



Tailored Risk Management

Geopolitical Analysis

How Trump's Foreign Policies Could Reshape Global Events



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In his second inaugural address, President Donald Trump pledged to be a "peacemaker and unifier" during his four years in office. Although his controversial politics and demeanour are likely to prevent this domestically, foreign policy is a different matter. Here, Trump's unpredictability and willingness to leverage the vast power of the United States could prove decisive in shaping the behaviour of other countries and the course of current events. In this article, his influence on the Russo-Ukrainian war, the conflict in the Middle East, and NATO will be examined.

Russo-Ukrainian War

On the campaign trail, Trump promised to end the Russo-Ukrainian War within a day of being president. While this has not materialised, he has expressed his desire for a quick resolution, directly blaming President Putin for ongoing hostilities. On social media, Trump threatened taxes, tariffs and sanctions against Russia should Putin not "STOP this ridiculous War! [sic]". Despite the intention of these threats, they are unlikely to have a major and immediate effect. The Kremlin's spokesperson stated "We do not see any particular new elements here", a reference to the countless Western sanctions which Moscow has avoided.

Russia has found a lifeline by selling petrochemicals and other goods to countries such as India but its economy is nevertheless starting to buckle under the strain of wartime demands. This vulnerability could be exploited with secondary sanctions against non-compliant states, forcing them to limit trade with Russian entities. Trump could also - as one of his officials suggested - artificially depress global oil and gas prices by increasing production in tandem with US allies. While such actions are certainly possible, especially as the conflict becomes more protracted, any immediate progress will largely depend on the US president.

Trump will be instrumental in the inevitable negotiations regarding the conflict. Most importantly, he leads the country which provides the most military support to Kyiv. As well as this, he is closer to Putin than perhaps any other Western democratically-elected leader. The Russian president has recognised this and has subsequently engaged in a charm offensive despite Trump's threat of further sanctions. For example, the Russian president



claimed that if the 2020 election had not been “stolen” from Trump, the current “crisis” may not have occurred. This and other such comments are likely intended to foster a sense of camaraderie before talks occur.

In such talks, Putin is likely counting on Trump wanting to end the conflict at all costs, even if the terms benefit Moscow more than Kyiv. Already it seems unlikely that Trump would support a Ukrainian counteroffensive aimed at maximising held territory ahead of negotiations. Therefore, Putin will have a lot of leverage to demand Ukraine's permanent exclusion from NATO, as well as full Russian control of the provinces it has annexed. Although he may be willing to compromise on the latter (he has stated Russia has achieved its war aims), the unlikely prospect of Ukraine joining NATO is considered an existential threat to him.

Regardless of how Kyiv feels about either position, it may have to follow the line of the Trump administration, not least because Putin refuses to negotiate with President Zelensky. Washington is Kyiv's strongest partner and long-term military support seems improbable under the new administration; the threat of immediately stopping support may even be used to force submission to certain terms. While Europe could independently finance Kyiv (particularly if it uses frozen Russian assets), its defence industrial base is not presently sufficient. In essence, a prolonged conflict without US support will lead to more devastation and territorial loss at best and at worst, a total loss of Ukrainian sovereignty.

It would therefore be logical for Kyiv to formally cede control of territory to Russia and declare against any desire to join NATO – which would be vetoed in any case. Although unjust, it is the best way to capitalise on the opportunity of Trump being in office, as well as the effects of war-weariness that is plaguing Russia. Before any resolution can occur, however, Trump must respond to Putin's signals and his apparent openness to peace talks, a process which could take months and would likely result in further Russian gains.

Conflict in the Middle East

President Biden and Donald Trump both took credit for the Gaza ceasefire enacted on 19 January. Although praise can be given to both parties, it would appear that the incoming administration significantly pressured or enticed Prime Minister Benjamin Netanyahu into acquiescence. This is despite the fragility of his coalition, which is propped up by several far-right parties who generally oppose compromise. Such a decision stands in contrast to his previous acts of rebelliousness; launching an offensive in Rafah despite US warnings, for example.



All of this demonstrates that Trump is willing to use the power of the United States to achieve his Middle Eastern policy goals. In the long term, similar to his predecessors, this is likely a reduction of the region's US military presence. Nevertheless, current tensions - muted but still present - threaten another bout of hostilities which makes that presently impossible. It is therefore likely that the Trump administration will continue from where it left off: fostering ties between Israel and the Arab states, primarily Saudi Arabia. These are the only countries in the region that can act as an effective bulwark against Iranian influence, a spectre that the US cannot leave unchecked.

A desire to foster ties between said countries was best demonstrated by the signing of the Abraham Accords in 2020, which saw diplomatic normalisation between Israel and several Arab states (not including Saudi Arabia). However, there is a large point of contention that would need to be resolved before any further progress could occur: Palestine. In 2002, Riyadh spearheaded an initiative which offers Israel normalisation with the Arab League should it withdraw from Gaza, the West Bank and the Golan Heights, as well as support the founding of a Palestinian state. Such a demand is now more important considering the devastation in the Gaza Strip and West Bank since October 2023.

Although Riyadh may be willing to forgo some prerequisites for normalisation with Israel, especially if Trump promises to invest in Saudi Arabia and enhance security cooperation, a complete abandonment of the Palestinian people will be unacceptable. Such a compromise would severely undermine Saudi Arabia's position as a leading nation in the Arab world. Despite this, in Israel resides a government in which some members openly call for expansion at the expense of Palestine. And over in Washington, Trump and his allies have shown little indication that the United States would interfere with such a process.

Before his inauguration, he nominated Mike Huckabee as ambassador to Israel, an individual who has claimed "there's really no such thing as a Palestinian". Echoing previous comments made by Huckabee, Trump recently suggested that the Gaza Strip should be "clean[ed] out", with residents going to neighbouring Arab states. These, particularly Egypt and Jordan, reject the idea for national security and moral reasons. As well as this, the president has removed sanctions on Israeli settlers accused of violence in the West Bank and is being urged to impose measures against the International Criminal Court due to its investigations against Israel.

Pro-Israel tendencies are likely to be apparent over Trump's four years in office and would be especially evident in any negotiations about Palestine. One only has to look at the Trump peace plan unveiled in 2020, which would have led to a Palestine state but one largely bound to the interests of Israel. This was rejected by key stakeholders, including Mahmoud Abbas of the Palestinian Authority. Even so, Trump may reintroduce this plan as the best (and at present the only) way for Palestinians to get a semblance of statehood. A



reintroduction may even get Saudi buy-in, although Riyadh would want the Palestinian capital centred on East Jerusalem.

For any of this to occur, however, the ongoing ceasefire must hold. The deal states that Israel must eventually withdraw from the Gaza Strip and end its blockade, stipulations that if broken, could reignite the conflict. Trump will certainly want it to hold as it allows him to focus on his domestic agenda. Therefore, he might pressure both Netanyahu and Hamas to keep the peace and adhere to the conditions of the ceasefire. But if hostilities were to recommence, it is unlikely the president would embolden Hamas by restraining what would be a robust Israeli military response.

NATO

Trump harbours a deep suspicion about international organisations, particularly if he perceives them as interfering with his "America First" agenda. This has already led to bold actions which are likely to impact the functioning and cohesion of international bodies and agreements. Although a lot of attention has been given to the decisions to withdraw from the World Health Organisation and the Paris Agreement, his position on NATO is more ambiguous.

This is highly concerning to observers as NATO is a body which needs to retain a united front, particularly with developments in Ukraine. His primary issue with the pact is that several countries – primarily European – do not meet the 2% defence spending target and the US disproportionately funds the organisation. Between March 2024 and December 2025, the US funded 15.9% (the same as Germany) of NATO's civil budget, military budget and security investment programme. These are concerns echoed by NATO Secretary-General Mark Rutte, who also agrees in principle with the need for Europe to spend more.

The inability of many countries to do this, some of whom can barely afford the current 2%, will likely be a point of contention at the next NATO summit in June. It is realistic that a lower target than the 5% Trump demands will be agreed upon, a number which would likely placate him providing it is met. If not, he might be willing to increase pressure on NATO's member states by reducing the US military presence in Europe, decreasing contributions towards the overall budget or threatening to leave the pact. Nevertheless, the US Congress has a lot of sway in a lot of these matters and it is inconceivable that it would allow Trump to formally withdraw from the organisation should he threaten to do so.

These matters aside, the perception of NATO as a unified body has been further damaged due to Trump's policy goals and public remarks. A continuation of his first term, the president has stated that he wants US ownership of Greenland for strategic military



purposes. This is despite the fact the US already operates the Pituffik Space Base in north-west Greenland and could theoretically negotiate the opening of other facilities. Concerningly to US allies, Trump did not rule out the use of military or economic force to achieve such an objective. However unlikely these scenarios are, their mere utterance has prompted reactions of incredulity from European leaders. This is understandable considering Russia is a greater threat to them and infighting such as this may embolden its leaders.

The biggest question is whether Trump would assist his allies if NATO's collective defence clause was invoked. Previous comments about encouraging Russia to attack NATO members that fail to adequately pay for defence leave some doubt, but such talk is likely posturing. In reality, there are a multitude of factors which could determine the conditions and extent of US intervention in a major conflict. Trump is fundamentally a transactional individual and this will be evident throughout his presidency; he will do what he thinks is best for the United States, potentially to the detriment of its allies.

Closing Remarks

Whatever happens in the next four years, it is clear that President Trump wants to be remembered as a peacemaker, an individual who can resolve disputes with his self-proclaimed acumen for deal-making. Should he want to, he can achieve success on the international stage as he has inherited major conflicts in which the US wields significant influence. Although potential deals he orchestrates are likely to be perceived as unfair, they may be instrumental in promoting stability across the globe. Nevertheless, Trump's attributes – such as his unpredictability and transactional nature – which could lead to agreements may also alienate partners and undermine international organisations.

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