

# The US and the Indo-Pacific: What next?

*Jomo Kwame Sundaram*

*Seminar 21*

*31 January 2026*

# Geopolitics deepening ec. contraction?

- **Trade**: reversed since WTO, C-19, war: supply disruptions
- C19, war, sanctions → **supply-side 'cost-push' inflation**
- **Investment** sanctions: reshoring → **friend-shoring** [Abe]
- **Technology**: TRIPS, Huawei, TSMC, Deep Seek
- GFC → **'unconventional' QE** → worldwide contraction
- C19, war, sanctions → **supply-side 'cost-push' inflation**

# Geopolitics worsening world stagnation?

- Market, financial pressures for **fiscal austerity**
- **Fed** interest rate hikes → concerted rises → **stagnation**
- US **exorbitant privilege**; Others **limited policy, fiscal space**
- **Major debt crisis**: larger, more commercial, non-bank debt
- Globalization: undermined industrialization, food security
- China: major trade partner for most Asians

# Indo-Pacific strategy antecedents

Cold War 1: **Marshall Plan** → **NATO**, CENTO, SEATO, etc.

1955: Bandung: Afro-Asia; 1961 Belgrade **non-alignment**

1967: ASEAN → ZOPFAN, 1973

1979: WHO **smallpox** during Cold War

Post-Cold War **unipolar** sovereigntism; varieties of capitalism

**New Cold War?** Wolfowitz, G8 → G7

**Pivot to Asia** → TPP → IPS

**Trump, Abe: reshoring**, 'friend-shoring'

G7+NATO+OECD+WEF > G77, NAM, BRICS, SCO

APEC, Quad, **TPP**, AUKUS: **encircle, isolate, check China**

# Origins of Trump's Indo-Pacific strategy

German geopolitician Karl Haushofer first used 'Indo-Pacific'.

He legitimized integration of the 2 oceans, invoking 'scientific' evidence, to mobilize anticolonial forces in India, Japan and China to become German allies against UK, US, Western Europe.

**Abe** strengthened support for **Modi's** 'Eastward Action' policy

Trump and Biden both wanted India, US, Japan and Australia

to help check China; Oz faces both oceans

From Obama's TPP to Trump 1.0's I-P strategy

US: 'free and open Indo-Pacific'

# Indo-Pacific Economic Framework for Prosperity

5.23.22 summit-level launch of IPEF by **Biden**

14 members: Australia, Brunei, Fiji, India, Indonesia, Japan, S. Korea, Malaysia, NZ, Philippines, Singapore, Thailand, USA, Vietnam; 40% of world GDP.

Biden: “new rules”, promise “grow faster and fairer”.

4 **IPEF pillars** tax, anti-corruption, clean energy, data+privacy. But unlike TPP, **no market access** offer

But unlike Marshall Plan and Cold War 1, economic context and policies unsupportive, non-conducive

# Indo-Pacific under Trump 2.0?

- New National Security Strategy: **Transactional?**
- Liberation Day **tariffs; Mar-a-Lago accord?**
- China: from primary threat to peer competitor?
- Japan without Abe? Korea? SE Asia
- India still Modi, but...; West Asia?
- Monroe → 'Donroe' Doctrine
- Europe? NATO not forever? 2% → 5% [**US less**]
- Africa: shitholes, 3 paragraphs in NSS for minerals

# Thank you

For more, you can subscribe for free at  
IDEAs website: [www.networkideas.org](http://www.networkideas.org)  
<https://jomoglobaldev.substack.com/publish>  
or visit my website [www.ksjomo.org](http://www.ksjomo.org)