mutual respect'.²⁴ Phnom Penh's alignment with Beijing underscores Cambodia's dependency on Chinese economic and political support.

Overall, China's messaging created room for cooperation, enhancing its regional influence without forcing alignment. The cautious engagement of Southeast Asian countries also indicates the careful balancing act required in response to the U.S. presence and the potential repercussions of economic or security choices.

U.S.: visit and strategic message

The 2025 U.S. diplomatic and strategic outreach to Southeast Asia unfolded through two major events: the participation of Secretary of Defense Pete Hegseth at the Shangri-La Dialogue in Singapore in May, followed by President Donald Trump's official tour of the region in October. Together, these engagements illustrate the United States' attempt to reaffirm its influence in the Indo-Pacific through a combination of security assurances, alliance-building, and selective economic messaging.

Shangri-La Dialogue (May 2025)

At the Shangri-La Dialogue, Hegseth framed the Indo-Pacific as a 'priority theatre' for the United States and reaffirmed Washington's commitment to regional stability. He emphasised the potential threats posed by China's military activities near Taiwan and in the South China Sea, describing them as 'real and potentially imminent'. Southeast Asian partners were urged to enhance defence capabilities, including increasing defence spending up to 5% of GDP – mirroring NATO-style burden-sharing logic.

Beyond warnings, Hegseth outlined practical initiatives to strengthen U.S.-regional security cooperation: expanded access to U.S. logistical and repair facilities, joint exercises, and greater interoperability between U.S. and partner forces. He presented the U.S. as a respectful partner, committed to cooperation rather than ideological imposition: "we are not here to preach... we respect your traditions and your militaries."²⁵ While this

²³ Azhar, Danial – Tang, Ashley – Wang, Ethan: *China's Xi, in Malaysia, Calls On Asian Nations to Resist Confrontation and Protectionism*. [online], Reuters, 16.04.2025. Source: reuters.com [08.06.2025].

²⁴ Nimol, Seoung: *Cambodia Upholds Neutrality Amid Chinese Deals; U.S. Affirms It's Not Forcing a Choice*. [online], Cambodia News, 21.04.2025. Source: cambojanews.com [08.06.2025].

²⁵ U.S. Department of Defense 2025.

approach aimed to reassure allies, it largely relied on security-centric tools, with limited economic or infrastructural incentives.

Trump's visit (October 2025)

Efforts to advance U.S.–Southeast Asia relations were already underway in July 2025: President Ferdinand R. Marcos Jr. visited the United States to discuss a potential bilateral trade agreement and enhanced defence cooperation with Trump.²⁶ The meeting was driven primarily by concerns over the severity of the tariffs imposed by the Trump administration.²⁷ Ultimately, the two sides concluded that the United States would impose a 19% tariff on imports from the Philippines.²⁸ Nevertheless, Trump's broader Southeast Asian trip did not occur until October. In addition to his participation in the ASEAN–U.S. Summit,²⁹ Trump also sought to emphasise the United States' role as a peacemaker. In this context, he presided over a peace agreement between Thailand and Cambodia aimed at easing tensions in their conflict.³⁰ Additionally, between 26 and 29 October he conducted a state visit to Southeast Asia, including stops in Vietnam and Malaysia. This was the United States' major follow-up to China's April diplomatic tour, aiming to reaffirm U.S. influence in the Indo-Pacific and offer tangible security and economic engagement.

Vietnam (26–29 October): Trump met with Prime Minister Pham Minh Chinh at the ASEAN–U.S. Summit in Kuala Lumpur on 26 October. During the meeting, the two leaders underscored the importance of the countries' comprehensive strategic partnership and economic ties, while also highlighting the value of mutual trust and respect.³¹ Trump also met with State President Lương Cường on October 29, where, along with similar discussions, he also emphasised the United States' support for ASEAN centrality.³²

Malaysia (27 October): Trump met with Prime Minister Anwar Ibrahim. The meeting covered a review of recent Malaysia–U.S. bilateral discussions and addressed strategic cooperation in trade, technology, and regional security. It also highlighted the U.S. role

²⁶ Esguerra, Darryl John: *Marcos Leaves for US, to Tackle Trade, Defense with Trump*. [online], Philippine News Agency, 20.07.2025. Source: pna.gov.ph [30.11.2025].

²⁷ Brunnstrom, David – Lema, Karen: *Philippines' Marcos to Meet Trump Hoping to Secure Trade Deal*. [online], Reuters, 22.07.2025. Source: reuters.com [30.11.2025].

²⁸ Tang, Didi – Price, Michelle L.: *Trump Says US will Impose 19% Tariff on Imports from Philippines in Deal Struck with Leader Marcos*. [online], AP News, 23.07.2025. Source: apnews.com [30.11.2025].

²⁹ Wong, Tessa: *Trump Gives 'Toothless' Asian Summit Its Moment in the Sun*. [online], BBC, 27.10.2025. Source: bbc.com [30.11.2025].

³⁰ Goldsmith, Adam: *Trump Flaunts 'Peace Deal' While Trade Talks with China Rumble On*. [online], BBC, 26.10.2025. Source: bbc.com [01.12.2025].

³¹ Quang, Minh: *Prime Minister Pham Minh Chinh Meets President Donald Trump in Malaysia*. [online], Socialist Republic of Viet Nam. Government News, 26.10.2025. Source: en.baochinhphu.vn [30.11.2025].

³² Thuy, Dung: *State President Luong Cuong Meets U.S. President Donald Trump in South Korea*. [online], Socialist Republic of Viet Nam. Government News, 29.10.2025. Source: en.baochinhphu.vn [30.11.2025].

in supporting the Kuala Lumpur Peace Accord and the Gaza Peace Plan.³³ Through the meeting, Trump signed critical minerals deals with Malaysia (and Thailand too).³⁴

President Trump's tour complemented Hegseth's security-heavy messaging with a broader diplomatic and economic narrative. The visit aimed to respond to China's April initiative by demonstrating that the United States remains a reliable partner across security, economic, and diplomatic dimensions.

Throughout his speech at the ASEAN Summit,³⁵ Trump placed less emphasis on sharpening the image of an external enemy. Rather, he reflected primarily on domestic political change in the U.S., which also signified a transformation in America's role on the international stage. In this context, he articulated messages such as "the United States is with you 100%" and "it's a golden age of the United States". Although Trump's rhetoric gave greater prominence to the idea of building shared prosperity, security and strategic messaging remained the key. He reinforced U.S. commitment to the Indo-Pacific, emphasising peace, stability, maritime freedom, and the protection of international norms. While China was not named explicitly, the subtext was clear: the U.S. intended to maintain influence and prevent unilateral dominance. Trump framed America's role as mutually beneficial, presenting security guarantees not as impositions but as instruments for shared regional stability.

Trump also sought to highlight U.S. contributions to economic development. Speeches emphasised trade facilitation, supply-chain resilience, and support for digital infrastructure. He acknowledged regional achievements and portrayed U.S. investment as a vehicle for long-term growth. Nevertheless, compared with China's April visits – featuring detailed infrastructure agreements and extensive project-based commitments – U.S. economic proposals remained largely conceptual, reinforcing the incentive for Southeast Asian states to pursue hedging strategies, balancing tangible Chinese economic engagement against U.S. security guarantees to preserve strategic flexibility and autonomy.

The tour personalised messages to each country, recognising national achievements and aspirations. This contrasted with Hegseth's technical security-focused discourse and made the U.S. presence appear more approachable. The combination of security, economic reassurance, and recognition of sovereignty was intended to strengthen bilateral and multilateral relationships, especially through ASEAN and regional institutions.

Regional reception of U.S. engagement

Regional responses were cautious and heterogeneous, reflecting historical sensitivity toward great-power intervention and the preference for strategic autonomy:

³³ Tan, Tarrence et al.: *Anwar Holds Brief Bilateral Meeting with Trump on Monday Morning*. [online], The Star, 27.10.2025. Source: thestar.com [30.11.2025].

³⁴ *President Trump Opens Asia Trip by Securing Landmark Wins for America*. [online], The White House, 27.10.2025. Source: whitehouse.gov [30.11.2025].

³⁵ *Remarks: Donald Trump Attends a Working Lunch at the ASEAN Summit in Malaysia – October 26, 2025*. [online], Roll Call, 2025. Source: rollcall.com [30.11.2025].

- Vietnam: Welcomed U.S. security assurances but remained cautious about military alignment, balancing deterrence with economic ties to China. The call for increased defence spending was sensitive given domestic priorities.
- Malaysia: Affirmed neutrality, acknowledging U.S. security guarantees while resisting strategic pressure, maintaining a balanced ASEAN-centric approach.

Across Southeast Asia, many states expressed concern about increased militarisation and potential entanglement in a new bipolar rivalry. While U.S. security messages were noted, they resonated less strongly and less uniformly than China's April diplomatic and economic initiatives. The immediacy and tangibility of Chinese development projects, combined with a discourse respectful of sovereignty and partnership, aligned more closely with regional priorities of economic growth, stability, and strategic hedging.

Comparative strategic messaging: China and the United States in Southeast Asia, 2025

Both China and the United States undertook high-profile diplomatic engagements in Southeast Asia in 2025 with the overarching goal of shaping regional perceptions and influence. While both powers sought to assert leadership and signal their strategic priorities, their approaches, tools, and regional resonance differed markedly.

The American approach, though symbolically significant, often appeared less attuned to the political, economic, and cultural realities of Southeast Asian states. Although Washington now sought to present itself as a peacemaker actor – and, similar to China, emphasised the importance of peace and prosperity, most countries in the region, informed by historical experiences of colonisation, great-power rivalry, and strategic vulnerability, remain hesitant to align explicitly with any major power, opting instead for hedging strategies that balance engagement with multiple powers, occasional band-wagoning when short-term gains outweigh risks, and selective balancing to prevent dominance by a single actor.³⁶ Their primary priorities – strategic hedging, economic stability, and the safeguarding of sovereignty – align more with China's multi-layered and incremental messaging than with the U.S.'s predominantly security-focused narrative. While President Trump's October 2025 visit incorporated more nuanced economic and diplomatic language, the depth of engagement with local concerns remained limited relative to the extensive material and symbolic incentives offered by China.

China, conversely, leveraged a combination of economic, political, and identity-based tools to foster regional receptivity. These included invoking shared experiences of colonialism, showcasing examples of non-Western modernisation, and in certain cases referencing communist historical legacies. Through such strategies, Beijing tried

³⁶ Khoo, Nicholas (2022): *Great Power Rivalry and Southeast Asian Agency: Southeast Asia in an Era of US-China Strategic Competition*. *Political Science*, 74(2–3), 141–154; Kamaruddin, Nurliana – Kuik, Cheng-Chwee (2023): *ASEAN's Agency in the US-China Rivalry: Small-State Hedging Across the Twin Chessboards*. In Roberts, Kari – Bano, Saira (eds.): *The Ascendancy of Regional Powers in Contemporary US-China Relations: Rethinking the Great Power Rivalry*. Cham: Springer International Publishing, 113–133.

to position itself as a long-term, predictable partner, demonstrating the practical application of soft power and identity-based diplomacy theories, whereby cultural, historical, and normative affinities are leveraged to build credibility, trust, and regional influence.³⁷ By contrast, U.S. references to respect for sovereignty – while present in both Hegseth’s and Trump’s addresses – were often perceived as formal gestures rather than substantive integration into policy proposals. Similarly, the “Indo-Pacific” conceptual framework, intended as a shared strategic space, failed to meaningfully resonate with Southeast Asia’s historical experiences and domestic priorities.

The policy options offered by the two powers diverged sharply:

- China advocated economic partnership, infrastructure development, and mutually beneficial cooperation, presenting Southeast Asia as a co-shaper of regional and global futures. Beijing deliberately avoided forcing alignment, instead enabling countries to hedge and preserve strategic flexibility.
- The United States focused predominantly on security assurances, alliance obligations, and the maintenance of U.S. military presence. Tangible economic incentives were limited, despite their importance amid ongoing trade tensions and supply chain vulnerabilities. U.S. messaging implicitly discouraged countries from economically aligning with Beijing while relying on U.S. security guarantees, a position that clashes with Southeast Asia’s hedging strategy.

Table 1: Chinese and U.S. approaches towards the Southeast Asian region

	China	United States
Visitor	Xi Jinping	Pete Hegseth (May), Donald Trump (October)
Platform of the visit	Separately organised route	Shangri-La Dialogue (May), ASEAN Summit (October)
Position of the visitor	The General Secretary of the CCP	The United States’ Secretary of Defense (May); President (October)
Reference for the great power competition	Cautious criticism: the U.S. rewrites the rules, causing damage	Portraying China as the aggressor
Description of the international order	A joint transformation of the international order is favourable	Maintaining American leadership is a shared priority
Focus of communication	Cooperations	The United States’ goals, presence, and enhancement of military power
Importance of military might	Not or barely mentioned	Dominant
Emphasis of supports	Emphasis on economic, political, and ideological support	Not detailed American support; military support, in October: mentioning of economic relations
Tools of influence	Collaborations, support, seeking common grounds	Military support, the U.S. as part of the Indo-Pacific region, U.S. role in the international system
Worldviews and the style of narrating goals	Reshaping the international system	Status quo (U.S. leadership) maintenance

Source: compiled by the authors

³⁷ Shambaugh 2021.

This divergence reflects not only the difference in tools and priorities but also the underlying assumptions about the region's needs. China, as a permanent neighbour and major economic partner, can rely on a combination of material inducements and culturally attuned diplomacy. The United States, in contrast, projects power primarily through military presence and alliance frameworks, which may be less immediately relevant to Southeast Asian governments seeking balanced development and autonomy.

Conclusion

The 2025 diplomatic engagements of China and the United States in Southeast Asia reveal fundamentally different approaches to influence, regional integration, and trust-building. China's visits – led by Xi Jinping to Vietnam, Malaysia, and Cambodia – demonstrated a more sophisticated understanding of the region's historical experiences, cultural contexts, and strategic sensitivities. By combining economic incentives, infrastructure projects, cultural and identity-based diplomacy, Beijing positioned itself as a predictable, attentive, and long-term partner. This approach resonates more effectively with Southeast Asian priorities, facilitating confidence-building and offering states the flexibility to hedge between powers rather than commit unconditionally.

In contrast, the U.S. approach – through Hegseth's May Shangri-La Dialogue speech and President Trump's October tour – remained primarily security-centric and transactional. American messaging emphasised alliance obligations, burden-sharing, and military guarantees, while economic and developmental initiatives were comparatively abstract or limited. This approach reflects a departure from the post-Cold War U.S. regional logic, which previously combined security guarantees with political legitimacy and economic opportunities (trade, investment, and development projects). While the United States continues to serve as a stabilising force capable of constraining unmitigated Chinese expansion, its transactional style and emphasis on self-interest are less suited for immediate trust-building and regional alignment.

Several key insights emerge from this contrast:

- China's regional attunement enables trust: By respecting Southeast Asian cultural norms and historical experiences, China is able to build more durable and credible partnerships. Its messaging allows countries to participate as co-shapers of regional futures rather than as passive recipients of aid.
- U.S. transactional logic and conditional security: American security guarantees, framed as conditional and exchange-based, offer immediate deterrence but are less capable of fostering deeper regional trust. The U.S. must weigh alliance obligations against sovereignty concerns and economic needs, limiting the appeal of Washington's approach.
- Strategic implications for balancing: Despite the comparative attractiveness of China's multifaceted engagement, Southeast Asian states remain interested in maintaining U.S. security guarantees as a counterweight to Chinese influence. This enables a hedging strategy that preserves autonomy and mitigates the risks of unbalanced alignment.

- Divergent visions of regional order: China promotes a long-term, cooperative, and multipolar vision, integrating the region into development and infrastructure networks, while the U.S. emphasises the status quo and military-led reassurance, occasionally at odds with regional economic and political priorities.

In conclusion, the 2025 visits underscore that China's nuanced, culturally aware, and development-oriented diplomacy is more effective at building trust and long-term influence, while the U.S. approach, focused on security and transactional guarantees, remains vital for strategic balancing but is less persuasive as a vehicle for comprehensive regional partnership. The differing strategies highlight a persistent dynamic: Southeast Asian states will likely continue hedging between Beijing and Washington, maximising benefits from both powers while preserving sovereignty and strategic flexibility.

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Or Yissachar¹

Keep America In, China and Russia Out, and Iran Down

The Global Strategy Behind the U.S.' Effort to Create an Israeli–Arab Alliance

This article argues that the Trump administration's core Middle East strategy – expanding the Abraham Accords into the wider Arab and Muslim world – reflects a renewed, Cold War-inspired containment of China and rollback of Iran. Normalisation between Israel and pivotal Arab countries, in particular Saudi Arabia, should be analysed through the prism of great power competition and as a potential catalyst for a broader geopolitical realignment between the Judeo-Christian and Islamic civilisations. The article situates Israeli–Arab normalisation and the significant investment of the U.S. in the region within the strategic imperative by the U.S. National Security Strategy to counter the emerging CRINK alliance – China, Russia, Iran, and North Korea. These converging interests in the region will be measured across several key economic, diplomatic, and security-related indicators. It assesses how Iran's nuclear programme and regional posture have reshaped Arab threat perceptions, prompting a departure from longstanding preconditions tying peace with Israel to the Palestinian issue. Events following the 7 October attacks, including the 2025 strikes on Iran's nuclear facilities, the 2026 U.S.–Israeli military campaign in Iran, and the Gaza ceasefire agreement, are examined as accelerants of this shift. The article ultimately contends that an expanded Israeli–Arab peace would reinforce an American-led regional order at the expense of that of CRINK, further cementing its global dominance.

Keywords: Trump, Middle East, Israel, Abraham Accords, Iran

Introduction

One of the Trump administration's key strategic objective for the Middle East is the expansion of the Abraham Accords, the Israeli–Arab peace treaties signed in 2020, into the rest of the Arab and Muslim world. Normalising relations between the Jewish State and Saudi Arabia – the custodian of the holy places to Islam, possibly could serve as a catalyst for a domino effect, resulting in a reshaping of the dynamics between the Judeo-Christian civilisation and the Islamic one.

This article examines how Israeli–Arab normalisation reflects a Cold War-inspired American strategy of containment. In the Cold War, its main focus was countering Communism, represented by the Soviet Union; today, containment focuses on the alliance between China, Russia, Iran, as well as North Korea – which shall be named CRINK. This

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interest and single issue-based partnership is designed to counter the so-called Western ‘imperialism’, represented and led in their view by the United States.

This article places the Iranian issue as well as the Israeli–Arab conflict within the perspective of this larger American vision, and takes a broader look at seemingly isolated theaters: Iran’s nuclear programme, considered as a shared national security threat to both Israel and the Arab world; and its role in triggering an unprecedented paradigmatic shift in the Arab world’s approach to normalising with Israel. The Iranian threat forced Arab leaders to re-envision existing preconditions to peace with Israel, namely abandoning the orthodoxy that resolving the Israeli–Palestinian conflict in a specific fashion should precede it. Iran, a predominantly Shi’ite country led by a regime committed to instilling its ideological hegemony and influence primarily via its proxy network over its Sunni-majority Arab neighbours and the Jewish state of Israel, has combined this contrarian vision with the gradual development of nuclear weapons as from the late 1990s, yet significantly ramped up its efforts in the 2010s and the 2020s. The 7 October attacks in Israel triggered a large regional war between Israel and the Iranian axis, which not only resulted in the 12-day war with Iran, that included strikes on Iran’s nuclear facilities with the participation of the U.S. in June 2025, but also led to the significant organisational and substantial military degradation of Hamas and Hezbollah, all of which ultimately contributed – together with the October 2025 Gaza ceasefire agreement – to creating a new momentum for a new Middle East.

If successful, the efforts to bring Israeli–Saudi peace, potentially even a comprehensive Middle East and Judeo-Islamic peace plan, will result in a resounding affirmation and strengthening of the vision for an American-led world order, the amplification of Israel’s political credit, the integration of the Middle East around interests rather than religious divisions, and the dispelling of existing predominant prescriptions to ensure lasting peace in the region. Reshaping the region’s security architecture under an American-led coalition, answerable to all parties’ security concerns and vested interests, has higher chances of success than relying on outdated perceptions of the region’s priorities and the Israeli–Palestinian conflict, including the two-state plan. Success will also share the spoils with Europe with the envisioned trade and energy corridors.

In sum, this article reviews the diplomatic, economic, and security indicators to the Israeli and Arab priorities, and places them in a larger American prism on homeland security and global peace and stability. It argues that the underlying motivation behind expanding the American sphere of influence in the Middle East is to counterbalance that of China, Russia, and Iran. To paraphrase Lord Ismay, the first Secretary General of NATO – securing Israeli–Arab peace could serve as a facilitator to keep America in, China and Russia out, and Iran down.

Countering the Soviet Union then, and CRINK today

As a cornerstone of its foreign policy, the United States has a vested interest in weakening the global sphere of influence of China in particular, as well as that of Russia, including in the Middle East, as part of the great power competition interplay. This rationale goes back

to the post-WWII Truman Doctrine, in which the United States committed to counter Communism – today represented most notably by the Chinese Communist Party as well as Russia – by holding back its expansion into territories of interest worldwide.

Formulated in George Kennan's telegram, the strategy of containment was “designed to confront the Russians with unalterable counter-force at every point where they show signs of encroaching upon the interests of a peaceful and stable world”.² Per Richard Snow, the then-editor of *American Heritage*, the Kennan “X” document has become the “founding document” and the “cornerstone on which the West built its Cold War strategy”.³ Per historian John Lukacs, containment – beyond merely “an American commitment to the defense of non-Soviet Europe”, was designed to “sooner or later, lead to a withdrawal of [...] Russian armed presence” by both economic means – the Marshall Plan as a vehicle to underwrite the economic reconstruction of Europe – and military means.⁴

President Trump's administration reiterated this principle during his first term, in the 2017 National Security Strategy (NSS) that recognised a “competitive world”, namely responding to “political, economic, and military competition” facing the U.S. globally. The strategy stressed that “sustaining favorable balances of power will require a strong commitment and close cooperation with allies and partners” since they “magnify US power and extend US influence”.⁵ It also cited the Reaganesque principle of “peace through strength” as a cornerstone of homeland security, meaning empowering the U.S. military capabilities and credible deterrence against security threats while ensuring no region in the world is dominated by one power, and advancing American interests.⁶

The strategy underscored in particular the importance of countering the growing axis of China–Russia–Iran–North Korea – which shall be named CRINK. “The revisionist powers of China and Russia, the rogue states of Iran and North Korea [...] are actively competing against the United States and our allies and partners”, aiming to “shift regional balances of power in their favor”. This challenges “American power, influence, and interests”.⁷ Similarly, in the 2025 National Security Strategy published by the second Trump administration, reiterated the commitment to a balance of power worldwide, preventing domination of other forces in other regions while working with local partners. It underscored the objective to “rebalance” relations with China while being cautious of encouraging active confrontation against either China or Russia, and pointed out Iran as the “chief destabilizing force” in the Middle East. The strategy highlights the administration's interest in “expanding the Abraham Accords” while taking a different perspective than the traditional one. It welcomes partnership between local actors, investments in fields such as AI and defence technologies, reiterated the commitment to Israel's security,

² Kennan, George F.: *The Sources of Soviet Conduct*. [online], Hanover College, 1947. Source: history.hanover.edu [24.03.2026].

³ Kennan, George F. – Lukacs, John (1997): *George F. Kennan and the Origins of Containment, 1944–1946: The Kennan–Lukacs Correspondence*. Columbia: University of Missouri Press, 10.

⁴ Kennan–Lukacs 1997: 5, 11, 17.

⁵ *National Security Strategy of the United States of America*. [online], The White House, 12.2017. Source: trumpwhitehouse.archives.gov [24.03.2026], 12–13, 55.

⁶ The White House 2017: 14.

⁷ The White House 2017: 35–36.

and departed from past “hectoring” around ideological issues – a clear indication of the intention to counter the Biden administration’s tensions with Arab countries over human rights issues. Most prominently, it stressed that the U.S. should be phasing out its focus from the Middle East and moderate its omnipresence in American politics as directly stemming from the rather optimistic prospects for regional self-reliance.⁸

This philosophy helps explain the multitude of objectives of the current Trump administration in engaging proactively in the Middle East: promoting peace and stability in the region as a force multiplier to American homeland security; removing clear and present threats on both the region in the U.S. as an obstacle to constructive progress – namely Iran’s nuclear programme and its proxy network; and advancing American diplomatic, economic, and security-related influence in the countries of the region at the expense of other, competing world powers, in particular Communist ones.

That said, the isolation and containment of the abovementioned CRINK members, in particular China, has its own glass ceiling. Unlike the USSR during the Cold War, China’s dominance in global trade and its positioning as the world’s second largest economy makes it almost impossible to isolate it altogether. China’s share of global trade has more than tripled over two decades, from 3.9% in 2001 to 13.9% in 2024; it is deepening its trade and investments with Middle Eastern nations; and increasing its use of “petroyuan” in its oil trade with Saudi Arabia and other regional actors.⁹ However, moderating its military and political sphere of influence in the Middle East across select categories has been proven feasible in both of Trump’s administrations. As outlined below, the doctrine therefore focuses on maximising the containment of China’s sphere of influence while aspiring to roll back Iran’s military and economic force buildup.

U.S.–Arab relations in the region: the Saudi case study

Saudi Arabia is a key actor in the potential future expansion of the Abraham Accords. It is the custodian of the holy sites of Islam, a self-considered leading regional actor who gave its tacit approval to the 2020 Abraham Accords between Israel and smaller Gulf countries, as well as the destination of President Trump’s first foreign presidential visits in both of his terms in office. It is also the object of his recurrent references on the expansion of the Accords. An examination of the U.S.–Saudi alliance in the larger Middle East contest in the critical areas of diplomatic, economic, and security-related cooperation, contrasted with their and Iran’s ties to China and Russia, can shed light on the countering forces in today’s competition over balance of power in the region.

Overall, Saudi Arabia’s economic relations with the United States are significantly deeper than those it holds with China, and far exceed those with Russia. This has been the case independently of the Trump administration’s recent commitments with Saudi Arabia on trade, investments, and arms deals – as trendlines show, this policy has been

⁸ *National Security Strategy of the United States of America*. [online], The White House, 11.2025. Source: [whitehouse.gov](https://www.whitehouse.gov) [24.03.2026], 10, 23–24, 27–29.

⁹ Chang, Charles et al.: *Saudi-China Ties and Renminbi-Based Oil Trade*. [online], S&P Global, 20.08.2024. Source: [spglobal.com](https://www.spglobal.com) [24.03.2026].

longstanding. Financially, data from the Saudi Ministry of Investment reveals the reliably rising Foreign Direct Investments (FDI) and stocks with the United States between 2017–2022, far exceeding that of China and Russia.

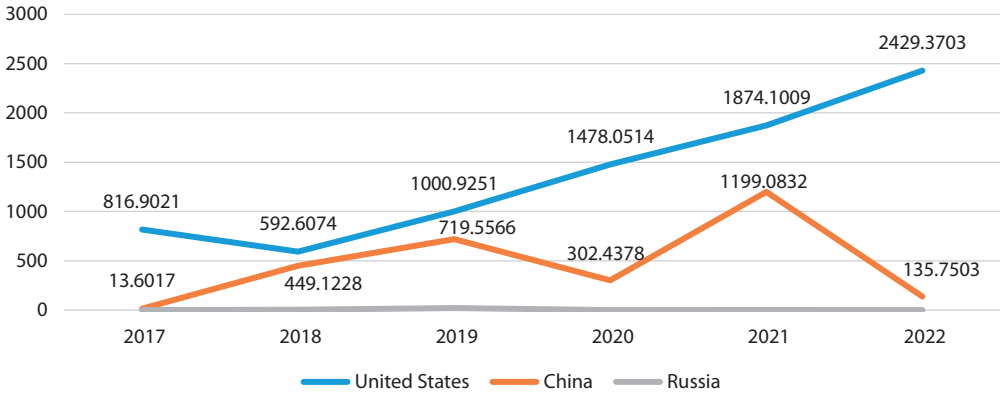


Figure 1: FDI inflow to Saudi Arabia by the United States, China, and Russia between 2017–2022 in USD million
 * in million USD, per January 2024 SAR to USD conversion rate of 0.2667

Source: Saudi Arabia Foreign Direct Investment Report, Saudi Arabia Ministry of Investment, January 2024¹⁰

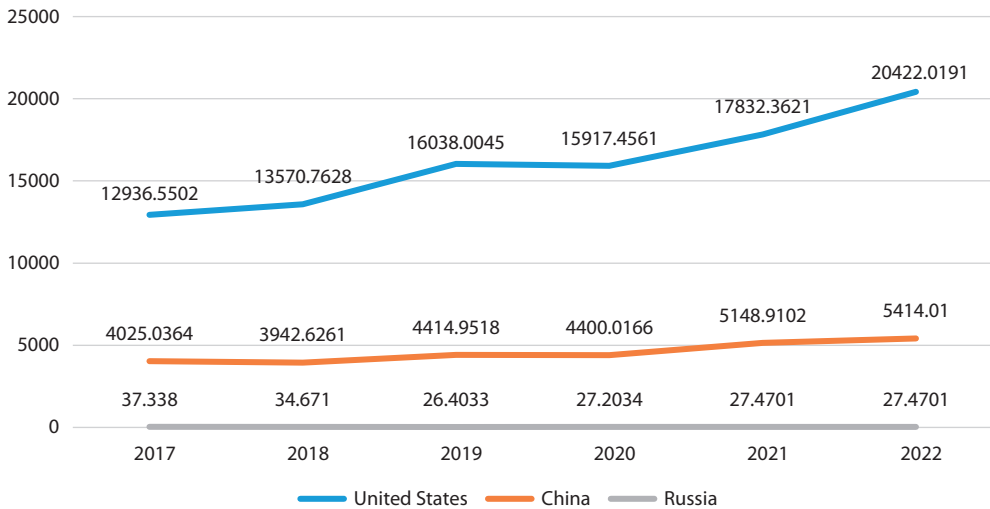


Figure 2: FDI stock in Saudi Arabia by the United States, China, and Russia between 2017–2022 in USD million
 * in million USD, per January 2024 SAR to USD conversion rate of 0.2667

Source: Saudi Arabia Foreign Direct Investment Report, Saudi Arabia Ministry of Investment, January 2024¹¹

¹⁰ Saudi Arabia Ministry of Investment: *Saudi Arabia Foreign Direct Investment Report*. [online], 01.2024. Source: misa.gov.sa [24.03.2026], 32.

¹¹ Saudi Arabia Ministry of Investment 2024: 33.

Militarily, an analysis by the Stockholm International Peace Research Institute (SIPRI) reveals that Saudi Arabia stands out as a main arms recipient from the United States, alongside other GCC countries such as Qatar, Bahrain, and the UAE. The U.S. is the top arms exporter to Saudi Arabia, supplying 74% of the Kingdom's imports, and globally, Saudi Arabia is the top arms importer from the U.S., with 12% of the total U.S. arms exports. Alongside it, the U.S. is the top arms importer of Qatar, Bahrain, and the UAE as well, with 48%, 97%, and 42%, respectively. Saudi Arabia and Qatar are among the top five arms importer globally.¹²

It is to be noted that on an overall regional perspective, SIPRI's analysis identified a steady increase in arms imports to the Middle East between 2015–2024. A markedly higher percentage of these arms originated in the U.S. – 50.3% between 2020–2024, with Russia at just 4.1% and China at 1.2%. Imports from Russia and China focused heavily on tanks and fire-support vehicles, followed by artillery equipment, as well as a certain share of combat aircraft – 71 and 57 respectively, as opposed to the far-exceeding 996 from the United States. The region imports far more arms from European countries such as Italy, France, Germany, and the United Kingdom than the perceived great superpowers, China and Russia. Authors of the report observed that the Gulf Cooperation Council (GCC) includes some of the biggest arms importers in the world, with its members sharing several common threat perceptions and security priorities as well as intertwined, and sometimes tense, security dynamics, including with Iran.¹³

Although Saudi Arabia joined the Belt and Road Initiative, hosted President Xi in Riyadh in 2016 to sign the Sino-Saudi High-Level Joint Committee and integrated to the Kingdom's Vision 2030,¹⁴ this pre-Trump development was overshadowed by the intensification of American–Saudi relations, in particular with the Trump administration. Saudi Arabia declined to join BRICS despite prior anticipation,¹⁵ possibly in light of the negative effect such a move can have on its relations with the U.S. A closer look at the Trump administration's strategy to the Middle East, in particular when considering the United States' historic strategic alliance with Israel, and its relations with Arab countries such as Saudi Arabia, the UAE, and Qatar, reveals an indisputable effort to boost diplomatic, economic, and security-related ties with these countries simultaneously. In doing so, President Trump has manifested a more pragmatic and interest-based approach, while relying on a strategic commitment to the containment of CRINK, as opposed to the more international standards-based and ideological approach by the Biden administration, that highlighted human rights abuses and the pursuit of democratic values.

The Trump administration's commitment to deepen the American sphere of influence in the region, while aiming to eventually decrease its direct military involvement

¹² George, Mathew et al.: *Trends in International Arms Transfers, 2024*. [online], Stockholm International Peace Research Institute (SIPRI), 03.2025. Source: sipri.org [24.03.2026], 2, 6.

¹³ Hussain, Zain – Tartir, Alaa: *Recent Trends in International Arms Transfers in the Middle East and North Africa*. [online], Stockholm International Peace Research Institute (SIPRI), 10.04.2025. Source: sipri.org [24.03.2026].

¹⁴ Alghannam, Hesham: *How China Aligned Itself with Saudi Arabia's Vision 2030*. [online], Carnegie Endowment for International Peace, 21.01.2025. Source: carnegieendowment.org [24.03.2026].

¹⁵ Magid, Pasha – El Dahan, Maha – Saini, Manya: *Saudi Arabia Sits on Fence over BRICS with Eye on Vital Ties with US*. [online], Reuters, 08.05.2025. Source: reuters.com [24.03.2026].

and presence, stems from objectives laid out in the National Security Strategy, to secure America's national security and interests by fostering alliances abroad. In both his first and second terms, President Trump chose the Middle East as the target for his first official foreign visit, symbolically selecting Saudi Arabia as his first stop.¹⁶ In both trips, conversations involved both diplomatic engagement, declarations on large-scale bilateral economic investments, and securing arms deals on the one hand; and statements highlighting the underlying mutual security threats by Iran on the other.

A comparative analysis of both visits sheds light on the omnipresence of all of the above factors as a recurring theme, reflective of the administration's interests in the region. In his 2017 trip, an Arab-Islamic–American Summit was gathered, where Trump advocated for advancing interest and values-based alliances to promote security and stability. In terms of economic ties, Trump announced a bilateral investment of 400 billion USD with Saudi Arabia, which includes a significant 110 billion USD component of defence purchases, allowing the Kingdom to “take a greater role in security operations”. Regarding the threat by CRINK and geopolitical vision, Trump defined a “battle between good and evil”, called on the “Abrahamic Faiths” of Judaism, Christianity, and Islam to cooperate to promote peace, urged regional countries to fight terrorism, and extensively criticised Iran as a regime responsible for instability in the region – while avoiding the direct mentioning of China or Russia.¹⁷ In his 2025 trip, Trump praised the 2020 Abraham Accords and called on Saudi Arabia to join them. He once again underscored the doctrine of “peace through strength”. Specifically on the region, he outlined “a future where the Middle East is defined by commerce not chaos, where it exports technology not terrorism”, in an inter-religious harmony. He reiterated his strong criticism on Iran as a destabilising actor that “fund[s] terror and bloodshed” and committing that “Iran will never have a nuclear weapon”,¹⁸ a commitment reiterated by all American presidents since Bill Clinton. In terms of economic ties, once again investments were announced, this time worth 600 billion USD with Saudi Arabia,¹⁹ 1.2 trillion USD with Qatar,²⁰ and 1.4 trillion USD with the UAE.²¹ These deals placed a high premium on defence expenditure and technological development, artificial intelligence, and energy. Later that year, the commitment with Saudi Arabia was increased to 1 trillion USD, against the backdrop of signing the U.S.-Saudi Strategic Defense Agreement, affirming the Saudi view of the U.S. and its main

¹⁶ *President Trump Delivers Remarks at the Arab Islamic American Summit*. [online], The White House, 21.05.2017. Source: trumpwhitehouse.archives.gov [24.03.2026].

Fact Sheet: President Donald J. Trump Secures Historic \$600 Billion Investment Commitment in Saudi Arabia. [online], The White House, 13.05.2025. Source: whitehouse.gov [24.03.2026].

¹⁷ *President Trump's Speech to the Arab Islamic American Summit*. [online], The White House, 21.05.2017. Source: trumpwhitehouse.archives.gov [24.03.2026].

¹⁸ Trump, Donald J.: *Remarks at the Saudi–United States Investment Forum in Riyadh, Saudi Arabia*. [online], The American Presidency Project, 13.05.2025. Source: presidency.ucsb.edu [24.03.2026].

¹⁹ *Fact Sheet: President Donald J. Trump Secures Historic \$600 Billion Investment Commitment in Saudi Arabia*. [online], The White House, 13.05.2025. Source: whitehouse.gov [24.03.2026].

²⁰ *Fact Sheet: President Donald J. Trump Secures Historic \$1.2 Trillion Economic Commitment in Qatar*. [online], The White House, 14.05.2025. Source: whitehouse.gov [24.03.2026].

²¹ *Fact Sheet: President Donald J. Trump Secures \$200 Billion in New U.S.-UAE Deals and Accelerates Previously Committed \$1.4 Trillion UAE Investment*. [online], The White House, 15.05.2025. Source: whitehouse.gov [24.03.2026].

strategic partner. Trump also approved a major defence sale package, including future F-35 planes²² – a highly-sought-for asset that is currently operated exclusively by Israel in the region.²³ It is to be mentioned that the issue of sale of F-35 aircrafts to other Middle East actors has been the source of controversy in Israel as well as in the United States, sparking concern over the breach of the QME – Qualitative Military Edge, enshrined by the Act on strategic cooperation.²⁴

By comparing the Saudi record with world superpowers and that of Iran, one can discern a clear anomaly. Iran has been solidifying its diplomatic, economic, and security-related ties with China and Russia, as opposed to Saudi Arabia, that has been solidifying these very ties with the United States. In terms of trade, petroleum products constitute the backbone of the Iranian economy, with 57% of the nation's total export earnings in 2024. Iran holds an estimated 9% of the global proven oil reserves,²⁵ and this indispensable source of income represents roughly 18% of its GDP as of 2021.²⁶ Recognising oil's potential in leveraging economic pressure on Iran, international sanctions led by the U.S. targeted this sector of the Iranian economy in the leadup to the 2015 Joint Comprehensive Plan of Action (JCPOA) in order to bring Iran to the negotiating table. These sanctions were lifted in 2016, and re-imposed in 2018 with the withdrawal of the Trump administration from the JCPOA in light of its claimed inability to enforce Iran's denuclearisation and its lack of reference to Iran's other malign activities such as the development of long-range ballistic missiles and promotion of regional and global terrorism.²⁷

Despite the negative effect of these sanctions on the Iranian economy, Iran turned to China as a substitute to its traditional trade partners, defying U.S. sanctions²⁸ – in order to avoid economic collapse. Thus, in spite of sanctions, Iran kept stable oil exports of some 1.5-1.7 million barrels per day, increasing its year-over-year revenue by almost 20% to an estimated 43 billion USD in 2024, almost reaching pre-sanction level. China has begun purchasing about 90% of Iran's total oil exports,²⁹ for an irregularly low price with a 15% discount.³⁰ China's oil imports from Iran are effectively the central lifeline of the nation's economy, creating a *de facto* substantial political leverage.

Iran has also been increasing its military relations with Russia, selling Iranian UAVs and UAV technology to Russia and agreeing to build a joint UAV factory in Russia worth

²² *Fact Sheet: President Donald J. Trump Solidifies Economic and Defense Partnership with the Kingdom of Saudi Arabia*. [online], The White House, 18.11.2025. Source: whitehouse.gov [24.03.2026].

²³ McCartney, Micah: *F-35 Map Shows Who Is Buying US Stealth Fighter Jets*. [online], Newsweek, 02.04.2025. Source: newsweek.com [24.03.2026].

²⁴ *Public Law 112-150 – July 27, 2012*. [online], Library of Congress, 2012. Source: congress.gov [24.03.2026].

²⁵ *Iran Oil Export Data 2024–25: Iran Oil Exports by Country & Iran Oil Production*. [online], TradeImex, 13.10.2025. Source: tradeimex.in [24.03.2026].

²⁶ *Oil Rents (% of GDP) – Iran, Islamic Rep.*. [online], World Bank Group. Source: data.worldbank.org [24.03.2026].

²⁷ FAQ Topic Page: *Iran Sanctions*. [online], Office of Foreign Assets Control. Source: ofac.treasury.gov [24.03.2026].

²⁸ Ghaseminejad, Saeed: *Sanctions? Iran's Secret Oil Network Fuels Its Regime*. [online], Foundation for Defense of Democracies (FDD), 24.05.2025. Source: fdd.org [24.03.2026].

²⁹ TradeImeX 2025.

³⁰ Etasi, Amirreza: *Rising Risk to China's Covert Iran Oil Lifeline*. [online], Asia Times, 28.08.2025. Source: asiatictimes.com [24.03.2026].

1 billion USD, critical to its military engagement in Ukraine.³¹ Bilateral relations include ballistic missile imports, nuclear energy technology, aircrafts, sensors, and missile defence technology. According to SIPRI, Iran has been relying on fewer and fewer international suppliers, mostly on Russia, which with Moscow providing 98% and 100% of Iran's arms imports between 2015–2019 and 2020–2024, respectively. Iran received a total of 6 light combat aircraft from Russia in 2023 and 2024 and has pending deliveries for 42 combat aircraft.³²

However, CRINK as an alliance remains a highly questionable determination. There is no singular political or strategic driver that unifies the above actors, except an underlying contrarianism to Western “imperialism” and a ruling form of autocracy. China is an activist global economic actor, deeply entrenched in global investments and infrastructure projects, aspiring to replace the U.S. as a leading currency, oil trader, and political hegemon. Indeed, in some areas, Saudi Arabia and other Arab regional actors have been hedging against American disengagement by developing economic and political relationship with China across several key indicators; Russia focuses on regional achievements to secure its borders while drawing global isolation; North Korea has chosen international isolation while relying on China's foreign policy and protégé status; and Iran aspires to instill its hegemony in the region and partners with like-minded actors in Latin America, Africa, and Southeast Asia, aligning with anti-Western actors and leading a hardline ideological tone – while still aspiring to trade freely with the West and open to investment.

Yet while China, Russia, Iran, and North Korea often find their national interests clashing, rather than converging, issue-based cooperation is noticeable. Alternative frameworks to Western alliances such as NATO, G7 and other institutions include BRICS (originally Brazil, Russia, India, China, and South Africa), the SCO (Shanghai Cooperation Organization), the Belt and Road Initiative, and the EEU (Eurasian Economic Union). In March 2021, China and Iran signed a 25-year strategic partnership on a series of areas.³³ In June 2024, Russia and North Korea signed a Comprehensive Strategic Partnership Treaty that includes a mutual military assistance clause; Pyongyang has assisted Russia in its war in Ukraine by supplying munitions and missiles, and committing troops.³⁴ In January 2025, Russia and Iran signed a strategic partnership as well. These agreements notably did not include any NATO-like military or defence commitments.³⁵ In February 2022, shortly before the Russian invasion of Ukraine, China and Russia agreed on a strategic partnership with “no limits” on a series of areas of cooperation,³⁶ later deepened

³¹ Waller, Julian G. et al. (2025): *The Evolving Russia-Iran Relationship. Political, Military, and Economic Dimensions of an Improving Partnership*. [online], The Center of Naval Analyses (CNA), 01.2025. Source: cna.org [24.03.2026].

³² Hussain–Tartir 2025.

³³ Reuters: *Iran and China Sign 25-Year Cooperation Agreement*. [online], Reuters, 27.03.2021. Source: reuters.com [24.03.2026].

³⁴ Bowen, Andrew S. – Manyin, Mark E. – Nikitin, Mary Beth D.: *Russia-North Korea Relations*. [online], Library of Congress, 13.06.2025. Source: congress.gov [24.03.2026].

³⁵ Smagin, Nikita: *New Russia-Iran Treaty Reveals the Limits of Their Partnership*. [online], Carnegie Politika, 21.01.2025. Source: carnegieendowment.org [24.03.2026].

³⁶ *Joint Statement of the Russian Federation and the People's Republic of China on the International Relations Entering a New Era and the Global Sustainable Development*. [online], President of Russia, 04.02.2022. Source: en.kremlin.ru [24.03.2026].

in November 2025.³⁷ In March 2025, China, Russia, and Iran held their fifth joint naval drill, committing to strengthening “multilateral cooperation”.³⁸

The shift in the Arab world: from refuting Israel’s right to exist to normalisation, against the backdrop of the Palestinian question

By examining the process that led up to the 2020 Abraham Accords between Israel and several countries from the Arab world – the UAE, Bahrain, Sudan, and Morocco, alongside the attempts to expand on its basis during the following five years, one can discern the key elements surrounding the rationale of the parties to engage in rapprochement. This paradigmatic shift occurred at least in parallel to, and most likely as a result of significant developments in the Middle East, most notably in the Iranian theater. While developments in the Palestinian arena have always played a vital rhetorical role in the process and may have nuanced or affected it, they have done little to fundamentally change the core principles at the basis of the parties’ interest to engage.

Historically, the hostility between Israel and the larger Arab and Muslim world originated in the latter’s opposition to the creation of a Jewish State and the Zionist movement, since the late 19th century and peaking in the foundation of Israel in 1948. The reasoning behind it varied, though mostly rooted in religious and anti-Imperialist rationale.

Following the Israeli victory in the 1967 Six Day War, what has been dubbed Arab rejectionism was notably expressed in the Khartoum Declaration, in which the Arab League affirmed the notion of Arab unity facing Israel, and declared “no peace with Israel, no recognition of Israel, no negotiations with it”.³⁹ This dictum was paraphrased by Israeli Prime Minister Benjamin Netanyahu to illustrate that the tables have turned, as Sudan signed a peace treaty with Israel in 2020, reversing the Three No’s to Three Yes’s.⁴⁰

In the years since 1967, international processes attempting to lead the region into rapprochement and peace focused heavily on the Israeli–Palestinian conflict as key to progress in the larger Israeli–Arab and Muslim circle. As the Cold War ended, Israel’s newly-elected Labour government in 1992 led by Yitzhak Rabin made a major breakthrough in the Palestinian arena in the form of the Oslo Accords, embracing unprecedented security and territorial concessions while inviting in PLO Chairman Yasser Arafat as a partner. Per Efraim Karsh, Arafat “turned the PLO into one of the world’s most murderous terror organizations with the overarching goal of bringing about Israel’s demise”. Per Joel Fishman, the two-state plan was designed as a “bait that conceals their ultimate strategy of bringing about the politicide of Israel by other means”, citing Article 21 of the Palestinian covenant that determined how the “Arab Palestinian people, expressing themselves by the armed Palestinian revolution, reject all solutions which are substituting

³⁷ Abbasova, Vusala (2025): *Russia, China Sign 15 Cooperation Agreements, Pledge to Deepen Strategic Partnership*. [online], Caspian News, 05.11.2025. Source: caspiannews.com [24.03.2026].

³⁸ FDD: *Russia and China to Discuss Iranian Nuclear Program Following Joint Naval Drills*. [online], Foundation for Defense of Democracies, 13.03.2025. Source: fdd.org [24.03.2026].

³⁹ *LAS Khartoum Resolution*. [online], United Nations, 01.09.1967. Source: un.org [24.03.2026].

⁴⁰ *PM Netanyahu on the Declaration of Normalization between Israel and Sudan*. [online], Israeli Ministry of Foreign Affairs, communicated by the Prime Minister’s Media Adviser, 24.10.2020. Source: gov.il [24.03.2026].

for the total liberation of Palestine”.⁴¹ Indeed, the Oslo Accords and the incarnation of Arafat’s PLO brought about significant security deterioration within Israel, leading to 9.3 times more Israeli civilian casualties by Palestinian terrorism between the signing of the Accords in 1994 to 2022 (prior to the October 7 attacks) and the entire period between Israel’s foundation in 1948 to 1994.⁴²

World leaders have repeatedly made it clear that resolving the Israeli–Palestinian conflict is key to Israeli–Arab normalisation. The 1978 Israel–Egypt peace treaty underscored that the “resolution of the Palestinian problem”, including self-determination, is key to instil “peace in the Middle East”, describing Israeli territorial concessions to the Palestinians as “the only agreed basis for a peaceful settlement of the Arab–Israeli conflict”.⁴³ Following the 1993–1995 Oslo Accords, progress in the Israeli–Arab front indicated the Arab and Muslim world’s willingness to engage with Israel only in case the Israeli–Palestinian conflict is resolved. Such was the case of the signing of the 1994 Israeli–Jordanian peace treaty, or the establishment of low-level diplomatic relations between Israel and Arab countries such as Morocco and Oman. With the forestalment of the Israeli–Palestinian peace process, the so-called 2002 Arab Peace Initiative led by Saudi Arabia recognised that “a just and comprehensive peace in the Middle East is the strategic option of the Arab countries”, and to make this a reality, it called for “full Israeli withdrawal from all the Arab territories occupied since June 1967, in implementation of [...] the land-for-peace principle, and Israel’s acceptance of an independent Palestinian state with East Jerusalem as its capital, in return for the establishment of normal relations in the context of a comprehensive peace with Israel”.⁴⁴ The paradigm stipulating that the only path to reach Israeli–Arab peace goes through the resolution of the Israeli–Palestinian conflict – with significant Israeli concessions, the establishment of a Palestinian state and the division of Jerusalem – has thus become the gold standard for continuous attempts to bridge the divide. This may be called the internationalisation of the Israeli–Arab conflict.

The 1980 Venice Declaration by the European Council recognised the principle of “comprehensive peace settlement” between Israel and the Arab world based on “a just solution [...] to the Palestinian problem”.⁴⁵ Multiple UN General Assembly resolutions have made a similar determination. U.S. President Barack Obama stressed that the two-state plan is the “only solution” to the conflict, with Arab leaders referring back to the Arab Peace Initiative as late as 2010.⁴⁶ Then-Secretary of State John Kerry reaffirmed

⁴¹ Fishman, Joel: *The “Two-State Solution” and the Arab Palestinians: Partition or Politicide?*. [online], Jerusalem Center for Security and Foreign Affairs (JCSA), 16.02.2023. Source: jcsa.org [24.03.2026].

⁴² Avivi, Amir – Yissachar, Or – Hacohen, Gershon: *The Oslo Debacle: 30 Years to the Accords that Changed Israel*. [online], David Institute for Security Policy, 13.09.2023. Source: davidinstitute.org [24.03.2026].

⁴³ *Draft Text Prepared by the Assistant Secretary of State for Near Eastern and South Asian Affairs (Saunders)*. [online], United States Department of State, Office of the Historian, Foreign Relations of the United States, 1977–1980. Source: history.state.gov [24.03.2026].

⁴⁴ *Beirut Declaration on Saudi Peace Initiative, March 28, 2002*. [online], Government of Israel, Ministry of Foreign Affairs, 28.03.2002. Source: gov.il [24.03.2026].

⁴⁵ *Venice Declaration on the Middle East*. [online], United Nations, 12–13.06.1980. Source: un.org [24.03.2026].

⁴⁶ *Remarks by President Obama, President Mubarak, His Majesty King Abdullah, Prime Minister Netanyahu and President Abbas Before Working Dinner*. [online], The White House, President Barack Obama, Office of the Press Secretary, 01.09.2010. Source: obamawhitehouse.archives.gov [24.03.2026].

this view in 2016, declaring that “No, no, no, and no. [...] There will be no advance and separate peace with the Arab world without the Palestinian process and Palestinian peace. Everybody needs to understand that. That is a hard reality.”⁴⁷

These attempts to bridge the Israeli-Palestinian conflict have not materialised, which has led to decades-long stalemate in the larger Israeli-Arab political process. Supposedly, the key to this larger normalisation was the *resolution* of the Israeli-Palestinian conflict, rather than mere *progress*. Various explanations were offered, most notably, Palestinian rejectionism of repeated generous offers in 1996, 1999, 2000, 2004 with President George W. Bush’s Roadmap, and 2008. Some interpreted it as an attempt to make impassable offers that Israel cannot fathom without significantly compromising on its national security, portraying the Arab world in a positive light while passing the ball to Israel’s court. Karsh noted that “the latest condition for ‘peace’ [...] happens to entail Israel’s self-destruction”,⁴⁸ while Eitan Gilboa (among many others) commented that “the maximum Israel is prepared to concede doesn’t meet the minimum the Palestinians demand”.⁴⁹ As stipulated by President Clinton, “I killed myself to give the Palestinians a state. [...] There’s nobody who’s blameless in the Middle East, but we cannot really ever make a fundamental difference in the Middle East unless the Israelis think we care whether they live or die.”⁵⁰ Per Clinton, Arafat “walked away from a Palestinian state” despite generous offers agreed to by Israel.⁵¹

Yet while the parties have not reached the resolution of the conflict – indeed, the conflict only escalated – the larger Israeli–Arab circle began to materialise independently and irrespectively of progress toward resolution on the Israeli–Palestinian front. In August 2020, the United States has arbitrated peace agreements between Israel and the United Arab Emirates, Bahrain, Morocco, and Sudan, formally named the “Abraham Accords”, yet short of notable Israeli concessions on the Palestinian front.

Granted, the text of the Abraham Accords reflects the evolution in the attitude by the Arab world between 2002 and 2020, including the sidelining of UN resolutions, the Arab Peace Initiative, and Palestinian statehood as precondition for peace with Israel. Rather, it included a vague commitment to “continuing [the] efforts to achieve a just, comprehensive, realistic and enduring solution to the Israeli-Palestinian conflict [...] that meets the legitimate needs and aspirations of both peoples, and to advance comprehensive Middle East peace, stability and prosperity”.⁵² Netanyahu explained this as a strategy

⁴⁷ *13th Annual Saban Forum: Challenge for the Trump Administration in the Middle East, A Conversation with U.S. Secretary of State John Kerry*. [online], U.S. Department of State, 04.12.2016. Source: brookings.edu [24.03.2026].

⁴⁸ Karsh, Efraim: *The Palestinians and the “Right of Return”*. [online], Commentary, 05.2001. Source: commentary.org [24.03.2026].

⁴⁹ Weinberg, David M.: *Israeli-Palestinian Diplomacy: Whereto?*. [online], The Begin-Sadat Center for Strategic Studies (BESA), 29.09.2013. Source: besacenter.org [24.03.2026].

⁵⁰ Gurciullo, Brianna: *Bill Clinton: ‘I Killed Myself to Give the Palestinians a State’*. [online], Politico, 13.05.2016. Source: politico.com [24.03.2026].

⁵¹ TOI STAFF: *Bill Clinton: Young Americans Shocked to Learn Arafat Turned Down Palestinian State*. [online], The Times of Israel, 05.12.2024. Source: timesofisrael.com [24.03.2026].

⁵² *Abraham Accords Peace Agreement: Treaty of Peace, Diplomatic Relations and Full Normalization between the United Arab Emirates and the State of Israel*. [online], United States Department of State, 15.09.2020. Source: state.gov [24.03.2026], 1–2.

to circumvent the Palestinian veto over Israeli–Arab peace without their consent, as opposed to past paradigms.⁵³

By examining previous and current statements surrounding the prospect of an Israeli–Arab peace and developments in the Middle East and globally, the following segments will explore the reasoning behind this notable paradigm shift from viewing the Palestinian issue as a precondition to peace, to viewing it secondary to other, more pressing considerations.

Iran

Since its ascent to power following the 1979 Islamic Revolution in Iran, the regime has transformed Iran from a regional actor with strong ties to the West, led by the Pahlavi monarchy, to a regional destabilising force seeking to “export the revolution”, namely expand its influence regionally and globally. Driven by the Shi’ite preachings, the Iranian regime’s “central pillar” was defined by strong anti-Western and anti-Semitic philosophies.⁵⁴ Article 3, Clause 5 of the Iranian Constitution enshrined the anti-Western sentiment into the foundational texts of the Iranian regime, stipulating the “complete elimination of imperialism and the prevention of foreign influence”.⁵⁵ In his 1970 book “Islamic Government: Jurist’s Guardianship” (*Velayat-e Faqih*), Khomeini accused the “incompetence” of Muslim rulers in allowing “imperialist penetration”, while in his last will and testament, he called the United States a “self-indulging terrorist” with “its ally [being] international Zionism”.⁵⁶

Khomeini’s successor as Supreme Leader of Iran, Ali Khamenei, has continued this paradigm, referring to Israel as the “Zionist regime”, a “cancerous tumor” in the region that has to be “eradicated”, and to the United States as a supporter of anti-Muslim forces and detrimental to Muslim unity⁵⁷ as a consistent theme in his sermons and publications. That, while continuously highlighting the Palestinian “struggle” as a binary moral choice, with no option but military resistance until Israel falls, calling it “the most important issue of the world of Islam”.⁵⁸

This philosophy has been increasingly combined with military force buildup and increased regional activism, to the detriment of other, Sunni-majority Arab countries and Israel, in a four-legged effort. First, an effort to expand Iran’s “strategic depth” orchestrated by the Iranian Revolutionary Guard Corps’ Qods Force, led to the establishment of a militant axis in the Middle East aligned with Iran. Overtime, Iran supported or

⁵³ Yaari, Ehud: *The Road Beyond UAE-Israel Normalization*. [online], The Washington Institute for Near East Policy, 10.09.2020. Source: washingtoninstitute.org [24.03.2026].

⁵⁴ *In the Shadow of the War, Iranian Hostility toward Israel is Growing While Denying its Existence*. [online], The Meir Amit Intelligence and Terrorism Information Center, 08.11.2023. Source: terrorism-info.org.il [24.03.2026].

⁵⁵ *Constitution of the Islamic Republic of Iran*. [online], Legal Tools. Source: legal-tools.org [24.03.2026], 8.

⁵⁶ Khomeini, Sayyid Ruhullah Musawi: *Imam Khomeini’s Last Will and Testament*. [online], Al Islam. Source: al-islam [24.03.2026].

⁵⁷ Khamenei, Ali: *If the Islamic Ummah Uses its inner Strength, It Can Eradicate that Cancerous Tumor – the Zionist Regime*. [online], Khamenei.ir, 21.09.2024. Source: english.khamenei.ir [24.03.2026].

⁵⁸ Khamenei, Ali: *The Most Important Problem of the Islamic World: Selected Statements by Ayatollah Khamenei About Palestine*. [online], Khamenei.ir., s. a. Source: english.khamenei.ir [24.03.2026], 11.

established terrorist groups Hamas, Hezbollah, the Houthis, militant groups in Iraq, efforts in Africa, Latin America, and Southeast Asia, and the Assad regime in Syria, likely investing over 2 billion USD annually in this force buildup.⁵⁹ Given the outlawing of the Muslim Brotherhood in Egypt, Saudi Arabia, and the UAE, it follows that tackling Hamas, an offshoot of the Brotherhood, serves these countries' national interests as well. Second, Iran has encouraged or was actively involved in destabilisation efforts, even attempts to overthrow Arab leaders during the so-called Arab Spring of 2011, including protests encouraged or instigated by Iran in Bahrain that led to a direct Saudi military interference.⁶⁰ In the following years, relations further deteriorated with the pan-Arab blockade on Qatar as a reaction to the interference by Iran and the Kingdom in their domestic affairs, and the 2019 Iranian attack on the Aramco petroleum facilities in Saudi Arabia, that results in no military retaliation.⁶¹ In this period, proxy warfare has also evolved between Iran and Saudi Arabia across several theaters, including the abovementioned Bahraini case, as well as the Iranian support for the Yemen-based Houthi group Ansar Allah and their repeated offensive of Saudi territory. Saudi Arabia launched a military campaign against the group, which resulted in a heavy casualty toll, while failing to secure its southern Yemeni border altogether. Meanwhile, Israel and the U.S. have proven a solid outreach in Yemen by striking select targets across the Houthi group's ports, military leadership, and assets.

Third, Iran has been developing a significant long-range and intercontinental ballistic missile arsenal, and planned to develop up to 20,000 such missiles within six years, capable of covering all of the territory of Israel and Saudi Arabia.⁶²

Fourth, and most ominously, Iran has been developing a covert nuclear weapons programme, disguised as a civil nuclear programme. A party to the NPT – Non-Proliferation Treaty, Iran continuously denied the military aspect of the programme in spite of strong intelligence evidence, and committed not to develop nuclear weapons as part of the 2015 JCPOA. Yet at least since the 1990s' "Project AMAD" and most notably until the signing of the JCPOA and as from 2021, Iran has accelerated the development of critical components in its military nuclear programme despite its international obligations. Shortly before the June 2025 strike on Iran, the IAEA declared Iran's non-compliance with the NPT, for the first time in 20 years; Israel estimated Iran was within days of reaching sufficient fissile material for the first nuclear device.⁶³

Iran's nuclear programme has been viewed as a foremost security threat by both Israel and Arab countries such as Saudi Arabia, the UAE, and Bahrain, given its coupling with Iran's antithetical philosophy to the region, the Arab world, and the West. This represented

⁵⁹ Yissachar, Or – Kuperwasser, Yossi: *Nuclear Iran: an Existential Threat to the Zionist Enterprise*. [online], Israel's Defense and Security Forum (IDSF), 06.2022. Source: idsf.org.il [24.03.2026], 43–46.

⁶⁰ Bronson, Rachel: *Saudi Arabia's Intervention in Bahrain: A Necessary Evil or a Strategic Blunder?*. [online], Foreign Policy Research Institute (FPRI), 03.03.2011. Source: fpri.org [24.03.2026].

⁶¹ Burgess, Sanya: *Attack on Saudi Oil Fields 'Legitimate Defence' by Houthis, Iran Says*. [online], Sky News, 30.09.2019. Source: news.sky.com [24.03.2026].

⁶² *Security Snapshot | "Rising Lions": Israel on a War to Remove an Existential Nuclear and Missile Threat by Iran*. [online], David Institute for Security Policy, 15.06.2025. Source: idsf.org.il [24.03.2026].

⁶³ David Institute for Security Policy 2025.

a potentially bleak development that has been a determinative factor for the Arab world in recalculating its previous approach to Israel, outweighing existing, traditional factors such as the Palestinian cause or historic grievances. This shared threat perception of Iran by both Israel and the Arab world is omnipresent on the part of Israeli officials, such as Netanyahu's continuous rhetoric against Iran as posing "a grave threat, not only to Israel, but also the peace of the entire world [...] the greatest danger facing our world is the marriage of militant Islam with nuclear weapons".⁶⁴ Yet it remained largely absent from Arab leaders' public remarks, favouring a more discreet approach to the regime. Among the irregular instances was the 2024 statement issued by the Ministerial Council of the Gulf Cooperation Council, cautiously calling for "constructive understandings" on Iran's "nuclear file" surrounding the limits on uranium enrichment to civil and peaceful levels as well as addressing Iran's ballistic missile programme and other security concerns, to achieve "good-neighbourliness".⁶⁵ Among the rarer instances of direct public statements against Iran are Saudi Crown Prince Mohammed Bin Salman (MBS)'s comments in an interview with *Atlantic Magazine* in 2018, with no similar remarks since. MBS called Iranian leader Khamenei the "Hitler of the Middle East", fearing a similar disinterest in rising extremist forces as prior to World War II. Unprecedentedly for a king-in-waiting of the custodian of Islam's holy sites, he also referred positively to the notion of peace with Israel based on shared economic interests, recognising both the Palestinians and Israel's right to land.⁶⁶ Other instances included the leaked video from the 2019 Warsaw Middle East conference. Foreign Ministers from Bahrain, the UAE, and Saudi Arabia referred to Iran as an "evil" regional actor and security threat that forestalls peace, while at the same time referring to the previous centrality of the Israeli–Palestinian conflict as outdated.⁶⁷

While Arab countries adopted a more cautious style in public, Israel was allowed to join the United States' Central Command, conducting drills with fellow Arab militaries, and hosting the IDF Chief of Staff in Bahrain;⁶⁸ continuous reports insisted on covert Israeli–Arab security cooperation regarding Iran.

The stable wall: fluctuating caution by Arab leaders between U.S. administrations

In exploring the rationale behind this paradigmatic pivot by the Arab and Muslim world toward normalisation with Israel, it is vital to explore the key priorities of Arab leaderships who have been steering it. "Leaning against a stable wall" is a common Arab proverb to

⁶⁴ *PM Netanyahu's Speech to a Joint Session of the US Congress*. [online], Government of Israel, Ministry of Foreign Affairs, 03.03.2015. Source: gov.il [24.03.2026].

⁶⁵ General Secretariat – Riyadh: *Statement Issued by the Ministerial Council of the Gulf Cooperation Council During its 161st Session*. [online], Cooperation Council for the Arab States of the Gulf (GCC), General Secretariat, 09.09.2024. Source: gcc-sg.org [24.03.2026].

⁶⁶ Goldberg, Jeffrey: *Saudi Crown Prince: Iran's Supreme Leader 'Makes Hitler Look Good'*. [online], The Atlantic, 02.04.2018. Source: theatlantic.com [24.03.2026].

⁶⁷ Ahren, Raphael: *In Clip Leaked by PMO, Arab Ministers Seen Defending Israel, Attacking Iran*. [online], The Times of Israel, 14.02.2019. Source: timesofisrael.com [24.03.2026].

⁶⁸ I24 News: *Israeli Army Chief on First Official Visit to Bahrain*. [online], I24 News, 09.03.2022. Source: i24news.tv [24.03.2026].

indicate that only stable partners secure Arab trust, and that a reliable superpower should be maintaining the stability of the Arab leaders' rule. As such, efforts by the Obama administration to secure the JCPOA in 2015 have triggered animosity among both Israel and Arab actors, leading Netanyahu to assert the deal "brought Israel and many Arab states closer together than ever before in an intimacy and friendship that I have not seen in my lifetime and would have been unimaginable a few years ago".⁶⁹ Trump's contrarian approach to Iran and his "maximum pressure" philosophy was therefore perceived as reassuring. As assessed by Del Sarto and Soler i Lecha (2024), "the 2015 Iran nuclear deal prompted Saudi Arabia and the UAE to feel increasingly insecure and thus pursue their own plans for the region".⁷⁰

Efforts by the Biden administration to revive the deal were not highly regarded either, viewed as attempts to appease Iran with no credible solution to its nuclear aspirations. In parallel to the increased uranium enrichment in Iran, and to the U.S. efforts to revive the JCPOA, an unprecedented Saudi–Iranian normalisation agreement with China's mediation took place in March 2023. It was interpreted as symbolic with no strategic consequences, but also an unusual Chinese involvement in Middle East political affairs, one that sends a strong signal to the Biden administration. In that, Saudi Arabia expressed its discomfort with the administration's Middle East policy, specifically in regard to Iran's rising power, preferring to appease it rather than attempt to moderate the negative effects of a more emboldened Iran.⁷¹

In June 2025, Israel has launched a pre-emptive strike on Iran, successfully targeting numerous nuclear sites and allegedly sending the Iranian nuclear programme years back, while thwarting some 65% of its ballistic missile capabilities. Later, the U.S. joined to strike the Fordow nuclear site with B-2 Stealth Bombers, as well as the sites in Isfahan and Natanz.⁷² President Trump asserted they have "taken a big dark cloud off of the Middle East by bringing Iran back down to its size. [...] This is a totally different Middle East right now, and you have countries that want to make peace."⁷³ Trump and Netanyahu continued to draw a direct line between the removal of the Iranian threat and the improved chances to reach Israeli–Arab peace.

In February 2026, Israel and the United States launched an all-out military campaign against the Iranian regime. That included the targeted killing of Supreme Leader Ali Khamenei alongside a deliberate effort to eliminate the senior political leadership of the country, as well as the command structure of the IRGC, Army, and Basij. Nuclear sites, military bases, and even energy infrastructure was heavily targeted, in a declared effort to

⁶⁹ *At UN Assembly, Israel's Netanyahu Claims Iran Harboring Secret Nuclear Site*. [online], United Nations, 27.09.2018. Source: news.un.org [24.03.2026].

⁷⁰ Del Sarto, Raffaella A. – Soler i Lecha, Eduard (2024): *Regionalism and Alliances in the Middle East, 2011-2021: From a "Flash in the Pan" of Regional Cooperation to Liquid Alliances*. *Geopolitics*, 29(4), 1447–1473.

⁷¹ Leiter, Yechiel M.: *Saudi-Iran Rapprochement and Saudi-Israel Normalization: No Contradiction Intended*. [online], Jerusalem Center for Security and Foreign Affairs (JCFA), 24.05.2023. Source: jcfa.org [24.03.2026].

⁷² *Final Situation Report | "Rising Lion", Israel-Iran War: Day 1–12. Updated June 26, 2025 14:00PM (Israeli Standard Time GMT+3)*. [online], David Institute for Security Policy, 26.06.2025. Source: idsf.org.il [24.03.2026].

⁷³ Fox News [@FoxNews]: *President Trump on Mamdani, 'Seditious' Democrats | Brian Kilmeade Show*. YouTube, 21.11.2025. timestamp 19:11. Source: youtube.com [24.03.2026].

give tools to the Iranian people to potentially topple the regime – continuing the wave of mass protests that was ignited in December 2025.

In addition, progress on the Gaza front was further seen as removing a major obstacle to Arab approval of the peace process with the October 2025 ceasefire agreement in Gaza. The agreement saw the release of all Israeli hostages, founded the Board of Peace, and called for the demilitarisation of Hamas in particular and Gaza writ large, widely endorsed in a public signing ceremony in Cairo by European, Arab, and Muslim leaders including Pakistan and Indonesia.⁷⁴

Conclusion

While examining the underlying rationale of the Trump administration's involvement in the Middle East, a narrow regional or bilateral prism cannot suffice. Rather, a broader outlook is warranted, one that considers the geostrategic interests of the United States in countering its geostrategic adversaries CRINK – in the spirit of the Cold War era's containment and rollback doctrines; advancing the U.S. sphere of influence as means to secure the American homeland; and their expression in the American foreign policy. The limited yet aggressive military campaigns of the United States and Israel in Iran in June 2025 and as from February 2026 suggest a willingness to apply these principles while also stopping short of lengthy entanglements. There is strong evidence to suggest two contrasting vectors are currently interplayed in the region – heavy diplomatic, economic, and security-related investment of the U.S., particularly in Saudi Arabia and a strong alliance with Israel; countered by the heavy investment by China and Russia in Iran. These trends coalesce the great power competition with the Middle East as its microcosm.

The potential expansion of the Abraham Accords from their 2020 model – focusing on bilateral agreements between Israel and the UAE, Bahrain, Morocco, and Sudan – to include Saudi Arabia as a gateway to the larger Muslim world, including Indonesia, exhibits a considerable promise for a larger reconstruction of the dynamics between the Judeo-Christian civilisation and Islam. While the Palestinian issue is still important for domestic reasons, especially in light of the Gaza War, but has gradually become secondary to the dominant one: the threat assessment of Iran's political and military ambitions and advancements. Without Iran's activity, it is likely that Israeli–Arab normalisation would have continued to depend on progress, even resolution of the Israeli–Palestinian conflict. Yet these two vectors – growing threat on the part of Iran and stalemate on the Palestinian arena were conflicting, rather than converging. The Arab world thus had to continue independently into a breakthrough in the process.

After decades of hostility, Arab rejectionism of Israel, and the internationalisation of the conflict, adherence to a singular orthodoxy regarding the Israeli–Palestinian conflict has been undermined, and the *sine qua non* asset of the two-state plan as a basic given has

⁷⁴ Lahav, Eran – Gelb, Yishai (2025): *Israel Weekly War Summary Week #106 | October 13 – October 18, 2025*. [online], David Institute for Security Policy, 19.10.2025. Source: davidinstitute.org [24.03.2026].

diminished facing a changing reality – while factoring in the dominance of the Gaza War on the relationship.

Prohibitive preconditions to the Arab world's normalisation with Israel have thus become unprecedentedly flexible in the service of the core set of priorities. Namely, looking for strong superpower auspices as means to remain in power. The means to obtain that had been alienating Israel, yet changed into embracing it as a reliable regional partner and a strong American ally. In short, the core set of priorities of the Arab world remained intact, while geostrategic developments have forced the process into a fundamental re-envisionment. Namely, Israel has transitioned from pariah to partner, realising how Jerusalem is a gateway to Washington.

Moving forward, and as the Abraham Accords may finally expand, a success in doing so will also be reflected upon Europe's willingness to cast aside existing dogmas and embrace realistic visions for the region. Encouraging stability in its immediate neighbourhood is a central pillar to the EU's Common Security and Defence Policy. A more stable Middle East will ease irregular migration to Europe and reduce the chances for conflict escalation, that affects Europe as well. Yet the path to reach this eventuality has traditionally focused on demands for far-reaching territorial concessions by Israel rather than an interest- and security-based alliance that places pragmatism and the shared threat perception of Iran front and center.

Europe can share the spoils of the planned regional interconnectivity that will stem from such rapprochement between Israel and the Arab world. This will include energy networks and trade corridors, that are already in the works and awaiting the final conclusion of multilateral agreements between countries. Joining these initiatives, such as IMEC – the India–Middle East–Europe Economic Corridor – or planned innovation initiatives surrounding security technology, agriculture, and fintech, can boost Europe's investment opportunities in positive and constructive regional actors. Empowering the economy in the Middle East can also be interpreted as attempting to replicate – to a degree – the mercantilist approach at the basis of the EU, with trade interdependence as pillar for stability. Transcending Europe, bringing Israel and the Arab and Muslim world closer together will further contribute to easing tensions between East and West, and in turn, reshape the contemporary form of global security architecture.

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Máté Gergely Balogh¹

Foreign Policy Fractures within the Trump Coalition

The study examines the differences between the foreign policy factions within the Make America Great Again (MAGA) coalition behind Donald Trump. Trump has extended the voter base of the Republican Party: the coalition that played a key role in his election is broader than the Republican Party and includes a number of actors and groups that have traditionally not been part of this political community. The study reviews the foreign policy factions within the MAGA coalition and their positions on key foreign policy issues, highlighting the role of President Trump in holding the coalition together.

Keywords: Donald Trump, United States, Republican Party, foreign policy, MAGA

Introduction

One of the high points of Donald Trump's 2024 Presidential campaign was the rally held on October 27 in New York City, one of the strongholds of the Democratic Party. The composition of the speakers reflected a remarkable degree of ideological diversity. According to Stephen K. Bannon, who had advised Trump on the 2016 campaign, MAGA could unite "hardscrabble Hispanics in South Texas, tech bros, and economic nationalists".² In fact, many people in the coalition were not previously Republicans, so the MAGA movement extends beyond the Republican Party, just as Trump himself is not a traditional Republican.³ Even though he has strong support among the voting base, Trump has had an adversarial relationship with the "old guard" of the Republican Party. Initially, he was not the favoured candidate of the leadership of the Republican Party, and there are a number of Republicans who are still not members of his coalition, such as those who until today identify as Never Trumpers.⁴

Yet, the diversity of the MAGA coalition also carries the risk of serious internal conflict. While Trump and his supporters attempt to present a unified front of "America First", there are significant, often unacknowledged divisions between the various diverse factions within the movement. These factions compete for the favour of the President, attempting

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² Carlson, Tucker: *Tucker and Steve Bannon Respond to Israel's War on Iran and How It Could Destroy MAGA Forever*. [online], YouTube, 17.06.2025. Source: [youtu.be \[02.09.2025\]](https://youtu.be/02.09.2025).

³ Le Miere, Jason: *Is Trump Republican? Timeline of President's Shifting Political Views After He Sides With Democrats*. [online], Newsweek, 07.09.2017. Source: [newsweek.com \[07.09.2025\]](https://newsweek.com/07.09.2025).

⁴ Wren, Adam: *'Why Do They Bend Their Knee?' 6 Never-Trumpers look Back at What Went Wrong*. [online], Politico, 13.03.2024. Source: [politico.com \[05.09.2025\]](https://politico.com/05.09.2025).

to grab his attention and win him over on particular issues. American media and political analysts have devoted special attention to the power relations within the MAGA movement and the Trump administration: *The Washington Post*,⁵ *Politico*,⁶ *The Economist*,⁷ and Nate Silver, political analyst and statistician, founder of *FiveThirtyEight*,⁸ have all published articles discussing this topic. Given their influence on the decision-making in the second Trump presidency, the analyses often discuss the role of people who are not members of the Trump administration or even the Republican Party, such as businessmen, media or online political personalities.

Foreign policy is one of the fields that have increasingly been the source of conflicts inside the Trump coalition since the 2024 election, particularly with regards to topics such as interventionism, alliances, and the global role of the United States. The global order is undergoing a significant transformation, and the United States needs to respond to these changes.⁹ Of course, foreign policy is not the only point of contention within the Trump coalition, various constituencies do not see eye to eye on a number of other issues either, such as economic policy, immigration, the role of intelligence agencies, or the influence of tech moguls. Another factor that contributes to the instability of the MAGA coalition is the importance of personal relationships for Trump. Given that the focus of this study is foreign policy, issues that fall outside of this purview are discussed only in a tangential way, to the extent that they are related.

The study presents the origins of the *MAGA/America First* foreign policy and the various ideological factions that influence the foreign policy of the second Trump administration. It is important to note that this is not an analysis of the Trump cabinet, but rather the factions within the broader coalition that led to his election and influence his administration. Beside members of the administration, politicians, or members of the Republican party, this also includes people who contributed to Trump's campaign and are influential within the MAGA movement. Furthermore, the study examines the key foreign policy issues where these factions clash before concluding with how Trump himself fits into this framework.

The foundations of *America First* foreign policy before 2024

In an earlier interview, Trump claimed to have come up with the phrase “Make America Great Again” himself,¹⁰ but in fact, Ronald Reagan campaigned with a very similar

⁵ Allison, Natalie: *President Molds a Fractious Coalition: The Six Factions of Trumpworld*. [online], *The Washington Post*, 26.08.2025. Source: [02.09.2025].

⁶ Ward, Ian: *The Many Factions Battling for Trump's Attention*. [online], *Politico*, 14.11.2024. Source: politico.com [05.09.2025].

⁷ *The Factions Jostling for Donald Trump's Favour*. [online], *The Economist*, 29.08.2025. Source: economist.com [05.09.2025].

⁸ Silver, Nate: *The 4 Factions of Trump 2.0*. [online], *Silver Bulletin*, 14.04.2025. Source: natesilver.net [02.09.2025].

⁹ Csizmazia, Gábor – Eszterhai, Viktor – Tárnok, Balázs: *The Impact of Trump 2.0 on Europe's Position in the Transforming World Order*. [online], *John Lukacs Analyses on Global Affairs*, 2025/1. Source: uni-nke.hu [02.09.2025], 4.

¹⁰ Engel, Pamela: *How Trump Came Up with His Slogan 'Make America Great Again'*. [online], *Business Insider*, 18.01.2017. Source: businessinsider.com [02.09.2025].

sentence “Let’s Make America Great Again” in 1980.¹¹ Regardless of its origin, Trump’s MAGA slogan became so effective that it eventually lent its name to his whole political movement. The Trump campaign also use the phrase, *America First*, which has a long and complex history in American politics. Appearing first in the 1880s, it was famously used to argue for neutrality in World War I by Woodrow Wilson in 1915. By the 1930’s, however, *America First* came to be primarily associated with isolationists like the America First Committee, as well as a number of far-right groups.¹² After falling out of favour in the post-WWII period, *America First* was revived in the 1990s by paleoconservative politician and commentator Pat Buchanan, who is often cited as a forerunner of Trump, both by their supporters and critics.¹³ The *America First* slogan implies, if not outright isolationism, but most definitely less involvement in global affairs, especially if it does not directly benefit the United States, as well as a strong scepticism of international institutions.

Beyond the paleoconservatives, another influence on Trump’s ideological hinterland and activist base was the libertarian-populist *Tea Party* movement that emerged within the Republican party in the early 2010s. The *Tea Party* movement was largely inspired by the 2008 and 2012 presidential campaigns of Ron Paul. The former Libertarian presidential candidate attempted to steer the Republicans in a more libertarian-conservative direction, and while he did not manage to obtain nomination, he gathered large and enthusiastic support both within and outside of the party. The *Tea Party* movement advocated for small government and represented anti-interventionist and anti-elitist views. Many of its participants became strong supporters of Trump when he emerged on the political scene.¹⁴ Finally, Bannon also played a key role in shaping *America First* foreign policy as one of the founders of *Breitbart News* and host of the popular *War Room* podcast, as well as chief executive of the Trump campaign in 2016.

In an interview with Tucker Carlson, Bannon described the three core planks of Trump’s coalition as “stop the forever wars, seal the border and deport the illegal alien invaders, and redo the commercial relationships in the world around trade deals and bring high value-added manufacturing jobs back here.”¹⁵ Trump laid out similar priorities in his first inaugural address in 2017, when he spoke against de-industrialisation, criticised foreign military alliances that do not seem to benefit America as well as aid going to foreign countries, and emphasised the importance of defending borders.¹⁶ The same issues were also mentioned in his second inaugural address in 2025, when the president emphasised the importance of border security, bringing back manufacturing jobs,

¹¹ Steinhorn, Leonard: *The Fundamental Flaw in ‘Make America Great Again’*. [online], The Washington Post, 26.07.2022. Source: washingtonpost.com [2025.09.02].

¹² Diamond, Anna: *The Original Meanings of the “American Dream” and “America First” Were Starkly Different From How We Use Them Today*. [online], Smithsonian Magazine, 10.2018. Source: smithsonianmag.com [02.09.2025].

¹³ Greenfield, Jeff: *Trump Is Pat Buchanan with Better Timing*. [online], Politico, 09/10.2016. Source: politico.com [02.09.2025].

¹⁴ Rapoport, Ronald B. – Crossman, Henry W. (2022): *From Tea Party to Trump Party*. In Green, John C. – Cohen, David B. – Miller, Kenneth M. (eds.): *State of the Parties 2022: The Changing Role of American Political Parties*. Bloomsbury Academic, 197–214.

¹⁵ Carlson 2025.

¹⁶ Trump, Donald: *The Inaugural Address*. [online], The White House, 20.01.2017. Source: trumpwhitehouse.archives.gov [31.08.2025].

cutting down bureaucracy, and renegotiating trade deals. With regards to wars, Trump declared that he wants to measure success “by the wars that we end – and perhaps most importantly, the wars we never get into”, and made it clear that he wants to be remembered as a “peacemaker and unifier”.¹⁷

Trump’s foreign policy during his first administration largely reflected these ideas in practice as well. His administration adopted a transactional approach to alliances, frequently questioning the value of NATO and other international commitments. He withdrew the U.S. from multilateral institutions and agreements, including the Paris Climate Accords. Trump did not start any new wars, instead, his administration pursued diplomacy with adversaries such as North Korea. At the same time, he engaged in trade wars, most notably with China. His approach was in contrast to what would have been favoured by the establishment of the Republican Party, represented by people like Mitt Romney and Liz Cheney, who became critics of Trump, and represent the “old guard” of interventionist foreign policy. The 2024 campaign, therefore, did not emerge in a vacuum, it built on the foundation of previous movements on the American right, and the policies of Trump’s first presidency.

Ideological factions and conflicts within the MAGA coalition

Understanding the various political factions offers valuable insight into American foreign policy because it reveals the true drivers of national strategy, which are rarely as monolithic as a slogan like *America First* suggests. Foreign policy decision-making is a dynamic process, where competing factions clash, negotiate, and co-opt one another. This is especially true during the presidency of Trump, given his “transactional”¹⁸ outlook. While it is apparent that Trump has some deeply held personal beliefs, he seems to be “devoid of the idealism traditionally characterizing US foreign policy (or at least of the semblance of such idealism)”.¹⁹ Consequently, he is often prone to be persuaded by whoever presents the strongest argument and can convince him that their desired outcome would reap economic, strategic, political, or other types of benefits for the United States, or bring personal prestige to the President.

However, pinning down political factions is an inherently difficult task. Individuals within the administration or in the wider Trump orbit often hold idiosyncratic beliefs, their alliances tend to be fluid, they are based on political calculations or personal relationships as much as ideological convictions. Consequently, the lines between the various foreign policy factions are often blurred, and the categories sometimes overlap, a person might be classified as a member of more than one camp, depending on the particular issue. For example, while Vice President J. D. Vance is usually considered

¹⁷ Trump, Donald: *The Inaugural Address*. [online], The White House, 20.01.2025. Source: whitehouse.gov [31.08.2025].

¹⁸ Csizmazia et al. 2025: 2.

¹⁹ Glant Tibor – Csizmazia Gábor: *First 100 days of Donald Trump’s Second Presidency*. [online], *John Lukacs Analyses on Global Affairs*, 2025/5. Online: uni-nke.hu [02.09.2025], 6.

to be part of the nationalist-populist wing of the party, he can also be associated with the ideology of realism, and has close connections to the tech world, especially tech billionaire Peter Thiel.²⁰

Silver has identified four factions within the Trump White House and the wider MAGA world: 1. “The Chief Executive,” that is, Trump himself; 2. “MAGA 2.0”, people like Vice President Vance; 3. “The Tech Right”; and 4. the “GOP establishment”, that is, the traditional elite of the Republican Party.²¹ In contrast, *The Economist* discusses five categories: 1. the “Isolationists”; 2. the “Moderates”; 3. the “Neocons”; 4. the “Economic Populists”; and 5. the “Culture Warriors”.²² In *The Washington Post*, White House reporter Natalie Allison writes about six such groups: 1. “MAGA populists”; 2. “Traditional Republicans”; 3. “Small-government conservatives and fiscal hawks”; 4. the “Religious right”; (5) the “Tech Right”; and 6. “MAHA (Make America Healthy Again) and other converted Democrats”.²³ These analyses categorise political groups that influence the policy of the Trump administration based on a wide range of issues. The classification can be different, if we only focus on one aspect – it is quite possible that there is a wide agreement between two people in the administration on most issues, but take opposing sides on a single issue. Altogether, from an exclusively foreign policy perspective, we have identified six groups, some of which overlap with the ones found in the previously mentioned articles.

Nationalist-populists

Nationalist-populists form the core of the Trump coalition, they are the most dedicated and loyal part of the president’s base. They are anti-globalist, sceptical of foreign wars as well as foreign aid, and against participation in international institutions, including NATO, which they see as foreign entanglements that threaten American sovereignty. Nationalist-populists support economic protectionism and view immigration as the central issue in both foreign and domestic policy: they emphasise strong border security and the deportation of illegal immigrants, as well as curbing legal immigration. Their distrust of the “deep state elites” extends to international institutions, and contributes to the popularity of conspiracy theories among them (for example, based on the activity of Alex Jones or Laura Loomer). Figures associated with nationalist-populists within the administration include Vice President Vance and Senior Advisor Stephen Miller. In the wider MAGA world, the most important voices are the recently resigned Marjorie Taylor Greene in the House of Representatives, and in the media, Carlson, Bannon, and Charlie Kirk, who tragically fell victim to an assassination in September 2025.

²⁰ Pequeño, Antonio IV: *JD Vance And Peter Thiel: What To Know About The Relationship Between Trump’s VP Pick And The Billionaire*. [online], Forbes, 16.07.2024. Source: forbes.com [02.09.2025].

²¹ Silver 2025.

²² The Economist 2025.

²³ Allison 2025. The slogan MAHA was used by the former Democrat Robert F. Kennedy, Sr., the Secretary of Health and Human Services.

Neoconservative holdovers

In the 1960s, a group of former leftists became disillusioned with New Left, turned against counterculture, and called for an anti-communist foreign policy. This movement later came to be known as neoconservatism.²⁴ After the end of the Cold War, a new generation of neoconservatives was less concerned with domestic issues and focused almost exclusively on foreign policy, advocating for an active U.S. role in global politics, and the promotion of democracy and liberal values worldwide.²⁵ Today, the main priorities for neoconservatives include maintaining global American leadership, they are pro-interventionists, they agree with the use of pre-emptive force to neutralise threats abroad, and they are strongly committed to traditional U.S. alliances, especially with Israel. Neoconservatives are present in both major political parties, Victoria Nuland, for example, played a major role in the formulation of the Ukraine policy of the Biden administration.²⁶ Neoconservatives were especially influential in the Republican Party during the Reagan administration, the George W. Bush presidency, and the candidacy of John McCain. Many of them opposed Trump in 2016, but others, such as Mike Pompeo and John Bolton, eventually ended up becoming members of his administration. Bolton later became a prominent critic of Trump, and at the time of the writing, he is under investigation by the FBI over mishandling classified information.²⁷ Currently Lindsey Graham and Tom Cotton are seen as representatives of the neoconservatism, but earlier, Secretary of State and National Security Advisor Marco Rubio was also grouped here.²⁸ Trump is more suspicious of neoconservatives during his second presidency: there have been speculations that National Security Advisor Mike Waltz had to leave his position primarily not because he mistakenly added a journalist of *The Atlantic* to a group chat of national security leaders on the *Signal* messaging app, but because of his supposed close ties to neoconservatives.²⁹

Conservative realists

Conservative realists are fundamentally different from the neoconservatives: their foreign policy is not driven by a mission to spread democracy or American values, but it is rooted in a pragmatic calculation of national interest. Realism draws from a long tradition of

²⁴ Ehrman, John (1996): *The Rise of Neoconservatism. Intellectuals and Foreign Affairs, 1945–1995*. Yale University Press. For more on the Neoconservatives, see Békés, Márton (2008): *Amerikai neokonzervativizmus. Egy kisiklott ellenforradalom*. Budapest: Századvég.

²⁵ Awale, Rasha (2022): *The 1990s and the Remaking of the Neoconservative Foreign Policy Paradigm*. *Hungarian Journal of English and American Studies*, 28(1), 121–146.

²⁶ Isackson, Peter: *The Curious Reign of the New Queen Victoria (Nuland)*. [online], Fair Observer, 12.04.2023. Source: fairobserver.com [15.10.2025].

²⁷ Goudsward, Andrew: *Trump Critic Bolton under Investigation over Classified Information, Documents Show*. [online], Reuters, 04.09.2025. Source: reuters.com [05.09.2025].

²⁸ DePetris, Daniel R.: *Tom Cotton's Neocon Recklessness*. [online], The National Interest, 11.03.2025. Source: nationalinterest.org [15.10.2025].

²⁹ Burns, Dasha – Cai, Sophia – Gramer, Robbie: *Waltz was in Danger before Signalgate*. [online], Politico, 01.05.2025. Source: politico.com [04.09.2025].

American foreign policy (for example, based on the work of George F. Kennan or Henry Kissinger), and it gained new momentum as a response to the War on Terror. Realists believe that the U.S. should focus on major threats and avoid unnecessary conflicts, considering that decades of regime change attempts and “forever wars” have drained American strength. They are sceptical of foreign alliances and international institutions that they feel do not directly benefit the United States. Their number one priority is great-power competition, they see China as a long-term threat, and want to focus on military and technological superiority, as well as securing supply chains. They advocate for shifting away from ideologically motivated wars and claim that American strength abroad depends on strength at home. Important figures within this faction include Rubio (although earlier, he showed more hawkish tendencies), former National Security Advisor Robert O’Brien, under secretary of defense Eldridge Colby, and to a certain extent, Vice President Vance. The most influential conservative think tanks behind the Trump administration, such as the Heritage Foundation³⁰ and the Claremont Institute,³¹ also advocate for a realist foreign policy.

Christian nationalists/Evangelicals

Christian Nationalists view American foreign policy not just through the lens of national interest, but as a moral and spiritual imperative. Their political engagement is driven by the desire to restore traditional, Biblical values at home, and to use the nation’s power to support what they see as righteous causes abroad. The political rise of Christian Evangelicals began in the late 1970s with the so-called “Moral Majority”, referring to which they became particularly influential within the Republican Party, focusing primarily on domestic issues like abortion. In foreign policy, they aim to implement religious and cultural values, such as combating what they see anti-Christian and anti-Semitic trends in the world. One of the main priorities for Christian Evangelicals is unconditional support of Israel, often rooted in dispensationalist theology,³² commonly adopted by many American Evangelical Protestant churches. They also advocate for using American power to protect persecuted Christians abroad and support combating “woke” ideology abroad and in international institutions. Key figures include former Vice President Mike Pence, Senator Ted Cruz, and Speaker of the House Mike Johnson, but Christian Evangelical ideas influence people in a number of other factions.

³⁰ Roberts, Kevin D.: *A Foreign Policy for America’s Golden Age*. [online], The American Mind, 03.07.2025. Source: americanmind.org [06.09.2025].

³¹ Peterson, Matthew J.: *Claremont vs. Foreign Policy Establishment*. [online], The American Mind, 18.01.2019. Source: americanmind.org [06.09.2025].

³² Dispensationalist theology, originating in the 19th century, teaches that God reveals himself in distinct ways for distinct people over distinct periods of time, and it is often used as a foundation for Christian Zionism. See Newman, John: *Ted Cruz, Dispensationalism, and the State of Israel*. [online], Mises Institute, 20.06.2025. Source: mises.org [06.09.2025].

Libertarian-leaning non-interventionists

Even though the Libertarian Party has existed since 1971, it has seen little electoral success, thus many libertarians have found their home in the Republican Party or have supported Republican candidates. The most influential figure has been former Congressman Ron Paul, whose presidential campaigns have brought a dedicated and passionate following, and laid the intellectual framework for libertarians within the MAGA movement. Trump even spoke at the Libertarian Party National Convention in 2024, and in return for the votes of the members of the party, promised to appoint a libertarian to his cabinet.³³ Libertarian non-interventionists are probably the ideologically most principled and consistent faction within the MAGA movement, and their main goal is the radical reduction of military spending and foreign entanglements. They oppose wars, want to end foreign aid, and advocate for re-evaluating military alliances like NATO. Another priority for libertarians is limited government; they claim that military spending and foreign aid largely contribute to the rising national debt. They are also highly critical of the national security state and the operation of the intelligence agencies. Important representatives are Senator Rand Paul and Congressman Thomas Massie, but to a certain extent, former Democrats who have aligned with the MAGA movement can also be associated with the libertarian faction. Tulsi Gabbard, former Democratic presidential candidate and current Director of National Intelligence, is popular among libertarians. After he was forced out of the Democratic primaries in 2024, Robert F. Kennedy, Jr. even joined the Libertarian Party and unsuccessfully ran for nomination.³⁴

Tech/Business nationalists

Trump may have been popular on social media for years, but in 2016 and 2020, the vast majority of campaign donations from the tech world went to the Democrats.³⁵ In 2020, there was a concerted effort by social media companies to suppress the Hunter Biden laptop scandal,³⁶ and Trump was banned from Twitter and other social media in the aftermath of 6 January 2021. In 2022, Elon Musk acquired Twitter (which he later renamed X), and reinstated Trump's account. By 2024, a number of tech billionaires became significant donors to Trump's campaign and the Republican Party,³⁷ and became influential in determining policy as well – as evidenced by the establishment of the “Department of Government Efficiency”, headed by Musk, which has since then been disbanded. Tech nationalists see

³³ Goettler, Peter: *Trump Is Hardly Libertarian. But Neither Is Today's Libertarian Party*. [online], The Washington Post, 23.05.2024. Source: washingtonpost.com [06.09.2025].

³⁴ Pellish, Aaron: *RFK Jr. Loses in First Round of Libertarian Party's Presidential Nomination Vote. Trump Didn't File Paperwork to Qualify*. [online], CNN, 27.05.2024. Source: edition.cnn.com [07.09.2025].

³⁵ Levy, Ari: *Here's the Final Tally of Where Tech Billionaires Donated for the 2020 Election*. [online], 2020.11.06. Source: CNBC.com [2025.09.07.]

³⁶ Nelson, Steven: *Facebook Execs Suppressed Hunter Biden Laptop Scandal to Curry Favor with Biden-Harris Admin: Bombshell Report*. [online], New York Post, 30.10.2024. Source: nypost.com [07.09.2025].

³⁷ Mahler, Jonathan – Mac, Ryan – Schleifer, Theodore: *How Tech Billionaires Became the G.O.P.'s New Donor Class*. [online], The New York Times Magazine, 18.10.2024. Source: nytimes.com [07.09.2025].

foreign policy as a way to advance private interests. They believe that the key to American strength is winning the global technology race, particularly against China, especially in fields like AI. They are pragmatic and push for tariffs and export controls to protect U.S. innovation, but at the same time, they realise the interconnectedness of the economies of the two countries.³⁸ Tech nationalists are sceptical of globalist alliances, criticise “endless wars” and foreign aid. At the same time, they favour involvement where they see business benefits (e.g. Musk’s Starlink provides battlefield communications for Ukraine). With regards to immigration, they advocate for a targeted approach, claiming that in order to achieve tech supremacy, the U.S. needs skilled workers. Beside Musk, other important figures in the tech/business nationalist faction include Vivek Ramaswamy, Thiel, as well as Marc Andreessen, and Vice President Vance is also close to this group.

Key policy battlegrounds and emerging rifts

Foreign policy debates within the Trump coalition are more than academic, they are fierce, often public conflicts for the president’s attention and for influence over the direction of American foreign policy. While *America First* provides a broad umbrella for the movement, the ideological divides, fractures between the various factions within the MAGA movement become apparent when we examine specific issues, or policy decisions.

Israel and the Middle East

The issue of support for Israel is often seen as the crucial fault line that most deeply divides the MAGA movement.³⁹ The United States has supported Israel since the founding of the country in 1948, and the Israel lobby has a strong influence on American foreign policy.⁴⁰ Traditionally, Republicans have been strong supporters of Israel, and neoconservatives and Christian Nationalists are united in their advocacy for unconditional support for Israel, their stance rooted in ideology and theology. Conversely, libertarian non-interventionists and nationalist populists are critical of military aid to Israel and, broadly speaking, involvement in the region. Conservative realists see the U.S.–Israel relationship as a strategic partnership which should not be unconditional but be maintained to the extent that it serves America’s goal of securing its own interests. There is also a controversy over the involvement of Israel in American politics – with some going so far as to accuse Israeli intelligence of having ties to disgraced financier, alleged paedophile and

³⁸ Cheng, Selina – Strumpf, Dan: *Beijing Says Musk Opposes Decoupling of U.S., China*. [online], The Wall Street Journal, 30.05.2023. Source: [wsj.com](https://www.wsj.com) [07.09.2025].

³⁹ Bazail-Eimil, Eric – O’Brien, Connor – Traylor, Jake: *MAGA is Turning on Israel over Gaza, but Trump is Unmoved*. [online], Politico, 29.07.2025. Source: [politico.com](https://www.politico.com) [08.09.2025]; Carlson 2025.

⁴⁰ Mearsheimer, John J. – Walt, Stephen M (2008): *The Israel Lobby and U.S. Foreign Policy*. New York: Farrar, Straus and Giroux.

blackmailer Jeffery Epstein.⁴¹ Meanwhile, the base is becoming even more divided on the issue as younger Republican voters tend to be less favourable towards Israel.⁴²

Ukraine

With regards to Ukraine, neoconservatives call for unwavering support for Kyiv, they consider the conflict to be a test of Western resolve against Russian aggression. Beside financial help, politicians such as Senator Graham also support sending offensive weapons and sanctioning countries that trade with Russia.⁴³ National-populists and libertarian-leaning non-interventionists see Ukraine as another “endless war”, argue for resolving the conflict as quickly as possible by completely ending military and financial support, and they push for a negotiated settlement. Most conservative realists also call for an end to the war, which they see as a distraction from the competition with China, and believe that aid should be conditioned on a clear objective – and even then, it should preferably be financed by Europe.

At the same time, there are those even inside the realist camp who believe that the real interest of the United States is not ending the war as soon as possible, but Russia's military defeat.⁴⁴ In recent decades, China has become the number one geopolitical rival of the United States, but regardless, Russia is also present on the international stage, and in many ways continues to pose a challenge to America, which many are particularly sensitive to after forty years of Cold War. Some technological and business nationalists see opportunities in the conflict, for example for the oil industry, if Russian energy sources subject to sanctions are replaced by American liquefied natural gas (LNG). Related to Ukraine is the issue of the relationship between the United States and Europe, European security, as well as the role of NATO, which are all sources of disagreements. The Russian–Ukrainian war is a complex issue that in many cases causes divisions within the interest groups discussed here. In the summer of 2025, the United States temporarily suspended arms deliveries to Ukraine, but after fierce protests from Trump's allies, they resumed a few days later. According to press reports, the decision to halt arms deliveries was made by Elbridge Colby, under secretary of defense.⁴⁵

⁴¹ Croucher, Shane: *Israeli Ex-Leader Answers Tucker Carlson's Epstein Mossad Question*. [online], Newsweek, 14.07.2025. Source: newsweek.com [09.09.2025].

⁴² Galston, William A. – Muchnick, Jordan: *Support for Israel Continues to Deteriorate, Especially among Democrats and Young People*. [online], Brookings, 06.08.2025. Source: brookings.edu [09.09.2025].

⁴³ Hubbard, Klaia – Brennan, Margaret: *Sen. Lindsey Graham Says Sanctions Bill Would Give Trump a “Sledgehammer” against Russia amid “Turning Point” in War with Ukraine*. [online], CBS News, 13.07.2025. Source: cbsnews.com [16.10.2025].

⁴⁴ Mankoff, Jeffrey: *The Realist Case for Ukraine*. [online], Foreign Policy Research Institute, 25.01.2023. Source: fpri.org [16.10.2025].

⁴⁵ Detsch, Jack – McLeary, Paul – Schwartz, Felicia – Stokols, Eli: *Trump Allies Caught Off Guard by Pentagon's Ukraine Weapons Freeze*. [online], Politico, 03.07.2025. Source: politico.com [16.10.2025].

China

There is a general agreement within the Trump coalition that China is a strategic competitor, but the various factions diverge on the approach. Nationalist populists favour economic protectionism through tariffs that they believe would protect American industries, “bring the jobs back”, and contribute to the re-industrialisation of America. Tech nationalists frame the competition between the two countries as a “tech cold war”, and while they acknowledge for the interconnectedness of the two economies, they push for targeted tariffs and export controls to ensure the security of supply chains and ensure supremacy in key technologies. Conservative realists consider China to be the main adversary, and advocate for military, political, and economic steps to counter its influence, while neo-conservatives see the struggle in ideological terms, as a struggle between democracy and autocracy. These ideological differences lead to completely different policy approaches, for example in the areas of tariff policy and maintaining the dominance of the dollar.

International institutions

National populists and libertarians are deeply sceptical of international institutions like the World Health Organization, the United Nations, or NATO, and call for a serious reduction in U.S. involvement, or even complete withdrawal from these commitments. Conversely, neoconservatives see some of the international institutions as essential for maintaining the rules-based international order and global American leadership, while others they consider to be outright harmful. Conservative realists take a pragmatic approach, and wish to engage with international institutions on a transactional basis, as long as it serves American interests.

There is some agreement among the various factions on this issue: for different reasons, but in certain respects, they are all sceptical of international institutions. From the outside, this may seem to be one of the defining characteristics of Trump’s foreign policy, but in reality, there is no true unity on this issue.

Trade policy and immigration

One of the main campaign promises of Trump was to cut illegal immigration to the United States. For Trump’s base, especially the nationalist populists, the issue of trade and immigration are closely related, the claim being that both uncontrolled mass immigration and unfavourable trade deals lead to the loss of manufacturing jobs, declining wages, and the erosion of national sovereignty. For this reason, national populists are in favour of broad protectionist measures to defend American industries and call for a complete halt to illegal immigration which they see as an existential threat, and serious restrictions to legal immigration. Tech/business nationalists have a more nuanced approach, they advocate for targeted tariffs and export controls to protect strategic industries and also support immigration for skilled workers to maintain a technological edge, which leads to

conflict between them and the nationalist populists.⁴⁶ Libertarians strongly oppose tariffs, which they see as an obstacle to free markets, and also criticise government overreach in surveillance and border security.

Conclusion

In the American constitutional system, the President has wide-reaching authority when it comes to foreign affairs.⁴⁷ While the various factions within the MAGA coalition provide a number of options, the ultimate decision rests on the shoulder of Trump. The President himself does not belong to any of the factions described above, he does not follow any school of thought, and his priorities often transcend ideological categories. The MAGA coalition is not held together by a well-defined, coherent, shared ideology, but by personal loyalty to the president.

Although Trump's foreign policy is best understood as transactional,⁴⁸ but it is guided by a number of deeply held core principles. First and foremost, he sees himself as a peacemaker, a unifier and dealmaker, who is capable of avoiding unnecessary wars and conflicts. He often points out that he did not start any new wars during his first presidency and emphasises the value of human life when it comes to issues such as the Russia–Ukraine war.⁴⁹ Trump's second priority is protecting American sovereignty, which manifests in his strong border policy, scepticism towards international institutions, and demands that the allies of the United States pay their fair share of defence costs. Eventually, every decision is measured by its impact on American national and economic interests, as he perceives them.

Trump's personal, transactional approach means that he will usually listen to advisors, but his decisions are often hard to predict – which has been frustrating for many in the administration and the various factions within the MAGA movement.⁵⁰ For example, in his previous term, neoconservatives were able to convince him to push for a more aggressive policy towards Iran,⁵¹ whereas the national populist and non-interventionists could persuade him to withdraw troops from Syria.⁵² Personal relationships frequently influence Trump's decision-making, his perspective is often shaped by who had his ear in a given moment.

⁴⁶ Picchi, Aimee: *Musk and Ramaswamy are Sparking a Debate over the H-1B Visa. Here's What to Know about the Visa.* [online], CBS News, 30.12.2024. Source: cbsnews.com [09.09.2025].

⁴⁷ Bomboy, Scott: *Explaining the President's Foreign Affairs Powers.* [online], National Constitution Center, 06.03.2025. Source: constitutioncenter.org [09.09.2025]

⁴⁸ Cszimazia et al. 2025: 2.

⁴⁹ *Trump Calls Discussions with Putin 'Productive', Urges Him to Spare Ukrainian Troops.* [online], Reuters, 14.03.2025. Source: reuters.com [09.09.2025].

⁵⁰ Bade, Rachael – Desrochers, Daniel – Guida, Victoria: *Trump Officials, Allies Grow Anxious about April 2 Tariffs.* [online], Politico, 29.03.2025. Source: politico.com [09.09.2025].

⁵¹ Miller, Zeke – Peoples, Steve: *US-Iran Tensions Test Trump's 'America First' Pledge.* [online], 18.05.2019. Source: The Times of Israel [online, 2025.09.09].

⁵² Boaz, David: *Did Rand Paul Persuade Trump to Withdraw from Syria?* [online], CATO Institute, 28.12.2018. Source: cato.org [09.09.2025].

Overall, the competition between the factions within the MAGA movement is less about winning an ideological debate and more about shaping foreign policy and influencing the president's final decision. To some extent, the divisions within the MAGA coalition represent a wider ongoing debate about the nature of the international system, and America's role in this rapidly changing world. While Trump's leadership is seemingly impulsive and often unpredictable, it reflects these competing visions. To a large extent, the future of U.S. foreign policy will depend on which one of these factions proves the most convincing to the man in the Oval Office. Meanwhile, the various factions also enter into confrontations with each other, good examples are the previously mentioned *Signalgate* that led to the firing of National Security Adviser Waltz, or the case of the weapons deliveries to Ukraine. These examples show that conflicts between different interest groups can, in certain cases, even put the president in a difficult position.

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Zoltán Vörös,¹ Dávid Györgyi²

The Changing Power Dynamics of the East Asian Region? The Escalating China–Japan Relations³

Although Sanae Takaichi's identity and demeanour were known, one of her speeches caused serious tension in Sino–Japanese relations, leading to a rapid escalation of the relationship between the two sides. This was followed by economic measures, initially predictable ones like stopping Chinese tourists, or symbolic solutions like bringing pandas back from Tokyo Zoo. The study presents the background of the relationship, the escalation, and the expected future steps.

Keywords: Japan, People's Republic of China, foreign policy, Sanae Takaichi, China–Japan relations

Introduction

In November 2025, following a speech by newly elected Japanese Prime Minister Sanae Takaichi, China–Japan relations rapidly escalated and reached a decades-long low. The economic turnaround of states that have deepened their economic ties in recent times might seem unexpected from an economic perspective, but it was a predictable consequence regarding the development of regional relations – the extremely rapid course of events illustrates this. The escalation started with diplomatic and communication tools, followed by commercial-economic pressure – but for now, it is in a more predictable course. While the likelihood of a military conflict between the two actors is relatively low, the resolution of the confrontation is hindered by heated nationalist sentiments on both sides. The paper presents the background and causes of the escalation, as well as the context of regional-global geopolitics.

The historical pattern of China–Japan relations

The relationship between the two sides has never been considered balanced: ties were frozen for decades following the Japanese occupation and World War II, but they pragmatically developed in parallel, not independently of each other, along with the establishment of trade relations and global processes. Tensions between the sides persist today due to, on the one hand, differing interpretations of past events, and on the other hand, competition between the two states regarding regional aspirations. A certain

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³ This study is a revised and expanded version of an analysis that appeared in the John Lukacs Institute's series of analyses, 'Analyses on Global Affairs.'

opposition can also be observed at the global level, where actors are rivals, for example, in terms of development policies.⁴ The China–Japan rivalry can be traced back to the late 19th century, to the First Sino–Japanese War, when Japan acquired Taiwan from imperial China and gained influence over Korea. The conflict between the two sides was further deepened by the Second Sino–Japanese War, during which Japan not only occupied part of China but also committed mass atrocities against the Chinese population, leaving China behind only after its surrender in World War II. Southeast Asia faced similar oppression during World War II while Japan was working to establish the Greater East Asia Co-Prosperity Sphere.⁵

The true normalisation of relations began in the 1970s, when, following international developments and seeing the American rapprochement as well, Japan officially recognised the People’s Republic of China – opening a new chapter in the history of the two countries. This easing was due to global political changes and the end of China’s isolation, but it was also linked to the economic opening that began in the 1980s. In the 2000s, the opportunities offered by the Chinese economy were attractive to the Japanese economy and companies as well, and in the late 2010s, changes in American foreign policy, but in a broader context, global processes, made rapprochement possible.

During these periods, the parties also signed four strategic documents that still define China–Japan relations today. These documents are also important because the Chinese side is citing their violation and/or consideration in the current standoff:

- The 1972 Joint Communiqué, which recognised the People’s Republic of China⁶
- The 1978 Japan–China Treaty of Peace and Friendship⁷ institutionalised relations between the two countries.⁸ This document was based on the principles of peaceful cooperation, mutual non-aggression, and non-interference, and the move strengthened the doctrine of then Prime Minister Takeo Fukuda, which stated that Japan did not wish to be a military power and did not intend to defend its interests with military means, but rather sought to define itself as an economic and cooperative power in the region
- The 1998 Joint Declaration, which primarily aimed to improve bilateral relations between the two countries⁹

⁴ Góreczky, Péter: *Versengés és együttműködés: Kína és Japán gazdasági kapcsolatai*. [Competition and Cooperation: Economic Relations Between China and Japan]. [online], *KKI Elemzések*, 2018/4. Source: hia.hu [21.10.2025]; Tarrósy, István (2019): A kínai „Övezet és Út Kezdeményezés” és Kelet-Afrika: geopolitikai térnyerés, infrastruktúra, függőség [China’s “Belt and Road Initiative” and East Africa: Geopolitical Expansion, Infrastructure, Dependence]. *Területi Statisztika*, 59(6), 669–692.

⁵ Lévai, Dániel (2023): *Roosevelt és Truman: a második világháborús amerikai külpolitikai tervezés és valóság Kelet-Ázsia kontextusában* [Roosevelt and Truman: American Foreign Policy Planning and Reality in the Context of East Asia During World War II]. *Külggyi Szemle*, 22(4) 7–27.

⁶ *Joint Communiqué of the Government of Japan and the Government of the People’s Republic of China*. [online], Ministry of Foreign Affairs of Japan, 29.02.1972. Source: mofa.go.jp [21.10.2025].

⁷ *Japan and China – Treaty of Peace and Friendship*. [online], United Nations, 12.08.1978. Source: treaties.un.org [21.10.2025].

⁸ United Nations 1978.

⁹ *Japan-China Joint Declaration On Building a Partnership of Friendship and Cooperation for Peace and Development*. [online], Ministry of Foreign Affairs of Japan, 26.11.1998. Source: mofa.go.jp [21.10.2025].

- The 2008 Joint Statement, which addressed cooperation opportunities regarding common challenges existing at the regional level (e.g. climate change)¹⁰

In addition to the documents, it's worth highlighting the discussions on strengthening and deepening economic relations, which are taking place at the regional level. Since 2012, we can talk about the potential establishment of a planned free trade agreement, the China-Japan-South Korea Free Trade Agreement (CJSKFTA)¹¹ – the discussions stalled early on, but in March 2025, at their latest trilateral meeting, which was prompted by uncertainty created by U.S. trade policy, the parties agreed to continue joint thinking. Here, the states issued a joint declaration in support of regional and global trade.¹²

The U.S. tariff policy is concerning for all three countries: China is a key target of U.S. policy, Japan has faced tariffs of 25% and then 15%,¹³ and in the case of South Korea, not only tariffs but also problems with U.S.–South Korean investments have generated tension¹⁴ – cooperation could therefore be logical for maintaining economic and trade relations, as these countries are also key trading partners with each other. This is also evidenced by the latest trade data published in October 2025, which show that Japan's exports increased by 4.2% in September compared to the previous year, as strong shipments to Asia offset the decline in exports to the United States. Japan's exports to Asia jumped 9.2% compared to the same period last year, and while exports to the United States decreased by 13.3%, exports to China increased by 5.8%.¹⁵

Alongside periods of rapprochement, tensions related to the past also periodically intensified, such as in the 1980s, primarily due to nationalist-toned educational reforms¹⁶ and visits to the Yasukuni Shrine.¹⁷ These visits became regular during the term of Junichiro Koizumi (2001–2006). During this period, the duality of relations between the two countries was also evident. While nationalist tensions increased and the two countries suspended mutual state visits between 2002 and 2006,¹⁸ economic ties deepened and numerous Japanese companies invested in China due to its pragmatic and open economic policy. The early 2010s were also a tense period. Tensions flared up again

¹⁰ *China-Japan Joint Statement on All-round Promotion of Strategic Relationship of Mutual Benefit*. [online], Ministry of Foreign Affairs of PRC, 22.05.2008. Source: mfa.gov.cn [21.10.2025].

¹¹ Chiang, Min-Hua (2013): *The Potential of China-Japan-South Korea Free Trade Agreement*. *East Asia*, 30(3), 199–216.

¹² *South Korea, China, Japan Agree to Promote Regional Trade as Trump Tariffs Loom*. [online], Reuters, 30.03.2025. Source: reuters.com [21.10.2025].

¹³ Bharade, Aditi: *Japan's Tariff Negotiator Says the US's Reciprocal Tariffs will be Lowered by Next Week*. [online], Business Insider, 09.09.2025. Source: africa.businessinsider.com [21.10.2025].

¹⁴ NG, Kelly – Lee, Hosu: *Firms Will Hesitate to Invest in US after Raid – S Korea President*. [online], BBC, 11.09.2025. Source: bbc.com [2025.10.21].

¹⁵ Kageyama, Yuri: *Japan's Exports and Imports Grow in September Despite Trump's Tariffs*. [online], AP News, 22.10.2025. Source: apnews.com [22.10.2025].

¹⁶ For example, under Prime Minister Yasuhiro Nakasone's leadership, a nationalist approach was taken to soften the language regarding Japanese aggression during World War II by rewriting textbooks. Selden, Mark – Nozaki, Yoshiko: *Japanese Textbook Controversies, Nationalism, and Historical Memory: Intra- and Inter-national Conflicts*. [online], *Asia-Pacific Journal – Japan Focus*, 7(24), 15.06.2009. Source: apjif.org [21.10.2025].

¹⁷ The Yasukuni Shrine is a controversial Tokyo shrine established by Japan to commemorate Japanese soldiers who died since 1853, and it also honours World War II war criminals. *Yasukuni Shrine*. [online], Britannica. Source: britannica.com [21.10.2025].

¹⁸ He, Yinan (2013): *40 Years in Paradox: Post-Normalisation Sino-Japanese Relations*. *China Perspectives*, (4), 7–16.

alongside Japan's already chaotic domestic politics, and the territorial dispute between the two countries in the East China Sea escalated: in 2010 and 2011, the Japanese Coast Guard detained several Chinese fishermen,¹⁹ and then in September 2012, the Japanese government nationalised the Minami-Kojima, Kita-Kojima, and Uotsuri Islands located in the disputed area, purchasing them from their owner.²⁰ The political instability was not helped by the Fukushima nuclear disaster in 2011, and relations reached a new low.

It can be said that the relationship between the two countries, overshadowed by historical events, is clearly defined by trade and economic interests. "The two economies are highly complementary, their differing industrial and technological capabilities generate trade and investment opportunities for each other",²¹ but the competition for influence in regional and global processes has also created rivalry between the parties, which is further exacerbated by territorial disputes in the East China Sea.

Rivalry is also reinforced by institutional-alliance systems, such as the Quadrilateral Security Dialog (QUAD), whose official aim is not to counter China, but in Beijing, the cooperation was definitely interpreted in this way.²²

In summary, it can be said that the relationship between the two sides has alternated between periods of rapprochement and estrangement depending on global political and economic conditions, largely based on U.S. foreign policy considerations – alongside historical grievances and nationalist aspirations that have always been in the background. In the case of Japan and China, we must discuss two major economic players, overlapping regional and global strategic interests, and an uneasy past that defines all these relationships – a past that the changing world order²³ could even reinterpret, as evidenced by some rapprochement between Japan and China within the framework of a trilateral China–Japan–South Korea meeting, at least in light of U.S. foreign policy.²⁴

Sanae Takaichi – The return of Shinzō Abe?

On 21 October 2025, the Japanese parliament elected Sanae Takaichi by a simple majority, with 237 votes in the House of Representatives and 125 votes in the House of Councillors, making her the country's first female prime minister who will have to address the challenges facing the East Asian nation in a transforming international environment. Following the resignation of former Prime Minister Shigeru Ishiba in September 2024, the question of the country's leader came up again, and Takaichi, who had been elected leader of the Liberal Democratic Party (LDP) shortly before, was given the mandate. Sanae Takaichi is

¹⁹ Wakatsuki, Yoko: *Japan Arrests Chinese Fisherman After 7-Hour Chase*. [online], CNN, 20.12.2011. Source: edition. cnn.com [21.10.2025].

²⁰ *Japan Government 'Reaches Deal to Buy' Disputed Islands*. [online], BBC, 05.09.2012. Source: bbc.com [21.10.2025].

²¹ Goreczky 2018: 7.

²² Csicsmann, László – Trembeczki, Zsolt (2025): India Nyugat-ellenes fordulata? Az amerikai–indiai kapcsolatok és a többirányú elköteleződés politikája. [India's Turn Against the West? The American-Indian relations and the policy of multi-directional commitment] *MKI-elemzés*, (10).

²³ See Vörös, Zoltán – Tarrósy, István ed. (2024): *Átalakuló világrend. Az unipoláris pillanat vége?* [A Changing World Order. The End of the Unipolar Moment?]. Budapest: Ludovika.

²⁴ Reuters 2025.

not an unknown figure in Japanese domestic politics, yet her appointment as prime minister is somewhat surprising in a conservative, patriarchal society. Takaichi is a strongly nationalist, sometimes considered assertive in security policy, ultra-conservative politician – but this latter characteristic should be understood in the context of Japanese, not international, circumstances: that is, security is her priority, she is critical of China, she values U.S.–Japan relations, and it also means she believes in state intervention and is quite generous in providing social welfare programmes.²⁵ In addition to all of this, she is conservative regarding same-sex marriage, the recognition of spouses having separate surnames, and female inheritance within the imperial house. She has spoken out several times on topics considered taboo in Japan, such as the war or migration,²⁶ but based on her past work and life, we can expect a continuation of Abe's policies and *Abenomics* from her. This means that amending Article 9 of the Constitution will likely remain a topic, and it seems her already critical stance toward China will be evident in her approach to Taiwan as well.

Will Takaichi's presidency truly copy Abe's? What can we expect from the next period? Why was Abe so significant in Japanese domestic and foreign policy?

Shinzō Abe, who served as prime minister twice, left a lasting legacy on Japanese politics, characterised by his economic reforms known as *Abenomics* in domestic policy, his recognition of the threat posed by China in foreign policy, and his emphasis on freedom of navigation in the Indo-Pacific region. In addition to all of this, his role is also prominent because he was both a conservative nationalist and, in some respects, an advocate for change and modernisation – for example, by increasing women's participation in the labour market, addressing deep-seated dilemmas within Japanese society.

His first term was short; he resigned in 2007 after being elected in 2006 due to health reasons. However, he publicly acknowledged that relations with China needed to be improved and sought to organise a possible summit with Hu Jintao, the General Secretary of the Communist Party of China and President of China. The meeting took place in October 2006 following a Chinese invitation, and the parties emphasised a return to normalising relations.²⁷ After a period of absence and a chaotic period in Japanese domestic politics that saw five prime ministers come and go, he returned in 2012 and served as the country's (longest-reigning) prime minister until 2020, when he resigned again.

Abe's China policy in his second term was replaced by value-based diplomacy that is more critical of China. One of the reasons for the change was that while the Chinese economy was a quarter the size of Japan's in 2000, by 2010, its East Asian neighbour had surpassed the island nation's economy. The day after his second appointment, he published an article on Project Syndicate advocating for cooperation between four democratic states – Australia, Japan, India, and the United States – with the goal of free

²⁵ Hale, Erin: *Who is Sanae Takaichi, Japan's 'Iron Lady' and First Female Prime Minister?* [online], Al Jazeera, 21.10.2025. Source: [aljazeera.com](https://www.aljazeera.com) [21.10.2025].

²⁶ Muzaffar, Maroosha: *Who is Japan's First Female Prime Minister? Sanae Takaichi in her Own Words.* [online], Independent, 22.10.2025. Source: [independent.co.uk](https://www.independent.co.uk) [22.10.2025].

²⁷ *Japan-China Joint Press Statement.* [online], Ministry of Foreign Affairs of Japan, 08.10.2006. Source: [mofa.go.jp](https://www.mofa.go.jp) [21.10.2025].

navigation in the Indo-Pacific region.²⁸ One of Abe's first steps was to strengthen Japan's defence policy. In 2013, he adopted the country's first National Security Strategy and established the National Security Council based on the American model. Furthermore, in July 2014, Abe approved²⁹ a reinterpretation of Article 9 of the Constitution.³⁰ This new interpretation allows Japan to exercise the right of "collective self-defence" in certain cases and take military action if one of its allies is attacked. In September 2015, the Japanese Diet officially adopted the reinterpretation by passing a series of laws that allow the Japan Self-Defense Forces (JSDF) to provide material support to allies participating in international conflicts.

Abe didn't stop at reinterpreting the Constitution; the Three Principles on Arms Exports Ban,³¹ adopted in 1967, were replaced by the Three Principles on Transfer of Defense Equipment and Technology, officially allowing the sale of weapons and self-defence equipment to "like-minded" countries and allies.³²

The Japanese steps were not only generated by China, but the directions of Chinese foreign policy played a prominent role in all of this. Indeed, Chinese foreign policy has become more assertive in Southeast Asia, engaging in conflicts with fishermen, research vessels preparing for raw material extraction, and also with American warships in an attempt to control the sea.³³ Southeast Asia is also a region of paramount importance for Japanese politics and the economy in terms of supply chains and trade routes, and Japan has taken several steps to compete with Chinese dominance through alternative proposals and initiatives. The Partnership for Quality Infrastructure (PQI)³⁴ initiative is a direct challenger and alternative to China's Belt and Road Initiative (BRI) in Asia.

In 2016, aligning with Abe's cycle-opening regional analysis in Project Syndicate, the Japanese government announced the Free and Open Indo-Pacific Strategy (FOIP),³⁵ whose main goals were to protect fundamental values (rule of law, freedom of navigation, etc.), achieve economic prosperity, and demonstrate a commitment to peace and stability (building maritime law enforcement capabilities, etc.). The revival of the QUAD is also a result of this approach.

²⁸ Abe, Shinzō: *Asia's Democratic Security Diamond*. [online], Project Syndicate, 27.12.2012. Source: project-syndicate.org [21.10.2025].

²⁹ *Japan Cabinet Approves Landmark Military Change*. [online], BBC, 01.07.2014. Source: bbc.com [21.10.2025].

³⁰ Article 9 of the peace constitution established after World War II states that Japan renounces war and prohibits the maintenance of armed forces – laying the foundation for Japan's pacifist policy.

³¹ The law prohibited exports to countries in the communist bloc, to countries subject to an arms embargo under UN Security Council resolutions, and to countries that had participated in or were close to international conflicts. *Japan's Policies on the Control of Arms Exports*. [online], Ministry of Foreign Affairs of Japan, s. a. Source: mofa.go.jp [21.10.2025].

³² *The Three Principles on Transfer of Defense Equipment and Technology*. [online], Ministry of Foreign Affairs of Japan, s. a. Source: mofa.go.jp [21.10.2025].

³³ Mezei, Tibor: *A dél-kinai-tengeri vita az amerikai-kinai rivalizálás kontextusában* [The South China Sea Dispute in the Context of U.S.-China Rivalry]. [online], *MKI Elemzés*, 2023/50. Source: hia.hu [01.11.2025].

³⁴ *Quality Infrastructure Investment*. [online], World Bank, s. a. Source: worldbank.org [21.10.2025].

³⁵ *Free and Open Indo-Pacific*. [online], Ministry of Foreign Affairs of Japan, s. a. Source: mofa.go.jp [01.11.2025].

While a large part of Abe's second term was about rivalry with China, and economic relations began to weaken and decline during this period,³⁶ signs of rapprochement also appeared by the end of the 2010s: economic relations began to improve, and in 2018, Abe made an official visit to Beijing, which could be attributed to the changing face of American foreign policy³⁷ – once again indicating how much the relationship between the two countries is determined by American policy.

Shinzō Abe's role was also decisive in domestic politics, but the success of the economic reforms he introduced is, if possible, even more controversial. He announced his famous economic programme, *Abenomics*, in 2013. His economic stimulus programme was based on the “Three Arrows” direction:

- monetary easing by the Bank of Japan
- fiscal stimulus through government spending, and
- structural reforms

The aim of economic policy was to shake up Japan's stagnant economy, which Abe sought to achieve by expanding the money supply, increasing government spending, and implementing labour market and regulatory reforms. *Abenomics* initially achieved success in raising stock prices, weakening the yen to boost exports, and generating moderate economic growth. However, structural reforms, particularly in the areas of the labour market and corporate governance, have not yielded the expected results. Despite striving to increase women's participation (*Womenomics*) and liberalise the agricultural sector, Japan's demographic decline and high debt remained serious obstacles.³⁸ *Abenomics* has therefore only been partially successful; although it stabilised the economy and improved the employment rate, it failed to achieve the long-term transformation that would have brought stable economic growth to the country.

Abe's resignation ushered in another period of instability, with the Russo–Ukrainian War posing a challenge for Japan under Prime Minister Fumio Kishida and American tariffs under the presidency of Shigeru Ishiba. In 2022, Kishida had three documents adopted aimed at revitalising and strengthening Japanese security policy: a new National Security Strategy, a new National Defense Strategy, and a Defense Buildup Program were adopted.³⁹ These documents and the trade with Southeast Asian states were clearly created in response to the People's Republic of China, which is pursuing an increasingly assertive foreign policy. His successor's idea was to create an “Asian NATO”,⁴⁰ but the decline of Trump's foreign policy and the economy shook confidence in him and he resigned.

³⁶ Goreczky, Péter: *Kína és Japán az USA-nak köszönhetően közeledik egymáshoz* [China and Japan are Drawing Closer Thanks to the USA]. [online], Kitekintő, 27.02.2018. Source: kitekinto.hu [21.10.2025].

³⁷ Goreczky 2018.

³⁸ Crawford, Mark: *Abe's Womenomics Policy, 2013–2020: Tokenism, Gradualism, or Failed Strategy?* [online], *Asia-Pacific Journal – Japan Focus*, 19(4). 15.02.2021. Source: apjff.org [01.11.2025].

³⁹ All three documents were adopted in 2022, primarily in response to doctrinal changes, highlighting capabilities for response operations and increased defence spending. *Defense Policy*. [online], Ministry of Defense, s. a. Source: mod.go.jp [21.10.2025].

⁴⁰ Before his election, Ishiba shared his views on Japanese foreign policy and spoke there about the need to create an “Asian NATO”. *Shigeru Ishiba on Japan's New Security Era: The Future of Japan's Foreign Policy*. [online], Hudson Institute, 25.09.2024. Source: hudson.org [01.11.2025].

The question was in what direction the Takaichi government will proceed with its relations with China – especially with Takaichi being a big admirer of Abe's terms. Takaichi, like Abe, is a affiliate of the revisionist, ultra-nationalist Nippon Kaigi – an interest and lobbying group whose goal is the complete rewriting of Article 9 of the constitution, along with numerous other constitutional points.⁴¹ Consequently, it was expected that China–Japan relations would be approached more on an emotional-ideological basis rather than purely pragmatically.

Her election as prime minister also means that Japan will continue its conservative, right-wing approach – in some respects even further to the right on the spectrum, as Takaichi is considered by many LDP politicians to belong to the party's extreme wing,⁴² and she formed an alliance with the right-wing populist Japan Innovation Party, which is considered by many to be neoliberal-populist during coalition talks.⁴³

In addition to all of this, the new Japanese Prime Minister trusts in the partnership with the United States – however, this will be an exciting question regarding the changing structures, considering that in his final years, Abe himself moved closer to Beijing after many years of critical statements – primarily due to Washington's foreign policy, which has become even more difficult for Tokyo to maintain in the current trade war.

On 28 October 2025, Prime Minister Sanae Takaichi received Donald J. Trump, the American president, who arrived in Tokyo as one of the stops on his Asian diplomatic tour. The meeting between the two sides, in addition to touching on this somewhat uncomfortable topic for Japan, namely the investment package, was held in a cheerful atmosphere, with mutual praise. For Takaichi, the commitment could pose difficulties alongside other planned expenditures, but none of that was apparent at this meeting: they reaffirmed their commitments and Japan is also willing to further trade cooperation: they will purchase more rice and soybeans, and also open their market to American vehicles.⁴⁴ As Trump put it: “She [Takaichi] was a great ally and friend of Abe, who was my friend... He was one of the best... I know they were very close, and I think philosophically they were close, which is very good”,⁴⁵ he clarified, suggesting that the close relationship between the two sides during the Abe era could return.

The new prime minister is therefore committed to cooperation with the United States, but economic and trade relations are not so clear-cut despite the statements made at the meeting: certain agreements, such as opening the market to American vehicles, could specifically harm the Japanese automotive industry, and it seems from economic cooperation that relations with regional players, including China, will remain essential for Tokyo.

⁴¹ Yoshifumi, Tawara – Brooks, William – Pengqiao, Lu – Yamaguchi, Tomomi: *What Is the Aim of Nippon Kaigi, the Ultra-Right Organization That Supports Japan's Abe Administration?*. [online], *Asia-Pacific Journal*, 15(21), 01.11.2017. Source: apjif.org [21.10.2025].

⁴² Johnston, Eric: *Sanae Takaichi Unveils LDP President Bid with Call for Party's Rebirth*. [online], *The Japan Times*, 09.09.2025. Source: japantimes.co.jp [21.10.2025].

⁴³ Takaichi's economic policy ideas and the coalition partner's views do not necessarily align on the role of the state in the economy.

⁴⁴ Zurcher, Anthony – Khalil, Shaimaa: *Rare Earths, Nobel Nomination and Cheers: Trump Ends Japan Leg of Asia Tour*. [online], *BBC*, 28.10.2025. Source: bbc.com [01.11.2025].

⁴⁵ Zurcher–Khalil 2025.

The escalation of the relations

From China's perspective, the election of Sanae Takaichi was not necessarily reassuring, not only because of Japan's uncertainty and shift to the right, but also due to the prime minister herself. Their concerns were connected to her past activities, for instance when in 2021, she supported rewriting Article 9 of the constitution⁴⁶ to define the Self-Defense Forces as a national army and is an active supporter of increasing defence spending. Or when, in addition to all of this, she supported the deployment of American medium-range missiles in Japan,⁴⁷ or when she visited Taiwan in April 2025 and met with President Lai Ching-te⁴⁸ and reiterated Abe's statement that "a Taiwan emergency is a Japanese emergency".⁴⁹ Besides these as an ultra-conservative politician, she has always been critical of China and Chinese foreign policy activities and has sought to support Japan–Taiwan relations, and she was a regular visitor to the Yasukuni Shrine.

The Chinese Ministry of Foreign Affairs reacted very quickly to Takaichi's election, stating in a statement that they hope she will respect the four strategic documents and the political obligations arising from them on major issues, including history and Taiwan.⁵⁰

The 'bomb' exploded on 7 November 2025 when Takaichi said at a parliamentary committee meeting that the use of "military force by China on Taiwan such as a naval blockade would likely constitute a 'survival-threatening situation' that would force Japan to respond".⁵¹ The Chinese response was immediate, Xue Jian, the consul general in Osaka, posted on X on 8 November: "The filthy head that recklessly sticks itself in must be cut off without a moment's hesitation."⁵² While the consul general is famously known for his sharp online posts and wolf-warrior-like approach,⁵³ the tensions continued to rise in between the two sides.

Economic tensions between the two sides have already begun to escalate. China, as usual, first acted through its tourists, which is a common economic pressure tactic and can be effective against Japan: in the first 10 months of 2025, more than 8 million Chinese travelled to Japan, and since the Chinese Ministry of Foreign Affairs specifically recommended that its citizens cancel their trips, more than half a million plane tickets were cancelled within a few days. And since the holiday period was approaching being particularly

⁴⁶ *LDP's Takaichi Seeks Japan's Possession of "Nat'l Defense Forces"*. [online], Kyodo News, 26.08.2021. Source: english.kyodonews.net [21.10.2025].

⁴⁷ *Previewing Japan's Leadership Election and Implications for U.S.-Japan Relations*. [online], CSIS, Center for Strategic & International Studies, 28.09.2021. Source: csis.org [21.10.2025].

⁴⁸ *President Lai Meets Japanese Diet Member and Former Minister of State for Economic Security Takaichi Sanae (excerpt cross-strait relations)*. [online], Mainland Affairs Council of Taiwan, 28.04.2025. Source: mac.gov.tw [21.10.2025].

⁴⁹ Pollmann, Mina: *How Will a Takaichi Administration Approach Japan's Taiwan Policy?*. [online], The Diplomat, 08.10.2025. Source: thediplomat.com [21.10.2025].

⁵⁰ AFP News: *China Urges Japan To "Honor Commitments" As It Seeks To "Advance Ties" Under New PM Sanae Takaichi*. [online], The Eurasian Times, 21.10.2025. Source: eurasiatimes.com [21.10.2025].

⁵¹ *Takaichi: Military Attack on Taiwan Would Justify SDF Support*. [online], The Asahi Shimbun, 08.11.2025. Source: asahi.com [21.12.2025].

⁵² *Japan Protests Chinese Envoy's Beheading Post Tied to Takaichi*. [online], The Asahi Shimbun, 10.11.2025. Source: asahi.com [21.12.2025].

⁵³ *Chinese Diplomat's 'Beheading' Post Sparks Japan Protest*. [online], BBC Monitoring, 10.11.2025. Source: monitoring.bbc.com [21.12.2025].

important for Japan, this was a severe blow to its economy. Another unsurprising move was the ban on importing seafood – this happened once before in 2023 when China stopped buying Japanese products in protest against the release of contaminated water from the damaged and decommissioned Fukushima nuclear power plant into the sea. It was almost predictable that these would be China's first steps in the event of tensions. In addition to all of this, boycotting various targeted products and sectors important to the Japanese economy, such as the cultural sector, is also an option, and the same can be said about the already implemented tariffs – naturally, acknowledging the fact that Japan could take similar measures. A complete trade disruption would not be beneficial for either side, but China's actions and assertive communication indicate that Beijing was prepared for such a possibility and is likely confident that its economic strength will allow it to emerge victorious from such a tension.

As another symbolic step, Japan's last two pandas will return to China at the start of 2026 and China refused to answer Japanese request to extend the lease,⁵⁴ leaving Japan "Pandaless".

For China, this is the red line, Taiwan's international recognition: any move aimed at changing the current status quo or abandoning the One China principle would cross this red line. Among other things, the Chinese constitution states that Taiwan is part of China, and any step, or in this case diplomatic gesture, that endangers this status is considered a threat by the Chinese side. Not only the prime minister's statement, but also the awarding of Frank Hsieh Chang-ting, a former Taiwanese prime minister, was a step taken by Japan in early November that further fuelled Chinese criticism. However, it must be emphasised again that Takaichi did not come as a surprise to China; her ideological stance and critical approach toward China were well-known. So, this comment, not even a speech, even if it was ill-considered, is not out of character for Takaichi, and the escalation of the situation to this level, with responses and verbal criticism flooding Chinese communications and social media, was somewhat surprising and, in fact, surprisingly rapid. This also raises the question of whether China was perhaps prepared for such a confrontation and tension with Japan.

What is next for the China–Japan relations?

The Japanese point of view

Based upon the first few weeks of Takaichi's administration, we can talk about a clear approach towards the U.S. and a worsening of relations with China, but in the background, it's worth examining further aspects as well, because in the changing international environment, the "Abesita" foreign policy may not be sustainable. This is even more worth emphasising in light of the new American National Security Strategy. Indeed, based on the new document, Washington expects greater efforts from both Europe and

⁵⁴ Campbell, Joseph: *Japan's Last Two Giant Pandas are Headed to China and Fans Just Can't Bear It*. [online], Reuters, 16.12.2025. Source: reuters.com [21.12.2025].

Japan – while offering little in return. This was visible through the trade relations as well, where although Japan was able to secure 15% tariffs for itself, compared to the previously imposed 25%, but they had to agree to a 550 billion USD investment package that Japan is required to invest in various financial forms during Trump's term.⁵⁵

What we can expect is a continued critical foreign policy toward China, but the Japanese leadership might become more cautious here due to China's countermeasures, especially given the unpredictability of American foreign policy. It seems almost certain that a complete decoupling from Chinese markets cannot be a realistic alternative for the Japanese economy, Japan might be “interested in the diversification of supply chains and manufacturing locations” while exploring their own capabilities by researching within the EEZ and highlighting the economic relevancy of deep sea mining.⁵⁶

Japan will be interested in further building and strengthening the alliance systems with regional actors such as Australia or Indonesia – and will therefore be willing to fulfil the economic commitments expected by the Americans (such as the 550 billion USD investment). This will likely manifest in further arms cooperation with the United States or in infrastructural investments in the energy sector, it is also likely that domestic capabilities will increase, and even the emergence of European actors could become a reality.⁵⁷

“For Japan, the United States remains its main ally, but within the framework of a changing international environment, it is redefining its defense role and developing its defense capabilities. According to recently released documents, Japan needs to develop the ability to launch an independent counterstrike without relying solely on American security guaranties.”⁵⁸

American arms purchases were already discussed during the two countries' consultations in the summer of 2025,⁵⁹ and the American side confirmed at the October meeting that Japan would, among other things, purchase additional weapons, while the integration of military systems⁶⁰ is also visible⁶¹ but there has been no confirmation from Tokyo on this matter so far.

Regarding following Abe's line, we need to talk not only about the economy but also about the regional-global worldview. Alongside *Abenomics*, Japan's geopolitical interests have also strengthened and are being represented more forcefully. The Free and Open

⁵⁵ Desrochers, Daniel – Lefebvre, Ben – Hawkins, Ari: *Trump Wants Japan to Fund His Government's Ambitious Spending. What's in It for Them?* [online], Politico, 03.10.2025. Source: politico.com [21.10.2025].

⁵⁶ Goreczky, Péter: *Decoupling or Diversification? Dilemmas of India, Japan, and Australia in Shaping Economic Relations with China.* [online], KKI Policy Brief, 01.07.2021. Source: hiiia.hu [21.10.2025].

⁵⁷ Marrone, Alessandro (2025): *The New Partnership among Italy, Japan and the UK on the Global Combat Air Programme (GCAP).* *Istituto Affari Internazionali*, 25(3).

⁵⁸ Csicsmann, László: *Japán, multipolaritás és az átalakuló világrend* [Japan, Multipolarity and the Changing World Order]. *MKI Elemzés*, 2025/4. Source: hiiia.hu [21.10.2025].

⁵⁹ Johnson, Jesse – Tang, Francis: *Trump Says Tokyo Agreed to Buy U.S. Defense Gear, but Questions Remain.* [online], The Japan Times, 24.07.2025. Source: japantimes.co.jp [01.11.2025].

⁶⁰ Gossrow, Ethan: *Japanese Destroyer Finalizes Tomahawk Missile Integration.* [online], Naval News, 31.03.2026. Source: navalnews.com [15.05.2026].

⁶¹ Watson, Kathryn – Walsh, Joe: *Trump Touts “Very Fair” Trade Deal with Japan as He Meets New Prime Minister Sanae Takaichi.* [online], CBS News, 28.10.2025. Source: cbsnews.com [01.11.2025].

Indo-Pacific Strategy adopted back in 2016 was partly created in response to China and prioritised the freedom of navigation in the broader region across two oceans, the Pacific and the Indian Ocean, focusing on Southeast Asia but also highlighting the economic opportunities in South Asia and Africa.⁶² Regarding regional security challenges and Japan's assessment of them, it will be necessary to monitor not only the Southeast Asian region but the entire Indo-Pacific region. Therefore, in addition to arms imports, we can likely expect to discuss Japanese financial and military support directed toward this area. In this context, it might also be worth closely monitoring Japanese foreign policy regarding other major powers in the region, such as India, Indonesia and Australia – even in the context of more significant economic cooperation. In this regard two interesting news emerged, on the one hand, cooperation with Australia has become more active,⁶³ and on the other hand, Japan has begun to show interest in the European Union's SAFE initiative⁶⁴ – which was partly created due to the declining American interests.

Regarding regional presence, it can be said that:

- Monitoring regional waters and trade routes, with a greater presence and military exercises, could characterise Japanese military policy, and it also appears within this regional context that the Taiwan issue seems to be a key concern for Takaichi at the moment.
- And looking a bit further afield from the region, Japan's global role could also become more important, considering not only the naval base in Djibouti but also the competition between Japan and China highlighted in the analysis, as well as the economic potential of the African continent. In this regard, development policies can be interesting, which have been running in parallel, learning from each other, but with changes in Japanese foreign policy, for example, the importance of TICAD (Tokyo International Conference on African Development) in Africa could also increase, continuing the race with China and FOCAC (Forum on China-Africa Cooperation), once again highlighting that Japanese foreign policy steps could increasingly be defined by steps and a race against China in the future.

The Chinese point of view

The Chinese position seems simpler to present, but it is also less favourable for the development of relations – however, to understand it, we need to take a step back. In the first half of 2025, Washington once again resorted to tariffs to resolve economic disputes with China. However, Beijing did not back down and entered a trade war, which the parties were forced to suspend in May under an agreement that “was not a compromise but rather a reflection of the victory of the Chinese strategy”⁶⁵.

⁶² Ministry of Foreign Affairs of Japan s. a.

⁶³ Dominguez, Gabriel: *Japan and Australia Launch New 'Strategic Defense' Framework*. [online], The Japan Times, 07.12.2025. Source: japantimes.co.jp [21.12.2025].

⁶⁴ *EU Confirms Japan's Bid to Join Security Action for Europe Defense Fund*. [online], Defense Mirror, 13.12.2025. Source: defensemirror.com [21.12.2025].

⁶⁵ Vörös, Zoltán – Eszterhai, Viktor: *The Price of Retreat – the Lesson of the US-China Trade Agreement*. [online], John Lukacs Analyses on Global Affairs, 2025/6. 22.05.2025. Source: uni-nke.hu [27.07.2025].

China's economy was already capable of entering a trade war with the United States, and Beijing's swift reaction to Takaichi's remarks shows it is willing to assert its dominance regionally as well. If this is the case, China's responses are not ad hoc but well-considered steps, in which case Japanese foreign policy interests will be in the crosshairs of continuous Chinese criticism – whether it concerns the East China Sea, the South China Sea, or even the Indo-Pacific region.

Although pragmatic interests would also demand the continuation of economic cooperation from China's side – particularly due to the uncertainties surrounding the American and European markets – Beijing's interests and red lines related to Taiwan will be more important. As we have repeatedly emphasised the Japanese approach to the past, the same must be done regarding China: the nationalist-ideological dimension is an excellent tool for the Chinese Communist Party to cover up certain domestic political and economic difficulties.

Conclusion

Abe's follower, Sanae Takaichi, must address the structural challenges of the Japanese economy, resolve domestic political instability, which after the 2026 February election seems to be solved, and preserve the country's strategic autonomy in a fundamentally changed and uncertain international environment. Her premiership is undoubtedly historic, and her hard-line stance could leave its mark on China–Japan relations, with the next period potentially being defined by the duality of historical disagreements and economic ties. Her more critical statements and stance toward China could be overridden by economic and trade considerations, furthermore, we have seen that global events have already impacted the fluctuating quality of the relationship between the two sides.

For Tokyo, maintaining autonomy and pursuing a balanced foreign policy could be a primary consideration – the question is whether it's possible to combine Takaichi's ideological approach with at least pragmatic elements, if not completely abandon it. For decades, Japanese foreign policy has been defined by its alliance with Washington, guaranteeing security but limiting the possibility of developing independent manoeuvrability. The direction of American foreign policy during Trump's second term, the containment of China's global rise and assertive actions in the region, and the parallel militarisation of the Indo-Pacific region are forcing the Japanese leadership to take a more active stance on foreign policy events – a situation where economic interests require regional stability and pragmatic cooperation with China, while security considerations necessitate close cooperation with the United States. Takaichi's political rhetoric so far has been strongly ideological, focusing on national identity, constitutional reform, and strengthening regional defence capabilities. This approach, as we have seen, aligns well with the historical narrative of the Japanese right wing, but it generates conflict due to the real power dynamics in the region – specifically, the events in the East China Sea and the Taiwan Strait should be highlighted here, where rhetorical confrontation could lead to escalation. A pragmatic approach, meaning preserving and maintaining the increasingly important regional economic relationships, participating in and taking on a role

in regional-multilateral forums, would allow Japan to assert its own regional interests, maintain the security guaranteed by U.S. cooperation, and avoid becoming economically vulnerable. The China–Japan relationship is not just a geopolitical issue, but also an economic one. While reducing dependence on China may be a goal for Tokyo regarding the deep integration between the two sides, jeopardising trade relations cannot be an option. An overly ideologically based foreign policy could harm the country's trade interests and technological position.

The “two-faced” policy of recent years (security guaranties from Washington, economic pragmatism with Beijing) is becoming increasingly difficult to maintain, and Japan will need to develop an autonomous, balanced foreign policy. By moderating its ideological approach, this could allow the island nation to define its own interests amidst the competition between the two superpowers and be able to shape the political structure of the region.

Primarily, given the ideological-historical confrontation between the two countries and the rapid escalation, as we have already tried to emphasise, a regional rivalry may be in the background. While China is already capable of waging a trade war with the United States and forcing the Americans to the negotiating table, it also seems to want to assert its dominance in the region.

For China, the red line remains the Taiwan issue, and Beijing will continue to modernise its military, bringing it closer to potentially changing the island's status in terms of military capabilities. The dispute between the two sides, in addition to having similar ideological levels, is also fuelled by regional strategic considerations on the Chinese side.

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Domonkos Balázs Pászthory¹ 

The Role of Domestic Control in Proxy War Realignment

A Case Study of Chad and Mali

Proxy war research is a growing field within International Relations theory. This paper focuses on proxy war realignment: the strategic decision of a proxy actor to shift its alignment to a rival sponsor, typically occurring in the context of great power competition. The selected case studies are both relevant and instructive: while Mali exemplifies a sharp pivot away from previous French and broader Western alignment toward Russia, Chad (thus far) avoided a similar break by pursuing cautious hedging among external partners, despite a significantly smaller-scale European intervention and France's recent military withdrawal. Building upon existing academic explanations, this paper places the emphasis on domestic political control as the decisive variable driving realignment, offering both timely and pragmatic insights into whether external intervention can achieve its intended outcome in the Sahel region.

Keywords: proxy war, Sahel region, Chad, Mali, EUTM Mali, EUCAP Sahel Mali, proxy war realignment, great power competition, military intervention

Introduction

The Sahel region has undergone fundamental political shifts in recent years, while also emerging as a key battleground for competing geopolitical interests. With France's influence waning, alternative security partnerships are gaining traction – most notably Russia's expanding role in Mali, and the region presents a compelling case for analysing sponsor-proxy realignment. Additionally, these shifts potentially reflect not only changing partnerships, but evolving patterns in how regimes manage external ties and internal power.

This paper aims to challenge sponsor-centric explanations of proxy realignment by shifting the emphasis to the internal political structure of the proxy state. Using Mali and Chad as comparative cases, it argues that elite cohesion and regime control – and primarily not sponsor leverage or great power competition – decisively shape alignment outcomes. The ability of proxy regimes to enforce elite consensus and convert foreign support into a source of domestic control determines whether alignment is preserved or ruptured. This approach reframes realignment not as a reaction to what sponsors do, but as a product of how host governments manage internal cohesion and external dependency.

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Mali and Chad represent two divergent cases. Both experienced sustained French military engagement, regional insurgencies, and political instability, yet only one exited the Western security orbit unequivocally. Despite receiving substantially greater political support, military assistance and foreign development funding, Mali expelled European Union and U.S. forces and deepened ties with Russia, while Chad maintained a hedging strategy toward great powers. The goal of this study is to explain this divergence. While Chad may appear to be the regional exception, it is treated here as the default: historically, proxies more often continue alignment than abandon it.²

Research scope and approach

This paper uses a comparative case study design centred on Mali and Chad. Burkina Faso and Niger are included as secondary reference points to help situate the main cases along a broader spectrum of alignment behaviour. They are not analysed in depth but serve to illustrate partial convergence toward either end.

The research employs a mixed-methods approach. Quantitative data – on natural resource rents, government revenue, arms imports, and defence spending – are used to capture structural capacity and variation across cases. This is combined with qualitative analysis of regime structure, elite bargaining, and the political management of foreign sponsorship. The aim is to trace how domestic control shapes alignment outcomes beyond surface-level shifts in rhetoric or policy.

Theoretical framework and literature review

This section introduces key theoretical frameworks relevant to proxy war realignment, and defines the core terms used throughout the paper. These concepts – alignment, elite cohesion, and domestic control – are not treated descriptively, but as structured variables that guide the comparison between Mali and Chad. While not all of them can be fully operationalised across cases, the paper draws on both quantitative indicators and qualitative patterns to make their analytical role as explicit as possible.

Prevailing explanations

While each of the following theories captures a portion of the variance in sponsor-proxy behaviour in the Sahel, they tend to overstate their explanatory power. Rather than disowning them, this paper treats these theories as important contributing factors, but not the decisive causes of realignment.

² Abbas Farasoo (2021): *Rethinking Proxy War Theory in IR: A Critical Analysis of Principal-Agent Theory*. *International Studies Review*, 23(4), 1844.

Sponsor mismanagement

In their 2025 article, European academics Edoardo Baldaro and Francesco Strazzari focus on Western engagement in the Sahel. They argue that an overly securitised intervention model – fragmented, sponsor-driven, and politically incoherent – reflected Europe's own internal contradictions. Additionally, they were shaped more by institutional logic than political needs. Rather than reinforcing host state legitimacy, these external programmes often sidelined national institutions. In Mali, this dynamic produced a growing sense of mistrust, ultimately pushing the regime toward alternative alignments and resistant to adaptation.³

Great power competition

Laura Rajosefa (2023) examines how shifting patterns of strategic competition have altered alignment behaviour in the Sahel. She argues that Russia's increased presence – through arms transfers, training programmes, and political engagement – coincided with the retreat of Western forces and created a new space for realignment. Rather than coercion, the author emphasises timing and opportunity: regimes acted when Western security guarantees weakened, and Russia offered material support without political conditions. In this reading, realignment reflects a pragmatic recalibration in response to changing international incentives, not necessarily an ideological shift.⁴

Rejection of Western political terms

In their 2023 article, Jack Watling and Nina Wilén shifts the great power focus to ideological alignment. They argue that Sahelian military elites have grown increasingly resistant to the political conditions attached to Western partnerships. These include expectations around democratisation, civil-military reform, and liberal governance – terms often viewed by local actors as intrusive and misaligned with regime survival. As these regimes consolidate power internally, they prefer partners who offer material support without demanding political concessions. Russia's growing presence, in this view, reflects not just strategic opportunity but a deliberate choice to avoid Western conditionality.⁵

A dynamic relationship

Much of the earlier paradigms on proxy war have leaned heavily on great power-centric models, assuming a top-down relationship in which sponsors dictate and proxies

³ Baldaro, Edoardo – Strazzari, Francesco (2025): *Strategic Misalignment: European Security and P/CVE Engagement in the Sahel*. *Mediterranean Politics*, 30(3), 639–649.

⁴ Rajosefa, Laura (2023): *The Future of Strategic Competition in the Sahel Region: Placing Partnership First*. Maxwell, Alabama: Air University Press, 11–19.

⁵ Watling, Jack – Wilén, Nina (2024): *Assessing the Causes of Strategic Realignment in Sahelian States*. *RUSI Journal*, 169(4), 64–68.

implement. More recent scholarship questions that premise. Rather than treating proxies as controlled extensions of sponsor power, these newer frameworks emphasise contested, negotiated, and sometimes reciprocal forms of influence and alignment. This shift is central to how this paper approaches realignment – not as a breakdown of strategy, but as a product of shifting leverage and domestic policy.

Sara Plana develops the concept of bidirectional control, in which influence flows both from sponsor to proxy and from proxy to sponsor across the lifespan of the relationship. She outlines three strategies – issue-specific control, behavioural constraint, and preference-shaping – that vary in cost and effectiveness. Issue-specific control applies to short-term, targeted actions where the sponsor intervenes to direct discrete operations or decisions – such as launching an attack or avoiding a specific engagement. Behavioural constraint refers to limiting available choices of a proxy through incentives, disincentives, or material dependencies, aiming to steer behaviour without explicit orders. Preference-shaping involves aligning the proxy's strategic outlook with that of the sponsor, typically through early conditioning, training, or narrative framing, so that control becomes embedded rather than imposed.⁶ This conceptual distinction shall be helpful to demonstrate differences between Chad's and Mali's bidirectional relationships. Crucially, her model also highlights how proxies retain leverage throughout the conflict, shaping not only operational decisions but also the long-term strategic behaviour of the sponsor.⁷

Afghan scholar and former diplomat Abbas Farasoo offers further refinement of proxy war theory by shifting the focus inward – toward the proxy state's own political system. Rather than seeing alignment as the outcome of external coercion, he frames it as a contested process within the proxy regime itself. Competing elites seek to define which external alignment serves their interests and use foreign affiliation as a tool in domestic power struggles.⁸ This makes alignment not simply a reaction to sponsor pressure, but a reflection of who controls the decision-making apparatus inside the state. In Mali, this internal contestation became especially visible after the 2020 and 2021 coups, when rival factions leveraged foreign backing to consolidate authority.

Domestic control as the key determinant

Following the curve within the literature, the final section of the theoretical framework introduces domestic control not just as a background variable – but as a decisive precondition for sustained alignment. Even in cases of high sponsor commitment – measured in material support, force deployments, or political backing – external support cannot be converted into strategic continuity if the regime cannot enforce it internally. Without internal control, sponsorship leaks, fragments, or turns into a liability.

⁶ Plana, Sara (2024): Controlling Proxies An Analytical Framework. In Moghadam, Assaf – Rauta, Vladimir – Wyss, Michel (eds.): *Routledge Handbook of Proxy Wars*. London: Routledge, 220–222.

⁷ Plana 2024: 220.

⁸ Farasoo 2021: 1849, 1853.

Louis-Alexandre Berg and Andrew Radis's research on external assistance in weak states offers a foundation for conceptualising both domestic control and elite cohesion as decisive variables in proxy alignment. Drawing on cases from West Africa, he makes the case that foreign security support is not absorbed into neutral institutions, but instead filtered through elite networks that determine its strategic utility or distortion. What matters, then, is not simply whether aid arrives – but whether internal political actors can consolidate and manage it effectively.⁹

According to this framework – and applied to this paper – domestic control can be conceptualised as the regime's capacity to concentrate external and internal resources by filtering them through elite networks whose cohesion and bargaining arrangements shape state behaviour. For the quantitative dimension of this study, domestic control is measured through indicators that reflect the government's ability to mobilise resources at scale: the volume of arms imports, the absolute size of public revenue, its share of GDP, and the degree to which natural resource rents are captured by the regime. These serve as practical markers of whether external support is likely to be absorbed into a coherent political structure – or dissipated through fragmentation and rival factions.

This logic is especially evident in Chad, where regime continuity has long depended not on institutional strength or broad legitimacy, but on controlling how foreign support and state resources are distributed. As Darrin McDonald (2024) describes, Idriss Déby's government operated as a "neopatrimonial gatekeeping" regime – one that managed external aid and oil revenues through personal networks and military patronage. Foreign partnerships were not embraced for their values or security benefits alone, but for their role in reinforcing the regime's internal power. This model persisted after Déby's death, as Mahamat Déby's transitional government inherited both the external alliances and the gatekeeping logic that sustained them. McDonald shows how this strategy allowed Chad to maintain foreign alignment through regime change – not because of sponsor insistence, but because the government remained able to control access, suppress rivals, and present itself as a reliable partner on its own terms.¹⁰

Resource structures as instruments of political control

Theory describes important, yet interpretative terms tied to domestic control; such as *elite network cohesion*, *neopatrimonial gatekeeping*, and the *regime's capacity to concentrate internal and external resources*. Before we turn back into the qualitative assessment of these terms in the context of our case studies, let us take a comprehensive, realist look at what resources we are talking about, the degree of their centralisation, and the comparative trends between the two countries.

⁹ Berg, Louis-Alexandre – Radin, Andrew (2023): *Elite Capture and Corruption of Security Sectors*. Washington, D.C.: United States Institute of Peace, 11–19; Berg, Louis-Alexandre (2020): *Elite Bargains and External Influence: Security Assistance and Civil–Military Relations in Post-War Liberia and Sierra Leone*. *Civil Wars*, 22(2–3), 275–277.

¹⁰ McDonald, Darrin Patrick (2024): *Transition Meets Instability: Chad after Idriss Déby Itno*. *Third World Quarterly*, 45(11), 1760–1764.

Mali and Chad are located at similar latitude in a transition zone between the sub-Saharan desert and savannah. Although the fractured territorial conditions were the heritage of colonisation, their social and economic consequences continue to shape the present. In both countries, while the north is dominated by nomadic lifestyles, the south can be characterised by agriculture and major urban population centres. This fracture is strengthened by multiple layers, such as religion and ethnicity – Tuaregs and Arabs in northern Mali with the Bambara in the south; and in Chad, the Zaghawa and Toubou in the north, with the Sara concentrated in the south. These agrarian populations in the south – with the highest relative majority – are historically linked to the seat of government, anchoring regimes that rule over far more diverse and contested peripheries. (Almost as if British and French colonial powers purposefully chose to lock into single political units these obvious fractions through the divide and conquer principle.) Despite all instability, both countries continue to grow at one of the highest rates globally: Chad at 3.01% annually in 2024, and Mali just behind at 2.90%. This leads to a population size of 23.3 million in the case of Mali, with Chad possessing a markedly smaller 17.2 million inhabitants.

In order to analyse the material foundations of domestic control, I have compiled a time series dataset of 18 variables, covering sectors such as origin and volume of arms transfers, natural resource rents, Western foreign aid, and core macroeconomic indicators. Most of the source data comes from the International Monetary Fund (World Economic Outlook Database and Government Finance Statistics), the Stockholm International Peace Research Institute (SIPRI), the United States Agency for International Development (USAID), the European Development Fund (EDF), and the World Bank. All graphs were created using the statistical software R.

Mapping the political economy of Mali and Chad

The economic growth of the four Sahelian states – all affected to varying degrees by Islamist and separatist uprisings gaining traction in 2012 – has followed diverging paths. Despite having a smaller population, Chad possessed a nominal economic size of 17.9 billion USD at the start of the dataset in 2012 – the highest among the four states. This early advantage, however, did not translate into sustained growth. A descending trajectory and cyclical stagnation led to only 18.7 billion USD by 2025, marking a lost decade of economic momentum. In contrast, Niger's economy expanded from 9.4 billion to 21.8 billion USD, a 132% increase, while Mali grew from 12.4 billion to 23.2 billion USD, representing an 86% increase despite years of war and political turbulence.¹¹

¹¹ *World Development Indicators*. [online], World Bank DataBank, s. a. Source: databank.worldbank.org [06.04.2025].

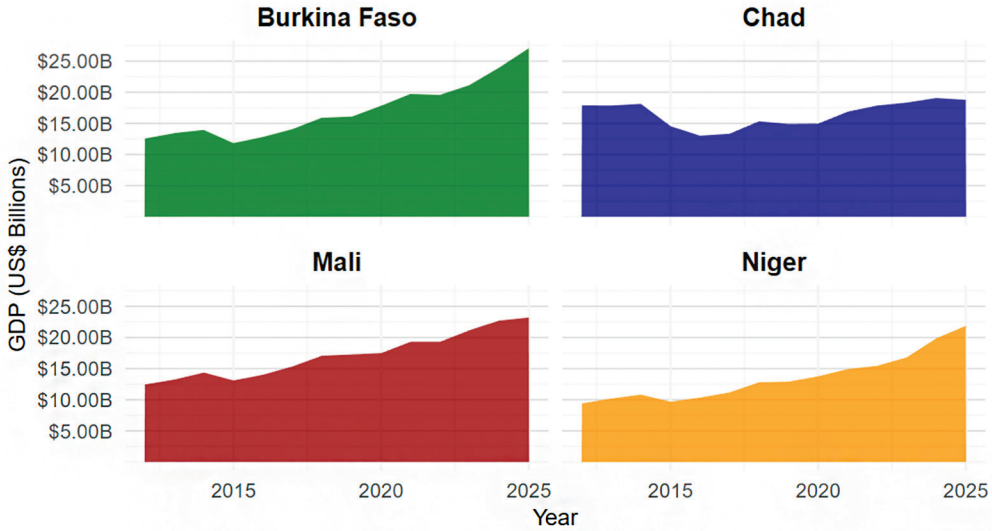


Figure 1: Nominal GDP of Sahelian states (2012–2025)

Source: compiled by the author based on *World Development Indicators*. [online], World Bank DataBank, s. a. Source: databank.worldbank.org [06.04.2025]

It is prudent to note that, starting from 2013, the European Union launched a suite of military and civilian CSDP missions in Mali, Niger, and later Burkina Faso. These included EUCAP¹² Sahel Niger (2012), EUTM¹³ Mali (2013), and EUCAP Sahel Mali (2014), with EUCAP Sahel later extended to Burkina Faso. EUTM Mali, the core military training mission, remained active until its formal suspension in November 2022. Chad, by contrast, was excluded from this mission architecture throughout the period.

Table 1: Foreign aid directed to Sahelian states between 2014–2020

Country	EDF Paid (EUR M)	EDF Paid (USD M)	USAID Disbursed (USD M)	Total Foreign Aid (USD M)	Foreign Aid as % of Annual Revenue
Mali	608.4	669.2	1,280	1,949.2	57.3
Niger	605.1	665.6	603	1,268.6	60.4
Burkina Faso	633.1	696.4	314	1,010.4	30.6
Chad	383.2	421.5	424	845.5	42.3

Source: compiled by the author based on European Commission 2023; *Foreign Assistance Dashboard*. [online], U.S. Department of State – USAID, s. a. Source: foreignassistance.gov [06.04.2025] and *Government Finance Statistics (GFS) Data Explorer*. [online], International Monetary Fund, s. a. Source: data.imf.org [06.04.2025]

¹² European Union Capacity Building Mission.

¹³ European Union Training Mission.

This omission reflected a strategic judgment: despite its role in regional counterterrorism operations, Chad faced less intensive internal insurgency than its neighbours and maintained sufficient internal control to avoid direct EU governance assistance.¹⁴

The European Development Fund (EDF) served as the EU's main development instrument, with the 11th EDF (2014–2020) covering almost the full research period. As no 12th EDF was launched, this remains the last complete funding cycle. In parallel to the EU's mission-based engagement, USAID was present throughout the region with its own set of priorities. For comparability, yearly USAID disbursements were summed for the same period to produce a cumulative total for each country. Mali received by far the largest amount – 1.95 billion USD – followed by Niger, Burkina Faso, and lastly Chad with 845.5 million USD. Over this period, foreign aid equalled more than 50% of average annual government revenue in Mali and Niger, while in Chad the ratio was 42.3% – a substantially lower share, and one that parallels its stagnant economic performance.

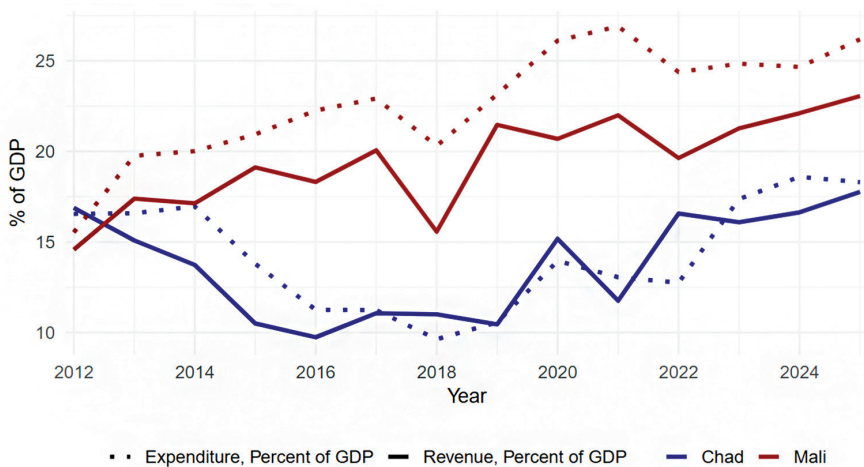


Figure 2: Government revenue vs. expenditure, captured as share of GDP

Source: compiled by the author based on International Monetary Fund s. a. and *World Development Indicators*. [online], World Bank DataBank, s. a. Source: databank.worldbank.org [06.04.2025]

Despite its stronger economic growth, Mali experienced a steady erosion of domestic control, as the government's ability to align revenue with expenditure collapsed into a permanent imbalance. The civil war institutionalised this gap, and rather than improving after the 2015 Algiers peace agreement with the MNLA,¹⁵ the situation deteriorated further following the 2020 and 2021 coups. A sharp decline in 2018 likely reflected the fiscal strain of the post-accord period, as EU funding slowed with French military operations under Operation Barkhane winding down after 2016. Chad, by contrast, preserved

¹⁴ Baldaro–Strazzari 2023: 639–649.

¹⁵ Mouvement National pour la Libération de l'Azawad (MNLA) / National Movement for the Liberation of Azawad.

a higher degree of domestic control, maintaining a more consistent alignment between revenue and expenditure from 2017 onward. Even with fewer resources, its regime retained authority over how they were collected and spent – avoiding the fiscal drift that consumed Mali’s post-conflict governments.

The persistent gap between revenue and expenditure – already visible in the immediate aftermath of the civil war – widened further after 2015. As EU funding commitments began to wind down¹⁶ and external coverage of state expenditure diminished, Mali’s reliance on foreign assistance became more structurally visible. While the regime remained operational, the revenue trajectory in the fiscal balance chart indicates a steady loss of internal control over state financing. In this environment, parts of the elite began to question the long-term viability of existing sponsor relationships. The political base of President Ibrahim Boubacar Keïta slowly eroded, not through a single rupture, but through cumulative loss of confidence – setting the conditions for eventual realignment.

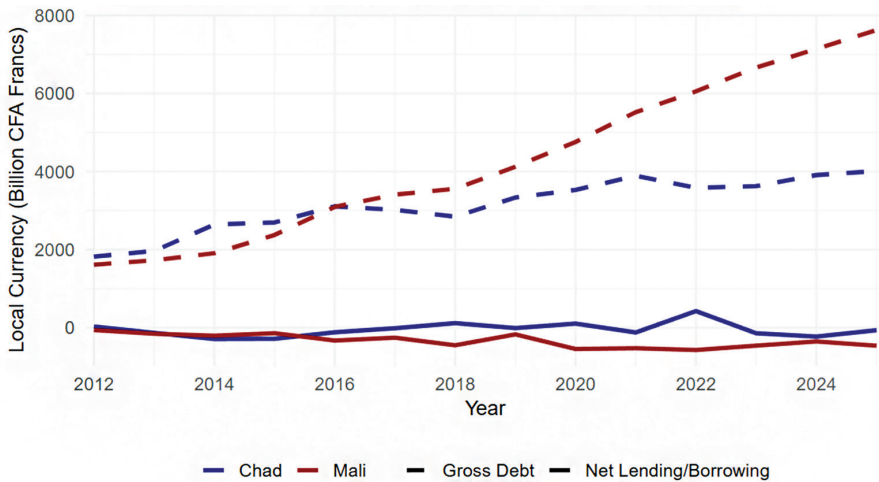


Figure 3: Fiscal leverage in domestic currency

Source: compiled by the author based on *International Monetary Fund s. a.*

As a result, gross public debt in Mali spiralled throughout the decade – the cumulative effect of a persistently negative net lending ratio. Unlike revenue, which stagnated relative to GDP, debt accumulation accelerated even after the 2015 peace deal – signalling not recovery, but deeper fiscal dependence. Chad’s public debt also increased, but at a slower, more controlled pace – reinforcing its relative insulation from externally induced fiscal imbalances.

This trajectory supports Sara Plana’s observation that overdependence on external sponsors can undermine internal control and contribute to destabilising realignment,

¹⁶ *Annual Accounts of the European Development Fund for the Financial Year 2022*. [online], European Commission, 28.06.2023. Source: europa.eu [05.04.2025], 6.

especially when resource flows are insufficient to maintain elite loyalty.¹⁷ In other words, too much aid can create a structural dependency that backfires once support is scaled back – as proven by Mali’s case.

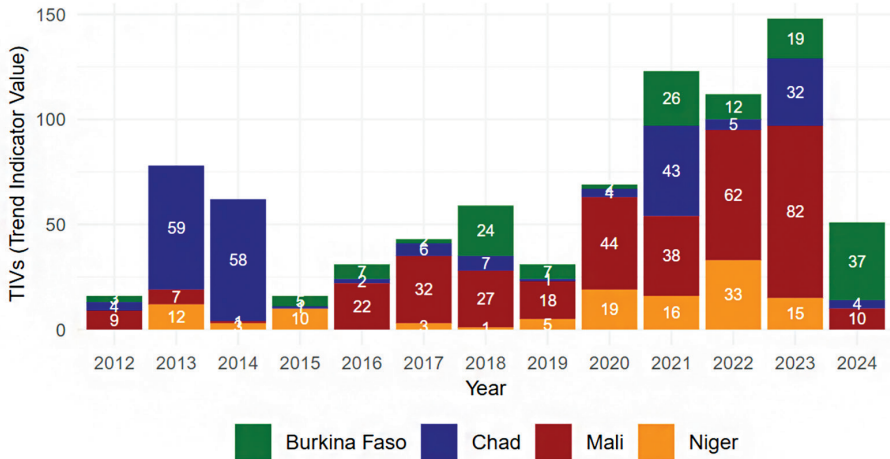


Figure 4: Arms imports by country (TIVs)¹⁸

Source: compiled by the author based on SIPRI Arms Transfers Database

Arms imports offer another layer of insight into external dependency and domestic control, as captured through the SIPRI Arms Transfer Database. Between 2012 and 2024, Mali registered the highest cumulative volume of arms imports among the four Sahelian states, with sharp peaks from 2020 to 2023. This surge represented not only a visible security shift following the 2020 military coup, but also an additional layer of fiscal burden atop Mali’s already deteriorating government budget.

Over the course of the 2010s – despite the presence of Western military missions and substantial aid inflows – no effective conditions were placed on the origin of arms purchases. Instead, Sahelian regimes leaned toward affordable and proven Russian designs, often delivered through Central and Eastern European exporters. In Mali’s case, Bulgaria and Czechia were the primary suppliers in the early 2010s. The decisive turn began in 2017, when Russia directly supplied over 45% of Mali’s total arms imports for that year – marking the entry of Russian influence well before the collapse of EU training missions. This early shift reflects the agency of Mali’s military leadership, which would later seize power, in pre-positioning new strategic alignments – a sign which European

¹⁷ Plana 2024: 220–221.

¹⁸ SIPRI has developed a unique pricing system to measure the volume of deliveries of major conventional weapons and components using a common unit – the SIPRI trend-indicator value (TIV). The TIV of an item being delivered is intended to reflect its military capability rather than its financial value. This common unit can be used to measure trends in the flow of arms between particular countries and regions over time – in effect, a military capability price index. The TIV is derived from the known unit production costs of a core set of weapons. *SIPRI Arms Transfers Database – Sources and Methods*. [online], Stockholm International Peace Research Institute, s. a. Source: sipri.org [07.04.2025].

sponsors failed to react to. From 2020 to 2023, Russia further consolidated this position, accounting for roughly 73% of all arms transfers, as Western presence declined.¹⁹

Chad, by contrast, sourced more modest volumes with greater supplier diversity. Its top three partners – Ukraine (2013–2014), China (2021), and Türkiye (2023) – accounted for a combined 64% of Chad’s imports between 2012 and 2024, without a single dominant supplier.²⁰ This underscores Chad’s more measured procurement behaviour, marked by lower volumes and diversified, cost-conscious sourcing.

To conclude our quantitative section, the question arises: what anchors domestic control in fractured states when foreign funding dries up? In Mali, the answer was – at least in part – that nothing replaced it. Or rather, that another sponsor stepped in to fill the void.

The cost of control

While Mali’s export revenues come primarily from raw minerals and Chad’s from crude oil, both countries exhibit oversized dependence on natural resources within their export structures. The critical difference lies in how these exports translate into domestic control. According to the data, natural resource rents represent a significantly higher share of GDP in Chad than in Mali – oscillating around 20% in Chad, while Mali remained closer to 5–8% throughout most of the observed period. This disparity matters. Despite having a smaller economy, Chad reached export revenue levels comparable to or higher than Mali, a reflection of more centralised state control over high-value resource flows. What this implies is not just greater fiscal efficiency but a fundamentally different revenue structure. Chad’s elite could rely on a high-margin, internally captured export base to maintain domestic control, while Mali could not.

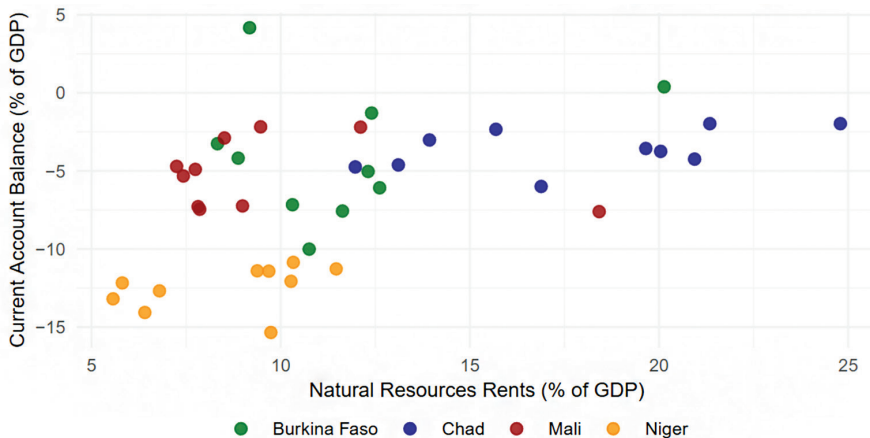


Figure 5: Natural resource dependence vs. external balance

Source: compiled by the author based on International Monetary Fund s. a.

¹⁹ Stockholm International Peace Research Institute s. a.

²⁰ Stockholm International Peace Research Institute s. a.

In conclusion: who controls Chad's oil revenue – and how does that reinforce domestic control? As the 2024 publication of Verhoeven and Pouget-Abadie documents, oil rents are monopolised by the presidency and distributed through a militarised patronage network. From the early 2000s, partnerships with ExxonMobil, Petronas, and CNPC were structured to consolidate executive control, not development. In 2005, President Déby dismantled the World Bank's oversight system, reasserting full authority over oil revenues under the justification of national sovereignty. Since then, oil rents have flowed through elite-controlled channels, financing security forces and sustaining regime cohesion.²¹ Public services remained underdeveloped – electrification hovered around 10%, with privileged access routed through the national utility service. Western oil companies embedded themselves in this structure, enabling elite survival rather than reform. In Chad, domestic control is not merely supported by resource rents – it is built on the political management of their distribution.²²

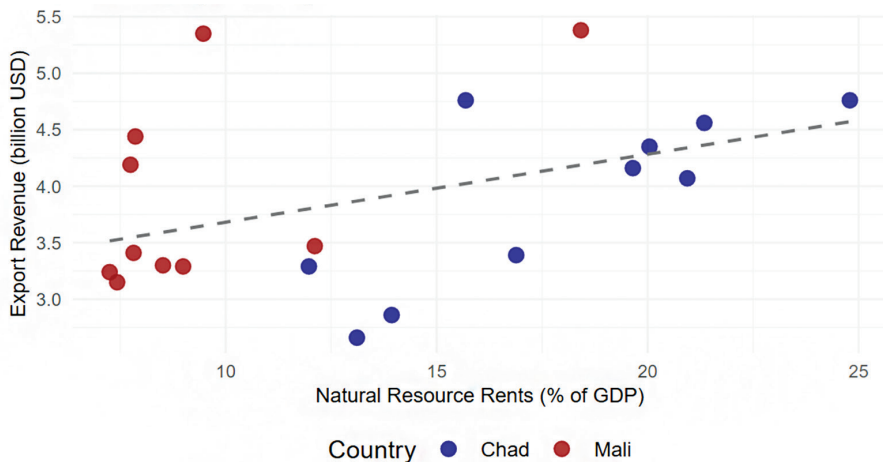


Figure 6: Natural resource rents vs. export revenue

Source: compiled by the author based on International Monetary Fund s. a.

The takeaway is structural. In Mali, domestic control was tied precariously to the continuity of Western fiscal support. When that support began to erode, no equivalent internal resource base existed to fill the gap. The government's survival required either renewed sponsor engagement or a shift in alignment. In Chad, by contrast, domestic control was not contingent on external funding streams. Despite facing similar geographic fragmentation and social division, the regime maintained autonomy through direct control over resource rents.

This distinction matters for proxy war alignment. In Mali, elite loyalty had to be underwritten by foreign support. In Chad, the conditions for alignment were already in place. The sponsor didn't need to create a new support base – it could work through the one that

²¹ Verhoeven, Harry – Pouget-Abadie, Théophile: *(No) Power to the People: Oil and the Politics of Energy Access in Chad*. [online], Center on Global Energy Policy, 05.02.2024. Source: energypolicy.columbia.edu [06.04.2025], 3–6.

²² Verhoeven – Pouget-Abadie 2024: 5.

already existed. Control over high-margin oil exports, filtered through a loyal security apparatus, allowed the regime to act with minimal external dependency. In this context, external actors were not patrons enabling stability; they were tolerated participants in a system already consolidated from within.

Both outcomes come at the cost of domestic inequality and the relative absence of internal development – one entrenched through elite consolidation, the other prolonged by recurring civil war. But the consequences diverge: one at least enables the possibility of continued Western alignment, the other contributes to destabilising realignment. This argument moves beyond the scope of this paper, yet it raises a deeper point: perhaps domestic crises, even when shaped by external sponsorship, are best addressed within the bounds of national sovereignty. External actors may influence internal dynamics, but the case studies suggest they are neither suited nor entitled to resolve them.

The limits of military partnership

After evaluating a selected range of theoretical frameworks and economic indicators, one area this proxy war paper has not yet addressed is military operations themselves. One reason for this omission is that organised violence in the region appears to be cyclical.

Chad continues to face Salafi-jihadi insurgencies in the Lake Chad Basin and intermittent clashes with northern rebel groups. Its domestic control remains intact, but the regional environment has shifted. France completed its military withdrawal from the region in 2024, leaving Chad without a Western security partner. Russia has since begun courting the Déby regime – offering arms, diplomatic support, and regime protection. In early 2024, a Chadian delegation visited Bamako to explore alignment with the pro-Russian Alliance des États du Sahel. While Chad has not formally realigned, its isolation and strategic relevance make it a likely next target – though any future shift would reflect broader great power confrontation, not solely sponsor-proxy decoupling anymore.²³

Mali experienced two coups in quick succession – first in August 2020 when Colonel Assimi Goïta removed President Keïta, and again in May 2021 when he deposed the civilian transitional authorities. Disagreements with France escalated when the Malian junta sought to conduct operations in Kidal, which French forces refused to back, citing their support for international agreements with Tuareg factions. In contrast, Russian Wagner operatives, deployed to the country by late 2021, operated directly under Malian command and engaged in over 390 joint actions, often in brutal fashion. In November 2023, Malian and Russian forces jointly retook Kidal, triggering celebrations in Bamako. This was followed a few weeks later by the formation of the Alliance des États du Sahel between Mali, Burkina Faso and Niger, in addition to a high-profile visit by Russian Deputy Defence Minister Yunus-Bek Yevkurov. Early 2024 saw Mali's formal exit from

²³ Karr, Liam – Gianitsos, Matthew: *Africa File, April 18, 2024: Chad is the Kremlin's Next Target in the Sahel; al Qaeda's Sahelian Affiliate Weaponizes Drones*. [online], Critical Threats Project, 18.04.2024. Source: criticalthreats.org [06.04.2025].

ECOWAS, consolidating its break from Western structures. By 2025, Russian advisors, operatives, and contracts had fully replaced European missions in Mali.²⁴

By early 2025, Tuareg separatists and militants – notably Jama'at Nasr al-Islam wal Muslimin (JNIM) – had intensified asymmetric attacks, including a significant assault on Bamako in September 2024 resulting in over 70 casualties. Meanwhile, the Wagner Group continued to expand its operational presence around Bamako's Airbase 101, constructing new barracks, fortified storage zones, and formal entrances, signalling Russia's long-term entrenchment in Mali.²⁵

Although the events above may suggest that France's failure was operational – tied to mismanagement or tactical disagreement – this paper argues that the real break preceded the crisis. The gradual unravelling of sponsor-proxy alignment took place between 2017 and 2020, as France's political allies in Bamako lost the ability to centralise control. The French acceptance of the 2020 coup was not a disruption of partnership but the beginning of the end in a succession of concessions. By the time Paris refused to support operations in Kidal, it was already resisting from a position of weakness – defending a ceasefire it could no longer enforce.

Though beyond the goals and scope of this study, it is worth briefly noting that democratic governance initiatives were unlikely to succeed in generating the necessary domestic control. These efforts faced structural limits: socially and culturally incompatible models of governance, and the absence of an established, politically active middle class either interested in or capable of sustaining the political regime. In this context, Mali's realignment was not merely the result of external disruption but the outcome of a political order that could not sustain itself. The absence of economic autonomy and elite bargains – particularly with the military – left the sponsor-proxy relationship hollow years before it formally collapsed.

The sponsor might have pursued a different approach – pragmatically siding with the military elite – but that would have meant completely forsaking the political goals of eight years of intervention. From Paris's perspective, this appeared not only as a breach of principle but as a loss of credibility as an international security provider – which, ironically, occurred either way.

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²⁴ Watling–Wilén 2024: 66–73.

²⁵ Palmer, Jared Thompson – Bermudez, Joseph S. Jr. – Jun, Jennifer: *Base Development in Mali Indicates Continued Russian Involvement*. [online], CSIS, Center for Strategic and International Studies, 10.12.2024. Source: [csis.org](https://www.csis.org/analysis/base-development-in-mali-indicates-continued-russian-involvement) [06.04.2025].

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Zoltán Vörös,¹ István Tarrósy²

The New Paradigm of U.S. Foreign Policy in a Changing Global Order The DR Congo–Rwanda Agreement³

The article examines the transformation of U.S. foreign policy towards Africa through the lens of the June 2025 peace agreement between the Democratic Republic of the Congo (DRC) and Rwanda, brokered by the United States, and backed by Qatar. It argues that the agreement exemplifies a pragmatic and overtly transactional turn in U.S. engagement, privileging strategic and economic interests – most notably access to critical mineral resources – over the aid-centric and normatively framed approaches that have traditionally characterised Western, including U.S. policy in the region. Situating the agreement within the historical context of colonial legacies, protracted regional conflicts, and the enduring volatility of Congolese–Rwandan relations, the article highlights the persistent role of armed actors, particularly the M23 movement, in undermining earlier peace initiatives such as the Luanda and Nairobi processes. The analysis further situates the U.S.-brokered accord within a broader recalibration of the Africa policy of the USA, driven by concerns over regional stability and intensifying geopolitical competition, especially with the People’s Republic of China. While the agreement signals a significant strategic pivot in U.S. engagement with Central Africa, the article concludes that its long-term efficacy remains uncertain, as enduring insecurity and unresolved structural drivers of conflict continue to cast doubt on the prospects for sustainable peace in the eastern DRC.

Keywords: United States of America, Democratic Republic of the Congo, Rwanda, foreign policy, agreement

Introduction

The transformation of the global world order has been accompanied by the intensification, escalation, or re-emergence of numerous local-regional conflicts, bearing in mind that in a non-hegemonic structure there are (more) opportunities to resolve territorial-ethnic (or other types of) disputes. The conflict between the Democratic Republic of the

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³ This study is a revised and expanded version of an analysis that appeared at the John Lukacs Institute’s series ‘Analyses on Global Affairs.’

Congo (DRC, DR Congo) and Rwanda is also a long-standing issue, but it escalated to an unprecedented level in January 2025 – an event that many hoped could be concluded by a peace agreement mediated by the United States (and Qatar) during the course of 2025. The agreement, not only its content but also the identity of the mediator, transcends the logic of traditional peace settlements, as it anticipates the logic and dynamics of a post-hegemonic, orderless world system. It becomes evident how value- and order-based approaches are being replaced by a more pragmatic economic perspective, effectively described by the term transactionalism, which prioritises American interest – highlighted within the National Security Strategy of the U.S. published to describe the foreign policy thinking of Donald Trump’s second administration.

This new strategic document, published in November 2025, highlights a major shift not just within the global presence of the U.S., but towards Africa as well (although on its last page [29] in three short paragraphs) – moving away from the so-called aid-driven approach towards a transactionalist–realist understanding of relations with the continent, towards a “paradigm capable of harnessing Africa’s abundant natural resources and latent economic potential”.⁴

The DR Congo–Rwanda deal was the first sign of this shifting foreign policy approach of Washington in Africa, having further geopolitical consequences as well in a region where Chinese presence has been considerably more dominant than the American.

This analytical paper looks at the conflict in a historical context and deals with the actions of different stakeholders, including the East African Community (EAC) as regional economic integration, the African Union (AU) and several of the external actors. It locates all these within the framework of a changing global order with its implications for possible upcoming scenarios. First, it summarises the origins of the conflict, then, addresses the numerous (failed) attempts to solve it. Third, an overview of the changing Africa-policy of the U.S. will be provided, followed by the circumstances of the agreement, as well as the U.S.-brokered agreement itself. All put into a China–U.S. rivalry perspective, then, finally, critically viewed from the aspect of its importance for a better understanding of both the new U.S. foreign policy paradigm and the changing global landscape.

A conflict originating in the past

The Democratic Republic of the Congo is the fourth most populous country in Africa, with a population of around 110 million, and a median age of less than 16 years. While it is considered one of the continent’s richest areas in terms of raw materials, the country is also among the poorest in the world: according to Focus Economics,⁵ it is the tenth poorest by 2025. Armed conflicts fuelled by the competition for minerals have devastated its already poor infrastructure over the years, causing the deaths of millions of people and forcing them to leave their homes. One of the focal territories of conflict is the eastern

⁴ The White House: *National Security Strategy of the United States of America*. [online], The White House, 11.2025. Source: whitehouse.gov [27.12.2025].

⁵ Casanovas, Marta: *Top 20 Poorest Countries in the World in 2025*. [online], Focus Economics, 06.12.2024. Source: focus-economics.com [05.07.2025]

Congolese region, which is part of the Great Lakes macro-region of East Africa and is extremely rich in valuable minerals. Among other things, it accounts for 30% of the world's coltan production, which is essential for the manufacturing of high-tech electronic devices. In addition to coltan, other raw materials maintain the interest of regional and external actors: tin, tungsten, tantalum, and gold deposits can be mined in the area, often through artisanal mining. Extensive corruption, which can also be observed in the mining sector, emerges as an additional problem.

The history of the region is significantly shaped by the legacy of conflict left behind by the actors of European colonisation. At the beginning of the “Scramble for Africa”⁶ process, at the end of the 19th century, these powers were still uncertain about which ethnic group to rely on for establishing their colonial rule. At the end of the century, the then Kingdoms of Rwanda and Burundi (Kinyarwanda and Kirundi) first came under German control as part of German East Africa, and then, following World War I, became a League of Nations mandate territory under Belgian administration, which also controlled Belgian Congo in the west. From 1925, the Belgians administratively attached Ruanda-Urundi to the Belgian Congo, but while the Belgian Congo was governed from Brussels, Ruanda-Urundi was left in the hands of the Tutsi aristocracy – exercising indirect rule. From the late 1950s onwards, the Belgians continuously replaced Tutsi chiefs with Hutu leaders, “who immediately began to persecute the former clientele in order to establish their own”.⁷ The consequences of the 1994 Rwandan genocide – which was preceded by a similarly bloody but smaller-scale massacre in Burundi in the summer of 1972 – include numerous waves of refugees and Rwandan military intervention. All these processes and events have long-lasting regional dynamics that “continue to define the nature of conflicts in eastern Congo to this day”⁸.

The eastern Congolese Kivu region, which borders Rwanda geographically, has always been difficult to supervise from the capital Kinshasa, located approximately 2,600 km to the southwest, and almost impossible to keep under control. Here, from the second half of the 1960s, numerous armed groups competed with each other for land, as well as with the central authorities for power and control over the region's potential mineral wealth. The constant instability had a devastating impact on neighbouring countries as well – this was particularly evident in the 1990s, when two massive conflicts, the so-called “African World Wars”, caused the deaths of millions of people.⁹

In the (north-)eastern Congolese region, the ethnic tensions that gradually intensified from the 1940s and were further exacerbated by President Mobutu Sese Seko from the

⁶ Thomas Pakenham places this period between 1876 and 1912, during which years the European colonising forces focused on establishing their lasting colonial rule. See Pakenham, Thomas (1991): *The Scramble for Africa*. London: Abacus, xxvii. and Tarrósy, István – Vörös, Zoltán (2024): *Instabilitás és állami sérülékenység a Száhel-övezetben* [Instability and State Vulnerability in the Sahel Region]. *Nemzet és Biztonság*, 17(3), 7.

⁷ T. Horváth, Attila (2004): *Ruanda '94: egy krízis történelmi háttere*. *Kül-Világ*, 1(2), 12.

⁸ Biedermann, Zsuzsánna (2015): *Genocídium és destabilizáció az afrikai Nagy Tavak régióban. A konfliktusok gazdasági vetülete* [Genocide and Destabilization in the African Great Lakes Region. The Economic Aspect of the Conflicts]. Pécs: Publikon, 125.

⁹ Zane, Damian – Chibelushi, Wedaeli: *What's the Fighting in DR Congo All About?*. [online], BBC, 05.12.2025. Source: [bbc.com](https://www.bbc.com) [06.07.2025].

late 1960s turned into sharpened interethnic struggles by the 1990s. In the background, the conflict between the so-called ‘indigenous’ population and even the Rwandans settled by the Belgians is clearly mentioned, which Mobutu exacerbated by consolidating his regional power with the help of the Tutsi community from Kivu. The “influx of refugees following the 1994 genocide [into Congo, then called Zaire] included a large number of Hutu perpetrators of the Rwandan genocide, who wanted to establish their new military base in Zaire from where they could launch guerrilla attacks against the new Kigali government”.¹⁰ In the First Congo War, from October 1996 to May 1997, the regional destabilising effects of the 1994 genocide actually escalated, significantly contributed to by the “kleptocracy” carried out by the Mobutu dictatorship, which completely shattered Congolese society and economy, as well as the “nepotistic rule balancing between East and West that impoverished the country to the extreme”.¹¹ The anti-Mobutu coalition led by Rwanda included Uganda, Burundi, Angola, and Eritrea, and the power that was overthrown by the coup was seized by Laurent-Désiré Kabila. The Second Congo War broke out because Kabila turned against his former Rwandan and Ugandan supporters; the toll of this ‘African World War’ was at least 3 million dead and 2 million refugees, and, of course, the conflict minerals were once again at the forefront.

The fighting escalated again this year when the rebel group M23 made significant advances in the eastern Congo region. The M23 (March 23 Movement) movement was formed in 2012 as a new Tutsi rebel group and quickly gained strength with significant Ugandan and Rwandan support. From the beginning, the M23’s demands included “the departure of the Kinshasa government, the cessation of discrimination against Congolese Tutsis, and the perennial demand for the future allocation of positions in the government army for former and newly integrated members”.¹² The M23 did not occupy the strategically important cities of Kivu for the first time, as the actions of January 2025 were preceded by the capture of Goma in November 2012 – the central government could do nothing about it, just as the UN mission (MONUSCO) remained passive. The events at the end of January resulted in the reoccupation of Goma and the capture of Bukavu in the south.

The M23’s primary goal is to protect the Tutsi ethnic group in Eastern Congo, particularly against militias (such as the Democratic Forces for the Liberation of Rwanda, FDLR) that are supported by Kinshasa.

Failed attempts at a solution

Numerous initiatives have been established earlier to resolve the situation in Eastern Congo, but they have not been successful in resolving the conflict or in engaging the parties in continuing and maintaining dialogue. However, the agreement signed in June

¹⁰ Biedermann 2015: 125.

¹¹ Búr, Gábor (2011): *A szubszaharai Afrika története* [The History of the Sub-Saharan Africa]. Budapest: Kossuth, 118.

¹² Nagy, Sándor (2015): Aktív fegyveres csoportok a Kongói Demokratikus Köztársaságban [Active Armed Groups in the Democratic Republic of the Congo]. In Kiss, Álmos Péter (ed.): *Afrikai terrorista- és szakadárszervezetek* [African Terrorist and Separatist Organizations]. Budapest: HVTK–NKE, 415–416.

2025 did not occur in a vacuum, and the agreement not only refers to the spirit of one of the previous initiatives, the Luanda Process, but also mentions the roles of the African Union and the UN, although in the latter case, it primarily refers to the Congolese peace mission, MONUSCO.

MONUSCO took over the tasks of the previous UN peacekeeping mission, the United Nations Organization Mission in the Democratic Republic of the Congo (MONUC), on 1 July 2010. This was done in accordance with Security Council resolution 1925¹³ of 28 May 2010, to reflect the changes that had occurred in the country. The new mission has been authorised to use all necessary means to carry out its mandate, which includes the protection of civilians, humanitarian aid workers, and human rights activists at direct risk of physical violence, as well as supporting the stabilisation and peacekeeping efforts of the government of the Democratic Republic of the Congo.¹⁴

The African Union (AU) was a supporter of rapprochement attempts, striving to find and propose solutions based on its diplomatic weight. The AU supported both the Luanda and Nairobi processes (although it officially initiated only the Luanda process) – however, the attempts at resolution were weakened by the fact that the organisation did not have a credible enforcement mechanism behind it. Thus, while it drew the parties' attention to the importance of resolving the conflict and the significance of sovereignty,¹⁵ it was unable to bring the conflict to a resolution.

The Nairobi Process¹⁶ began in April 2022, primarily involving the East African Community as a regional integration and specifically Kenya's role. Following the negotiations in Nairobi, the EAC also sent a military contingent to Eastern Congo at the end of the year, but the soldiers left the country just under a year later. The process faced dual criticism: initially, the EAC did not involve the M23 in the negotiations, and on-site, the soldiers were accused of not engaging in combat against the M23.¹⁷

The Luanda Process,¹⁸ not far in time from the Nairobi Process, began in the summer of 2022, with an Angolan offer – here with the Southern African Development Community (SADC) in the background. Its main goal was to reduce tensions between the two parties and provide a roadmap for achieving peace. The negotiations here also ended in failure, but in 2024 they gained momentum again and eventually a plan was developed, which the parties discussed in several rounds. This plan was eventually included in the contract now signed, as its first annex.

¹³ Resolution 1925 (2010) / adopted by the Security Council at its 6324th meeting, on 28 May 2010. [online], United Nations, 2010. Source: digitallibrary.un.org [15.07.2025].

¹⁴ UN Peacekeeping: *MONUSCO Fact sheet*. [online], UN Peacekeeping, 2010. Source: peacekeeping.un.org [05.07.2025].

¹⁵ African Union: *Communiqué of the 1261st Meeting of the Peace and Security Council, Held on 14 February 2025 at the Level of Heads of State and Government, on the Situation in Eastern Democratic Republic of the Congo (DRC)*. [online], 18.02.2025. Source: peaceau.org [05.07.2025].

¹⁶ EAC: *The EAC-LED Nairobi Process on Restoration of Peace and Security in Eastern DRC*. [online], East African Community, s. a. Source: eac.int [15.07.2025].

¹⁷ France24: *East African Regional Force Starts Withdrawing from DRC*. [online], France24, 03.12.2023. Source: france24.com [05.07.2025].

¹⁸ Kalembe, Josephine: *What Has the Luanda Peace Process Achieved?*. [online], The Great Lakes Eye, 24.12.2024. Source: thegreatlakeseye.com [15.07.2025].

Although their number has significantly decreased by the 21st century, armed conflicts in Africa have not ceased on the continent. By the end of the 20th century, all African countries had gained independence, and their new form of cooperation within the AU framework focused on formulating and providing their own African solutions ('African solutions to African problems'). While the Organization of African Unity (OAU) prioritised the principle of non-interference in each other's internal affairs, the African Union takes a stand against non-indifference.¹⁹

One area where "Africa has strived for self-sufficiency is peace and security. The AU not only adopted a legal framework for its implementation but also established institutions and introduced mechanisms to respond to threats to regional peace and security."²⁰ Further political will and capacity development are inevitable in the coming years to ensure that the AU, Africa itself, becomes capable of resolving its own regional conflicts and is not continually dependent on external actors to broker a 'peace deal'.

The changing Africa policy of the United States

In contrast to the Chinese's extremely successful Africa policy, which the Asians have been building and continuously fine-tuning since the 1990s, the United States pursued a kind of 'neglect policy'²¹ towards Africa for much of the same decade. This changed with the 9/11 terrorist attacks, which simultaneously made it necessary "to find an alternative to Middle Eastern oil, which was potentially at risk from the so-called Muslim fundamentalism."²² From the beginning of Bill Clinton's first presidential term, Africa became 'important' to the United States – how much, to what extent, and in which areas, however, has been viewed differently by many experts. We can think, for example, of the USFOR SOM (United States Forces, Somalia) special military unit, which was created to support the UN operation in Somalia (UNOSOM II). Despite numerous successful operations, the incident of 3–4 October 1993 in Mogadishu – which is referred to in American circles as one of the bloodiest and most violent urban firefights since the Vietnam War – led President Clinton to withdraw U.S. troops from Somalia at the end of March 1994.²³ After this fiasco, the United States did not intervene to stop the Rwandan genocide in April 1994. In economic terms, however, Clinton brought about a fundamental change

¹⁹ Kasajja, Phillip Apuuli (2013): *The African Union (AU), the Libya Crisis and the Notion of 'African Solutions to African Problems'*. *Journal of Contemporary African Studies*, 31(1), 117–138.

²⁰ Marsai, Viktor (2019): *Csodás barátságok kezdete. A kelet-afrikai regionális biztonssági komplexum átalakulása a 21. században* [The Beginning of Wonderful Friendships. The transformation of the East African Regional Security Complex in the 21st Century]. *Afrika Tanulmányok / Hungarian Journal of African Studies*, 13(1–2), 75–100.

²¹ Carmody, Pádraig R. – Owusu, Francis Y. (2007): *Competing Hegemons? Chinese versus American Geo-Economic Strategies in Africa*. *Political Geography*, 26(5), 504–524.

²² Nugent, Paul (2004): *Africa Since Independence. A Comparative History*. Houndmills – New York: Palgrave Macmillan, 433.

²³ In American circles, the term "mission creep" spread through the Somali incident, which essentially means that a military mission can easily lose its focus, making its presence seemingly endless. Accordingly, (responsible) American leaders always think about an "exit strategy", the lack of which they later felt in Iraq (2003–2011) and Afghanistan (2001–2021). See French, Peter A. (2010): 'Mission Creep'. In French, Peter A. (ed.): *War and Moral Dissonance*. Cambridge: Cambridge University Press, 293–334.

in the United States' sub-Saharan Africa policy when he signed the African Growth and Opportunity Act (AGOA) on 18 May 2000. The goal of AGOA was to support African efforts towards democratic governance and economic development, while also encouraging light industry production on the continent, thereby contributing to job creation, poverty reduction, and greater industrialisation.²⁴ The programme provided duty-free access to the U.S. market for more than 1,800 products from eligible sub-Saharan African countries, but it was tied to strict conditions and stringent eligibility requirements. Participating countries had to commit to a market economy, the rule of law, political pluralism, anti-corruption efforts, and the right to due process, and they had to make continuous progress in achieving these goals.²⁵

“President George W. Bush came into office in 2000 without any great interest in Africa and certainly with no conviction that the region was important to the United States. His ties to an evangelical Christian base, combined with pressures from Congress and advocates for Africa, pushed him to respond to the situation in southern Sudan and the AIDS crisis, and to increase aid to the region. But the dictates of political realism, which has always devalued Africa as a foreign policy concern for the United States, have continued to restrict U.S. engagement with the region.”²⁶

Several critical voices have pointed out that in the meantime, the global war on terror inspired by neoconservative thinking and self-interested concerns related to oil imports have jeopardised efforts to implement a fairer and more just Africa policy.

Barack Obama delivered a convincing speech in the Ghanaian parliament in 2009 and promised that the USA would be there for every African step that concerns Africa's own development, as a “partner and friend”,²⁷ “seemed to be placing the USA-Africa relations on a new foundation.”²⁸ Although he launched several promising programmes, such as the Young African Leaders Initiative (YALI)²⁹ in 2010 and the Power Africa Initiative³⁰ in 2013, these did not progress, resulting in no substantial advancement beyond rhetoric and political theatrics, which made the Obama administration appear as rather talkers without being backed by real actions.³¹ The USA published a six-page document on the

²⁴ Schneidman, Witney – Lewis, Zenia: *The African Growth and Opportunity Act (AGOA): Looking Back, Looking Forward*. [online], Brookings, 05.06.2012. Source: brookings.edu [05.07.2025].

²⁵ Marsai, Viktor (2025): From the Periphery to the Periphery: The Prospects for Change in US Africa Policy. *Perspectives on Global Development and Technology*, 24(1–2), 255.

²⁶ Copson, Raymond W. (2007): *The United States in Africa. Bush Policy and Beyond*. London – New York: Zed Books, 16.

²⁷ The White House: *Remarks by the President to the Ghanaian Parliament*. [online], The White House, 11.07.2009. Source: obamawhitehouse.archives.gov [05.07.2025].

²⁸ Marsai, Viktor – Szijj, Dóra: Az Egyesült Államok Afrika-politikája az Obama-adminisztráció alatt [The United States' Africa Policy under the Obama Administration]. *Szakmai Szemle*, (3–4), 87–112.

²⁹ U.S. Department of State: *President's Young African Leaders Initiative*. [online], U.S. Department of State, s. a. Source: 2009-2017.state.gov [15.07.2025].

³⁰ The White House: *Fact Sheet: Power Africa*. [online], The White House, 2015.07.25. Source: obamawhitehouse.archives.gov [15.07.2025].

³¹ Tarrósy, István: *U.S.-Africa Leaders Summit from A Trans-Atlantic-European View*. [online], AFKInsider, 31.07.2014. Source: moguldom.com [05.07.2025].

American strategy for sub-Saharan Africa relatively belatedly, on June 14, 2012 (thus not a strategy for the entire African continent).³²

In a speech at the National Defense University on 23 May 2013, President Obama highlighted that foreign aid is considered “one of the least popular expenditures” in the United States – despite the fact that it did not exceed 1% of the federal budget at that time. President Obama clearly stated that “foreign assistance cannot be viewed as charity. It is fundamental to our national security. And it’s fundamental to any sensible long-term strategy [and therefore] it has to be part of our strategy.”³³ Therefore, every American engagement on the African continent must serve national security and simultaneously promote the global values that America believes in – we read at that time. As we have already highlighted in the Introduction, the American approach had a 180-degree turn.

American diplomacy did not extend its activities to high-level summits with Africans until 2014. This sharply contrasted with China’s approach, which has held the Forum on China-Africa Cooperation (FOCAC) every three years since 2000 – one time in China, another time at an African location, then, back in China, followed by yet another African location. Barack Obama hosted leaders from 47 African countries at a landmark summit, the U.S.–Africa Leaders Summit, in Washington on 5–6 August 2014. However, its continuation only took place during President Biden’s term, eight years later, from 13–15 December 2022.

“We must be cautious, however, regarding the statement that the United States is ‘behind’ its global (competitors): on one hand, regardless of the system of summits, American diplomacy has significantly increased its activities on the African continent since the turn of the millennium, and on the other hand, the governmental and economic resources available to Washington – if there is political will – could quickly make up for this disadvantage.”³⁴

The second Africa summit in Washington was preceded by the announcement of the new U.S. strategy for sub-Saharan Africa. This strategy sought to articulate a new vision of how, with whom, and in what areas the USA maintains relationships across Africa. It welcomed and reaffirmed the importance of the role of African actors and emphasised the essence of the further strengthening of the African agency role. Among other things, he recognised the region’s youth as the driving force of entrepreneurship and innovation, and emphasised the enduring and historical ties between the American and African peoples.³⁵ According to the Biden administration, 21st-century American Africa policy should focus on the United States needing to reset “its relations with African counterparts,

³² The White House: *U.S. Strategy Toward Sub-Saharan Africa*. [online], The White House, 06.2012. Source: 2009-2017. state.gov [05.07.2025].

³³ The White House: *Remarks by the President at the National Defense University*. [online], The White House, 23.05.2013. Source: obamawhitehouse.archives.gov [05.07.2025].

³⁴ Marsai, Viktor (2014): *Az első USA–Afrika-csúcstalálkozó értékelése* [Evaluation of the First USA–Africa Summit]. *Nemzet és Biztonság*, (5), 3–14.

³⁵ The White House: *U.S. Strategy Toward Sub-Saharan Africa*. [online], The White House, 08.2022. Source: bidenwhitehouse.archives.gov [05.07.2025].

listen to diverse local voices, and widen the circle of engagement to advance its strategic objectives to the benefit of both Africans and Americans.”³⁶

During his first presidency at the end of 2018, Donald Trump launched an Africa policy that aimed at both prioritisation and partnership on the continent – partially continuing the Americans’ efforts towards partnership, but focusing particularly on promoting American business activities. John Bolton, the National Security Advisor from 2018 to 2019, set the tone for the administration in a speech when he urged African governments to choose the United States over China and Russia in their trade, security, and political relations.³⁷

During Biden’s presidency, there was also a kind of progress, primarily in the form of a response to China’s BRI (Belt and Road Initiative):³⁸ the plan is an economic corridor that connects Zambia’s northeastern, resource-rich region with the Lobito port on the Atlantic coast of Angola. The plan, known as the Lobito Corridor, is backed by Washington, the G7, the EU, and the African Development Bank.³⁹

It is evident that the Africa policy of the second Trump administration continues to be shaped by security issues, driven by the fact that several regions of the continent, including the Sahel and the macro-region of East Africa, remain hotspots for terrorism and the activities of violent extreme organisations (VEO). Airstrikes carried out against Boko Haram in Nigeria on Christmas Day 2025 only confirm this fact – although the attack was likely aimed more at the American Christian community, which was anxiously watching Boko Haram’s attacks on Christian communities.

By the end of the first year of the second administration, the White House published the new National Security Strategy of the U.S., highlighting the new foreign policy directions and the new paradigm – towards Africa as well. This presence, which was previously driven primarily by aid but at least supported by it, has been replaced by a much more market-oriented paradigm that focuses on primary economic benefits. The document highlights raw materials and their importance in several instances: “An immediate area for U.S. investment in Africa, with prospects for a good return on investment, include the energy sector and critical mineral development.”⁴⁰

The agreement and its circumstances

The DRC and Rwanda signed a peace agreement in the United States on 27 June 2025 by their foreign ministers, later on strengthened by DRC’s President Felix Tshisekedi and Rwanda’s President Paul Kagame together with U.S. President Donald Trump on

³⁶ The White House 2022.

³⁷ Schneidman, Witney – Signé, Landry: *The Trump Administration’s Africa Strategy: Primacy or Partnership? Brookings Commentary*. [online], Brookings, 20.12.2018. Source: brookings.edu [05.07.2025].

³⁸ Eszterhai, Viktor (2016): Az Új Selyemút terv [The New Silk-Road Plan]. *Eszmélet*, 28(109), 116–131.

³⁹ Fillingham, Zachary: *The Lobito Corridor: Washington’s Answer to Belt and Road in Africa*. [online], Geopolitical Monitor, 13.11.2024. Source: geopoliticalmonitor.com [15.07.2025]; EC: *Connecting the Democratic Republic of the Congo, Zambia, and Angola to Global Markets through the Lobito Corridor*. [online], European Commission, 24.10.2023. Source: international-partnerships.ec.europa.eu [15.07.2025].

⁴⁰ The White House 2025.

4 December 2025 – since both sides were critical about the others' violating the peace agreement.⁴¹

The document was brokered by Washington with the backing of Qatar. According to the agreement, later on called the Washington Accords, the parties were to establish a joint security coordination mechanism within 30 days, and a regional economic integration framework three months later.⁴² While the purpose of the security mechanism was to establish operational procedures and reporting mechanisms for transparency, the economic integration framework was a structure that, building on existing economic integration structures (AfCFTA, ICGLR, COMESA, EAC), primarily highlighted the establishment of economic relations, particularly those focused on mineral resources. Within the Accords it was mentioned that

“the Parties shall use this framework to expand foreign trade and investment derived from regional critical mineral supply chains and introduce greater transparency, which shall ensure illicit economic pathways are blocked and both Parties derive greater prosperity – especially for the region's population – from the region's natural resources through mutually beneficial partnerships and investment opportunities”⁴³

Due to the approach and the highlighting of mineral resources to such an extent, the suspicion arose that the American interest behind the peace agreement is more related to mining than to regional peace and prosperity. This assumption was further strengthened by the fact that the Congolese proposal for American mining rights emerged as early as March 2025, in which the Congolese president hoped that Washington could thus become interested in resolving the conflict, but the new National Security Strategy published late 2025 also supports this suspicion.

The question after the June 2025 talks was whether, following the previous, not particularly successful negotiations, a sustainable and stable peace agreement had finally been reached. In certain respects, it would still be too early to envision the failure of the agreement, but in December 2025 a new round of agreements were required and still the fighting within the DRC is not over.⁴⁴

The original contract already contained logical loopholes that caused concern for many local residents:⁴⁵

- The agreement was signed by the foreign representatives of the two states, and the document is based on the negotiations between the DRC and the M23 organisation – which is interesting in that Rwanda has never admitted to directly supporting

⁴¹ Le Monde – AFP: *Combat Resumes between Congolese Army and M23 Rebels Despite Peace Treaty*. [online], Le Monde, 12.08.2025. Source: lemonde.fr [27.12.2025].

⁴² U.S. Department of State: *Peace Agreement between the Democratic Republic of the Congo and the Republic of Rwanda*. [online], U.S. Department of State 27.06.2025a. Source: state.gov [05.07.2025].

⁴³ U.S. Department of State 2025a.

⁴⁴ Lawal, Shola: *'Peace Prospects Dire': More Tensions as M23 Fights on in DRC Despite Deal*. [online], Al Jazeera, 23.12.2025. Source: aljazeera.com [27.12.2025].

⁴⁵ Wanneburg, Gershwin: *Turning Point or Pointless Turn: Will DR Congo-Rwanda Deal Bring Peace?*. [online], Al Jazeera, 01.07.2025. Source: aljazeera.com [05.07.2025].

the M23 – although there are allegedly already UN reports on this.⁴⁶ This will still have significance in the future, as the M23 has also emphasised that they do not consider the agreements between DR Congo and Rwanda binding on their part.⁴⁷ Although, as we will see, by the end of the year, the Presidents have signed the Treaty as well, there were no changes related to the relation in between the Rwandan government and M23 – as it is highlighted in the next bullet point as well.

- In the subsection on territorial integrity, using the plan resulting from the Luanda Process (1.i.) Rwanda agrees to disarm its forces and terminate the protective measures, but interestingly, the M23 is not mentioned in this point. This part of the agreement, which is also based on the second point (1.ii.) of the Luanda Process, names the Hutu FDLR, whose support Congo must cease. Seemingly, therefore, both parties must cease their activities that are directed against the territorial integrity of the other party, while the relationship between the M23 organisation and the Rwandan state is not elaborated in the agreement, which could lead to misunderstandings in the future. This is attempted to be addressed by the first sub-point of the second point of the contract (2.i.), which states: “The Parties shall immediately and unconditionally cease any state support to non-state armed groups except as necessary to facilitate implementation of this Agreement.”⁴⁸
- Finally, an important issue is that although the Agreement sets a deadline for the establishment of security and economic mechanisms, it does not provide a timeline for the withdrawal of M23 soldiers.

Fighting continued after the agreement, so these issues and logical gaps were awaiting further negotiations between the parties. It was certain that, in the opinion of M23, the Washington Accords did not address the issues and did not take care of the communities they are trying to protect from the Congolese government and the militias it supports.⁴⁹ At that time, even Paul Kagame, the Rwandan president, was not very optimistic about the agreement,⁵⁰ but U.S. Secretary of State Marco Rubio already in June 2025 indicated that another round of presidential consultations will take place in Washington to formally conclude the process,⁵¹ while Qatar, which is taking on operational tasks behind the scenes, was organising direct negotiations between Congo and the M23.⁵²

⁴⁶ Nichols, Michelle: *Exclusive: Rwanda Exercises Command and Control over M23 Rebels, Say UN Experts*. [online], Reuters, 02.07.2025. Source: reuters.com [05.07.2025].

⁴⁷ Newuh, Mimi Mefo – Mahachi, Josephine: *DR Congo-Rwanda Peace Deal Met with Skepticism*. [online], DW, 04.07.2025. Source: dw.com [05.07.2025].

⁴⁸ U.S. Department of State 2025a.

⁴⁹ Newuh–Mahachi 2025.

⁵⁰ News Agencies: *Rwanda President Unsure If DRC Peace Deal Will Hold, Warns against ‘Tricks’*. [online], Al Jazeera, 04.07.2025. Source:aljazeera.com [05.07.2025].

⁵¹ U.S. Department of State: *Secretary of State Marco Rubio at the Signing of the DRC-Rwanda Peace Agreement*. [online], U.S. Department of State, 27.06.2025b. Source: state.gov [05.07.2025].

⁵² Reuters: *Congo, M23 Rebels Plan Return to Qatar Talks amid Trump Pressure*. [online], 04.07.2025. Source: monitor.co.ug [05.07.2025].

The second round occurred in Washington early December 2025 and before that on November 15, Qatar was also successful with a ceasefire deal struck with M23.⁵³

By December, everything seemed to work, the ceasefire, the Presidents of DRC and Rwanda, a venue, the freshly named Donald J. Trump Institute of Peace in Washington, an American President proudly counting the conflicts he put an end to and also Presidents William Ruto of Kenya, João Lourenço of Angola, Évariste Ndayishimiye of Burundi, Faure Gnassingbé of Togo, and Vice President Jessica Alupo of Uganda – highlighting the historical continuation of the Washington Accords and the regional approach to the conflict.

The document the two Presidents signed together with Donald Trump was a Declaration about continuing with the Accords. In addition to the Washington Accords, the following bilateral instruments were signed, hosted by Secretary Rubio: Strategic Partnership Agreement between the United States and the Democratic Republic of the Congo, a Memorandum of Understanding Between the Government of the United States and the Government of the Democratic Republic of the Congo Concerning an Expanded Security Partnership, and the U.S.–Rwanda Framework for Shared Economic Prosperity.⁵⁴

While everything seemed to work, and by December Paul Kagame was also more optimistic,⁵⁵ a few days later M23 launched yet another offensive and temporarily seized the strategic city of Uvira.⁵⁶

What will happen in the DRC is currently a question for the future, and it is not certain that the American approach, which focuses specifically on raw materials, can offer a real solution. In any case, it seems that the M23 is still focused on strengthening and stabilising its role in the occupied areas and does not seem likely to give them up.

The retreat of Chinese interests?

Although the People's Republic of China did not even play a mediating role in the creation of the contract, it must be mentioned that in recent years it has become one of the most significant external actors on the African continent. The paper cannot undertake to present China's role across the entire African continent, but it is worth mentioning in a nutshell that the country has been Africa's largest trading partner for more than a decade and a half, and is also one of the most significant lenders and investors.⁵⁷ Beijing is present across the entire continent, but in terms of its diverse role, we must highlight raw material mining – especially in the case of the Democratic Republic of the Congo, one

⁵³ Lawal 2025.

⁵⁴ U.S. Department of State: *Signing of the Washington Accords for Peace and Prosperity Between the Democratic Republic of the Congo and Rwanda*. [online], U.S. Department of State, 04.12.2025c. Source: state.gov [27.12.2025].

⁵⁵ Makumeno, Emery et al.: *Trump Hails 'Historic' Peace Deal between DR Congo and Rwanda*. [online], BBC, 05.12.2025. Source: bbc.com [27.12.2025].

⁵⁶ Lawal 2025.

⁵⁷ Zhang, Yiyi: *China Remains Africa's Top Trade Partner for 16th Year, Cooperation in Various Areas Continues to Expand: Official*. [online], Global Times, 21.05.2025. Source: globaltimes.cn [10.07.2025]; Furthermore, it provides insights for interpreting the Sino-African relationship within a broader Afro-Asian context: Tarrósy, István (2016): *Afro-ázsiai dinamikák: tanulmányok ázsiai államok afrikai szerepvállalásairól* [Afro-Asian Dynamics: Studies on the African Engagements of Asian States]. Pécs: Publikon.

of the richest African countries in terms of natural resources. Although Sino-Congolese relations, like those of many other African countries, began during the decolonisation processes of the 1960s, a true breakthrough had to wait until Joseph Kabila's presidency:⁵⁸ lacking Western resources, Kabila began to approach China in preparation for the 2011 elections, seeing Beijing's significant involvement in Angola, and reached an agreement that provided Chinese companies with mining opportunities for copper and cobalt.⁵⁹ Joseph Kabila already stated at the beginning of his first presidential term in 2006: "For me, Congo is the China of tomorrow, and until 2011, the Asian countries, the so-called 'dragons,' will be my role models."⁶⁰

In the past two decades, China has become the most dominant mining player in Congo. At the same time, Beijing provided military training to Congolese soldiers and offered security assistance to Chinese companies in the region.⁶¹ China does not directly intervene in African crises, but it significantly contributes to UN peacekeeping operations. In recent years, it has contributed more money to the peacekeeping budget and sent more personnel to peacekeeping operations than any other permanent member of the Security Council.⁶²

The ongoing conflict in the region is particularly important for Beijing, primarily due to the Chinese companies operating in the mining sector – however, despite the weight of Chinese diplomacy in Congo, it did not play a role in the resolution.

The significance of the agreement in the changing world order – concluding thoughts

The previous value-based American stance towards Africa (and beyond) gives way to a transactional, or rather transactionalist method.⁶³ This approach, however, emphasises not only the primacy of economic interests but also the dismantling of those institutions and elements of the post-World War II world order that are not beneficial to Washington. One example of the new foreign policy approach can thus be seen in the support for the agreement, where "maintaining certain trade partnerships and defense alliances was not beneficial for Americans, as some countries [...] were taking advantage of the liberal institutions established by the United States"⁶⁴

The United States' Africa policy, observed in the context of the transforming world order, may therefore represent a more pragmatic approach from Washington, and the

⁵⁸ Joseph Kabila, son of Laurent-Désiré Kabila, took power after a successful assassination attempt against his father, ended the Second Congo War, and consolidated his power through elections in 2006 and 2011.

⁵⁹ Shirambere, Philippe Tunamsifu (2020): *The Democratic Republic of the Congo – China's Deals on Construction of Roads in Exchange of Mines*. *Afrika Focus*, 33(2), 79–94.

⁶⁰ Marsaud, Olivia: *Les chantiers de Kabila*. [online], rfi, 12.05.2006. Source: rfi.fr [15.07.2025].

⁶¹ Bociaga, Robert: *Minerals and China's Military Assistance in the DR Congo*. [online], The Diplomat, 31.10.2022. Source: thediplomat.com [15.07.2025].

⁶² Vörös, Zoltán – Tarrósy, István (2020): China as a Peacekeeper: The Case of MINURSO. *Journal of International Studies*, 13(4), 143–154.

⁶³ Csizmazia, Gábor et al.: *The Impact of Trump 2.0 on Europe's Position in the Transforming World Order*. [online], John Lukacs Analyses on Global Affairs, 2025/1. Source: uni-nke.hu [05.07.2025].

⁶⁴ Csizmazia Gábor et al. 2025: 2.

political-military power and its application could make the country attractive to African states as well. This way, it can quickly establish its political-economic presence and begin to make up for its disadvantages, for example, against China, which, in purely economic terms, due to the presence, activity, and capacities of its state-owned enterprises (primarily in the construction-infrastructure sector), will continue to be difficult to ignore. Just as in Southeast Asia,⁶⁵ American foreign policy here doesn't offer much either; in fact, as we have seen, Washington would even place the responsibility for combating terrorist organisations on the shoulders of the Africans. At the same time, under these uncertain circumstances, a politically open leadership willing to apply globally outstanding military capacities, and the potential inherent in the American economy (or even the possibility of avoiding tariff pressures) can still represent a good American offer for African actors.

The escalation of the eastern Congolese conflict itself, as well as the attempts to resolve it, clearly demonstrate the characteristics of the transforming world order and the functioning of the post-hegemonic structure, where the United States remains the most significant international actor, but its interests are now even more evidently defined by its central role, security, and trade considerations. This clearly does not depict a rules-based world order, which allows for the escalation of local conflicts: Washington will not be there to establish peace or intervene unilaterally, so local-regional disputes, including territorial disputes, can more easily flare up into armed actions (which we can also observe in other parts of the world). The current orderless world order, however, also visibly creates opportunities for the United States: thanks to its political-military capacities and its willingness to engage in unilateral interventions (see: Iran), the parties involved in the conflict may be interested in Washington's approach, potentially with such trade-economic offers. This transformation is also interesting because China, which is dependent on multipolarity and currently refrains from direct military interventions, could find itself behind Washington on a continent where it is much more active in political and economic terms, and where Beijing's foreign policy eagerly emphasises its diplomatic strength. Thus, depending on the success of the peace agreement, the United States has indicated that it is capable of defining significant international, even global, processes in a region where many had already considered the competition and China's dominance to be settled.

Conflict management and peace agreements, however, may have harmful consequences due to this more pragmatic and non-value-based approach, which will be worth monitoring in the future: we cannot speak of principles, practices, or a defined set of requirements either, as the United States' support can be obtained by the actor who can offer more in terms of representing its interests from the perspectives that Washington considers important for itself, and not for the international community or the liberal world order, outlining the expected functioning of a non-rule-based (or orderless) world order. These transformations, however, may also be significant for other international actors: on one hand, the number of local-level conflicts may increase, and on the other

⁶⁵ Eszterhai, Viktor – Druhalóczi, Éva Dóra: *The Promise of Two Worlds: China's Spring Diplomacy and the U.S. Response in Southeast Asia*. [online], John Lukacs Analyses on Global Affairs, 2025/7. Source: uni-nke.hu [05.07.2025]

hand, the establishment of the multipolar structure desired by many emerging actors may become more difficult. The American steps, which often aim to prevent the increase of China's international significance, as well as the Congolese agreement, can be particularly instructive for Beijing: in order to protect its economic and trade interests and presence, it may become necessary for it to employ hard power reinforced not only by economic but even military means.

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Trump 2.0 and Europe: Challenges in a Changing World Order⁴

This study examines the evolution of Donald Trump's second-term foreign policy up to November 2025, concluding with the publication of the U.S. National Security Strategy. It analyses the strategic priorities, policy instruments, and underlying assumptions shaping U.S. external action during this period, situating them within an increasingly fragmented global order. The study assesses the implications of these developments for Europe, particularly in the areas of transatlantic relations, security commitments, and debates on strategic autonomy. By analysing key policy decisions and official strategic documents, the paper offers insights into patterns of continuity and change in U.S. foreign policy and their consequences for Europe's role in the international system.

Keywords: Trump, U.S. foreign policy, EU, sphere of influence politics, global order

Introduction

The Munich Security Conference, held between 14–16 February 2025, proved to be a sobering moment for Europe. The speech delivered by U.S. Vice President J. D. Vance made clear that Donald Trump's second presidential term sets a fundamentally new direction for American foreign policy, one that affects the entire framework of transatlantic cooperation.⁵ Tensions were fuelled by the sharply critical tone adopted toward European leaders, particularly regarding alleged backsliding on democracy and freedom of speech. This created the impression that the United States was questioning its own allies, thereby weakening the credibility of Western norms and the rules-based international order. Decisions taken in the weeks and months following the conference confirmed that Washington had indeed ushered in a new era.

The first measures of the Trump administration in early 2025 appeared unusual – and often norm-breaking – to European allies. While the presidential decisions to withdraw from the Paris Climate Agreement and suspend WHO funding were not entirely

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⁴ This study is an extended version of the analysis “The Impact of Trump 2.0 on Europe's Position in the Transforming World Order” published in John Lukacs Analyses on Global Affairs, 2025/1. The full paper is available at: https://www.uni-nke.hu/document/en-jli-uni-nke-hu/JL%20Analyses%20on%20Global%20Affairs_2025%201.pdf

⁵ Franke, Benedict ed.: *Munich Security Conference 2025. Speech by JD Vance and Selected Reactions*. Selected Key Speeches Vol. II. [online], Munich Security Conference, 2025. Source: securityconference.org [15.11.2025].

unexpected,⁶ in the new context they signalled a clear departure from the multilateralist traditions that had guided U.S. policy since the Cold War.

Another source of friction was the issue of punitive tariffs, which culminated on 27 July in a trade agreement under which the EU – after internal debate – accepted that the United States would impose a 15% tariff on certain European products. According to Washington, the imbalances in alliance financing required correction, although the measure in practice modified the rules of global trade.⁷

Further tensions arose from the U.S. demand that NATO member states allocate at least 5% of their GDP to defence spending. Many European countries struggled to even meet the existing 2% target, making the proposed increase a significant financial burden.⁸ The radical requirement was ultimately accepted at the NATO summit on 24–25 June,⁹ indicating a reordering of the alliance's priorities and a further shift in asymmetry in favour of the United States.

A major surprise came when the United States sought at times to initiate Russia–Ukraine peace talks without involving Europe or Ukraine. This created the impression that Washington was willing to consider great-power bargains even at the expense of its allies.¹⁰ This perception was reinforced by provocative moves such as the openly stated American intention to acquire Greenland, which some European interpretations saw as calling into question the respect for sovereignty.¹¹

The deterioration of U.S.–EU relations was further exacerbated by the publication of the U.S. National Security Strategy, which marked a notable departure from previous documents. Rather than focusing primarily on traditional U.S. challengers, the strategy placed unprecedented emphasis on the European Union as a source of economic and strategic concern, contributing to a reframing of the EU within U.S. strategic discourse.¹²

Taken together, these measures and gestures indicate that the new direction in U.S. foreign policy poses a systemic challenge for Europe. The redefinition of transatlantic loyalty, the fragmentation of positions within the EU, the growing uncertainty surrounding future security guarantees, and the United States' increasingly frequent criticism of democratic norms all contribute to the erosion of trust. The transatlantic treaty framework is under strain not seen since the Cold War, casting uncertainty over the future of the entire European security architecture.

⁶ Lazarou, Elena – Leclerc, Gabija: *US Withdrawal from the Paris Climate Agreement and from the WHO*. [online], European Parliamentary Research Service, 02.2025. Source: europarl.europa.eu [22.12.2025].

⁷ European Commission: *The EU-US Trade Deal: Restoring Stability and Predictability*. [online], European Commission, s. a. Source: commission.europa.eu [05.12.2025].

⁸ World Economic Forum: *The Price of Security: Europe is Set Up for a Serious Challenge*. [online], 03.07.2025. Source: World Economic Forum [05.12.2025].

⁹ NATO: *The Hague Summit Declaration*. [online], 25.06.2025. Source: nato.int [21.12.2025].

¹⁰ Conesa, Elsa – Gatinois, Claire – Jacqué, Philippe: War in Ukraine: *Europe Finds Itself Sidelined and Humiliated by the Trump Administration*. [online], Le Monde, 05.12.2025. Source: lemonde.fr [05.12.2025].

¹¹ European Parliament: *Greenland: Caught in the Arctic Geopolitical Contest*. [online], European Parliamentary Research Service (EPRS), 07.10.2025. Source: europarl.europa.eu [05.12.2025].

¹² The White House: *National Security Strategy of the United States of America*. [online], The White House, 11.2025a. Source: whitehouse.gov [20.12.2025].

The overlapping crises and paradigm-shifting tendencies outlined in the introduction justify a deeper analysis of the situation. The central questions of this study are: What can we infer from the foreign policy steps taken in the first year of Donald Trump's second term? What kind of world order is emerging? How is the U.S.–European bilateral relationship being transformed, and what role can the EU play in the evolving global system?

The research is based on qualitative analysis with particular focus on Europe and transatlantic relations. The study first presents the context of the period under examination, highlighting the initial measures of the Trump administration. It then analyses the characteristics of the new American foreign policy through the lenses of transactional approaches, internal strengthening, the rethinking of alliance systems, and pragmatic and securitised strategies. Finally, the research concentrates on global effects, the transforming world order, and multipolar power dynamics, followed by a detailed examination of the two main dimensions of transatlantic relations: economic cooperation and security relations, especially in light of the Russia–Ukraine conflict. The conclusions integrate these analyses, assessing the Trump administration's impact on Europe, the transformation of the transatlantic alliance, and the potential strengthening of the EU's strategic autonomy.

The nature of the new American foreign policy

Although Donald Trump's relationship with the outside world is a constant topic on the news, even experts differ on the essence of Trumpian foreign policy. In the public discourse terms such as “isolationist” and “nationalist-populist” appear frequently yet their validity is debatable.¹³ The term “transactionalist” is a popular description of Trumpian foreign policy, however, it is also perhaps the most impractical: firstly, *all* actors in international politics seek advantageous agreements typically on a *quid quo pro* basis, and secondly, the desire for deals in itself reveals nothing about why and how a given actor formulates its foreign policy objectives. Distinctly American terms also seem insufficient to highlight the Trumpian foreign policy rationale: the President's emphasis on making new business deals that are more favourable to the United States echoes the *Dollar diplomacy* from the turn of the 19th and 20th century, however, the latter focused on overseas expansion particularly regarding Latin America and the Far East, whereas the Trump administration has launched an across-the-board assault on the international trading system and some of its deals stress inward rather than outward-oriented investments. Similarly, the more assertive American engagement in the world resembles the *big stick policy* of the early 20th century, however, while this translates into speaking softly in diplomacy while carrying arms, the Trumpian policy seems to follow only the latter part of this formula. Apparently, the definition problem is not limited to the public and the academic discourse: even the

¹³ Isolationism is a recurring theme in U.S. foreign policy; however, the United States has never truly been “isolated” from a trade perspective, only selective in choosing its political and military allies. In recent decades, Washington has been labelled “isolationist” typically by Europeans who resent the U.S. focusing more on other regions. A similar argument can be made about the “nationalist-populist” label: the significance of national identity and majority democracy is traditionally a larger and more powerful force in European parliamentary democracies than in the American federal republic.

Trump administration's 2025 National Security Strategy admits that the foreign policy of "America First" is difficult to describe, as it is "pragmatic without being 'pragmatist', realistic without being 'realist', principled without being 'idealistic', muscular without being 'hawkish', and restrained without being 'dovish'.¹⁴

Thus, Donald Trump's foreign policy should be examined from a different perspective, namely by reviewing why and how the United States chose the path of "America First". By 2024, American society was not only familiar but increasingly resonating with Trump's foreign policy views.¹⁵ In fact, an increasing number of Americans felt that their country had been heading in the wrong direction for decades.¹⁶ The once-dominant liberal internationalist perspective faced mounting criticism, with conservative,¹⁷ progressive,¹⁸ and left-wing¹⁹ alternatives emerging since the late 2000s. Although these alternatives differ in many respects, they share a common critique: the influence of the so-called "establishment" – comprising intellectual and economic elites – is disproportionately large and potentially harmful to American foreign policy. This feeling of discontent became tangible on both sides of the political aisle: in 2016 and 2020, Donald Trump's nomination as the Republican presidential candidate unsettled the party establishment, just as Bernie Sanders, a Democrat who challenged numerous foreign policy fundamentals, nearly secured his party's nomination on both occasions. In other words, the often-noted polarisation in American politics does not only refer to the diminishing of bipartisanship, but also to the rise of party factions whereby populists on the left and the right alike clash with moderates (and sometimes with each other).

The leading critic of liberal internationalism has been Donald Trump. As early as 1987, he argued that certain trade partnerships and defence alliances were not beneficial for Americans,²⁰ as some countries were taking advantage of the liberal institutions established by the United States. Trump pinpointed a problem that international relations scholar Michael Doyle had previously identified: the liberal world order – built on democracy, international organisations, and free trade – could collapse if the United States begins to question its hegemonic role of "global policeman" or if the system undergoes a crisis. The latter materialised in the 2008 financial recession, and it is no coincidence that thoughts of U.S. retrenchment began to emerge in its aftermath.²¹ The economic downturn exposed that globalisation had created domestic losers in America, the main driver of globalisation: for the sake of cost efficiency, production chains had

¹⁴ The White House 2025a: 8.

¹⁵ Stokes, Bruce: *The Role of Foreign Policy in the 2024 US Election*. [online], German Marshall Fund of the United States, 20.02.2024. Source: gmfus.org [20.12.2025].

¹⁶ YouGov: *Direction of the United States*. [online], YouGov, 18.02.2025. Source: today.yougov.com [22.02.2025].

¹⁷ Nau, Henry R.: *Conservative Internationalism*. [online], Hoover Institution, 30.07.2008. Source: hoover.org [20.12.2025].

¹⁸ Jackson, Van (2022): *Left of Liberal Internationalism: Grand Strategies within Progressive Foreign Policy Thought*. *Security Studies*, 31(4), 553–592.

¹⁹ Walzer, Michael: *A Foreign Policy for the Left*. [online], Dissent, Spring 2024. Source: dissentmagazine.org [22.02.2025].

²⁰ CNN: *Donald Trump: "I Don't Want to be President" – Entire 1987 CNN Interview (Larry King Live)*. YouTube, 10.05.2016. [online], Source: youtube.com [22.02.2025].

²¹ In 2008, Barack Obama campaigned under the slogan "change", which primarily meant that, instead of foreign military missions, Washington would focus on enhancing domestic infrastructure and access to health insurance.

been outsourced to such an extent that certain regions of the United States suffered from structural unemployment. A symbolic moment of the 2016 election was when Hillary Clinton referred to the victims of globalisation as “deplorables”, a comment further encouraging many of them to vote for Trump. Later, Joe Biden learned from this mistake and promoted a foreign policy aimed at protecting the struggling middle class. Despite the Biden presidency’s more favourable international perception, Washington abandoned efforts to negotiate classic free trade agreements (which focus on tariff reductions), as even the Congress started to advocate and provide protectionist legislation. Meanwhile, Trump solidified his dominance over the Republican Party – a feat that would have been impossible without significant social support.

What distinguishes Donald Trump from both his Republican and Democratic peers is his blunt critique of the excesses of the liberal world order. A key message of the first Trump administration’s 2017 National Security Strategy was that the institutions of the liberal world order – particularly certain international organisations – had become corrupted over time. According to this argument, the infiltration of anti-Western and anti-American actors made it increasingly difficult, if not impossible, for the United States to assert its interests. At the time, this was a view primarily represented by hardline Republicans (including security hawks or “neoconservatives” and “nationalist” or “isolationist” factions), but today, it has become widespread across the American political right. While the outside world perceives the U.S. withdrawal from various organisations as Donald Trump’s personal recklessness, these decisions are actually backed by a growing political support.²² It is telling that in early 2025, Marco Rubio – who had been considered to be an internationalist and a critic of Trump – declared during his Senate confirmation hearing that Francis Fukuyama’s “end of history” thesis (i.e. the idea of liberal democracy’s and market economy’s global triumph) was not only “a fantasy” but a “dangerous delusion”. Rubio, who secured unanimous Senate approval to become Secretary of State, argued that “the post-war global order is not just obsolete, it is now a weapon being used against us. [...] Eight decades later, we are once again called to create a free world out of the chaos.”²³

The first step in this process is destruction: Washington ruthlessly dismantles elements of the previous order that it no longer deems useful. Firstly, the Trump administration limits its attention to “core national interests” and a tiered geographic focus whereby Washington’s concerns first and foremost relate to the Western Hemisphere and Asia – and only afterwards to Europe, the Middle East and Africa. Although this specific order is not confirmed in the document, the first year of Trump’s second term thus far has clearly revealed such a prioritisation. Secondly, the American foreign policy toolbox relies heavily on the leverage of hard power, or to be more precise, on persuasion through economic might (via trade and tariff policy) and political and military deterrence

²² For instance, American funding for the UN Relief and Works Agency for Palestine Refugees was already prohibited by an appropriations bill passed in the spring of 2024, just as it made funding for the UN Human Rights Council conditional. *H.R.2882 – Further Consolidated Appropriations Act, 2024*. [online], Source: United States Congress 2024. Source: congress.gov [22.02.2025].

²³ *Opening Remarks by Secretary of State-designate Marco Rubio Before the Senate Foreign Relations Committee*. [online], U.S. Department of State, 15.01.2025. Source: state.gov [22.02.2025].

(via the securitisation of foreign relations). Although the 2025 National Security Strategy acknowledges the importance of soft power, again, the second Trump presidency's first year in office has proven this otherwise (inter alia through the personnel and budgetary cuts of USAID and the withdrawal from several international organisations).

The impact of the new U.S. foreign policy on the evolving world order

Even the Biden administration had to acknowledge that the decline of the post-Cold War liberal world order was irreversible.²⁴ While the official U.S. rhetoric continued to emphasise the rules-based international order, in practice, both the American foreign policy elite and global actors accepted that a return to the liberal world order was impossible. This was not primarily due to a decline in U.S. capabilities but rather the growing strength of competitors – above all, China – who benefited significantly from the advantages provided by the international system established by the United States. As a result of this assessment, the Biden administration pursued a foreign policy that sought to maintain U.S. leadership by sharing the costs of competition with China among its allies. Rather than reviving the previous multilateralism, the administration focused on strengthening regional alliances and strategic partnerships, particularly in the Indo-Pacific region. The reinforcement of alliances such as AUKUS and the Quad made it clear that the primary focus of U.S. foreign policy had shifted to addressing the strategic challenge posed by China.²⁵

Biden's foreign policy steered the world order towards increased bloc formation – a kind of new Cold War under globalisation.²⁶ However, replicating the Cold War in a globalised world would be far more costly. Moreover, the United States could no longer provide public goods to its allies to the same extent as it did during the Cold War. While the U.S. military umbrella remained relatively credible (as evidenced by the Russian–Ukrainian war), the lack of economic incentives marked a significant difference from the Cold War era, when the U.S. was simultaneously the primary market and the centre of capital and technological dominance. U.S. economic strategy also took a protectionist turn: the Inflation Reduction Act and American industrial policy measures signalled that Washington was now prioritising its own economic and technological dominance over global economic integration.²⁷ This not only further eroded the classic elements of the liberal world order but also foreshadowed the long-term challenges of maintaining the Western unity. Overall, this period can be identified as a multipolar system, with two dominant poles primarily shaping international events. The main goal of Biden's foreign policy was to reinforce bipolarity between the U.S. and China, a relationship in which the

²⁴ Martonffy, Balázs – Nyström, John (2021): *Az európai védelem integrációjának kihívásai*. [online], *Külgügyi Szemle*, (1), 43–59.

²⁵ Baranyi, Tamás Péter: *The AUKUS Agreement from the Perspective of Anglophone Countries*. [online], *KKI Elemzések*, 2021/61. Source: hiia.hu [18.02.2025].

²⁶ Hardy, Alfredo Toro (2022): *America's Two Cold Wars. From Hegemony to Decline?* Singapore: Springer Nature.

²⁷ Moutij, Mohamed: *Green Protectionism in Disguise: The Hidden Facets of the Inflation Reduction Act*. [online], IREF Europe, 03.04.2024. Source: en.irefeurope.org [17.02.2025].

U.S. leadership was ensured by a stable alliance system, even as it inadvertently strengthened the rapprochement between China and Russia.²⁸

The concrete policy steps taken by the Trump administration – consistent with the logic later articulated in the U.S. National Security Strategy – aim to roll back core elements of the liberal world order, marking a dramatic shift in U.S. strategic orientation. Withdrawal from international organisations or a reduction in support for them would call into question the legitimacy of institutions originally established by the U.S., which once ensured its global leadership. Given the current power relations, the prospects for a new order do not seem realistic, while at the same time there are concerns about issues that cannot be resolved in the absence of commonly agreed rules.

Trump's new approach to American foreign policy is not merely a continuation of his predecessor's unilateralist, America-centred direction; it is based on an imperial logic with the following key characteristics:

- *Internal reinforcement:* The primary goal for the U.S. is to remain stronger than any potential challenger. This approach includes industrial development and maintaining technological leadership. The strategy focuses on building internal capacities, in contrast to the Biden administration's uncertain reliance on allies to share burdens. Closely linked to this is the strategy of reshoring industries, aimed at achieving economic independence and accelerating innovation. This also involves rethinking the transatlantic trade system and reducing trade deficits with the EU and China through tariffs.
- *A new approach to alliances:* Unlike the Biden administration, the Trump administration views alliances primarily as potential resource pools to be tapped. Allies receive protection, but in return, they must support the U.S. Nothing is provided as a public good; every benefit of alliance membership has a price, including the nuclear umbrella. A clear example of this is the proposal to increase defence spending of the NATO member states to 5% of GDP, effectively subsidising the American defence industry, given the limitations of European military capacities.
- *Pragmatic and securitised foreign policy:* American foreign policy is shifting from ideological principles to pragmatism. Since war weakens domestic capacities, the U.S. leadership avoids extensive military conflicts. Negotiation with all actors – even China – is part of this strategy, provided that a deal aligns with American interests. The introduction of drastic tariffs can cause economic turbulence, potentially jeopardising the grand plan for America's restoration. This explains the delay in implementing the announced 60% tariffs against China. In reality, tariffs are often not just trade or industrial policy tools but are used as national security leverage. Trump frequently invokes “national emergencies”, particularly along the U.S. southern border, where the proposed 25% tariffs on Mexico (and Canada) were intended as punitive measures for what the U.S. perceived as insufficient efforts to curb cross-border human and fentanyl trafficking. Thus, securitisation and linkage politics become integral to this pragmatic approach: anything

²⁸ Eszterhai, Viktor (2022): *The Russian–Chinese Axis in the Light of the War in Ukraine*. *Külügyi Szemle*, 21(2), 43–66.

can be framed as a national security issue, and extraordinary measures can serve as bargaining chips across various domains.

- *Secure and defensible borders*: The new geopolitical guidelines aim to establish clear spheres of influence and defensible borders, following the principles of classical geopolitical strategies. In this context, regaining control over the Panama Canal and reinforcing strategic oversight of Greenland are rational steps.

The new Trump administration's foreign policy signals the strengthening of a multipolar world order, where each great power seeks to consolidate its own sphere of influence. It openly returns to a model of competing great powers, where the principle of self-help prevails, meaning that each state prioritises its own interests while international organisations and rules gradually lose significance. This model increases competition among global poles, heightening overall uncertainty and leading to proxy wars or smaller regional armed conflicts. While these conflicts are unlikely to involve direct clashes between major powers – given their relatively balanced military and economic capacities – their influence will be felt in geopolitical hotspots. For instance, the U.S. remains the world's leading military power, while China serves as the global manufacturing hub, making the outcome of a direct war highly uncertain. The Middle East, Africa, Latin America, and certain conflict zones in Europe will continue to serve as arenas for great-power influence and geopolitical manoeuvring. Within this framework, the shift in Washington's attitude toward the war in Ukraine can also be understood, as its primary negotiating counterpart remains Russia, which, due to its nuclear capabilities, is still regarded as a global power.²⁹

On the international stage, great powers may engage in unpredictable, opportunistic agreements often lacking trust, common ideological foundations, or a stable value system. A country's bargaining position will depend primarily on its capacities and diplomatic leverage. These phenomena are not new – they have already surfaced in the crises of recent years and are likely to intensify. Nevertheless, it is unlikely that the rules of a new international order will be established in the near future, meaning that fundamental global uncertainty will persist in the long run.

The most accurate historical analogy for the current world order is the period from the unification of Germany (1871) to the outbreak of World War I (1914).³⁰ This period saw the emergence of an unstable multipolar system, where the competition between two dominant poles ultimately led to global conflict. Germany, as a rising industrial power, and Britain, striving to maintain its leadership, closely parallel today's China and the United States. Whereas industrialisation was the focal point of competition in the late 19th century, today's equivalent is the advancement of digitalisation and artificial

²⁹ Danaher, Caitlin – Kennedy, Niamh: *Zelensky Warns Days of Guaranteed US Support for Europe are Over, as Kellogg Says Europeans Won't Be at Table for Peace Talks*. [online], CNN, 02.15.2025. Source: edition.cnn.com [20.02.2025].

³⁰ Others argue that the current situation is more reminiscent of the Yalta-type bipolar world order model, where federal systems functioned as effectively subordinate spheres of interest. At the same time, Russia and China are hoping for the emergence of a multipolar Yalta system, in which the great powers make deals with each other, respecting each other's fundamental interests and engaging in proxy conflicts only at the periphery of their spheres of interest. Ash, Timothy Garton: *Trump's Senseless Capitulation to Putin is a Betrayal of Ukraine – and Terrible Dealmaking*. [online], The Guardian, 13.01.2025. Source: theguardian.com [24.02.2025].

intelligence, domains where the U.S. and China lead. The era was characterised by an arms race and military competition, elements that remain central to today's international security dynamics.

The impact of the new U.S. foreign policy on transatlantic relations

Considering these developments, it is worth examining the role that Europe might play in the evolving world order and the implications this could have for the transatlantic relationship that has defined the past few decades.

The first Trump administration caught European leaders unprepared; several actions were taken that were unfamiliar to the European elite. This includes the transactional approach to foreign policy, the disregard for EU institutions and regulatory frameworks, and the open support for Brexit. Although the Biden administration also placed significant emphasis on advancing U.S. interests in transatlantic relations (e.g. the Inflation Reduction Act),³¹ it was done within a completely different political communication framework, one that European politicians found easier to convey to their constituents. In contrast, Donald Trump's statements quickly entered European discourse at the level of EU citizens, which may influence the political stances of individual member states. The EU leadership faces a dual challenge: it must maintain transatlantic relations while also protecting its own economic and security interests.

The development of transatlantic relations is examined along two fundamental dimensions, which traditionally define the American–European relationship. The first is economic cooperation and the trade relations between the two blocs, particularly with regard to tariffs and the evolution of the trade balance. The second dimension is geopolitical and security cooperation, especially concerning European security issues, the possible resolution of the Russian–Ukrainian war, and Europe's place and role in the evolving world order. In addition to these two conventional dimensions, the second Trump administration has foregrounded a third – less material but potentially consequential – register of transatlantic relations: civilisational and constitutional affinity. The 2025 U.S. National Security Strategy contains an unusually direct critique of contemporary European governance and political identity, linking transatlantic reliability not only to Europe's defence effort and economic performance, but also to perceived deficits in democratic contestation and free expression.

Economic cooperation – A tariff war with Europe?

With his first actions, Trump did not impose tariffs on the European Union, but he made his intentions clear, asserting that the EU takes advantage of trade with the U.S. and generates a huge trade surplus.³² Despite the shared interest in maintaining high-level

³¹ [Inflation Reduction Act of 2022 \(IRA\): Provisions Related to Climate Change](#). [online], Congressional Research Service, 26.10.2023. Source: congress.gov [19.02.2025].

³² Starcevic, Seb – Ewing, Giselle Ruhyyih: [Trump Vows to Launch Trade War on EU](#). [online], Politico, 01.02.2025. Source: politico.eu [19.02.2025].

economic and trade relations between the two blocs, Trump threatened to impose tariffs on goods imported from the EU,³³ even though a tariff war within the alliance³⁴ may have several negative consequences for the American economy. While the EU's trade deficit with the U.S. has exceeded 200 billion USD annually since 2021,³⁴ there is a significant American trade surplus in the services market, which could be negatively impacted by European measures.

The President seeks to use tariffs as a lever to encourage European partners to buy more American products, particularly energy resources. Ursula von der Leyen, President of the European Commission, in early 2025 stated that the EU will take “firm and proportionate” response if the U.S. imposes unfair tariffs.³⁵ During his previous term, Trump had imposed a 25% tariff on EU steel and a 10% tariff on aluminium, to which the EU responded with countermeasures.³⁶

The escalation risk was partially contained by the EU–U.S. framework trade agreement concluded in late July 2025 and subsequently formalised in a Joint Statement of 21 August 2025.³⁷ The arrangement introduced a uniform 15% ceiling tariff for most EU exports to the U.S. (including, inter alia, cars), combined with zero or near-zero tariffs for selected product groups (e.g. aircraft and parts, certain chemicals), while leaving the sensitive metals file to be managed through a stricter regime.³⁸ The agreement primarily served U.S. objectives of predictability plus leverage: it averted a disruptive, open-ended tariff spiral while institutionalising a tariff baseline that Washington could present domestically as a corrective to alleged European free-riding. For the EU, the principal gain was the avoidance of even higher threatened tariff levels and a measure of legal–political stability for firms.

Notwithstanding this compromise, tariffs are likely to remain a credible coercive instrument in Trump's policy toolkit: tariff threats may function not merely as trade remedies, but as bargaining signals to induce European concessions in adjacent dossiers (energy, regulation, strategic alignment).

Another key goal for Trump is to significantly increase Europe's import of American energy resources, thereby improving the trade balance.³⁹ In 2023, the EU purchased 90 billion USD worth of U.S. LNG and crude oil, and under Trump's expectations, this amount would need to increase by an additional 130 billion USD.⁴⁰ However, this would

³³ In 2023, the EU exported goods worth 576.3 billion dollars to the USA, accounting for nearly 20 percent of EU exports. United States Census Bureau: *Trade in Goods with European Union*. [online], United States Census Bureau, 01.2025. Source: census.gov [19.02.2025].

³⁴ Máthé, Réka Zsuzsánna: *Olajat és gázt a kereskedelmi deficitért*. [online], Ludovika.hu, 21.01.2025. Source: ludovika.hu [19.02.2025].

³⁵ Verhelst, Koen: *EU Vows 'Firm and Proportionate' Response to Trump's Tariffs*. [online], Politico, 11.02.2025. Source: politico.eu [19.02.2025].

³⁶ Vela, Jakob Hanke – Burchard, Hans Von Der: *EU Seeks to Hit Back at €3 Billion of US Exports from Bourbon to Jeans*. [online], Politico, 02.03.2018. Source: politico.eu [19.02.2025].

³⁷ European Commission: *Joint Statement on a United States–European Union Framework on an Agreement on Reciprocal, Fair and Balanced Trade*. [online], European Commission, 21.08.2025. Source: policy.trade.ec.europa.eu [22.08.2025].

³⁸ Reuters: *What's in Trump's Trade Deal with Europe?* [online], 21.08.2025. Source: reuters.com [22.08.2025].

³⁹ Gavin, Gabriel – Lefebvre, Ben: *The EU Rules that Risk Derailing a Gas Deal with Trump*. [online], Politico, 23.01.2025. Source: politico.eu [19.02.2025].

⁴⁰ Máthé 2025.

entail considerable energy dependency for the EU, which is striving for energy diversification. The American expectations, therefore, are constrained by European interests in this regard.

Moreover, EU regulations could hinder this process: from 2027, for example, the EU will introduce penalties on fuels with high methane emissions,⁴¹ and from 2026, it will impose tariffs on carbon-intensive imported products, which may also affect U.S. exports.⁴²

Trump is expected to prioritise bilateral economic relations with individual EU member states over EU institutions, as he did during his first term. However, it is important to note that within the EU, the common trade policy is an exclusive EU competence, leaving member states with limited room to engage in individual negotiations over tariffs.

Overall, the economic dimension of Trump's second-term policy suggests a shift from partnership to dependency: the EU is increasingly treated as a supplier of goods and resources rather than an equal economic partner. This undermines previously shared principles of free trade and may further weaken Europe in the U.S.–China strategic competition.

Geopolitics and security policy

A key element of the new U.S. foreign policy is the recognition that the U.S. cannot maintain its leading position indefinitely, and that allies will need to take on an increasingly larger role in bearing the costs of maintaining their own security. This is especially true for European security policy. In this context, Trump's demand for NATO members to spend at least 5% of their national GDP on defence becomes relevant. The 5% benchmark was codified at the June 2025 NATO Summit in The Hague, where Allies committed to investing 5% of GDP annually by 2035 across “core defence” and broader defence- and security-related expenditure.⁴³

For Europe, increasing defence spending is not just an American demand but increasingly an internal necessity. After enjoying the “peace dividend” for thirty years,⁴⁴ Europe's military vulnerability has become evident, particularly in light of the Russian–Ukrainian war. While U.S. security guarantees remain crucial, the European political elite must confront the reality that these guarantees cannot be provided indefinitely.

One of the key elements in the security and defence dimension of transatlantic cooperation is U.S. planning for the resolution of the Russian–Ukrainian war and the subsequent development of a new security architecture. For the U.S., the war presents not only a geopolitical challenge but also an opportunity to assert its newly defined strategic interests.

⁴¹ Regulation (EU) 2024/1787 of the European Parliament and of the Council of 13 June 2024 on the reduction of methane emissions in the energy sector and amending Regulation (EU) 2019/942. [online], European Union, 2024. Source: eur-lex.europa.eu [19.02.2025].

⁴² Regulation (EU) 2023/956 of the European Parliament and of the Council of 10 May 2023 establishing a Carbon Border Adjustment Mechanism. [online], European Union, 2023. Source: eur-lex.europa.eu [25.10.2025]

⁴³ NATO: *Defence Expenditures and NATO's 5% Commitment*. [online], 18.12.2025. Source: nato.int [21.12.2025].

⁴⁴ Csiki Varga, Tamás: *Trump és a NATO: Mire lenne elég a GDP 5%-át kitevő védelmi költségvetés?* [online], John Lukacs Stratégiai Védelmi Kutatási Elemzések, 2025/3. 28.01.2025. Source: uni-nke.hu [20.02.2025].

From the outset of his second term, President Trump repeatedly signalled an intention to act as a broker for a cessation of hostilities in Ukraine, framing mediation as consistent with the U.S. interest in strategic reprioritisation. These efforts were embedded in a broader attempt to restore high-level U.S.–Russia diplomatic channels, culminating in the Trump–Putin summit in Anchorage, Alaska, on 15 August 2025, where Ukraine’s war and the parameters of a possible settlement were central agenda items, but no agreement was announced.⁴⁵ The Alaska meeting was followed by further U.S.-led contacts with Russian counterparts in which Ukraine-related issues were discussed alongside the wider architecture of U.S.–Russia relations – sanctions, strategic stability, and diplomatic re-engagement.

The resolution of the Russian–Ukrainian war and the establishment of a new European security architecture – particularly in light of the decade and a half-long trend of the U.S. reducing its military presence in Europe to lower its costs – are closely intertwined issues. European states have provided significant support to Ukraine over the past three years, with European financial aid exceeding U.S. contributions.⁴⁶ Consequently, Europe insists on playing an active role in the resolution of the war. In contrast, Keith Kellogg announced at the Munich Security Conference that, according to U.S. plans, Europe will not be involved in the peace talks to resolve the Russian–Ukrainian war.⁴⁷ This announcement shocked European leaders. The first U.S.–Russia negotiations on ending the war took place in Saudi Arabia – without Ukraine’s participation for the time being (the primary aim of the meeting was to restore contact between the U.S. and Russia, and the parties discussed several issues beyond the potential settlement of the Russia–Ukraine war).⁴⁸ Subsequent rounds in Saudi Arabia in March 2025 focused on narrow ceasefire concepts (including maritime and energy-related arrangements), yet these contacts did not yield a comprehensive settlement by the end of 2025; moreover, much of the diplomacy proceeded in formats dominated by U.S.–Russia exchanges, often addressing the wider bilateral relationship rather than the war alone.

The American efforts to resolve the Russian–Ukrainian war may not only determine the war’s outcome but also fundamentally shape the future of transatlantic relations.⁴⁹ The extent to which the U.S. involves Europe in decision-making may also provide an answer to whether U.S. foreign policy will shift towards sphere-of-influence politics or if it will find a new way to reinforce transatlantic cooperation.

Overall, the Trump administration’s geopolitical strategy signals a downgrading of Europe’s strategic relevance, using its defence shortfall – despite Washington’s own

⁴⁵ Holland, Steve – Osborn, Andrew – Balmforth, Tom: *Trump Tells Zelenskiy that Putin Wants More of Ukraine, Urges Kyiv Make a Deal*. [online], Reuters, 17.08.2025. Source: reuters.com [22.12.2025].

⁴⁶ Trebesch, Christoph: *Ukraine Support after 3 Years of War: Aid Flows Remain Low but Steady – Shift towards Weapons Procurement*. [online], Kiel Institute for the World Economy, 14.02.2025. Source: kielinstitute.de [20.02.2025].

⁴⁷ Danaher–Kennedy 2025.

⁴⁸ Lee, Matthew – Isachenkov, Vladimir: *A Deeper Look at the Talks between US and Russian Officials as Trump Suggests Ukraine is to Blame*. [online], AP News, 19.02.2025. Source: apnews.com [20.02.2025].

⁴⁹ Bergmann, Max: *The Transatlantic Alliance in the Age of Trump: The Coming Collisions*. [online], CSIS, Center for Strategic and International Studies, 14.02.2025. Source: csis.org [24.02.2025].

responsibility for the long-term erosion of European military capabilities – as leverage while shifting the burden of European security onto the continent itself.

The transatlantic alliance in a civilisational perspective

Since the inauguration of the second Trump administration, concerns have intensified that the U.S.–Europe relationship is no longer strained solely by diverging material interests – such as trade and burden-sharing – but also by a growing misalignment in values and political self-understandings. This shift is evident in President Trump’s public statements, which have repeatedly questioned the very existence and relevance of a shared transatlantic value base. In parallel, the U.S. administration has openly criticised specific European normative practices and constitutional choices that had previously been treated as internal European matters rather than as points of contention within the alliance. A prominent illustration was Vice President J. D. Vance’s speech at the Munich Security Conference,⁵⁰ which sharply criticised European approaches to hate speech and democratic “guardrails” against far-right parties, presenting Europe’s primary vulnerability as internal – namely, a perceived erosion of free expression and democratic pluralism. These remarks were widely perceived in Europe not merely as policy criticism, but as a challenge to prevailing European constitutional and democratic self-understandings.

This line of argument is further systematised in the 2025 U.S. National Security Strategy, which elevates civilisational and political identity concerns to a level comparable with economic decline and insufficient defence spending. Beyond material indicators, the document argues that Europe faces a deeper crisis rooted in political and cultural transformation, referring to what it describes as “civilisational erasure” and warning that the continent may become “unrecognizable in 20 years or less”. As specific sources of concern, the Strategy highlights the “censorship of free speech”, the “suppression of political opposition”, and the role of the European Union and other transnational institutions that, in Washington’s interpretation, undermine political liberty and national sovereignty. In this reading, Europe’s internal trajectory is presented not merely as a domestic matter, but as a factor that directly affects its credibility and reliability as a strategic partner of the United States.

At the same time, the National Security Strategy suggests that these critiques coexist with a persistent sense of attachment to Europe. The Strategy explicitly acknowledges that Europe remains strategically and culturally vital to the United States and emphasises America’s enduring sentimental ties to the European continent.

Taken together, this civilisational dimension adds a new layer of complexity to transatlantic relations. Even if economic interdependence and security cooperation continue to provide strong incentives for collaboration, the growing politicisation of values and identity risks eroding the symbolic and emotional foundations that have historically complemented material interests.

⁵⁰ The White House: *Vice President JD Vance Delivers Remarks at the Munich Security Conference*. [online], YouTube, 14.02.2025b. Source: youtube.com [02.21.2025].

Conclusions

Under the leadership of Donald Trump, the United States is striving to reshape the world order, ruthlessly dismantling elements that have become disadvantageous. The new U.S. foreign policy fundamentally affects transatlantic relations, with particular focus on European security. Europe must take on a greater role in its own defence, compensating for decades of neglect. However, a scenario can also be inferred from the actions of the American president, in which Trump seeks to fundamentally reshape the transatlantic (and Western) alliance; in place of the previous partnership approach, a sphere-of-influence-based model would emerge, within which the United States would unapologetically assert its own interests, even against European interests.

For the United States, China represents the primary competitor, and the new world order must be designed in such a way as to counterbalance China's rise and prevent the Asian power from undermining American dominance. However, this does not entail a bloc-like division similar to the Cold War, but rather a dynamic relationship with great powers. Donald Trump may reconsider his stance on Russia, potentially basing it on the view – debatable from several perspectives – that the Americans could separate the Russians from the Chinese. The Obama administration also attempted to reset relations with Russia, and now Donald Trump may be trying to do the same. There could be multiple benefits for the United States in this, including reducing the manoeuvring space of states like Iran, cooperating in Arctic oil extraction, and revitalising economic ties. Trump's sharp criticism of the Ukrainian leadership regarding the legitimacy of the Ukrainian president could be interpreted as a sign of approaching Russia.⁵¹

How might Europe, and specifically the European Union, respond to the appearance of sphere-of-influence politics and potential American actions detrimental to European interests? A key issue will be how the continent reacts to resolving the Russian–Ukrainian conflict, whether it is willing to continue its foreign policy even if American foreign policy takes a different direction in the coming weeks than previously anticipated. The European Union continues to aim at becoming an independent pole in the transforming world order. To achieve this, it must simultaneously increase its economic and defence capacities, strengthen its strategic autonomy, and preserve its diplomatic manoeuvring space. The development of defence capabilities should be carried out by member states but with European-level coordination, consciously aiming to ensure that future expenditures will address existing shortcomings. Within the NATO framework, this will entail a greater European voice but also a greater responsibility. Furthermore, it is essential to reconsider the strategy of nuclear deterrence, which could contribute to achieving greater autonomy and reducing coercive potential. The EU's manoeuvring space could be further expanded if pragmatism takes a larger role in its foreign policy. Key to this could be a less politicised relationship with China and strengthening ties with the Global South, which would

⁵¹ Pomeroy, Gabriela – Wright, George: *Trump Calls Zelensky A 'Dictator' As Rift Between Two Leaders Deepens*. [online], 20.02.2025. Source: [bbc.com](https://www.bbc.com/news/world-us-canada-67444444) [21.02.2025].

help the EU build strategic autonomy and preserve bargaining power in a transatlantic relationship that is becoming increasingly transactional. In the event of direct harm to its interests, the European economy could take significant countermeasures. However, this would require raising awareness about the political use of economic tools and effectively mapping and exploiting America's economic weaknesses (such as its debt and excessive dependence on the service sector). It is a flawed strategy to pursue goals that merely serve Washington's expectations. Instead, Europe must demonstrate strength to secure a more favourable negotiating position.

The steps outlined above are, of course, not aimed at dismantling transatlantic relations, but at effectively adapting to the transforming international environment and increasing Europe's self-defence capabilities and manoeuvring space. Moreover, loosening the transatlantic bond would be a step that breaks with decades of tradition, weakening the entire Western alliance and all of its members. For this reason, Trump's policy of "keeping Europe down" could face opposition from his domestic base, too.

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Máté Szakáli¹

Fragmented Maritime Governance and Structural Economic Exposure

The South China Sea

This article examines how legal fragmentation, institutional complexity, and unilateral cooperation interact to shape governance outcomes in the South China Sea, and how these dynamics generate indirect but consequential effects for structurally exposed external states. Drawing on a selective literature review, the article develops a triangulated analytical framework integrating international legal debates on fragmentation and plural authority, regime-complexity approaches to ASEAN institutionalism, and international political economy perspectives on structural exposure. Methodologically, it combines doctrinal analysis of UNCLOS and arbitral jurisprudence with comparative examination of ASEAN claimant and involved state practice and process tracing of key legal and institutional developments. The analysis shows that, in the absence of hierarchical enforcement, ASEAN states selectively internalise arbitral reasoning and coordinate legal positions through unilateral arrangements, producing incremental legal stabilisation despite persistent contestation. These practices do not resolve disputes but stabilise expectations of conduct within a fragmented maritime order. Extending the analysis beyond the region, the article demonstrates how legal uncertainty and partial stabilisation in the South China Sea propagate through global value chains, shaping economic vulnerability in non-participant states such as Hungary. The article develops a conditional, configurational analytical framework for examining how maritime governance outcomes emerge in fragmented legal orders and highlights the relevance of international legal stability for economically interdependent states embedded in global production networks.

Keywords: South China Sea, UNCLOS, ASEAN, China, Hungary, international relations, political economy, maritime governance

Introduction

The South China Sea has emerged as one of the most complex maritime theatres in contemporary international relations, where legal interpretation, strategic competition, and economic interdependence intersect with increasing intensity. Despite the existence of a comprehensive legal framework under the United Nations Convention on the Law of the Sea (UNCLOS), overlapping sovereignty claims, contested interpretations of maritime entitlements, and persistent geopolitical asymmetries continue to generate legal and

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institutional uncertainty.² The 2016 arbitral Award in *Philippines v. China* clarified critical doctrinal questions, yet its rejection by China underscored the limits of adjudication in non-hierarchical international legal orders.³ At the same time, Association of Southeast Asian Nations' (ASEAN) long-standing efforts to manage the dispute through regional diplomacy have produced stability without legal resolution, most notably through the non-binding Declaration on the Conduct of Parties (DOC, 2002) and the protracted negotiations over a Code of Conduct (COC).⁴

Existing scholarship has analysed these dynamics from multiple perspectives. International legal studies have focused on fragmentation, plural authority, and the limits of enforcement in the law of the sea.⁵ International relations literature has examined ASEAN's institutional design, great-power competition, and regime complexity in the Indo-Pacific.⁶ Separately, international political economy scholarship has highlighted the vulnerability of global supply chains to disruptions in maritime chokepoints. Yet these bodies of literature are seldom brought into sustained dialogue within a single analytical framework capable of specifying both the conditions under which legal contestation persists in the South China Sea and the mechanisms through which partial forms of incremental legal stabilisation emerge and acquire relevance beyond the region.

This article responds to the analytical separation in existing scholarship by developing a selective, triangulated analytical framework that links legal fragmentation, institutional complexity, and structural economic exposure. It advances three research questions: first, how ASEAN claimant and involved states mobilise international law under conditions of contested authority; second, how minilateral cooperation relates to and compensates for the limitations of ASEAN-wide governance; and third, how these legal and institutional dynamics generate indirect effects for externally exposed states, using Hungary as an analytically relevant case. The article does not address maritime disputes among Southeast Asian claimant states themselves, focusing instead on their legal and institutional responses to China's maritime claims and associated governance challenges.

Methodologically, the article combines doctrinal analysis of UNCLOS and arbitral jurisprudence with comparative examination of state practice and process tracing of institutional adaptation. This integrative approach is designed to capture how legal

² United Nations: *United Nations Convention on the Law of the Sea*. [online], 1982. Source: un.org [10.12.2025]; International Law Commission: *Fragmentation of International Law: Difficulties Arising from the Diversification and Expansion of International Law*. [online], UN Doc. A/CN.4/L.682. 13.04.2006. Source: legal.un.org [10.12.2025], 11–18; Krisch, Nico (2010): *Beyond Constitutionalism. The Pluralist Structure of Postnational Law*. Oxford: Oxford University Press, 65–104.

³ Permanent Court of Arbitration: *The South China Sea Arbitration (The Philippines v. China)*. PCA Case No. 2013–19. [online], 2016. Source: pca-cpa.org [13.12.2025], paras. 114–124.

⁴ ASEAN: *Declaration on the Conduct of Parties in the South China Sea*. [online], ASEAN, 14.05.2012. Source: asean.org [10.12.2025].

⁵ Abbott, Kenneth W. – Snidal, Duncan (2000): *Hard and Soft Law in International Governance*. *International Organization*, 54(3), 423–427.

⁶ Alter, Karen J. – Meunier, Sophie (2009): *The Politics of International Regime Complexity*. *Perspectives on Politics*, 7(1), 13–24.

interpretation, institutional choice, and economic exposure interact within a fragmented, non-hierarchical governance environment.⁷

ASEAN Agency in a Fragmented Maritime Order: A Triangulated Framework

The South China Sea disputes exemplify an environment in which multiple layers of normative authority, institutional constraints and geopolitical asymmetries interact to produce a fragmented maritime order. Understanding ASEAN's legal and normative agency – and the implications for externally exposed states such as Hungary – requires an analytical framework combining three strands of scholarship: 1. debates on legal fragmentation and plural authority in law of the sea; 2. theories of regime complexity and ASEAN institutionalism; and 3. analyses of structural economic exposure in international political economy. This chapter develops a triangulated analytical framework through focused engagement with these bodies of scholarship.

Legal fragmentation and the plural authority of UNCLOS

The 2006 report of the International Law Commission (ILC) identified fragmentation as the proliferation of specialised treaty regimes that generate overlapping obligations and divergent interpretive communities.⁸ In the South China Sea, the coexistence of UNCLOS, regional diplomatic instruments, domestic maritime laws and great power naval practice produces precisely such interpretive multiplicity. The ILC's proposed conflict-resolution techniques – systemic integration, *lex specialis*, and hierarchical reading of norms – prove insufficient where powerful states reject authoritative interpretations.

Nico Krisch's pluralist account of international law underscores this structural limitation. He argues that the international legal order is composed of overlapping normative systems without a universally accepted apex authority.⁹ In this view, authoritative reasoning does not automatically generate compliance; authority itself is socially and politically contested. The 2016 Award in *Philippines v. China* exemplifies this dynamic.¹⁰ At the same time, Sophia Kopela's doctrinal analysis demonstrates how the Award consequently narrowed the relevance of historic rights at sea and clarified the relationship between such claims and the Convention, accentuating that interpretive correctness does not translate into uncontested authority.¹¹

⁷ UN Division for Ocean Affairs and the Law of the Sea: *Communications by States on Maritime Claims, Malaysia Note Verbale No. HA 59/19*. [online], 12.12.2019. Source: un-org [13.12.2025]; UN Division for Ocean Affairs and the Law of the Sea: *Communications by States on Maritime Claims, Philippines Note Verbale No. 000191*. [online], 06.03.2020. Source: un-org [13.12.2025].

⁸ International Law Commission 2006: 11–18.

⁹ Krisch 2010: 70–104.

¹⁰ Permanent Court of Arbitration 2016.

¹¹ Kopela, Sophia (2017): *Historic Titles and Historic Rights in the Law of the Sea: A Conceptual Reappraisal*. *Ocean Development & International Law*, 48(2), 181–207.

Michael Byers contributes a further insight: customary international law evolves within asymmetrical power structures, and norms take hold when aligned with the interests and practice of influential states.¹² Competing state practices in the South China Sea – including China’s historic-rights narrative and explicit rejection of the Award, U.S. freedom-of-navigation operations and the *note verbale* practice of ASEAN claimant states – illustrate the coexistence of parallel and partially incompatible legal discourses, none of which can compel full convergence.

ASEAN institutionalism, regime complexity and the emergence of minilateralism

ASEAN’s institutional architecture has long been characterised by informality, consensual decision-making and sovereignty-sensitive norms. Amitav Acharya’s study of ASEAN as an emerging security community underscores that while these practices promote intra-regional stability, they rarely yield binding legal outcomes.¹³ Evelyn Goh’s analysis of “omni-enmeshment” further explains ASEAN’s strategy of engaging great powers – including China and the United States – in dense institutional networks to mitigate unilateralism.¹⁴ However, these logics are ill-suited to producing precise maritime rules, especially where the interests of member states diverge sharply.

The slow evolution of the DOC and the protracted negotiations over a COC illustrate the limitations. Carlyle Thayer documents how disagreements over the COC’s legal nature, geographic scope and enforcement mechanisms have repeatedly hindered progress.¹⁵ ASEAN’s institutional design accordingly provides stability but not legalisation.

Clive Schofield’s mapping of competing maritime claims underscores the technical and legal ambiguities that persist despite UNCLOS, illustrating why bilateral or trilateral settlements may be more feasible than region-wide solutions.¹⁶ Recent diplomatic practice supports this theoretical proposition: the 2022 Indonesia–Vietnam Exclusive Economic Zone (EEZ) agreement, expanding Vietnam–Philippines operational cooperation, and coordinated *note verbale* submissions by Malaysia and the Philippines exemplify the emergence of minilateralism among involved and claimant states as a functional institutional response to the limitations of ASEAN-wide processes.

Regime complexity literature offers another alternative analytical lens. Alter and Meunier argue that overlapping, non-hierarchical institutions allow states to engage in “forum-shifting” and selective implementation when regimes prove unresponsive.¹⁷

¹² Byers, Michael (1999): *Custom, Power and the Power of Rules: International Relations and Customary International Law*. Cambridge: Cambridge University Press.

¹³ Acharya, Amitav (2014): *Constructing a Security Community in Southeast Asia*. London: Routledge.

¹⁴ Goh, Evelyn (2013): *The Struggle for Order: Hegemony, Hierarchy, and Transition in Post-Cold War East Asia*. Oxford: Oxford University Press.

¹⁵ Thayer, Carlyle A. (2013): *ASEAN, China and the Code of Conduct in the South China Sea*. *SAIS Review of International Affairs*, 33(2), 75–84.

¹⁶ Schofield, Clive H. (2017): *Untangling a Complex Web: Understanding Competing Maritime Claims in the South China Sea*. In Storey, Ian – Lin, Cheng-Yi (eds.): *The South China Sea Dispute. Navigating Diplomatic and Strategic Tensions*. Singapore: ISEAS–Yusof Ishak Institute, 21–46.

¹⁷ Alter–Meunier 2009.

In the South China Sea, states mobilise UNCLOS procedures, ASEAN diplomacy, bilateral negotiations and partnerships with extra-regional powers in parallel. Where ASEAN-wide processes are constrained by consensus requirements and divergent interests, smaller constellations of claimant states face lower coordination costs and greater incentives to articulate shared legal positions. This institutional polycentricity both constrains ASEAN and enables legal entrepreneurship by individual claimant states, producing incremental legal and normative clarification.

Application of the framework to an external actor – Hungary

From a theoretical perspective, fragmented maritime governance does not necessarily remain confined to claimant states but can transmit uncertainty through global economic and logistical systems. International political economy scholarship highlights how geographically concentrated production and globally distributed value chains create forms of indirect vulnerability for states that are not themselves participants in regional governance arrangements.¹⁸ In this context, legal indeterminacy and institutional instability in strategically significant maritime corridors – such as the South China Sea – can cascade through supply chains, affecting production planning, investment decisions and economic resilience far from the original site of contestation. EU strategic documents on supply-chain security and Indo-Pacific connectivity increasingly acknowledge this structural exposure, emphasising that disruptions or heightened risk perceptions in Asian maritime routes carry systemic implications for European economies.¹⁹ Complementary analyses highlight the EU's dependence on imports of critical raw materials and advanced components from East and Southeast Asia.²⁰

Hungary's relevance within the triangulated analytical framework developed in this article derives not from geographic proximity or strategic involvement in the Indo-Pacific, but from a specific configuration of economic characteristics that render it structurally exposed to developments in fragmented maritime governance. The Hungarian economy is deeply integrated into globally distributed value chains, with a production model that is both modular and time-sensitive, amplifying the downstream effects of legal and institutional uncertainty generated beyond its immediate regional environment. This integration is coupled with a strong specialisation in capital-intensive, upstream-dependent manufacturing sectors – most notably automotive production, electric-vehicle battery manufacturing, and advanced electronics – which rely on the predictable availability of high-value intermediate inputs rather than on substitutable raw materials.

These sectors are characterised by a pronounced dependence on East and Southeast Asian supply networks, including inputs such as cathode active materials, battery cells,

¹⁸ Baldwin, Richard (2016): *The Great Convergence: Information Technology and the New Globalization*. Cambridge, MA: Harvard University Press.

¹⁹ European Commission: *EU Strategy for Cooperation in the Indo-Pacific*. [online], 16.09.2021. Source: eur-lex.europa.eu [13.12.2025].

²⁰ European Commission: *Critical Raw Materials Resilience: Charting a Path towards Greater Security and Sustainability*. [online], European Union, 03.09.2020. Source: eur-lex.europa.eu [13.12.2025].

photolithography equipment, and precision electronic components. The transport of these inputs almost inevitably traverses Indo-Pacific maritime corridors, where the South China Sea occupies a central position not merely as a physical transit route but as a site of persistent legal contestation and institutional fragmentation. As a result, uncertainty surrounding maritime entitlements, navigational rights, and operational conduct does not remain abstract from Hungary's perspective but is incorporated into commercial risk assessments, insurance pricing, inventory strategies, and investment planning undertaken by globally integrated firms operating within the Hungarian economy.

Hungary's exposure is further accentuated by the structure of its industrial development, which is heavily shaped by foreign direct investment from multinational firms – particularly from Germany, South Korea, and China – whose production decisions are embedded in global corporate risk-management frameworks. In this context, legal clarity and stability in maritime governance matter not because Hungary exercises agency in shaping them, but because legal fragmentation and incremental legal stabilisation directly affect the expectations and calculations of actors who organise production across multiple jurisdictions. At the same time, Hungary's limited capacity to hedge against such exposure through alternative transport routes or domestic substitution isolates the causal mechanism highlighted in this article: external legal and institutional dynamics are transmitted into domestic economic vulnerability without mediation through foreign-policy choice or security alignment.

From a theoretical perspective, Hungary therefore constitutes a particularly clean case of structural economic exposure within a fragmented and non-hierarchical maritime order. It illustrates how the interaction of legal fragmentation and regime complexity in the South China Sea generates indirect but tangible effects for states embedded in global manufacturing systems, even where those states possess neither maritime capabilities nor direct participation in regional governance arrangements. This configuration reinforces the article's central claim that incremental legal stabilisation – produced through claimant-state practice and minilateral cooperation – can acquire significance beyond the immediate region by shaping the expectations that underpin global value chains.

The following chapter operationalises these theoretical insights through a qualitative research design that traces how legal norms are interpreted, institutional strategies are adapted, and external vulnerabilities are shaped by developments in maritime governance.

Methodology

The methodological choices adopted in this article follow directly from the theoretical premises outlined above. Where international maritime governance is characterised by legal fragmentation and plural authority, analysis cannot proceed on the assumption of settled hierarchies or authoritative interpretations, making doctrinal analysis of competing legal arguments and state practice indispensable. Likewise, the presence of regime complexity and overlapping institutional venues requires comparative analysis across forums to capture how states selectively activate, combine or bypass legal and diplomatic mechanisms. Finally, in a polycentric institutional environment where outcomes emerge

through incremental and contested processes rather than formal rulemaking, process tracing provides an appropriate tool for identifying causal mechanisms linking legal interpretation, institutional adaptation and cooperative behaviour. Together, these methods allow the article to examine not only legal norms as texts, but law as practiced within a fragmented and strategically navigated maritime governance structure.

Research design

The research design addresses three questions situated at different analytical levels: legal interpretation, institutional adaptation, and the strategic implications of structural economic exposure. The first question – how ASEAN claimant and involved states mobilise international law – requires doctrinal analysis grounded in recognised principles of treaty interpretation and the jurisprudence of UNCLOS. The second question – how minilateralism complements or bypasses ASEAN – demands qualitative institutional comparison informed by regime-complexity theory. The third question – how these legal and institutional dynamics affect the economic outlook of Hungary through mechanisms of structural economic exposure – rests on the identification of indirect causal mechanisms linking regional legal developments to global economic structures. Hungary is examined not as a primary case of maritime governance, but as an analytically relevant external case through which indirect effects of fragmented maritime order can be traced.

Doctrinal analysis follows Terry Hutchinson and Nigel Duncan's understanding of doctrinal research as the interpretation and systematisation of legal rules in order to clarify rights, obligations, and institutional constraints.²¹ It also reflects the principles of qualitative legal inquiry outlined by Ian Dobinson and Francis Johns, which emphasise sustained interpretive engagement with legal texts and institutional behaviour rather than quantitative measurement.²² In this article, doctrinal analysis is applied to UNCLOS and the 2016 PCA Award. Interpretive guidance is drawn from Robert Beckman's analysis of UNCLOS application in Asia and Kopela's study of historic rights.²³

Comparative case selection

The empirical analysis employs structured qualitative comparison of the Philippines, Vietnam, and Malaysia – ASEAN territorial claimant states with active and documented legal and diplomatic engagement in the South China Sea – alongside Indonesia, whose exclusive economic zone is affected by China's nine-dash line despite its non-claimant status.²⁴ The selection criterion is analytical leverage rather than representativeness: these

²¹ Hutchinson, Terry – Duncan, Nigel (2012): *Defining and Describing What We Do: Doctrinal Legal Research*. *Deakin Law Review*, 17(1), 83–119.

²² Dobinson, Ian – Johns, Francis (2017): *Qualitative Legal Research*. In McConville, Mike – Chui, Wing Hong (eds.): *Research Methods for Law*. Edinburgh: Edinburgh University Press, 18–47.

²³ Beckman, Robert C. (2013): *The UN Convention on the Law of the Sea and the Maritime Disputes in the South China Sea*. *American Journal of International Law*, 107(1), 142–163.

²⁴ Brunei is excluded from the comparative analysis due to its limited public articulation of legal claims and minimal engagement in regional legal and diplomatic initiatives related to the dispute.

cases span different legal strategies, institutional preferences, patterns of engagement with China and diverse degrees of exposure to Chinese maritime activity, allowing systematic comparison of how states operate within a fragmented legal order and a complex regime environment.

Comparison focuses on variation in doctrinal argumentation, diplomatic practice, and institutional choice across arbitral, ASEAN, bilateral, and minilateral settings. This approach reflects Alter and Meunier's insight that in dense institutional settings, actors strategically activate different forums; examining such variation identifies patterns of legal and diplomatic adaptation that are developed empirically in the 'Discussion' chapter.

Process tracing

Process tracing is used to identify causal mechanisms linking legal interpretation, institutional adaptation, and patterns of state cooperation. Following Derek Beach and Rasmus Brun Pedersen, process tracing seeks to reconstruct sequences through which actors interpret legal norms, adjust institutional strategies, and pursue cooperation outside formal multilateral frameworks.²⁵ This method is particularly well suited to fragmented legal orders, where causal pathways are neither linear nor contained within a single institution.

In this article, process tracing is applied to key moments in the evolution of South China Sea governance, including the 2016 arbitral Award, subsequent key ASEAN diplomatic statements and declarations related to the South China Sea, and coordinated *note verbale* exchanges recorded by the UN Division for Ocean Affairs and the Law of the Sea. Tracing these sequences allows the analysis to show how legal clarification, institutional constraint, and minilateral cooperation interact over time rather than emerging in isolation.

Source base and limitations

Sources include:

- primary international legal instruments (UNCLOS and the PCA 2016 Award)
- official state practice (UN *notes verbales*, national statements, and publicly available ASEAN declarations and documents)
- peer-reviewed literature on international maritime law, political economy, regime complexity and ASEAN institutionalism
- official EU documents on economic resilience and Indo-Pacific engagement
- selected policy analyses and media reports used contextually to document contemporary diplomatic practice and operational developments, without serving as primary analytical sources²⁶

²⁵ Beach, Derek – Pedersen, Rasmus Brun (2019): *Process-Tracing Methods: Foundations and Guidelines*. Ann Arbor: University of Michigan Press.

²⁶ Media and think-tank sources are used cautiously and only to corroborate timelines, public statements, or operational developments where primary documentation is unavailable.

Limitations arise from incomplete national documentation and the opacity of ASEAN internal processes. These constraints are not merely empirical shortcomings but manifestations of the fragmented and multilayered institutional environment described in the ‘Methodology’ chapter. They necessitate interpretive caution and reliance on triangulated evidence across legal texts, official statements, and scholarly analysis, consistent with the qualitative and doctrinal research design adopted in this article.²⁷

Analysis

The legal and institutional dynamics of the South China Sea dispute involve the interaction between the interpretive authority of UNCLOS, the practical effects of arbitral jurisprudence, and the adaptive strategies of ASEAN states operating under conditions of diverging national interests and asymmetric exposure to Chinese maritime expansion. This chapter analyses these dynamics through the three research questions guiding the article. It applies doctrinal analysis to key legal texts and jurisprudence, combined with comparative examination of state practice, to assess how legal argumentation is shaped by political constraints and how institutional fragmentation conditions the emergence of cooperative legal and diplomatic practices, rather than inhibiting state agency.

Legal strategies of ASEAN claimant and involved states

The first research question concerns how ASEAN states directly or indirectly involved in the South China Sea disputes mobilise international law – particularly UNCLOS, the 2016 arbitral Award in *Philippines v. China*, and regional diplomatic instruments – to justify maritime claims and defend maritime entitlements. While each state calibrates its legal reasoning in light of specific geopolitical constraints, their shared reliance on UNCLOS as the foundational legal framework reflects a consistent commitment to treaty-based maritime governance, even where political asymmetry *vis-à-vis* China limits the feasibility of formal dispute settlement.

Among ASEAN states, the Philippines has pursued the most assertive legal strategy. Manila’s initiation of compulsory arbitral proceedings under Annex VII of UNCLOS in 2013 marked a watershed moment for regional maritime jurisprudence and for the strategic use of international law by Southeast Asian states. The Tribunal’s 2016 Award provided legal clarification that the Philippines has subsequently mobilised as a reference point in diplomatic and legal practice. Since 2020, Philippine policy has been characterised by what Manila terms “assertive transparency”, combining public reporting of maritime incidents, *notes verbales* submitted to the United Nations, and bilateral diplomatic engagement that consistently invoke the Tribunal’s reasoning.²⁸ This reliance on adjudication is closely aligned with doctrinal interpretations advanced by scholars such as Beckman,

²⁷ Dobinson–Johns 2017.

²⁸ Robles, Raissa: *Philippines to Maintain ‘Assertive Transparency’ over South China Sea Row against Beijing’s ‘Bullying Behaviour’*. [online], South China Morning Post, 14.02.2024. Source: scmp.com [13.12.2025].

who emphasise that UNCLOS offers precise criteria for maritime entitlements and leaves no space for expansive historic-rights claims.²⁹

Vietnam has adopted a similarly legalistic approach, shaped by a longer history of direct confrontation with China. Hanoi consistently maintains that UNCLOS constitutes the “sole legal basis” for determining maritime entitlements in the South China Sea, a position repeatedly articulated in *notes verbales* addressed to the UN Secretary-General.³⁰ Vietnam’s acceptance of the Tribunal’s reasoning, despite not being a party to the arbitration, underscores the broader significance of the Award as a doctrinal reference point for regional legal practice. Its claims concerning the legal status of maritime features – particularly in the Spratly Islands – are informed by a strict reading of Article 121 of UNCLOS, governing the capacity of islands and rocks to generate maritime zones. As Kopela’s analysis demonstrates, the Tribunal’s interpretation reinforces this stance by narrowing the legal relevance of historic titles and reaffirming the primacy of treaty-based entitlements.³¹

Malaysia’s approach is more cautious but remains firmly grounded in UNCLOS. Although Kuala Lumpur did not participate in the arbitration, it has articulated its legal position with increasing clarity, particularly through its 2019 and 2021 submissions to the Commission on the Limits of the Continental Shelf.³² These submissions assert Malaysia’s continental shelf rights under Articles 76 and 77 of UNCLOS and implicitly reject claims based on historic rights. While Malaysia rarely cites the arbitral Award explicitly, its UNCLOS-based legal positions closely parallel elements of the Tribunal’s reasoning, illustrating how states may selectively internalise jurisprudential principles without formally endorsing the ruling.³³ This legal strategy reflects Malaysia’s broader diplomatic posture, balancing the protection of maritime entitlements against the maintenance of stable bilateral relations with China.

Indonesia, although not a territorial claimant in the Spratly Islands, occupies a pivotal legal position as an involved state. Jakarta categorically rejects any suggestion that China’s nine-dash line affects Indonesian maritime zones and has repeatedly asserted that the line has “no basis whatsoever in international law”.³⁴ Indonesian notes verbales explicitly reference the 2016 Award, demonstrating its relevance beyond the immediate parties to the arbitration. Jakarta’s firm reliance on UNCLOS reflects a broader doctrinal commitment to treaty-based entitlements over ambiguous historic claims and conforms to the interpretations advanced by Beckman and Kopela. This practice highlights the extent to

²⁹ Beckman 2013.

³⁰ Permanent Mission of the Socialist Republic of Viet Nam to the United Nations: *Note verbale dated 30 March 2020*. [online], 30.03.2020. Source: un.org [12.12.2025].

³¹ Kopela 2017.

³² United Nations Oceans & Law of the Sea: *Commission on the Limits of the Continental Shelf (CLCS) Outer limits of the continental shelf beyond 200 nautical miles from the baselines: Submissions to the Commission: Partial Submission by Malaysia in the South China Sea*. [online], 12.12.2019. Source: un.org [12.12.2025].

³³ Kuik, Cheng-Chwee – Lai, Yew Meng (2023): *Deference and Defiance in Malaysia’s China Policy: Determinants of a Dualistic Diplomacy*. *International Journal of Asian Studies*, 22(1), 5–24.

³⁴ United Nations: *Note Verbale No. 126/POL-703/VII/20 Rejecting the Nine-Dash Line*. [online], United Nations, 12.06.2020. Source: un.org [12.12.2025].

which even non-claimant states depend on UNCLOS to shield their maritime rights from expansive interpretations advanced by major powers.

Collectively, these legal strategies illustrate how ASEAN states mobilise international law not merely as a normative framework but as a strategic resource. Although none of these states can compel Chinese compliance, their consistent invocation of UNCLOS and selective reliance on arbitral jurisprudence indicate that treaty-based order remains the primary source of legal authority in the region. Moreover, the convergence of their legal positions – despite varying degrees of assertiveness – creates a shared interpretive baseline that underpins subsequent forms of minilateral cooperation.

Minilateral cooperation and its relationship with ASEAN-wide mechanisms

The second research question concerns the emergence of minilateralism as a complement to, or partial substitute for, ASEAN-wide diplomacy, particularly in light of the slow progress of negotiations on a Code of Conduct with China. Traditional ASEAN mechanisms – most notably the Declaration on the Conduct of Parties – have long been criticised for their non-binding character and limited capacity to constrain assertive behaviour. These institutional limitations are well documented in the literature on ASEAN, particularly in the work of Acharya and Goh.

Under these conditions, smaller groupings of states face lower coordination costs and greater incentives to articulate shared legal positions than within ASEAN-wide processes. As a result, bilateral and trilateral initiatives among claimant and involved states have acquired increasing significance. The delimitation of exclusive economic zones between Indonesia and Vietnam in December 2022 represents one of the most consequential bilateral developments in the recent history of the South China Sea. Both states had long acknowledged the existence of overlapping EEZ claims, yet political hesitancy and broader regional tensions stalled negotiations for more than a decade. The agreement ultimately reached confirms a maritime boundary derived strictly from UNCLOS criteria and constitutes an explicit rejection of legal ambiguity associated with China's historic-rights narrative.³⁵ This case illustrates how bilateral legal clarification can proceed even in the absence of advances in ASEAN–China negotiations, lending empirical support to Schofield's observation that bounded, dyadic arrangements may be more feasible than region-wide solutions in highly contested maritime spaces.

Cooperation between Vietnam and the Philippines provides a second, more politically sensitive illustration of minilateralism. Building on their 2015 strategic partnership, the two states have progressively deepened coordination on South China Sea issues, explicitly linking security cooperation to shared legal positions grounded in UNCLOS.³⁶ This cooperation has increasingly taken operational form. Political statements issued in

³⁵ Ministry of Foreign Affairs of Indonesia: *Laporan Kinerja 2022*. [online], 11.01.2023. Source: kemlu.go.id [12.12.2025].

³⁶ Galang, Mico: *Opportunities for the Philippines–Vietnam Strategic Partnership*. [online], Asia Maritime Transparency Initiative, 01.05.2020. Source: amti.csis.org [13.12.2025].

2023 signalled an intention to intensify coordination on maritime governance, including cooperation on a future Code of Conduct and enhanced information-sharing regarding Chinese maritime activities.³⁷ In January 2024, the Philippine Coast Guard and the Vietnam Coast Guard concluded a memorandum of understanding establishing a Joint Coast Guard Committee and a hotline mechanism designed to manage incidents at sea.³⁸ Recent analyses interpret this institutionalisation of cooperation as evidence of growing strategic convergence centred on UNCLOS-based entitlements and freedom of navigation.³⁹

A third, more understated form of legal alignment can be observed in Malaysia–Philippines relations. Despite the long-standing Sabah dispute, both states have articulated convergent UNCLOS-based positions in response to China’s maritime claims through coordinated diplomatic practice, particularly in their respective *notes verbales*. Malaysia’s policy of “quiet assertion” combines diplomatic restraint with sustained reliance on UNCLOS, reflecting broader patterns of selective internalisation of treaty-based maritime norms that contribute to incremental stabilisation within a fragmented legal order.⁴⁰ Its *note verbale* of 29 July 2020 explicitly rejected claims to “historic rights, or other sovereign rights or jurisdiction” inconsistent with the Convention.⁴¹ Similarly, the Philippines’ paired *notes verbales* of 6 March 2020 rejected China’s claims as incompatible with UNCLOS, reaffirming the Convention as the comprehensive legal framework governing maritime activities.⁴² Although bilateral sensitivities persist, this diplomatic practice reveals a shared UNCLOS-based interpretation of maritime entitlements that indirectly reinforces the core reasoning of the 2016 arbitral Award.

As Alter and Meunier argue, when states encounter institutional deadlock in highly formalised or consensus-based settings, they often shift to alternative forums or create new cooperative arrangements to pursue their objectives.⁴³ In the South China Sea, minilateralism operates in precisely this manner. It does not replace ASEAN-wide diplomacy, but coexists with it, filling governance gaps created by institutional constraints. These patterns reflect deliberate forum selection under conditions of regime complexity, whereby states prioritise feasibility and functional effectiveness over formal authority in their pursuit of legal clarification.

³⁷ *Philippines, Vietnam Agree to Work on South China Sea Code of Conduct*. [online], ABS-CBN News, 17.05.2023. Source: abs-cbn.com [12.12.2025].

³⁸ Philippine Coast Guard: *PCG, VCG Sign MoU on Maritime Cooperation*. [online], 31.01.2024. Source: facebook.com [12.12.2025].

³⁹ Blandin, Benjamin: *Does Vietnam–Philippines Maritime Cooperation Offer a Template for the Region?*. [online], The Diplomat, 20.03.2024. Source: thediplomat.com [12.12.2025].

⁴⁰ Storey, Ian: *Asia’s Changing Balance of Military Power: Implications for the South China Sea Dispute*. [online], 08.12.2011. Source: nbr.org. [12.12.2025].

⁴¹ Permanent Mission of Malaysia to the United Nations: *Note Verbale No. HA 26/20*. [online], 29.07.2020. Source: un.org [12.12.2025].

⁴² Permanent Mission of the Republic of the Philippines to the United Nations: *Notes Verbales No. 000191 and 000192*. [online], 06.03.2020. Source: un.org [12.12.2025].

⁴³ Alter–Meunier 2009: 14–16, 18–20.

Implications for Hungary

Concerning the third research question, the implications of ASEAN's evolving legal and institutional responses to the South China Sea disputes for Hungary arise from the structural ways in which international legal certainty, regional governance patterns, and institutional fragmentation shape the external environment upon which Hungary's economic security depends. As outlined in the 'Methodology' chapter, the analytical framework integrates insights from regime complexity, legal fragmentation, and ASEAN institutionalism to explain how differentiated legal authority in the Indo-Pacific produces effects beyond the region. This configuration allows Hungary to be treated analytically not as a marginal or idiosyncratic case, but as a structurally exposed economy in which the downstream effects of fragmented maritime governance can be observed with minimal interference from direct strategic or maritime agency.

Hungary's economic structure – characterised by deep integration into modular global value chains, strong dependence on East Asian intermediate inputs, and capital-intensive, upstream-dependent manufacturing – places it in a position of pronounced structural economic exposure to governance outcomes in the South China Sea. In this context, the legal strategies pursued by ASEAN claimant states – particularly their insistence on UNCLOS as the exclusive basis for maritime entitlements and their rejection of historic rights – acquire relevance by narrowing the interpretive space that enables operational uncertainty at sea.

This dynamic illustrates a core mechanism identified in the regime complexity literature: the capacity of overlapping institutions and coordinated legal signalling to generate functional stabilisation even in the absence of comprehensive political agreement. While ASEAN consensus has thus far proven insufficient to produce a binding Code of Conduct, the cumulative effect of claimant-state legal convergence is to narrow the range of plausible counter-interpretations and crystallise shared expectations of conduct. Such incremental clarification constrains unpredictable or coercive maritime practices and reduces the likelihood of disruptions affecting global shipping. For Hungary, this translates into lower volatility in shipping risk assessments, insurance premiums, and logistical planning horizons for firms operating within its industrial base, thereby shaping the temporal and financial parameters of manufacturing activity.

The growing reliance on minilateralism among ASEAN claimant states also has implications for Hungary's posture in trade diplomacy. As demonstrated in the second chapter, fragmentation does not necessarily erode institutional authority; rather, it can give rise to functionally differentiated layers of governance that compensate for the limitations of broader frameworks. In Southeast Asia, bilateral delimitation agreements, coordinated *note verbale* practice, and operational cooperation among maritime agencies exemplify such adaptive mechanisms. For Hungary – whose foreign policy prioritises pragmatic engagement and economic diplomacy – this configuration produces a complex but navigable environment. While engagement with ASEAN as a collective entity remains important, effective maritime norm production increasingly occurs through the legal and

operational practices of individual claimant states. Hungarian engagement in the region therefore requires attention not only to ASEAN centrality, but also to these smaller, legally coherent groupings that more directly shape regional legal expectations.

More broadly, the intensification of legal reasoning among ASEAN claimant states affects Hungary through the consolidation of interpretive communities in international maritime law. Although this process does not resolve underlying disputes, it stabilises expectations of conduct and constrains uncertainty in maritime operations. For an economy embedded in global manufacturing and logistics networks, such interpretive stabilisation has tangible relevance for commercial risk assessment and supply-chain planning, even in the absence of direct participation in regional maritime governance.

Finally, Hungary's bilateral and multilateral diplomacy is influenced by the growing divergence between the legal positions of ASEAN claimant and involved states and those advanced by China. Hungary's economic partnership with China does not negate its interest in cultivating credible relations with Southeast Asian states whose legal vulnerabilities and strategic postures are shaped by maritime disputes. Hungary's ability to maintain balanced relations in Asia increasingly depends on recognising that the region's legal and institutional order is shaped not only by great-power dynamics, but also by legally sophisticated middle powers. In this sense, developments in ASEAN claimant legal strategies and their unilateral institutional expressions constitute a significant – albeit indirect – factor in Hungary's long-term economic security and diversification positioning. This implies that Hungary's engagement strategies must become more granular, informed by the doctrinal positions of individual Southeast Asian states rather than relying primarily on integration-level narratives.

In this sense, the implications of the South China Sea for Hungary transcend general concerns about stability or freedom of navigation. They reflect deeper structural interdependencies between Hungary's economic model, the evolving normative configuration of the Indo-Pacific, and the layered institutional framework through which maritime order is produced.

Discussion

The preceding analysis demonstrates that the legal and institutional dynamics of the South China Sea cannot be adequately captured through linear models of dispute settlement or regional governance. Instead, the findings point to a layered and adaptive maritime order characterised by fragmented legal authority, constrained regional institutionalism, and the strategic agency of claimant and involved states operating within a complex regime environment. This chapter situates these findings within the triangulated analytical framework developed in the second chapter and revisits the article's three guiding questions: how ASEAN claimant and involved states mobilise international law under conditions of contested authority; how unilateral cooperation relates to and compensates for the limitations of ASEAN-wide governance; and how these dynamics generate indirect effects for structurally exposed external states, exemplified by Hungary.

Legal fragmentation revisited: authority without hierarchy

The analysis confirms that legal fragmentation in the South China Sea shapes how legal authority is produced and stabilised through state practice rather than resolved through adjudication. Although UNCLOS provides a comprehensive framework for maritime entitlements, its authority in the region is mediated by the absence of hierarchical enforcement mechanisms and by the selective rejection of adjudicative outcomes by powerful actors. The 2016 arbitral Award resolved key doctrinal questions concerning historic rights and the legal status of maritime features, yet its practical influence derives less from formal bindingness than from its incorporation into the interpretive practices of states beyond the immediate parties.

As demonstrated in the 'Analysis' chapter, ASEAN claimant and involved states have engaged in a patterned process of selective internalisation of the Award's reasoning. Rather than treating adjudication as a terminal dispute-settlement mechanism, these states deploy the Award as a reference point in diplomatic exchanges, coordinated *note verbale* practice, and bilateral negotiations. This behaviour illustrates a form of authority generation characteristic of fragmented legal orders: interpretive coherence emerges through repeated invocation and cross-referencing across multiple institutional sites, not through hierarchical command. Legal correctness acquires practical significance only insofar as it is reproduced and sustained through dispersed state practice.

This dynamic refines pluralist accounts of international law by specifying how fragmentation reshapes the operation of treaty regimes in practice. UNCLOS does not function as a singular arbiter capable of conclusively settling disputes; instead, it provides a shared normative grammar that structures contestation and enables coordination among states facing asymmetric power relations. Fragmentation thus does not signal the erosion of legality, but its reconfiguration – from authoritative resolution toward cumulative stabilisation through the consolidation of interpretive communities that affirm treaty-based constraints on permissible claims.

ASEAN institutional limits and the logic of minilateral adaptation

The findings also substantiate long-standing assessments of ASEAN's limited capacity to produce binding legal outcomes in contested maritime spaces. Consensus-based decision-making and sovereignty-sensitive norms, while effective in preserving regional cohesion, constrain ASEAN's ability to articulate precise legal positions where member-state interests diverge and external power asymmetries are pronounced. The protracted stagnation of negotiations on a Code of Conduct with China reflects these structural features rather than contingent diplomatic failure.

Crucially, however, ASEAN's institutional constraints have not resulted in governance paralysis. Instead, as demonstrated in 'Analysis' chapter, they have incentivised adaptive strategies by claimant and involved states operating within a dense and overlapping institutional environment. Minilateralism emerges as a patterned and conditional response to institutional bottlenecks under conditions of regime complexity. These initiatives are not

ad hoc or purely pragmatic; they reflect deliberate efforts to pursue legal clarification and risk reduction outside ASEAN-wide frameworks while remaining anchored in UNCLOS.

From a regime-complexity perspective, minilateralism represents strategic forum selection rather than institutional exit. Claimant states do not abandon ASEAN processes; they supplement them by activating alternative venues that offer greater legal precision and lower political and escalation costs. This layered strategy allows states to advance UNCLOS-consistent interpretations without resorting to formal adjudication or direct confrontation with China. Minilateralism thus functions as an intermediary mode of governance – situated between regional diplomacy and unilateral action – capable of producing incremental legal stabilisation, without resolving underlying sovereignty disputes.

The interaction between legal fragmentation and institutional complexity is therefore central to understanding the stabilising effects observed. Fragmentation generates interpretive uncertainty that ASEAN alone cannot resolve; regime complexity supplies multiple institutional pathways through which that uncertainty can be narrowed. Minilateral practices translate shared legal reasoning into repeated, coordinated action, gradually shaping expectations of conduct despite the absence of comprehensive regional settlements. This analysis, however, does not imply that incremental legal stabilisation or cumulative effects of minilateral cooperation can resolve the underlying sovereignty disputes or eliminate geopolitical risks in the South China Sea.

Re-interpreting claimant-state agency under fragmentation and regime complexity

The analysis refines prevailing accounts of agency in international maritime disputes by demonstrating that ASEAN claimant and involved states exercise influence not despite legal fragmentation and institutional complexity, but precisely through these structural conditions. In the absence of hierarchical enforcement under UNCLOS, spaces emerge for legal and institutional entrepreneurship: the strategic construction, circulation, and consolidation of legal interpretations across multiple forums. Fragmentation thus reconfigures the terrain on which agency is exercised, rather than merely constraining state action.

This form of agency is causally linked to regime complexity. The coexistence of UNCLOS procedures, ASEAN diplomacy, arbitral jurisprudence, bilateral negotiations, and operational cooperation creates a menu of institutional venues through which states can pursue legal clarification while managing political risk. Claimant states exploit this institutional plurality by selectively activating forums that maximise legal resonance and minimise escalation costs. Coordinated *note verbale* practice, bilateral delimitation agreements, and minilateral operational arrangements constitute patterned strategies of forum selection rather than isolated responses.

Importantly, this agency remains normatively conservative. ASEAN claimant states do not seek to revise or displace UNCLOS; instead, they reinforce its authority by narrowing the range of legally plausible counter-interpretations. By repeatedly invoking treaty provisions, internalising arbitral reasoning, and embedding these interpretations

in diplomatic and operational practice, they contribute to the consolidation of interpretive communities that sustain treaty-based governance despite contested authority. The South China Sea thus illustrates a broader theoretical insight: under conditions of plural authority and institutional layering, agency is exercised less through decisive acts than through sustained, strategically distributed legal engagement.

Indirect consequences of maritime legal order

Viewed through the triangulated analytical framework developed in this article, the Hungarian case demonstrates that the relevance of maritime legal order for non-participant states operates primarily through the structuring of commercial expectations and corporate risk assessments, rather than through direct security externalities or diplomatic positioning.

Fragmentation in the interpretation and application of maritime law does not remain confined to the regional level; it propagates through shipping, insurance, and logistics networks that underpin globally distributed manufacturing. For economies deeply embedded in transnational production chains and dependent on predictable maritime transit, legal indeterminacy in strategically vital sea lanes translates into material vulnerability despite geographic distance.

Legal developments in the South China Sea acquire significance for non-participant states not through diplomatic alignment or security commitments, but through the legal structuring of market expectations and commercial risk assessments. As shown in the 'Discussion' chapter, incremental legal convergence among ASEAN claimant states narrows interpretive uncertainty and stabilises expectations of conduct at sea. The downstream effects of this stabilisation translate into indirect economic effects for states such as Hungary.

By foregrounding this mechanism of mediated vulnerability, the analysis extends fragmentation and regime-complexity frameworks beyond claimant-state interactions and institutional design. Hungary illustrates how structural economic exposure transforms regional legal contestation into indirect national interests, even in the absence of direct agency in maritime governance. The contribution lies not in redefining security policy, but in demonstrating how international legal dynamics enter assessments of economic resilience and structural vulnerability within globally integrated economies.

Implications for theory, methodology, and future research

Revisiting the selective literature review and framework construction in the second chapter, the findings support a circumscribed but analytically precise understanding of how legal fragmentation, regime complexity, and structural economic exposure interact in fragmented, non-hierarchical governance settings. The article does not advance a general theory of maritime order. Rather, it offers a configurational analytical framework – hereafter the Fragmentation–Complexity–Exposure (FCE) framework – that

specifies the conditions under which fragmented legal authority can generate stabilising effects through dispersed practice and institutional adaptation.

For international legal scholarship, the analysis refines debates on fragmentation by demonstrating that plural authority does not necessarily imply normative erosion. Where treaty frameworks such as UNCLOS retain broad acceptance, legal authority is reproduced through cumulative interpretive practice rather than hierarchical enforcement. Coordinated legal signalling, selective internalisation of jurisprudence, and cross-forum reinforcement constitute identifiable pathways of normative consolidation under contested compliance, moving beyond abstract claims about the absence of hierarchy.

For scholarship on ASEAN institutionalism and regime complexity, the findings reframe minilateralism as an adaptive instrument embedded within layered governance architectures. Minilateral arrangements emerge not as substitutes for regionalism, but as conditional responses to the interaction of legal fragmentation and consensus-based institutional constraints. This extends regime-complexity theory by showing how overlapping institutions can generate incremental legal stabilisation without producing comprehensive settlements.

The FCE framework also contributes to international political economy by specifying structural economic exposure as a distinct mechanism through which legal fragmentation and institutional complexity in global governance are translated into downstream economic vulnerability, independent of direct strategic involvement. This complements existing work on supply-chain resilience by foregrounding the role of legal stability, rather than physical disruption alone, in shaping systemic economic risk. The analytical leverage of this framework is greatest in economies that combine high global value-chain integration, dependence on maritime-transited intermediate inputs, and limited capacity for independent logistical diversification – conditions that Hungary illustrates particularly clearly.

Methodologically, the article demonstrates the value of integrating doctrinal legal analysis with comparative institutional analysis and process tracing to capture cross-domain causal mechanisms. By tracing how legal interpretation, institutional adaptation, and economic exposure interact, the FCE framework enables analysis that neither legal formalism nor institutional analysis alone could provide. Importantly, the framework is neither universal nor automatically transferable. Its applicability is conditional upon a specific set of scope conditions: the presence of fragmented legal authority without hierarchical enforcement; overlapping and non-exclusive institutional arrangements; embedding of the region in global value chains; and a linkage between legal uncertainty and commercial risk perception. These conditions suggest that the framework may travel to other contested maritime spaces – such as the Eastern Mediterranean, Arctic shipping routes, or parts of the Red Sea – while being ill-suited to purely territorial land disputes or regions lacking global logistical relevance.

Finally, with respect to Hungary, the FCE framework does not prescribe policy change. Instead, it offers an analytical lens through which international legal developments in distant maritime regions may be incorporated into assessments of economic security and

structural vulnerability. In this sense, the article's contribution lies in clarifying how fragmented maritime governance can acquire indirect relevance for non-participant states embedded in an interdependent global system.

Conclusions

This article has examined the South China Sea as a fragmented maritime order in which legal authority, institutional capacity, and economic interdependence interact in complex and non-linear ways. By integrating insights from international legal scholarship on fragmentation, regime-complexity approaches to ASEAN institutionalism, and international political economy perspectives on structural exposure, it has developed the FCE framework for understanding how governance outcomes emerge in the absence of hierarchical enforcement.

The analysis reveals that legal fragmentation in the South China Sea does not render international law irrelevant. Instead, UNCLOS continues to structure state behaviour through dispersed and cumulative interpretive practice. ASEAN claimant and involved states selectively internalise arbitral reasoning, coordinate legal positions, and embed treaty-based interpretations in diplomatic and operational contexts. While these practices cannot compel compliance by major powers, they generate incremental legal stabilisation that alleviates expectations of conduct within a contested environment.

At the institutional level, the article shows that ASEAN's consensus-based architecture constrains collective legalisation but does not preclude adaptive governance. Minilateralism emerges as functionally differentiated response to regime complexity, enabling states to pursue legal clarification and risk reduction while contributing to a layered form of maritime governance.

Extending the analysis beyond Southeast Asia, the article demonstrates how legal uncertainty and partial stabilisation in the South China Sea propagate through global value chains, affecting non-participant states such as Hungary. For economies deeply integrated into transnational manufacturing systems, legal developments in distant maritime regions shape commercial risk assessments, logistical planning, and economic resilience. This form of structurally mediated exposure highlights an underexplored dimension of maritime governance, linking international legal stabilisation to economic vulnerability in an interdependent global system.

The article does not seek to advance a general theory of maritime order, but to offer a disciplined, transferable framework for analysing how legal fragmentation, institutional complexity, and economic exposure interact under specific conditions. By making these interactions explicit, the FCE framework provides a basis for comparative research across other contested maritime spaces and for more nuanced assessments of how international legal dynamics generate differentiated consequences for states embedded in globally interdependent systems.

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Gábor Csizmazia¹

The Tariff Policy of the Trump Administration²

U.S. President Donald Trump began to apply tariffs at an unprecedented scope and scale in 2025. While presidential authority enables the targeted use of trade policy, the Trump administration's thinking and practice has revealed a broader function of tariffs. The aim of the analysis is to review the Trump administration's tariff policy, specifically to outline its rationale, i.e. the causes, purposes and functions of tariffs. The article argues that tariffs are not just components of trade policy, but also instruments of foreign policy: through its securitisation efforts, the Trump administration has made trade and security issues more interrelated in American foreign policy. The article highlights this phenomenon through examples in transatlantic relations.

Keywords: trade, tariffs, securitisation, foreign policy, transatlantic relations

Introduction

Donald Trump announced his reciprocal tariffs on 2 April 2025³ with a scope and scale (at least two digits for almost every country) that was unprecedented in modern American trade (even by the standards of his first presidency). In fact, the Trump administration's tariff policy has had the potential to undermine the global trading system, and in a way, it was meant to do so: Washington had already stepped on the path of protectionism and voiced concerns about the political, economic and social shortcomings of over-liberalised trade relations. Thus, Trump's tariffs are central components of a new American trade policy, despite the fact that the United States Supreme Court decided that the Trump administration cannot issue tariffs the way it did.⁴ However, the excessive use of tariffs has revealed another phenomenon. After several decades Washington has abandoned the bifurcation of trade and security relations. This means that on the one hand, security issues (such as defence cooperation) now play a role in reaching economic objectives (trade deals), while on the other, reaching foreign policy objectives (such as addressing territorial disputes) relies on economic hard power (tariffs and sanctions). Thus, Trump's tariffs are central components of a new American foreign policy. Both of these developments have occurred strikingly in transatlantic relations.

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² This study is an extended version of the analysis “The Impact of Trump 2.0 on Europe's Position in the Transforming World Order” published in John Lukacs Analyses on Global Affairs, 2025/7. The full paper is available at: https://www.uni-nke.hu/document/en-jli-uni-nke-hu/JL%20Analyses%20on%20Global%20Affairs_2025_2.pdf

³ The White House: *Regulating Imports with a Reciprocal Tariff to Rectify Trade Practices that Contribute to Large and Persistent Annual United States Goods Trade Deficits*. [online], The White House, 02.04.2025d. Source: [whitehouse.gov](https://www.whitehouse.gov) [03.04.2025].

⁴ Zirpoli, Christopher T.: *Supreme Court Rules Against Tariffs Imposed Under the International Emergency Economic Powers Act (IEEPA)*. [online], Congressional Research Service, 23.02.2026. Source: [congress.gov](https://www.congress.gov) [28.05.2026], 1.

Tariffs in American trade policy

Rules-based instead of liberal order

The Trump administration has started to demolish the liberal international order of political and trade institutions. Washington has apparently turned against its own creation, although this is only partially true: instead of 'liberal', it is more apt to use the term 'rules-based' order, and from a U.S. perspective, this order is crumbling not because it was built on inappropriate values (democracy and free competitive trade), but because its rules have been broken, circumvented or exploited by many.

Indeed, compared to other countries, the United States had applied low tariffs for decades.⁵ According to U.S. Trade Representative Jamieson Greer, Washington must break with a default trade liberalisation which others were only hoped to follow. Likewise, his Democratic predecessor, Katherine Tai wrote that, contrary to theory, trade liberalisation is divorced from democratic accountability.⁶ The American criticism also applies to international organisations responsible for enforcing trade rules: the World Trade Organization (WTO) has failed to enforce rulings that were in favour of the United States, or it has attempted to limit the American right to make national trade laws.⁷ Thus, Washington wants to replace comprehensive and open-ended trade liberalisation with a pragmatic trade regime⁸ that promotes the competitiveness of specific U.S. sectors and assures that its rules can be enforced. The American urge of restructuring stems from the view that trade liberalisation exacerbated the decline of U.S. manufacturing along with the dependence of certain industries from global production chains. Entering a period of intense geopolitical competition, the United States wants to develop capabilities to meet future military and economic challenges or, in short, to rebuild its domestic industrial base and its resilience.⁹

The increasingly protectionist thinking is a bipartisan phenomenon. Although Hillary Clinton labelled the losers of globalisation “deplorables” in 2016, she too eventually backed out of the Trans-Pacific Partnership, while in 2021 Joe Biden introduced a “foreign policy for the middle class” which was a euphemistic approval of the idea that earlier forms of free trade had overall hurt millions of Americans. The Biden administration did not

⁵ World Bank: *Tariff Rate, Applied, Weighted Man, All Products (%) – United States, European Union, Canada, China, Mexico*. [online], World Bank Group, 31.03.2025. Source: data.worldbank.org [27.03.2025].

⁶ Tai, Katherine: *Trade Must Transform its Role in the Social Contract*. [online], Financial Times, 28.05.2024. Source: ft.com [27.03.2025].

⁷ President Barack Obama blocked the filling of the WTO Appellate Body (withdrawing his support from the U.S. nominee in 2011, the Kenyan nominee in 2014 and the South Korean nominee in 2016). Hart, Nina M. – Murrill, Brandon J.: *The World Trade Organization's (WTO's) Appellate Body: Key Disputes and Controversies*. [online], Congressional Research Service, 22.07.2021. Source: congress.gov [27.03.2025], 2.

⁸ United States Senate Committee on Finance: *Hearing to Consider the Nomination of Jamieson Greer, of Maryland, to be United States Trade Representative, with the rank of Ambassador Extraordinary and Plenipotentiary*. [online], United States Senate Committee on Finance, 06.02.2025. Source: finance.senate.gov [27.03.2025], 00:57:00–00:59:10 minute mark.

⁹ Greer, Jamieson: *Opening Statement – Jamieson L. Greer Nominee for United States Trade Representative*. [online], United States Senate Committee on Finance, 06.02.2025. Source: finance.senate.gov [27.03.2025], 1–2.

even attempt to negotiate comprehensive free trade agreements, but rather focused on workers' rights and environmental issues. Ironically, the last free trade agreement ratified by Congress was Donald Trump's renegotiated NAFTA (or USMCA) deal between the United States, Mexico and Canada, with new elements on workers' rights and dispute settlement mechanisms that enjoyed Democrat support at home. Similarly, as Vice President J. D. Vance has talked about a "manufacturing comeback",¹⁰ President Biden promoted an "industrial strategy" that included embargoes, tariffs and non-tariff measures.¹¹

Imbalanced dynamics

One of the novelties of the Trump administration's tariff policy is the focus on imbalanced dynamics. Key among these is the increasing national debt. The level of public debt exceeded 100% of GDP in 2013,¹² and the interest payments as a share of GDP¹³ have been an increasing burden on the U.S. federal budget. In fact, interest payments (USD 882 billion) exceeded the defence budget (USD 874 billion) in 2024,¹⁴ as highlighted by Republicans in the election campaign. Of course, trade policy alone cannot solve the problem of debt. The United States has been running a trade deficit for decades,¹⁵ with imports now exceeding exports by almost USD 131 billion, due to an imbalance in the flow of goods (while in services, there is a U.S. surplus).

The problem is that the United States consumes more than it produces: this is true not only for the population but for the federal government as well, which has been running a budget deficit for most of the last forty years.¹⁶ In fact, the trade deficit can be understood as a symptom of the larger problem of overspending.¹⁷ The lasting solution to this problem would be to increase the cost-effectiveness of the federal government on the one hand, and productivity on the other. The Trump administration assumes that by reducing the size of government (in part through the actions initiated by the Department of Government Efficiency) and relaxing regulations (in particular by increasing energy production), it can get closer to reaching both goals. Meanwhile, Republican economic policy also includes a tax cut (an extension of the 2017 Trump tax cuts) which could be offset by tariffs and duties.

¹⁰ Vance, J. D.: *Remarks by the Vice President at the American Dynamism Summit*. [online], The American Presidency Project, 18.03.2025. Source: presidency.ucsb.edu [27.03.2025].

¹¹ Burns, Tobias: *How Trump and Biden Killed the Free-Trade Consensus*. [online], The Hill, 25.09.2023. Source: thehill.com [27.03.2025].

¹² Federal Reserve Bank of St. Louis: *Federal Debt: Total Public Debt as Percent of Gross Domestic Product*. [online], Federal Reserve Bank of St. Louis, 04.03.2025. Source: fred.stlouisfed.org [30.03.2025].

¹³ Federal Reserve Bank of St. Louis: *Federal Outlays: Interest as Percent of Gross Domestic Product*. [online], Federal Reserve Bank of St. Louis, 27.03.2025. Source: fred.stlouisfed.org [30.03.2025].

¹⁴ Hernandez, Fredrick: *Why the National Debt Matters for National Security*. [online], Bipartisan Policy Center, 14.11.2024. Source: bipartisanpolicy.org [27.03.2025].

¹⁵ Federal Reserve Bank of St. Louis: *Trade Balance: Goods and Services, Balance of Payments Basis*. [online], Federal Reserve Bank of St. Louis, 06.03.2025. Source: fred.stlouisfed.org [30.03.2025].

¹⁶ Federal Reserve Bank of St. Louis: *Federal Surplus or Deficit as Percent of Gross Domestic Product*. [online], Federal Reserve Bank of St. Louis, 27.03.2025. Source: fred.stlouisfed.org [30.03.2025].

¹⁷ Kamin, Stephen B. – Colton, William: *Trade Deficits are a Distraction – Focus Instead on the Debt*. [online], The Hill, 05.02.2025. Source: thehill.com [30.03.2025].

Thus, presidential rhetoric often refers to the importance of tariff revenues. Originally, the income side of the U.S. federal budget relied mostly (ca. 85%) on external revenues (tariffs or customs duties), whereas internal revenues (excise and direct taxes) were much smaller. However, the latter gained majority (ca. 63%) in total federal revenues by the second half of the 19th century, and since the 16th Amendment to the Constitution granted Congress the right to levy an income tax in 1913,¹⁸ the role of tariffs in federal budget revenues gradually decreased. Donald Trump's campaign rhetoric about re-shifting the emphasis from income tax to tariffs represented a U-turn in U.S. fiscal policy planning, although many economists questioned the feasibility of this idea.¹⁹ According to the Bipartisan Policy Center, the net tariff revenue in the United States was USD 194,9 billion in 2025 (nearly twice as much as in any year since 2020) and while tariffs' share in the federal budget revenue remained small (ca. 3,72%), it did step on a path of growth in 2025. In fact, the projections for the last quarter of 2026 show that the share of tariffs of the U.S. federal budget revenue would be higher than any time in recent memory (ca. 7,35–8,39%).²⁰

Regardless of whether such a shift is financially sound or not, politically it is meant to push the burden on Washington's trading partners. President Trump's executive order on "America First Trade Policy" did mention the review of tariff collection, but even more so emphasised the investigation of other countries' trade abuses (tariffs, non-tariff restrictions, currency manipulation) and related national security issues (strategic sectors, export controls, drug trafficking).²¹ In other words, tariffs are primarily corrective tools.

Coercive trade dealmaking with Europe

Perceived foreign abuses in trade are monitored by the United States Trade Representative (USTR) who is responsible for developing, coordinating and implementing U.S. trade policy. Accordingly, USTR Office produces an annual report on U.S. trade, supplemented by a National Trade Estimate (NTE) report on foreign trade barriers. The latter identifies government rules and practices that distort free trade and harm the flow of U.S. goods, services, investment and e-commerce abroad. Since the document is the result of a whole-of-government approach with a previous public call, the content of the 2025 NTE report is a compilation of comments spanning the Biden–Trump administrations.²² Donald Trump referred to this document when announcing his reciprocal tariffs in April 2025.

¹⁸ Hungerford, Thomas L.: *U.S. Federal Government Revenues: 1790 to the Present*. [online], Congressional Research Service, 25.09.2006. Source: everycrsreport.com [22.01.2026].

¹⁹ Jones, Ryan Patrick – Lawder, David: *Trump Says He Will Create New Agency to Collect Revenue from Foreign Sources*. [online], Reuters, 14.01.2025. Source: reuters.com [22.01.2026].

²⁰ Snyderman, Rachel et al.: *How Much are U.S. Tariffs Raising in Revenue?*. [online], Bipartisan Policy Center, 23.04.2025. Source: bipartisanpolicy.org [22.01.2026].

²¹ The White House: *America First Trade Policy*. [online], 20.01.2025a. Source: whitehouse.gov [27.03.2025].

²² United States Trade Representative: *2025 National Trade Estimate Report on Foreign Trade Barriers*. [online], Executive Office of the President of the United States, 31.03.2025. Source: ustr.gov [27.03.2025], 1–4.

The 2025 NTE report confirmed the importance of trade between the U.S. and the EU, but also stressed that some European barriers have persisted for years despite various attempts to resolve them (via bilateral consultations or WTO dispute settlement mechanisms). Table 1 describes the types and main (non-exhaustive) specific examples of trade-distorting practices used by Europeans from an American standpoint.

Table 1: Types and examples of trade-distorting practices used by the EU and its Member States from an American standpoint

Category	Main remarks and examples
Import policy	<p><i>Tariffs:</i> The EU meets the 5% average tariff value requirement under WTO rules (its tariffs are particularly high on fishery products, trucks and passenger cars, bicycles, as well as fertilisers and plastics). The EU uses a different measurement to determine tariffs on food products (based on their ingredients), imposing an unnecessary administrative burden on U.S. exporters. <i>Example:</i> The Italian customs authority is inconsistently calculating banana tariffs, despite transatlantic agreements and the decision by the Italian Supreme Court</p> <p><i>Tariff administration:</i> In the EU, customs administration is carried out by the Member States separately and with different interpretations of EU law, so American complaints must bring their legal cases to separate legal forums in each country, but resolving cases brought before the Court of Justice of the European Union is also time-consuming and costly. <i>Example:</i> Member States administer customs without a harmonised IT system and with different data templates</p>
Technical barriers	<p><i>Transparency and notifications:</i> Some stages of the EU legislative process do not provide meaningful opportunities for external actors to provide their opinions. <i>Example:</i> under EU rules on the classification of chemicals, external opinions are only received after internal consultations are concluded, while later (during negotiations between the Council, the Commission and the Parliament) not at all</p> <p><i>Standards:</i> the EU is trying to introduce exclusive standards that go beyond existing international standards or ignore external feedback. <i>Example:</i> the European Standardisation Strategy (2022) limits the involvement of non-EU stakeholders in the development of harmonised European regional standards, which excludes the previously assured U.S. participation in the field of ICT technologies</p>
Sanitary and phytosanitary measures	<p><i>Unjustified requirements:</i> the EU imposes food and environmental safety requirements on farmers that would protect people, animals and plants beyond the necessary level, without scientific justification. <i>Example:</i> the rules do not allow the sale of agricultural GMO products from the United States</p> <p><i>Certification requirements:</i> the EU has published at least 14 versions of the health certificate for certain U.S. agricultural products since January 2022, making the European market unpredictable for U.S. exporters</p>
Government procurement	<p><i>EU gap:</i> the EU is a party to the WTO Agreement on Government Procurement, and the EU directive on public procurement in the utilities sector requires open competition, but the latter cannot be fully implemented. <i>Example:</i> in the utilities sector, national governments under certain circumstances may reject bids with less than 50% European content</p> <p><i>Lack of transparency in Member States:</i> in many Member States, the public procurement system is not transparent and/or allows for the lowest price criterion to prevail instead of the full procurement lifecycle, complicates documentation requirements and favours domestic bidders. <i>Example:</i> Croatian, Greek, Hungarian, Lithuanian, Portuguese, Slovak and Slovenian public procurement</p>

Category	Main remarks and examples
Intellectual property rights protections	<p><i>Geographic indications:</i> The EU adopts regulations and international positions that, for certain products with common names, enforce the designation of origin of a given European geographical area against the external ‘trademark’ concept. <i>Example:</i> for certain cheeses and wines, American products with the same name cannot enter the European market (due to their origin), while European products with the same name (but not originating from the given geographical area) can</p> <p><i>National regulations:</i> Member States have a high level of protection of intellectual property rights, but there are abuses in some countries. <i>Example:</i> counterfeiting of medicines in Belgium, Bulgaria, Germany, Poland and Romania</p>
Services barriers	<p><i>Audiovisual media services:</i> an EU directive requires that at least 30% of the content offered by Internet-based video service providers must be European, but this is supplemented by Member States. <i>Example:</i> requirements and restrictions in Belgian, Danish, Dutch, French, Italian, Polish and Spanish regulations</p> <p><i>Professional services:</i> some Member States apply additional conditions of bar membership. <i>Example:</i> Austrian, Belgian, Bulgarian, Croatian, Cypriot, Greek, Hungarian, Latvian, Lithuanian and Maltese practice</p>
E-commerce barriers	<p><i>Digital service providers:</i> the European Commission has received delegated powers to impose certain fines on the largest online platforms (VLOPs). The first round of VLOPs was identified in 2023, and since most of them are U.S. companies, the regulation in practice disproportionately affects the U.S. side</p>
Investment barriers	<p><i>Investor background:</i> EU law (with some exceptions) requires that a company registered in one Member State is treated equally in other Member States, but most of the rules regarding the first entry of investors from outside the EU fall under national competence, and therefore may be various and potentially disadvantageous. <i>Example:</i> Croatian, Cypriot, Danish, German, Hungarian, Italian, Latvian, Polish, Portuguese, Spanish and Swedish regulations</p>
Government subsidies	<p><i>EU subsidies:</i> the EU advocates financial support for European fruit and vegetable producers, but from a U.S. perspective these are not transparent, raising the possibility of hidden subsidies. <i>Example:</i> support for Greek apricot producers</p> <p><i>National subsidies:</i> although the transatlantic debate over subsidies for Boeing/Airbus has been temporarily suspended, there are still U.S. concerns about French, German and Spanish support for Airbus-related businesses</p>
Other barriers	<p><i>Regulations related to greenhouse gas emissions:</i> the EU is preparing the application of its Carbon Border Adjustment Mechanism to offset the carbon intensity of imported goods, and it is currently uncertain whether U.S. exports would receive credits</p> <p><i>Regulation of pharmaceutical products:</i> in some Member States, the system of reimbursements for medicines is opaque. <i>Example:</i> Austrian, Belgian, Czech, French, Greek, Hungarian, Italian, Irish, Polish, Romanian and Spanish regulations</p>

Source: Executive Office of the President of the United States 2025: 129–162.

The 2025 NTE report expressed U.S. complaints that were not of Trumpian origin: most of them had arisen during the negotiations on the Transatlantic Trade and Investment Partnership (TTIP) a decade ago and may have caused the TTIP’s downfall. Ironically, the last time the TTIP negotiations restarted was during the first Trump presidency, though

they stalled over disputes on agricultural products²³ and later the European Council decided not to conclude a free trade agreement with countries that were not part of the Paris Climate Accord. The Biden administration smoothed out several disagreements by making political gestures (e.g. establishing the Transatlantic Trade and Technology Council), resolving some trade disputes (e.g. introducing favourable quotas for steel and aluminium tariffs that otherwise remained in place), or simply postponing problems (e.g. agreeing with the Europeans that the transatlantic parties would suspend their punitive tariffs applied in the Boeing-Airbus case). However, the Biden administration never seized the opportunity to conclude a comprehensive transatlantic free trade agreement, as the above problems have been lurking in the background.

The fact is that tariffs were not the main obstacles to transatlantic free trade, so the NTE report barely mentions them. From a U.S. perspective, the main obstacles are the various regulations of the European Union and its Member States. This also explains why President Trump's announcement of reciprocal tariffs referred to 39% EU tariffs: this figure was the result of an estimate that linked (and controversially quantified) non-tariff measures with the overall low (on average 5%) European tariffs. Thus, the main aim of Donald Trump's 20% reciprocal tariffs (on top of the 25% steel and aluminium tariffs and the 25% vehicle and auto parts tariffs) was not about changing European tariffs, but rather changing various EU and national regulations. The novelty of the Trump administration's practice was that it applied coercive economic diplomacy instead of the friendly negotiations under the Obama administration.

Tariffs in American foreign policy

Tariffs authorities and functions

The 2025 National Security Strategy of the United States of America makes clear statements on the reasons, purposes and functions of U.S. tariffs, as well as the interrelation between trade and foreign policy. Firstly, the document confirms the position that earlier free trade practices have caused security problems in the United States, as “globalism and so-called ‘free-trade’ [...] hollowed out the very middle class and industrial base on which American economic and military preeminence depend”.²⁴ In accordance, the strategy urges to “halt and reverse the ongoing damage that foreign actors inflict on the American economy”,²⁵ specifically calling for “the strategic use of tariffs”.²⁶ Secondly, the document applies trade relations in the context of security relations with allies and partners. Specifically, it urges greater burden-sharing with “countries that willingly take

²³ Akhtar, Shayerah I.: *U.S.-EU Trade and Economic Relations*. [online], Congressional Research Service, 09.06.2023. Source: sgp.fas.org [27.03.2025], 1.

²⁴ The White House: *National Security Strategy of the United States of America*. [online], The White House, 11.2025c. Source: whitehouse.gov [22.01.2026], 1.

²⁵ The White House 2025c: 5.

²⁶ The White House 2025c: 14.

more responsibility for security in their neighborhoods and align their export controls with [that of Washington]” which Washington could assist “potentially through more favorable treatment on commercial matters, technology sharing, and defense procurement”.²⁷ Thirdly, the document highlights economic hard power in the American foreign policy toolbox. It argues that President Trump’s regional conflict management efforts throughout the world rest on the pillars of “unconventional diplomacy, America’s military might, and economic leverage”.²⁸ The idea of having and using leverage “to advance America’s national security priorities”²⁹ is applied in the realm of finance as well.

According to the U.S. Constitution, “Congress shall have power to lay and collect taxes, duties, imposts and excises”, while the President “shall have power, by and with the advice and consent of the Senate, to make treaties”,³⁰ hence both branches of government are involved in the conclusion of trade agreements. From the 1930s, the legislature gradually ceded the right to initiate tariff policy so that the executive could reduce tariffs by proclamation and conclude free trade agreements that were starting to focus on more than just tariffs.³¹ Congress allowed the White House to increase tariffs through the following statutory authorities:³²

- the *Trade Act of 1930 (Section 338)* allows the President to impose tariffs on countries that introduce discriminatory burdens, rules, or restrictions on U.S. goods compared to third countries. The President may decide this himself/herself alone, and the tariff cannot exceed 50% of the value of the good(s) in question
- the *Trade Expansion Act of 1962 (Section 232)* allows the President to impose tariffs on imports of goods that threaten national security due to their volume. When making such decision, the President relies on a report from the Secretary of Commerce, and there is no limit on the amount or duration of the tariff
- the *Trade Act of 1974 (Section 122)* allows the President to impose tariffs or import quotas in the event of a large and serious deficit in the U.S. balance of payments. The President can decide himself/herself alone whether this is justified, while the tariff cannot exceed 15% and is only in force for 150 days
- the *Trade Act of 1974 (Section 201)* allows the President to impose tariffs or other measures if large imports of foreign products threaten or injure domestic industry/industries. The President relies on a report from the U.S. International Trade Commission (ITC), and may increase the tariff on the good(s) in question up to 50%, with the latter rate to be gradually reduced after one year and remain in effect for up to four years (unless the ITC recommends otherwise)

²⁷ The White House 2025c: 12.

²⁸ The White House 2025c: 8.

²⁹ The White House 2025c: 15.

³⁰ United States Senate: [Constitution of the United States](#). [online], United States Senate, s. a. Source: senate.gov [22.01.2026], Article I, Section 8 (Clause 1) and Article II, Section 2 (Clause 2).

³¹ Casey, Christopher A.: [U.S. Tariff Policy: Overview](#). [online], Congressional Research Service, 31.01.2025. Source: congress.gov [30.03.2025].

³² Zirpoli, Christopher T.: [Congressional and Presidential Authority to Impose Import Tariffs](#). [online], Congressional Research Service, 27.02.2025. Source: congress.gov [30.03.2025], 8–19.

- the *Trade Act of 1974 (Section 301)* allows USTR to impose tariffs on goods from countries that have violated trade agreements with the United States or have imposed undue, excessive, or discriminatory burdens on the imports of U.S. goods. USTR can decide to impose any tariff(s) in accordance with the President's guidance, and the tariff(s) will remain in place for up to four years (unless the domestic industry concerned requests an extension)
- the *International Emergency Economic Powers Act of 1977 (IEEPA)* allows the President to impose import controls and prohibitions if he/she has declared a national emergency under the National Emergencies Act. Such a national emergency can be decided by the President alone and automatically expires after one year (although the President can renew it at any time)

Thus, congressional mandates vary in terms of subject matter, tariff value and duration, but all leave it to the executive to use a restriction of U.S. market access as a coercive tool. In other words, these pieces of legislation provide the White House with the opportunity to wield tariffs as economic hard power tools in various foreign and security policy issues that normally have nothing to do with trade.

Tariffs as economic hard power tools

The first use of tariffs as tools of economic coercion was related to the inflow of fentanyl into the United States. President Trump issued executive orders in February 2025, arguing for tariffs ranging from 10–40% on products imported from Canada and Mexico due to these countries' alleged shortcomings in addressing drug smuggling across their borders with the United States. Similar tariffs of 10% were introduced against all products from the People's Republic of China. Although this action targeted Washington's most direct trading partners, it was not a purely trade policy decision, as the tariffs were not meant to affect products that qualified for duty-free preference under USMCA. Moreover, in all three cases, tariffs were used as economic leverage for the bilateral negotiations that have eventually resulted the modification of these rates.³³

Another form of foreign policy oriented use of economic hard power has been the introduction of sanctions through secondary tariffs. Specifically, through his executive order in March 2025, President Trump imposed 25% tariffs on all goods from all countries that directly or indirectly imported oil from Venezuela. Similarly, the Trump administration imposed 25% tariffs on multiple goods from India due to the latter's purchase of Russian oil.³⁴ The latter related to Washington's efforts of pressuring Moscow to attend the negotiating table with Kyiv over the Russia–Ukraine war. Moreover, the Trump administration has been open to the idea of imposing much higher (up to 500%) secondary tariffs

³³ Hammond, Keigh E. – Burkhart, William F.: *Presidential 2025 Tariff Actions: Timeline and Status*. [online], Congressional Research Service, 12.01.2026. Source: congress.gov [22.01.2026], 6–7.

³⁴ Hammond–Burkhart 2026: 10.

against the Russian Federation through congressional action. While a backlog certainly exists in the U.S. Congress (mainly due to domestic political faultlines),³⁵ the related bills in the Senate and the House are identical and have 84 and 151 co-sponsors, respectively.³⁶ Therefore, it is likely that the process and pace of debating and adopting these initiatives depends from the unfolding of U.S.–Russian–Ukrainian talks.

Lastly, the Trump administration applies a wide understanding of national security based foreign policy goals when utilising tariffs as hard economic power tools. The most striking example for this is the case of Brazil: President Trump introduced 40% tariffs on various products imported from the South American country due to its government actions regarding the prosecution of former President Jair Bolsonaro and the regulation of certain online platforms.³⁷ In fact, these issues also factored into the U.S. determination of reciprocal tariffs against Brazil with whom the United States actually has a trade surplus. In other words, while the tariffs are used for national security purposes, these purposes may reflect the political interests of the White House. Linking political and security ties is not a new phenomenon in American (or any nation's) foreign policy, however, the Trump administration has specifically highlighted this consideration in its 2025 national security strategy³⁸ which had 'political' elements unusual for such a document.

The following table provides an overview of the main presidential tariff mandates, illustrated with specific examples of Donald Trump's tariffs in the first year of his second presidential term.

Overall, President Trump has used or threatened to use tariffs primarily for security reasons, i.e. on the grounds of national security (Section 232) and national emergency (IEEPA), often with the intention of universal application. The President resorted to securitisation, whereby 1. he has identified existential or national security threat(s); 2. he has communicated and declared an emergency through rhetoric; and then 3. he has invoked the latter to impose extraordinary measures (through executive orders). In fact, Donald Trump was the first president in the history of IEEPA to actually invoke executive power granted by that piece of legislation, citing national emergency identified in the inflow of fentanyl, the funding of the Maduro-regime in Venezuela, or the overall foreign trade deficit of the United States.

³⁵ The Editorial Board: *Where's Congress on Russia Sanctions?.* [online], The Wall Street Journal, 14.01.2026. Source: wsj.com [22.01.2026].

³⁶ See United States Congress: *S.1241 – Sanctioning Russia Act of 2025.* [online], 01.04.2025. Source: congress.gov [22.01.2026] and United States Congress: *H.R.2548 – Sanctioning Russia Act of 2025.* [online], 01.04.2025. Source: congress.gov [22.01.2026].

³⁷ Hammond–Burkhart 2026: 10.

³⁸ See The White House 2025c: 16 and 26.

Table 2: Presidential tariff actions in 2025

Mandate	Goal	Example
<i>Section 338</i>	punishing discrimination against U.S. goods	–
<i>Section 232</i>	addressing threats to national security	<ul style="list-style-type: none"> • tariffs on steel and aluminium from all countries • tariffs on vehicles and auto parts from all countries • tariffs on trucks and buses from all countries • tariffs on copper from all countries • tariffs on timber and lumber from all countries • launching investigations to determine tariffs on semiconductors, pharmaceuticals, critical minerals, aircraft, drones, polysilicon, wind turbines, robotics, and medical equipment from various countries
<i>Section 122</i>	improving U.S. balance of payments	–
<i>Section 201</i>	protecting domestic industry	–
<i>Section 301</i>	punishing the breach of trade agreements	<ul style="list-style-type: none"> • launching investigations to determine tariffs against Nicaragua, Brazil, the People's Republic of China and several other regarding various trade-related practices
<i>IEEPA</i>	managing national emergency	<ul style="list-style-type: none"> • tariffs on Chinese, Canadian and Mexican goods • tariffs on goods from countries purchasing Venezuelan oil • tariffs on certain goods from Brazil pursuing certain policies • tariffs on certain goods from India purchasing Russian oil • suspending de minimis exemption for all countries • reciprocal tariffs on all countries

Source: compiled by the author based on Hammond–Burkhart 2026: 1.

Security leverage and economic coercion against Europe

The 2025 transatlantic trade deal was a hallmark example of American economic coercion and securitised trade. Firstly, the negotiation process itself revealed that tariffs are economic hard power tools for reaching various ends. Jamieson Greer praised the Turnberry deal between President Donald Trump and European Commission President Ursula von der Leyen because the latter was “aligning on matters of economic and national security”. In fact, according to USTR, “by using a mix of tariffs and deals for foreign market access and investment, the United States has laid the foundation for a new global trading order”. The essence of the “Turnberry system” is that Washington does not attempt to establish fixed dispute settlement fora or processes, but rather monitor compliance and apply higher punitive tariffs unilaterally when necessary.³⁹

Secondly, the Turnberry deal itself included important security-related components. On the one hand, EU Trade Commissioner Maroš Šefčovič commented after the

³⁹ Greer, Jamieson: *Trump's Trade Representative: Why We Remade the Global Order*. [online], The New York Times, 07.08.2025. Source: nytimes.com [22.01.2026].

agreement that it was “not only about the trade. It’s about security. It’s about Ukraine. It’s about current geopolitical volatility” without going into detail.⁴⁰ On the other hand, the initial American and European understandings of the deal differed with regard to the purchase of U.S. military equipment: while the White House fact sheet included this item on the list of agreed points,⁴¹ EU officials denied such a commitment.⁴² Still, a month later the joint U.S.–EU statement on their Framework Agreement did note that “the European Union plans to substantially increase procurement of military and defence equipment from the United States, with the support and facilitation of the US government”.⁴³

Despite the transatlantic trade deal, President Trump raised the possibility of tariffs yet again in 2026 regarding his debate with Denmark over the control of Greenland. Initially, the U.S. proposal was a land-purchase (in accordance with 19th and 20th century precedents regarding this particular island) and while the White House rhetoric became increasingly assertive, Secretary of State Marco Rubio tried to re-emphasise the U.S. preference for a financial agreement. However, as the latter seemed unlikely to gain support in Europe, President Trump announced his plan to introduce a tariff of 10% against the countries that signalled solidarity with Denmark. As French and German officials indicated the possibility of initiating the EU’s Anti-Coercion Instrument (including measures that range from tariffs to export and tender restrictions)⁴⁴ along with the fact the ratification of the Turnberry deal was at risk, President Trump stepped back from his tariff threat at the Davos World Economic Forum. Nevertheless, the U.S. move revealed an attempt for use of tariffs that was more aggressive than any time before within the transatlantic alliance.

Conclusions

President Trump’s tariff policy is the trade and economic manifestation of the American foreign policy shift for an era of renewed geopolitical competition. The United States has accepted the fact that it has entered a post-hegemonic world where the rules-based international order and the U.S. role in it are no longer sustainable according to their original design. Accordingly, the Trump administration has accelerated the restructuring of global trade along American interests. Washington wants to reduce the U.S. burden of maintaining the international order and this is served partly by cutting the American foreign trade deficit along with the associated economic and military costs.

⁴⁰ Cook, Lorne: *Higher US Tariffs Part of the Price Europe was Willing to Pay for its Security and Arms for Ukraine*. [online], AP News, 29.07.2025. Source: apnews.com [22.01.2026].

⁴¹ The White House: *Fact Sheet: The United States and European Union Reach Massive Trade Deal*. [online], The White House, 28.07.2025b. Source: whitehouse.gov [22.01.2026].

⁴² Lunday, Chris: *EU-US Trade Deal: The Biggest Losers and (a Few) Winners*. [online], Politico, 29.07.2025. Source: politico.eu [22.01.2026].

⁴³ European Commission: *Joint Statement on a United States-European Union framework on an Agreement on Reciprocal, Fair and Balanced Trade*. [online], European Commission, 21.08.2025. Source: policy.trade.ec.europa.eu [22.01.2026].

⁴⁴ Sheftalovich, Zoay et al.: *EU Moves Closer to Using its Trade Bazooka against the US*. [online], Politico, 20.01.2026. Source: politico.eu [22.01.2026].

While the Trump administration's initiative is rational in the long run, it carries risks in the short to medium term: the political cost of unilaterally pushing for change could be severe, as the "Turnberry system" of international trade seems to be led not by a liberal hegemon defending rules in general, but rather by a realist great power disciplining on a case-by-case basis, including for selfish purposes.

It is far from certain that Washington's partners will understand, accept, or even be capable of adhering to ad hoc American priorities, especially if the latter are unrelated to trade and come at the cost of allied interests or principles. The unilaterally initiated tariffs have proven to be effective economic hard power tools in transatlantic trade, and the latter's securitisation has borne fruit for Washington. Nevertheless, upping the ante may trigger European allies and partners to actually respond in kind, resulting the potential loss of earlier achievements.

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