59/2025 07/07/2025

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New Era for the Indo-Pacific: China Projects Naval Power and the United States Redefines Defense Relations

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Abstract:

The geopolitical landscape has become militarily active on various fronts. In response to the threat posed by China, the United States is allocating greater expenditure on more modern weaponry, following the Asian giant's recent efforts to bolster its defense industrial base.

China is not a minor power in terms of its fleet size. In fact, it possesses the largest navy in the world by number of ships. This naval prowess is the result of a shipbuilding industrial base that has eclipsed that of the United States. Washington's strategy of redirecting defense expenditure with allies to revitalize its own military industry in response to the challenge posed by China has marked a turning point in its relationship with Indo-Pacific allies.

Keywords:

Indo-Pacific, Military industry, Defense spending, Naval might, Deterrence.

How to quote:

PARRA PÉREZ, Águeda. *New Era for the Indo-Pacific: China Projects Naval Power and the United States Redefines Defense Relations*. Opinion Paper. IEEE 59/2025. web link IEEE and/or link bie[3] (accessed on the web day/month/year)

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Increasing Defense Spending That Will Mark an Era of Insecurity

The anticipation of a potential conflict in the Pacific is permeating Beijing's defensive strategies, as the possibility of a prolonged confrontation under a war of attrition scenario is becoming increasingly likely. This is particularly relevant in the context of the ongoing conflicts in Ukraine and the Middle East, which have provided significant insights into best practices and are thereby redefining military strategy. Furthermore, there is an ongoing upward trend in military expenditure that is already a constant in other regions, shaping what the British think tank Institute for Strategic Studies (IISS) has called an era of global insecurity[1].

The changes in China's roadmap are therefore the result of the nation adapting to this geopolitically active scenario on various fronts. Recent developments not only indicate that Beijing is intensifying its efforts to modernize its army, incorporating advanced combat capabilities and weaponry, but is also seeking to ease the return of reservists and veterans[2], while strengthening cooperation initiatives between the civilian and military sectors in science, technology, and industrial development. These measures are in addition to China's announcement of a defense spending target of 7.2% of GDP by 2025[3], with the aim of maintaining the same growth rate as the previous year. This would result in the defense budget surpassing the estimated economic growth that the government has set for this year at around 5%.

In an effort to be prepared for "changes unseen in a century are unfolding across the world at a faster pace," as commented by Chinese Premier Li Qiang[4], the Asian country will allocate $245 billion for the defense budget. This expenditure is less than that of the United States but exceeds the spending of other Asian economies. Indeed, Japan's

[1] Institute for Strategic Studies, The Military Balance 2024 spotlights an era of global insecurity, IISS, February 2024, https://www.iiss.org/press/2024/02/the-military-balance-2024-press-release/

[2] XINHUA, Xi signs order to promulgate regulations on reservist management, China Daily, October 21, 2024, https://www.chinadailyhk.com/hk/article/596639

[3] CHEN Lauren y TORODE Greg, China maintains defence spending increase at 7.2% amid roiling geopolitical tensions, Reuters, March 2025, https://www.reuters.com/world/china/china-maintains-defence-spending-increase-72-2025-03-05/

[4] MORRIS, Lyle, Key Takeaways from China's Two Sessions in 2025, Asia Society Policy Institute, March 2025, https://asiasociety.org/policy-institute/key-takeaways-chinas-two-sessions-2025#ambitious-targets-and-us-china-tensions-mean-more-stimulus-may-be-needed--20865

spending[5] will quadruple after the proposed increase, and the figure will stand at $58 billion.

Notwithstanding the escalating geopolitical tensions, China's defense budget has been growing at a single-digit rate since 2016, with an average allocation of 1.3% of GDP, according to International Institute for Strategic Studies (IISS). This figure is below the global average of 1.8%, and even lower than the 2% target that Washington is urging all NATO members to achieve. Indeed, reaching this milestone represents a considerable challenge for European powers, who are focused on achieving strategic military autonomy to address the challenges posed by President Trump in his second administration. In this regard, the concept of an "arsenal for democracy" is being invoked, a term initially coined by U.S. President Franklin D. Roosevelt during his appeal for support from the Allies during the Second World War.

To address the challenges posed by the evolving geopolitical landscape, the Chinese military underwent a significant restructuring[6] last year. This movement, the most substantial implemented by Xi Jinping since 2015, involves the establishment of units for information, space, and cyber operations as independent, which until now were under the jurisdiction of the Central Military Commission, also led by Xi Jinping. Henceforth, these new units will be of increased significance within the People's Liberation Army (PLA), clearly indicating that greater information advantages are proving crucial in modern wars.

In this way, China is rapidly advancing military capabilities and closing the gap with the United States, achieving massive weapons production, and although the magnitude of China's military spending is not comparable to the U.S. budget, the capacity of its defense industry has transformed the country into a military heavyweight. These advances reveal the considerable power that China has achieved, having incorporated 400 modern fighter aircraft, 20 large warships, and doubled the arsenal of ballistic and cruise missiles. In addition, between 2021 and 2024[7] China has constructed a new stealth bomber. However, China's ambitions are much more challenging, as evidenced by the fact that it

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[5] JOHNSON Jesse, Japan seeks another record-breaking defense budget for fiscal 2025, The Japan Times, August 2024, https://www.japantimes.co.jp/news/2024/08/30/japan/politics/japan-defense-budget-request/

[6] ARTHUR, Gordon, China dissolves Strategic Support Force, focused on cyber and space, Defense News, April 2024, https://www.defensenews.com/global/asia-pacific/2024/04/23/china-dissolves-strategic-support-force-focused-on-cyber-and-space/

[7] JONES, Seth G., China Is Ready for War, Foreign Affairs, October 2024, https://www.foreignaffairs.com/china/china-ready-war-america-is-not-seth-jones

has doubled the inventory of nuclear warheads, thus surpassing France (Figure 1), and the forecast is to reach 1,000 by 2030.

Figure 1: Nuclear Warhead Inventories. Source: Federation of American Scientists data and Bloomberg.

These advances in the military technology have also been reflected in Xi Jinping's speeches, showing how geopolitical tension has been shaping China's objectives. The 20th Congress of the Communist Party of China therefore marked a clear shift in approach, moving from the strategy of "winning local wars" as outlined in the previous congress, to a new and more ambitious objective of "winning wars" with a "world-class" military.

A discourse of heightened war intensity has also been exhibited in the most recent communication with Washington on social media, with the Chinese Embassy in the United States announcing in a post on X that "If war is what the U.S. wants, be it a tariff war, a trade war or any other type of war, we're ready to fight till the end,"[8] referring to the imposition of tariffs by the Trump administration. This statement was made precisely when the “Two Sessions” were being held in Beijing in March 2025, the event where China outlines key political, economic, and sociocultural guidelines that govern the country.

This escalation of warlike comments occurs when Chinese companies with both civilian manufacturing and defense armament capabilities are improving their position in the

[8] Chinese Embassy in US, on X, March 2025, https://x.com/ChineseEmbinUS/status/1897132043362034153?lang=es

world rankings. This reflects the new reality of how China has boosted its defense industrial base in recent years. Despite the meteoric growth of Chinese companies, a decade ago they did not even appear in the international rankings. According to Stockholm International Peace Research Institute (SIPRI)[9], U.S. companies continue to dominate the world rankings with Lockheed Martin Corp. and Northrop Grumman Corp. representing up to 90% of arms revenue in their respective businesses as the first and third-largest defense contractor in the world. However, although the percentage of arms revenue in much lower for Chinese companies, three of them — the Aviation Industry Corporation of China (AVIC), NORINCO, and China Electronics Technology Group Corp. (CETC) — are among the Top 10 arms-producing companies, with arms revenue accounting for approximately 27% of their total revenues, according to SIPRI.

China and the Naval Power Projection

While the advances made by China in developing its defense industrial base have been significant, the Asian giant's achievements in developing its naval industry demonstrate the power it has attained in recent decades. China has not only become a maritime power that dominates global maritime transport, it has also developed the capabilities that have allowed it to position itself as a leader in the commercial shipbuilding market, controlling the entire ecosystem. Furthermore, China is building warships much faster.

Therefore, China cannot be considered a minor power in terms of the size of its fleet. This increased naval power stems from China's ship production capacity, which has eclipsed that of the United States. China's naval power is not only about quantity; the quality of its ships has also improved to the point where they are considered comparable to those of the United States. Furthermore, forecasts indicate that the gap between U.S. and Chinese naval power could continue to grow, as the Asian giant is expected to further increase and enhance its shipbuilding capacity.

Thus, continuous expansions and modernizations have led China to possess the world's largest navy in terms of the number of ships, with an overall battle force of over 370 ships

[9] Stockholm International Peace Research Institute, The SIPRI Top 100 arms-producing and military services companies in the world, 2023, SIPRI Arms Industry Database, December 2024, https://www.sipri.org/visualizations/2024/sipri-top-100-arms-producing-and-military-services-companies-world-2023. Date accessed 22.4.2025.

and submarines, surpassing that of the U.S. Navy in terms of the number of combat ships[10]. According to the United States Congressional Research Service, China began prioritizing the modernization of its fleet between 2015 and 2020. In its 2023 China Military Power Report[11], the Department of Defense (DoD) estimates that the Asian giant will reach an overall battle force of 395 ships by 2025 and 435 by 2030 (Figure 2). In comparison, the United States Navy has 293 battle force ships as of April 2025[12], which is 100 fewer than the Chinese Navy, as its fleet is expected to reach 390 ships by 2054.

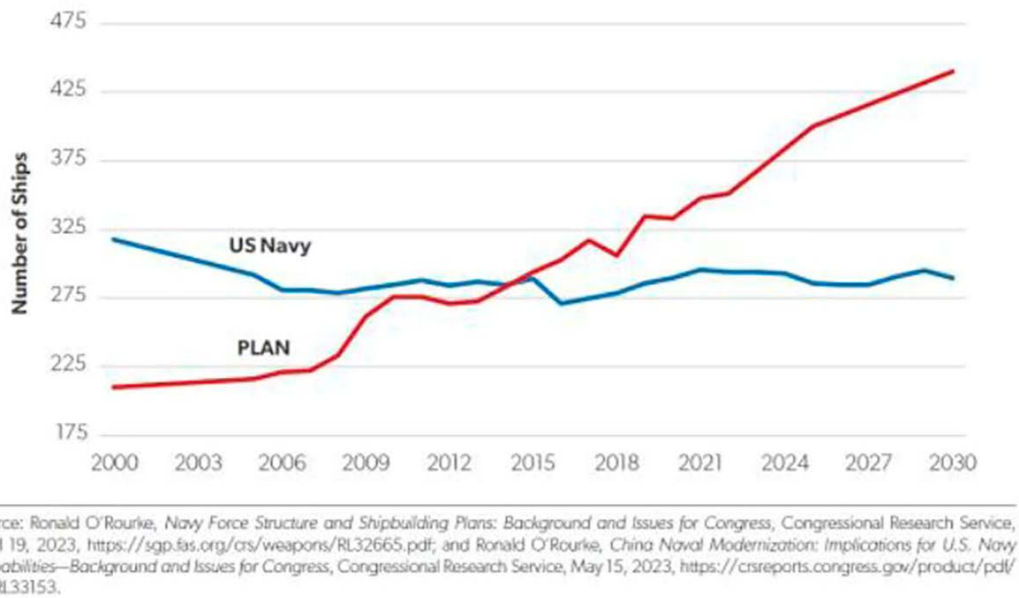

Figure 2: Number of ships in the United States Navy and the Chinese Navy, 2000-2030. Source: AEI.

According to the aforementioned report, the People's Liberation Army Navy (PLAN) is expected to increase its submarine fleet to 65 vessels by 2025, reaching 80 by 2035. The DoD also states that available data indicates that the PLAN currently operates six nuclear-powered ballistic missile submarines, and six nuclear-powered attack submarines based on Hainan Island. The AUKUS trilateral alliance will have to address this evident and

[10] U.S. Department of Defense, Military and Security Developments Involving the People's Republic of China, USDOD, 2023, https://media.defense.gov/2023/Oct/19/2003323409/-1/-1/1/2023-MILITARY-AND-SECURITY-DEVELOPMENTS-INVOLVING-THE-PEOPLES-REPUBLIC-OF-CHINA.PDF. Date accessed 22.4.2025.
[11] Ibid
[12] US Naval Vessel Register, Ship Battle Forces, NVR, March 2025, https://www.nvr.navy.mil/nvr/getpage.htm?pagetype=shipbattleforce. Date accessed 16.4.2025.

ongoing imbalance, which will pose the greatest challenge in monitoring the activity and acoustic signature of these nuclear-arm submarines while they navigate calm waters.

This greater projection of China's naval power coincides with the progressive decline of American naval supremacy. Revitalizing the naval industry would be difficult for Washington in the short term, which is why the foreign policy agenda of the second Trump administration is focused on bringing active armed conflicts in Ukraine and the Middle East to swift end. These conflicts consume military aid packages and divert attention from the Indo-Pacific region.

Meanwhile, the merger announcement of the two main Chinese state shipyards[13] — with China CSSC Holdings Limited absorbing China Shipbuilding Industry Corporation (CSIC) through a stock swap — has strengthened the Asian giant's position as the world's largest naval shipbuilder. This emphasizes the rivalry between the two superpowers in the naval race. Both Chinese companies have announced their intention to "focus on major state strategy", which is clearly a government-driven measure design to make the two companies that supply the Chinese armed forces more competitive by reducing internal competition.

In the context of peacetime, the size of China's shipbuilding industry is a significant factor. However, in the event of a conflict the industry's shipbuilding capabilities become even more pronounced particularly regarding ship repair capacity and response times in newbuilding orders. Therefore, if before the merger of these two listed Chinese state-owned shipbuilders the balance of power tilted in favor of China, after this announcement it becomes even more imperative for Washington to enhance the competitiveness of U.S. shipbuilding industry.

In addition to the significant increase in the numbers of ships constructed, China's industrial shipbuilding capacity provides a substantial advantage in the naval race. This is primarily due to the combination of technological, scientific, and industrial development in military-civil fusion strategy of Chinese shipyards, resulting in enhanced versatility for dual-use technologies. Indeed, this shipbuilding supremacy represents a pivotal strategic advantage for China over the United States in the event of a long-term military

[13] REN, Daniel, China's 2 largest shipyards plan to merge to create the world's biggest builder, South China Morning Post, September 2024, https://www.scmp.com/business/china-business/article/3277066/chinas-two-largest-shipyards-plan-merge-create-worlds-biggest-builder

engagement, as it affords the Asian giant greater flexibility to shift to greater military shipbuilding capacity. Indeed, the China State Shipbuilding Corporation (CSSC) serves as a notable example of a state-owned company engaged in the production of commercial vessels and the provision of supplies to the Chinese military. The conglomerate was ranked 15th among the world's largest arms-producing companies by arms revenue volume in 2023, according to the think tank SIPRI, despite only 23.5% of its revenue being associated with arms production.

The restoration of American shipbuilding by the Washington administration is not a short-term undertaking: the success of this endeavour is dependent upon the progression of the "Make Shipbuilding Great Again"[14] initiative, as unveiled by the Trump administration in February 2025. The objective of this initiative is twofold. The primary objective is to revitalize the U.S. shipbuilding industrial base and, secondly, to reduce China's dominant position in the global shipbuilding industry. It is evident that the challenge will not be easy feat, given that the Asian giant has managed to create over 230 times[15] the capacity of the U.S. shipbuilding industry during this time, according to the United States Congressional Research Service.

However, it must be acknowledged that China shipbuilding industry is not without its weaknesses in the context of this rapid expansion. The potential for the new nuclear-powered attack submarine to have sunk[16] at the shipyard where it was being built earlier this year highlights the inherent complexity of an industry expanding its naval modernization.

The Chinese Navy also has other military capabilities that still need strengthening. One such factor is that of firepower, which is considerably lower than that of the United States, due to the comparatively reduced dimension of Chinese vessels, which enables them to accommodate half the number of missiles. Nevertheless, the U.S. Navy is also facing challenges from multiple perspectives. Despite maintaining its nuclear-powered

[14] SHELBOURNE, Mallory, Trump's 'Make Shipbuilding Great Again' Order Calls for Wholesale Overhaul of U.S. Maritime Industry, USNI News, March 2025, https://news.usni.org/2025/03/05/trumps-make-shipbuilding-great-again-order-calls-for-wholesale-overhaul-of-u-s-maritime-industry

[15] Congressional Research Service, China Naval Modernization: Implications for U.S. Navy Capabilities — Background and Issues for Congress, CRS Reports, August 2024, https://sgp.fas.org/crs/row/RL33153.pdf. Date accessed 18.4.2025.

[16] GORDON, Michael R., China's Newest Nuclear Submarine Sank, Setting Back Its Military Modernization, The Wall Street Journal, September 2024, https://www.wsj.com/world/china/chinas-newest-nuclear-submarine-sank-setting-back-its-military-modernization-785b4d37

submarines production superiority, delays of over a year and substantial costs[17] associated with replacing obsolete submarines are a cause for concern regarding Washington's ability to cope with China's rapid naval expansion.

Nevertheless, China's overall competitiveness as the world's largest shipbuilding nation continues to grow, with the country capturing nearly 51% of all shipbuilding orders in 2023, compared to just 5% in 1999. The Chinese shipbuilding industry has undergone significant growth, primarily driven by China's national security agenda. This development has resulted in the displacement of Japanese and South Korean companies in the global market, with the two countries collectively holding a market share of nearly 44%, as reported by the United Nations Conference on Trade and Development[18]. Meanwhile, the United States and Europe barely have a minor presence in this industry, with U.S. shipyard activity representing 0.10% of global shipbuilding output, down from the 5% in the 1970s' peak, while European production accounted for 2.51% of global orders in 2023.

In this context, it is imperative to consider military combat experience as a pertinent factor. Despite the United States Navy's history of military engagement, which is significantly more extensive than that of the PLAN, this does not guarantee victory in a hypothetical wartime scenario. Nevertheless, the naval capabilities developed by China do not necessarily suggest that the Asian giant will surpass the United States as the world's most powerful navy, even in the Pacific region. This is particularly true when considering the potential of AUKUS in the geopolitical scheme.

In light of these developments, it is crucial to acknowledge the capacity of the two superpowers to integrate the advancement of cutting-edge dual-use technology into their military strategies. To achieve a "great rejuvenation of the Chinese nation," the military has ramped up preparations and that would indeed pose the possibility for the United States to face a loss of dominance, which, if it occurs in the Pacific region, would mean a major challenge to regional stability and, consequently, a threat to Washington.

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[17] Congressional Research Service, Navy Columbia (SSBN-826) Class Ballistic Missile Submarine Program: Background and Issues for Congress, CRS Reports, March 2025, https://s3.documentcloud.org/documents/25597379/navy-columbia-ssbn-826-class-ballistic-missile-submarine-program-background-and-issues-for-congress.pdf. Date accessed 22.4.2025.

[18] United Nations Conference on Trade and Development, Ships built by country of building, annual, UNCTAD, June 2024, https://unctadstat.unctad.org/datacentre/dataviewer/US.ShipBuilding Date accessed 20.4.2025.

New Trump Era, New Approach for the Pacific region

The Trump era has led to a re-evaluation of foreign policy, a process that is inextricably linked to the influence exerted by two of the three main tribes that are shaping Trump's national security policy, as categorized by American analyst Jeremy Shapiro[19]. In opposition to the diminishing faction of the primacists, who are supported by former Secretary of State Mike Pompeo and who advocate for the preservation of global strength and leadership, a unified vision of prioritisers and restrainers is gradually emerging. The former, as supported by Vice President J.D. Vance, aims to reduce commitments with Europe in favour of focusing on the Chinese threat, whilst also reducing the global military commitments of the United States. Meanwhile, the restrainers, of whom Trump himself is the leading member, center their strategy on confronting economic competition with China, but not geopolitics.

While the geopolitical approach of the second Trump administration is still being defined, Asian countries are reevaluating the minilateral agreements that proliferated during the Biden administration, seeking to strengthen the defense and security cooperation built in the absence of a renewed commitment from Washington under Trump. Japan is currently engaged in a process of reevaluating its foreign policy strategy, even after being the Japanese Prime Minister Shigeru Ishiba the second foreign leader to visit the White House following the inauguration of the Trump administration and, therefore, being considered a strategically significant partner in the bilateral relationship.

Priorities have changed, and the financial balance of the bilateral relationship prevails. The U.S. trade deficit with Japan totalled $68.5 billion in 2024[20], primarily due to the significant role played by technology in their bilateral trade flows. Despite Japan being the top investor partner of the United States, this factor may not be sufficient in the search for an economically balanced relationship, given the military expenditure required for Washington to maintain U.S. active-duty military troops across the Japanese archipelago.

In view of the unanticipated circumstance that the United States' commitment to defending its Allies in the Pacific may be somewhat in question, Japan's decision to

[19] SHAPIRO, Jeremy, Letter from Washington: The war for Trump's mind, European council on Foreign Relations (ECFR), July 2024, https://ecfr.eu/article/letter-from-washington-the-war-for-trumps-mind/

[20] TANG, Francis, Japan has some cards to play in trade war with the United States, April 2025, The Japan Times, https://www.japantimes.co.jp/business/2025/04/02/economy/tariff-japan-cards/

increase its military budget to 2% by 2027[21] is, to some extent, a response to this uncertain future in defense and security cooperation. This is, naturally, in addition to the confirmed reality of China's growing assertiveness in the region. The statement by former Prime Minister Fumio Kishida that "Ukraine today may be East Asia tomorrow" also reflects Japan's concern about the long-term strategic challenge posed by China and a potential conflict in the Taiwan Strait.

Washington is aware that responding to the threat posed by China requires to allocate funds to the procurement of technologically advanced weapons. For this reason, the White House considers the $1.4 billion that Japan pays to the United States on average each year for hosting its troops to be insufficient. The Trump administration's indication that "Japan should be spending at least 3% of GDP on defense as soon as possible"[22] underscores Washington's vision of reallocating the military budgets with its Allies, with the aim of reducing these expenditures to allocate more funding towards the revitalizing of the U.S. defense industrial base.

The impending negotiation of the Host Nation Support Agreement, which is set to expire in 2027 and stipulates these allocations, will ultimately resolve the final economic contribution. In this regard, President Trump would revisit an issue that had already given rise to several criticisms during his first administration, but which had not been addressed at the time. This could potentially become the pivotal point for the future of the alliance.

The commitment to Taiwan might also be under review. The island's stated goal is to allocate 3% of its GDP[23] to defense spending; however, this figure is regarded as inadequate by the Trump administration which has propose an increase to 10% of GDP[24] — four times more than the 2.45% it currently allocates. Washington's proposal would be more in line with Taiwan's defense challenges, as Elbridge Colby noted during his nomination for undersecretary of defense, the third most important position in the Pentagon. It is only through such scenario that Taiwan can gain great power deterrence

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[21] JOHNSON, Jesse, Japan ups defense spending to 1.6% of GDP with eye on 2027 goal, April 2024, The Japan Times, https://www.japantimes.co.jp/news/2024/04/29/japan/politics/japan-defense-spending-gdp/

[22] Reuters, Japan PM asserts defence budget independence amid US nominee's push for higher spending, March 2025, https://www.reuters.com/world/asia-pacific/japan-defence-budget-prioritises-quality-over-gdp-ratio-spokesperson-reacts-2025-03-05/

[23] CHUNG, Lawrence, Taiwan plans to take defence spending to 3% of GDP. Will it ease US pressure?, The South China Morning Post, March 2025, https://www.scmp.com/news/china/politics/article/3300612/taiwan-plans-take-defence-spending-3-gdp-will-it-ease-us-pressure

[24] RUBIN, Michael, What Might China Do to Taiwan's Leadership After an Invasion?, American Enterprise Institute (AEI), March 2025, https://www.aei.org/op-eds/what-might-china-do-to-taiwans-leadership-after-an-invasion/

and avoid a conflict with China while the United States is able to secure sufficient time to rebuild its defense industry base.

Times are changing, and although Taiwan would remain important to Washington, though it would not qualify as "an existential interest," as Colby suggested, pointing out that "the core American interest is in denying China regional hegemony." Nevertheless, increasing defense spending to the level indicated by Washington would represent an effort that Taiwan could not assume. This would be a considerable undertaking, especially in comparison to the 3.4% of GDP allocated by the United States on defense in 2023, while China spent 1.7%, according to SIPRI[25].

The procurement of additional US military supplies to balance trade could also be part of a future negotiation with Taiwan, where Washington would once again focus on the goal of maximizing government revenue while redefining the security strategy. It is therefore unsurprising that Taiwan Semiconductor Manufacturing Co. (TSMC), the world leader in production of advanced semiconductors, announced an investment[26] of $100 billion on U.S. plants, in addition to those already committed during the Biden administration, in anticipation of this new negotiation scheme. Consequently, shifts in the bilateral relationship could convey signals to Beijing regarding a potential modification in the U.S. commitment to Taiwan. Such a development could have ramifications for not only the island's relationship with China but also give rise to a re-evaluation of Taiwan's international standing, potentially leading to a rapidly losing support around the globe.

The Prioritisers tribe, to which Colby belongs, has express concerns that the United States may not be adequately prepared for a conflict with China. They assert that "there is a real risk of a major war, and we cannot afford to lose one."[27] Hence, Washington is seeking to restore America's military capabilities, strengthening its defense industrial base, prioritizing its own modernization challenge, and disengaging from cooperation with Allies who have so far relied on U.S. security guarantees. Colby himself has already modified the security approach when he was co-lead for the 2018 National Defense

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[25] Stockholm International Peace Research Institute, Trends in World Military Expenditure, 2024, SIPRI, April 2025, https://www.sipri.org/sites/default/files/2025-04/2504_fs_milex_2024.pdf. Date accessed 25.04.2025.
[26] TSMC, "TSMC Intends to Expand Its Investment in the United States to US$165 Billion to Power the Future of AI", March 2025, https://pr.tsmc.com/english/news/3210
[27] GERTZ, Bill, Pentagon policy nominee says U.S. must act or risk losing war with China, The Washington Times, March 2025, https://www.washingtontimes.com/news/2025/mar/4/pentagon-policy-nominee-says-us-must-act-risk-losing-war-china/

Strategy at the Pentagon during Trump's first term, shifting the strategy that the United States could guarantee a combat strategy in two simultaneous wars in different theaters of operations to a "one war" or "one and a half war."

Consequently, multilateral and minilateral alliances and associations are becoming less significant under Trump. While some may regain their course after future electoral cycle changes, the allies' confidence in the durability of the U.S. commitments may not be fully restored, whether Republicans or Democrats will take control. In consequence of this rapidly transitioning geopolitics, transatlantic and transpacific relations are undergoing unexpected scrutiny, unparalleled in the last eight decades, while China maintains its long-term strategy, doubling efforts to become a regional hegemon with global ambition, which could lead to changes in the global balance of power sphere.

Conclusions

Anticipating a possible scenario of increased rivalry with the United States, China has accelerated efforts to modernize its military capabilities. It is equally important to note the significant advancements made by China in the field of defense industry development which have resulted in China's emergence as the world's dominant shipbuilding power, capable of production both commercial and military vessels.

China's endeavours to dominate shipbuilding capacity have not only eclipsed that of the United States, but Chinese shipyards have also integrated technological, scientific, and industrial development in military-civil fusion strategy, providing greater versatility to dual-use technologies. This adaptability could prove crucial in a prolonged conflict scenario, as the Asian giant has developed more flexibility to shift to greater military shipbuilding capacity.

In this transitioning geopolitical scenario, the new Trump era is demonstrating a shift towards a more transactional approach indicating a reduce geopolitical commitment to the positive-sum alliances that characterized the Biden administration's relations with Indo-Pacific countries. In the period under the second Trump administration, Washington's strategy and defense agenda with the region lose weight in favor of the zero-sum transactional approach in bilateral relations.

Furthermore, the undeniable fact that technology has already accelerated the geopolitical scenario in recent years, leading to an unprecedented technological rivalry, could pave the way for the Trump administration's prioritisers and restrainers tribes to affect the balance of power among the major powers in the Indo-Pacific region. This would imply a strategic reassessment of defense and security cooperation for Asian economies, in which technology is a crucial component, under Trump's reticence towards traditional U.S. security commitments.

To summarise, this "rejuvenation of the Chinese nation" applied to the military and naval power represents a considerable challenge for Washington. The potential repercussions of this scenario extend beyond the mere loss of dominance, which, if it occurs in the Pacific region, would mean a greater threat to regional stability. However, it could also mean the fall of the United States as the hegemonic power in the Indo-Pacific and, consequently, a reduction in global geopolitical influence.

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