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AMERICAN MARITIME DOMINANCE
GEOPOLITICS, INDUSTRY, AND NEW GLOBAL BALANCES

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The recent Executive Order (EO) signed by President Donald J. Trump, titled "Restoring America's Maritime Dominance," is not merely an act of domestic industrial policy. It is a powerful signal, a declaration of intent with profound geopolitical ramifications, aiming to redefine global maritime power balances, counter China's rise, and reinvigorate a strategic American sector that has fallen into decline. The shockwave of this initiative propagates far beyond U.S. shores, touching historical allies like Italy – with its national champion Fincantieri directly involved in the American industrial fabric – and intersecting with the ambitious strategies of new global players, such as Saudi Arabia in its attempt to become a global logistics hub. Analyzing this EO therefore requires a broad geopolitical lens, capable of grasping the interconnections between national security, economic competition, and shifting alliances in the 21st century.

American Decline and Chinese Rise in Maritime Dominance

To understand the scope of Trump's EO, it is crucial to start from the historical and strategic context. The United States, emerging from World War II as the undisputed global maritime power in both commercial and military terms, has seen its shipbuilding industrial base progressively erode over recent decades. The causes are multiple and complex: high domestic production costs compared to Asian competitors, the consolidation of the shipbuilding industry into a few large players focused mainly on the defense sector, a changed strategic priority framework after the end of the Cold War, and increasingly fierce international competition capable of offering lower prices and faster delivery times. The statistics cited by the Trump administration itself are telling: it is estimated that today the U.S. builds less than 1% of global commercial ships, compared to China which dominates the market with shares exceeding 50-60% (and near-total dominance in segments like containers or port cranes).

Parallel to this relative American decline, the People's Republic of China has orchestrated exponential growth in the maritime sector, becoming the world's "shipyard." This supremacy is not only commercial but has profound strategic implications. Beijing has used its shipbuilding capacity to rapidly modernize and expand its Navy (PLAN), which now surpasses the U.S. Navy in number of units, altering the military balance in the Indo-Pacific. Furthermore, through initiatives like the Belt and Road Initiative (BRI), China has invested massively in port infrastructure worldwide, extending its influence along vital trade routes. Control over shipbuilding, ports, and logistics gives Beijing formidable geopolitical and economic leverage, perceived in Washington as a direct threat to American national security and economic prosperity. Dependence on supply chains dominated

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by China, especially for critical goods and industrial components, is seen as an unacceptable strategic vulnerability.

Dissecting the Executive Order: Ambitions and Tools

The EO "Restoring America's Maritime Dominance" presents itself as a direct and ambitious response to this perceived threat. It is not a single measure, but a strategic framework mobilizing the entire government apparatus ("whole-of-government approach") towards a common goal: the revitalization of the U.S. maritime industry in all its components (commercial and military shipbuilding, repairs, supply chains, ports, workforce).

The main pillars of the order include:

- **Maritime Action Plan (MAP):** Within 210 days, the National Security Advisor must present a detailed action plan, coordinating the efforts of numerous departments (Defense, Commerce, Transportation, Labor, Homeland Security). This plan must outline specific strategies to achieve "sustained resilience" in the sector.
- **Investments and Incentives:** The EO provides for the creation of a "Maritime Security Trust Fund" to ensure stable and predictable funding, overcoming the uncertainty of annual budget cycles. A financial incentive program is also established to stimulate private investment in domestic shipbuilding. Extensive use of the authorities provided by the Defense Production Act (DPA) Title III is foreseen for direct investments and to catalyze private capital towards shipyards, suppliers, and port infrastructure. The Pentagon's Office of Strategic Capital is also called upon to contribute.
- **Countering Chinese Competition:** The order tasks the United States Trade Representative (USTR) with finalizing investigations into China's trade practices deemed unfair and anti-competitive in the maritime sector (subsidies, dumping) and implementing countermeasures. These could include significant tariffs on ships built in China or flying the Chinese flag calling at U.S. ports, as well as duties on port cranes and other equipment of Chinese origin. Measures to counter tariff evasion through Canadian or Mexican ports are also anticipated.
- **Workforce Development:** Recognizing the severe shortage of skilled labor as a critical bottleneck, the EO emphasizes training. Investments are planned to modernize the U.S. Merchant Marine Academy and programs to expand educational and apprenticeship opportunities in the maritime sector.
- **Allied Engagement and "Maritime Prosperity Zones":** Despite a strong emphasis on "America First," the EO implicitly acknowledges the need for external expertise and capital, calling for mechanisms to incentivize investments by "allied nations" in U.S. shipyards and coastal communities. The creation of "Maritime Prosperity Zones" with tax and regulatory breaks to attract such investments is hypothesized.
- **Strengthening Commercial and Military Fleets:** The order aims to increase the number of U.S.-flagged commercial vessels in international and domestic trade (potentially strengthening the Jones Act) and to ensure an adequate inactive reserve fleet for military needs in times of crisis.

The ambition is enormous: to reverse decades of industrial trends and regain a position of global leadership. The challenges are equally great: the need for huge and sustained funding over time, the difficulty in rebuilding complex supply chains and rapidly training a specialized workforce, the inherently long lead times of shipbuilding, and the possible reaction of international competitors.

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Fincantieri and Italy: A Strategic Ally in American Waters

In this scenario, the position of Italy and its national champion Fincantieri takes on particular importance. Fincantieri is not only one of the world's largest shipbuilders but is also an actor deeply rooted in the U.S. defense industrial landscape through its subsidiary Fincantieri Marinette Marine (FMM) in Wisconsin. FMM's role has become crucial for the US Navy. After the experience with the Littoral Combat Ships (LCS), FMM was awarded the highly prestigious contract in 2020 for the design and construction of the new Constellation-class guided-missile frigates (FFG-62), based on the Italian-French FREMM platform. This program is considered vital for the future of the American surface fleet and represents a huge technological and industrial success for Fincantieri, as well as a testament to the trust placed in it by its American ally.

The EO "Restoring America's Maritime Dominance" presents a complex picture of opportunities and challenges for Fincantieri and Italy:

- **Opportunities:** The emphasis on growing the military fleet and revitalizing the industrial base could translate into further orders or the acceleration of existing programs, such as the FFG-62. The call for investments from "allies" could favor Fincantieri, given its established presence and proven capabilities. The company could benefit from incentives and funds made available to expand its production capacity in the USA or to improve the infrastructure of its American shipyards (besides Marinette, Fincantieri also owns Bay Shipbuilding and other facilities). There might also be room in the ship repair sector or specific commercial segments if the EO succeeds in stimulating that part of the industry as well.
- **Challenges and Risks:** The "America First" rhetoric could, despite overtures to allies, translate into pressure to further increase the "American" content of production, potentially limiting technological input from Italy or complicating the management of the group's global supply chains. Competition from other allies with strong shipbuilding capabilities (South Korea, Japan, Spain) could intensify to capture the opportunities offered by the U.S. market. Navigating the complex American political, regulatory, and labor landscape will require continuous attention and diplomatic skill. It will be crucial for Italy, as a national system, to support Fincantieri in seizing opportunities and mitigating risks, maintaining a constant strategic dialogue with Washington.

For Italy, Fincantieri's participation in the American maritime reconstruction effort is an important geopolitical asset. It consolidates the strategic alliance with the USA in a key sector, guarantees access to technologically advanced programs, and offers economic and employment returns. However, it also requires careful management to balance national interests with those of the ally and with Italy's positioning in the broader European and Mediterranean context.

Saudi Arabia and the Race to Become a Global Logistics Hub

While the United States seeks to "restore" its maritime dominance, another player is emerging with transformative ambitions in the sector: Saudi Arabia. As part of its "Vision 2030," Riyadh is investing tens, if not hundreds, of billions of dollars to diversify its oil-dependent economy and position itself as a global logistics, commercial, and tourism hub, leveraging its strategic location between Asia, Europe, and Africa.

The maritime sector is central to this strategy:

- **Port Development:** Massive investments are underway to expand and modernize Saudi ports, particularly on the Red Sea coast. King Abdullah Port (KAP) aims to become one of the ten largest container ports in the world. Jeddah Islamic Port is undergoing a major overhaul. The futuristic NEOM project includes Oxagon, a floating industrial city conceived as a next-generation port and logistics center.
- **Shipbuilding and Repairs:** Through the International Maritime Industries (IMI) joint venture – involving Saudi Aramco, Bahri (the Saudi national shipping company), Lamprell, and Hyundai Heavy Industries (a South Korean giant) – Saudi Arabia is building one of the world's largest shipbuilding and offshore facilities in the Ras Al-Khair complex. It will be capable of building VLCCs (Very Large Crude Carriers), offshore platforms, and other vessels, as well as providing repair services.
- **Creating a Logistics Ecosystem:** The goal is to integrate ports, special economic zones, rail networks, and airports to offer end-to-end logistics solutions and attract maritime traffic and international investment.

The geopolitical implications of this Saudi push are significant. If Riyadh succeeds, it could alter global trade routes, challenging established hubs like Dubai (Jebel Ali) in the United Arab Emirates. Its location on the Red Sea, a vital but also unstable maritime artery (as recent Houthi attacks demonstrate), makes it a key player for regional and global maritime security. Saudi success could boost new trade corridors, such as the India-Middle East-Europe Corridor (IMEC), also conceived as an alternative to China's BRI.

How does the Saudi ambition intersect with the American EO? Ostensibly, they are parallel dynamics. The U.S. seeks to strengthen *its own* industrial base and the security of *its own* supply chains, partly as a reaction to global vulnerabilities. Saudi Arabia seeks to become a crucial node *in* those global supply chains. However, there are points of contact:

- **Maritime Security:** A stronger and more present U.S. Navy, an implicit goal of the EO, is relevant to the security of Red Sea routes, crucial for Saudi ambitions. There is potential for greater U.S.-Saudi cooperation on regional maritime security, despite the complexities of their bilateral relationship.
- **Technological Competition/Cooperation:** Both the U.S. and Saudi Arabia (with partners like Hyundai) are investing in advanced naval and port technologies. Competition or collaboration could emerge in areas like port automation, maritime decarbonization, or cybersecurity of critical infrastructure.
- **Supply Chain Reorientation:** If the American EO stimulates significant reshoring or "friend-shoring," this could influence the global trade flows that Saudi Arabia hopes to intercept. On the other hand, an efficient and secure logistics hub in the Middle East could be viewed positively by Washington as an alternative to dependence on other regions.

In summary, while America focuses on internal reconstruction, Saudi Arabia projects itself as a new global logistics center of gravity – two tectonic movements that together contribute to redrawing the world's maritime map.

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The Long Waves of New Maritime Geopolitics

The Executive Order "Restoring America's Maritime Dominance" is much more than an industrial plan. It is a far-reaching geopolitical gamble, an attempt to reverse decades of relative decline and respond to the strategic challenge posed by China for dominance of the seas. Its implications are global and multifaceted.

For the United States, it represents a monumental commitment that will require unwavering political will, colossal and sustained investments over time, and the ability to overcome significant industrial and training obstacles. Success is not guaranteed, but the intention is clear: to reassert American centrality in global maritime affairs.

For allies like Italy, through players like Fincantieri, important opportunities open up to consolidate strategic partnerships and benefit from the investment push, but also the need to carefully navigate the complexities of an alliance that, while solid, is subject to the internal dynamics and "America First" vision of the current administration.

For emerging players like Saudi Arabia, the current geopolitical fluidity offers space to pursue ambitious national transformation strategies that could redraw global logistics and trade maps, intersecting in complex ways with the moves of the great powers.

Ultimately, Trump's EO signals entry into a new era of intensified maritime competition, where control of the seas, trade routes, port infrastructure, and shipbuilding capacity once again becomes a central element of nations' grand strategy. The waves generated by this American initiative will propagate for years, influencing not only the U.S.-China rivalry but also the strategic choices of allies, the ambitions of regional powers, and the very future of globalization. Dominance of the seas is, once again, at the center of the global chessboard.

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