



Biden's New Washington Consensus in a Trumpian World

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Abstract In April 2023, Jake Sullivan, in a speech to the Brookings Institute, formally announced the replacement of what had become known since the 1990s as the Washington Consensus with a New Washington Consensus. This paper defines and briefly describes the original Washington Consensus. It goes on to describe and discuss in detail the New Washington Consensus and its implications. Finally, the paper outlines the potential Trump approach to this specific Biden legacy, whether or not acknowledged. The broad geoeconomic and geopolitical implications of the unwinding of what is likely to transpire are explored briefly in the context of the Trump Presidency.

Keywords New Washington Consensus · Hegemony · Biden · Trump · Hegemony · Neoliberalism · China · Values · Internationalism · Leadership

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Introduction

Biden's New Washington Consensus (NWC) was announced in 2023 as an omnibus policy, covering foreign, economic, and security policies. The NWC replaced the already outdated 1990s Washington Consensus that was considered too closely linked to an unsuccessful neoliberal approach. The aim was to launch a new Western initiative, led by the United States (U.S.) and open to its allies, in the new global environment defined by geopolitical and security competition facing the West. The

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policies involved would cover innovative international economic partnerships with like-minded countries, an increased role for the state in providing substantial public investment in domestic industrial strategy, ensuring that allies adopt similar industrial strategies, building soft power in emerging market economies, and not allowing next-generation advanced technologies to work against democracies and national security. The paper provides a critique of the motivation for the NWC, suggesting that its primary motivation is to protect U.S. hegemony, at least over the West, and to counter China's growing global influence. A critique of each of its five major policy propositions argues (with some exceptions) that the policies advocated have not been sufficiently considered as to their practicality and impacts on target allies and emerging market countries. Hence, although there is a need to counter growing geopolitical dysfunctionality, the NWC as currently articulated is not the answer. The paper also attempts to portray how the NWC may fare in the Trumpian world.

Old Washington Consensus

The Washington Consensus was a phrase coined by John Williamson in 1989 to refer to a set of effectively neoliberal economic policy instruments that came to be accepted from 1981 as appropriate policies adopted by Washington-based international financial institutions including the International Monetary Fund (IMF), the World Bank, and the U.S. Treasury (Williamson, 2008).

The original Washington Consensus (OWC) had three key elements: macroeconomic discipline, a competitive private market economy, and openness to the world at least in trade and foreign direct investment (Williamson, 2002). The emergence of the OWC was also seen in the context of a unique unipolar moment (Krauthammer, 2002) and the perceived ability of the U.S. to remake the world in its own image.

While much emphasis was placed on rolling back the state, in practice this came to mean limiting the state's direct participation in the economy through state-owned entities (SOEs) while promoting the state's role in light (market friendly regulation) and facilitation of private sector activity. The policy imperatives were the removal of barriers to new entrants in existing product markets, the ending of state monopolies, and ending protectionism and other barriers to inward investment and to imports, hence ensuring the abandonment of state-sponsored import substitution programs which had long been developmental orthodoxy. In many cases the imposition of such policies seriously weakened states and their ability to manage and govern (opening the way for economic and political instability and failed states). Imposition of these policies destroyed much indigenous business and increased both poverty and unemployment. In many cases, one saw countries locked into cycles of crises and rescue programs, as was the case with the Philippines.

Since its inception, however, the term Washington Consensus (Williamson, 2002) was interpreted in differing ways in different countries. One widespread interpretation was as a synonym for neoliberal market fundamentalism, essentially meaning the dominance of the free market and its disciplined imposition by the state as the latter's primary role. Neoliberalism has itself been construed in diverse ways. However, two of the main writers provide the most often quoted and compelling vision, namely Phillip Mirowski (2018) and Jamie Peck (2017). See also Lloyd (2017) for a survey

of interpretations. Peck defined the essence of neoliberalism as market disciplinary modes of governance. This definition makes clear the strong role of the state as the body imposing the market discipline. This notion is also reflected in the *ordo-liberal* structure applied in Germany in which the role of the state is separately to guarantee the independence of the private social market. As Peck persuasively argues, implementation will require varied institutional differences across territorial space and should not be viewed as a pure proto-typical model. This is clearly the case with the OWC.

For many countries, especially emerging market and developing countries, the OWC meant abandonment of an era in which the state played an interventionist role in initiating and directing industrialization and pursuing import substitution rather than engaging in free trade. Internally, it entailed a strong, new market-orientated role for the state (Kotz, 2015), including a move to light-touch regulation targeted to achieve a competitive principally private market structure, ensuring public debt and government deficits were as low as possible, and opening up domestic markets, including financial markets, to foreign competition (Ostry et al., 2016). This process was sometimes encapsulated as a trilogy of liberalization, privatization, and stabilization (Williamson, 2002). It was also gradually recognized that states' institutional capacities needed to become fit for this market disciplinary role.

Although there had been long economic expansions, punctuated by brief and mild recessions, and a low rate of inflation in the neoliberal OWC era, from 1990 up to the 2008 global financial crisis, concerns about some of the policies advocated by the OWC had already been raised (Stiglitz, 2008; Rodrick, 2006). Earlier in 1998, private capital summarily pulled out from over-expanded housing markets in many East Asian countries created severe economic crises.

Hence, after two decades of countries' mixed successes at pursuing neoliberal policy reforms (Grier & Grier, 2021) there were concerns over the strict interpretation of the OWC recommended policies, with variation in implementation across countries. Moreover, the successful development strategies in some Asian countries, especially China in the early 2000s, which had exploited the opportunity to expand its international trade, opening up to a globalizing world, suggested that implementation of all elements of the OWC was not only unnecessary, but could be damaging. Many critics argued that selecting only some policies, tailored to individual countries (China for instance), was required to improve economic performance and outcomes (Spence, 2021; Lloyd & Savic, 2022).

It was also widely acknowledged that the OWC relied too simplistically on effectively unregulated markets and private enterprise to generate growth, paying insufficient attention to the need for government direction and infrastructure investment, for example, in transportation. Moreover, inadequate attention was being paid to the negative income and wealth distributional aspects of the growth patterns that might result (Spence, 2021; Rutar, 2023).

Essentially, the successes of the OWC were principally related to stimulating growth through a substantial increase in world trade, through greater involvement in more countries (notably China) in international trade since the 1990s. China and other East Asian countries, such as Thailand and more recently Vietnam, also showed that internal economic development strategies based on the involvement of government in

financially supporting industrial companies along industrial strategic plans (in addition to opening up to trade and direct financial investments) provided a preferable model to the neoliberal-based OWC. Moreover, these countries also began to tackle country-specific unequal distributions of income that the OWC had effectively ignored.

The New Washington Consensus

Ultimately, in 2023, the U.S. Biden Administration concluded in a more general critique that the old Washington Consensus (Sullivan, [2023](#)):

- a) had undermined the socioeconomic foundations of strong and resilient democracies around the world,
- b) was unable to meet contemporary challenges faced by the U.S., including an accelerating global climate crisis and the urgent need for a just and efficient energy transition, and
- c) left a hollowed-out industrial base in the U.S., with rising income inequality and a new global environment defined by geopolitical and security competition facing the U.S.

Therefore, the Biden administration announced a New Washington Consensus (NWC) was needed to replace the failed earlier neoliberal model. The NWC was articulated by Jake Sullivan, the National Security Advisor in the Biden Administration, at the Brookings Institute on 27 April 2023.

Essentially, the NWC was designed as a modern industrial and innovation strategy that invests in economic and technological strength, promotes diversified and resilient global supply chains, sets high standards for labor and the environment to trusted technology and good governance, and deploys capital to deliver on public goods like climate and health. The NWC was also expected to simultaneously revive domestic manufacturing, revitalize the U.S. middle-class and democracy, and combat climate change while establishing a lasting competitive edge over other national economies (Rachman, [2023](#)). The NWC may be represented in the form of five policy pillars (Sullivan, [2023](#)).

Pillar 1: Abandoning free trade agreements in favor of developing innovative international economic partnerships with like-minded countries that focus on contemporary global challenges such as climate change, the digital economy, and resilient supply chains;

Pillar 2: Increasing the role of the state in providing substantial public investment to support domestic industrial strategy;

Pillar 3: Working with U.S. allies to ensure that they adopt similar industrial strategies, supporting U.S. policy;

Pillar 4: Building soft power in emerging market economies via massive financial investments; and,

Pillar 5: Protecting foundational technologies to ensure that next-generation advanced technologies do not fall into the wrong hands, working against democracies and national security.

Delineating and exploring these five pillars will enable a critique of what is said to be, according to Sullivan (2023), a new overarching, combined, U.S. foreign, economic, and security policy. The NWC purports to reject the idea that the most important goals of economic policy are efficiency and economic growth. Instead, they should be sustainability, resilience, inclusiveness, and national security.

In the words of Sullivan (2023, p. 9) the goal is,

“Returning to the core belief we first championed 80 years ago, that America should be at the heart of a vibrant, international financial system that enables partners around the world to reduce poverty and enhance shared prosperity. And that a functioning social safety net for the world’s most vulnerable countries is essential to our own core interests - guiding us as we make our policy decisions at the intersection of economics, national security, and democracy”.

The intention of the Biden administration, according to Sullivan (2023, p. 2), was “to more deeply integrate domestic policy and foreign policy”. The clear implication of this objective, and of the speech by Sullivan, was to achieve an integrated approach to trade, economic, technology, and security policies. It is also significant that the NWC was formally announced in a speech by Sullivan as the U.S. National Security Adviser, rather than by Yellen or Blinken, whose portfolios might have been considered more appropriate.

As indicated in the pillar discussion in the next section, the five pillars appear somewhat disingenuous in the light of these claims. They appear to ignore non-U.S. national interests; divergent views across the West, and the practical problems of gaining widespread Western assent to the proposed U.S. policies. This is especially the case, given the strongly value-laden, geopolitical approach of the U.S., and the implied bifurcated future global structure envisaged by Sullivan.

Some Western nations, perhaps including the United Kingdom (UK), may believe that this objective is a laudable aim. Others may feel that it is an understandable aim, but impractical in a number of areas, as far as it is likely to ignore the sovereign interests of other individual nations. As argued next, the NWC is both problematic and confused. Moreover, though it purports to represent a progressive geo-economic strategy, it is undeniably geopolitical in intent.

For the U.S., the NWC recognizes the significant geo-economic and geopolitical reordering that has taken place over the past 25 years and that has, to an extent, weakened U.S. global influence. The question is whether the U.S. response, in attempting to re-assert its self-perceived, weakening geopolitical influence, is beneficent and collaborative or blunderingly hegemonic. The conclusion will return to this topic.

The Essence of the NWC

Pillar 1

This pillar aims to replace conventional free trade agreements with agreements that are, instead, intensively focused on key global issues, such as climate change and the digital economy. The pillar proposes establishing innovative new

international economic partnerships that focus on the core contemporary global challenges, abandoning conventional free trade agreements (FTAs) in favor of developing innovative international economic partnerships with like-minded countries that focus on contemporary global challenges such as climate change, the digital economy, and resilient supply chains. To an extent, this approach is a recognition of reality. Various international trade agreements over the years have resulted in tariffs in general being low. There have also been a number of regional economic agreements covering geographically contiguous countries, the European Union (EU) internal market being a clear example.

Nonetheless, despite this developing economic regionalization, global supply networks have persisted. These networks may threaten national supply networks and can provoke autarkic reactions. In the U.S., Trump's earlier and current protectionist policies are an example, though Biden's trade policies, despite Sullivan's protestations, were not dissimilar. The NWC endorses the specific sectoral tariff increases brought in by Biden relating to the semiconductor sector (Lloyd, 2023).

Notwithstanding this shift in focus away from comprehensive trade agreements per se, Sullivan insisted that the Biden Administration:

"Is still committed to the WTO and the shared values upon which it is based: fair competition, openness, transparency, and the rule of law. But serious challenges, most notably nonmarket economic practices and policies, threaten those core values" (Sullivan, 2023, p. 6).

However, this commitment does not seem to match with U.S. positioning in recent years on the World Trade Organization (WTO), including not reversing Trump's earlier (first term) refusal of U.S. appointments to the Appellant body. Notwithstanding the intrinsic value of the WTO to smaller countries, both in managing trade among themselves and in terms of potentially resisting the protectionist actions of the larger countries, it may be too late to restore the organization to its initial pre-eminence (Nakatomi, 2024).

Internally in the U.S., it is not clear how much support this new selective trade vision will receive, either across all relevant U.S. government departments or in Congress. Trade issues can be important factors in Congressional districts and individual Senate states (Cimino-Isaacs et al., 2024).

This apparent breach with the free market credo of the original Washington Consensus may be a recognition of the global reality as far as recent all-embracing FTAs between regional trade groupings are concerned, with perhaps one exception, the EU-Mercator FTA. In practice, the Sullivan suggested approach is likely to increase the dominance of the U.S. in economic partnership agreements in which the U.S. participates.

This tendency will be reinforced by the recent Buy America provisions that will direct the U.S. government to purchase American-made products. Moreover, these directives run counter to trade rules on government procurement long-supported by the U.S. For instance, the approach of the Washington International Trade Association (WITA) (Durkin, 2020).

The Indo-Pacific Economic Framework (IPEF) involving the U.S. and 13 other regional countries was supposed to be a model for these new economic partnership agreements. (Olson, 2024; Cimino-Isaacs et al., 2024). Under the overall agreement pillar, the IPEF had three substantive pillars: supply chains, clean economies, and trade agreements. Some agreements have been signed for the supply chains and clean economies, but there has been no effective progress on trade agreements, the core of the IPEF. With President Trump set to withdraw the U.S. from the IPEF and with the much wider Regional Comprehensive Economic Partnership (2024) (RECEP) trade agreement, which includes China, the future of the IPEF looks uncertain. The failure of this U.S. project, effectively abandoned by Congress and the Administration, does not bode well for future attempts to pursue this policy approach more widely, as suggested in the NWC.

Pillar 2

Developing a modern industrial strategy was a pillar launched by the Biden administration via the massively funded Inflation Reduction Act (IRA) (\$5.9 trillion) and the Creating Helpful Incentives to Produce Semiconductors (CHIPS) Act (\$327 billion over 10 years). To an extent, one could say it broke with the neoliberal agenda, though Alami et al. (2024) argued that simply heavily funding industrial sectors and technologies does not represent a change from the neoliberal agenda, insofar as the action leaves private sector markets to determine the outcome of industrial strategy, though supported in that endeavor by substantial state financial support. This *modus operandi* is distinguished from the state capitalism of China, where industrial strategic outcomes are determined by the state (Lloyd & Savic, 2022).

Moreover, this approach is not qualitatively different from previous U.S. policy with respect to funding the defense/industrial complex since World War II (Library of Congress, 2017), except in the magnitude of that support (Else, 2017; Meah, 2024). Inclusion in the NWC of U.S. industrial policy and substantial financial support to key industries is hence not new. Such support for the defense-industrial complex has been evident in the U.S. for many years (Meah, 2024; Total Military Insight, 2024). The IRA and the CHIPS Act laid bare what has always been the case in the U.S., namely the active role for the state in providing substantial public investment to support the domestic military-industrial complex. U.S. criticism of China subsidizing its industries has always been hypocritical. However, not only is this approach to industrial strategy continued domestically in the U.S., but Pillar 3 indicates that it should also be applied in countries regarded as allies of the U.S.

Pillar 3

Working with partners to ensure that they adopt similar industrial policies to develop a strong techno-industrial base. is a problematic pillar. It is by no means clear that other U.S. Western allies will either have the equivalent fiscal capacity to support

their industries to the substantial extent as in the U.S. or that they would be willing to distort their own fiscal policies in this manner.

Coupled with a more protectionist trade policy, this U.S. development threatens the very allies that the U.S. hopes will support the NWC. The EU and the UK have reacted critically against the impact of the IRA, in terms of the potential competitive damage to their own less-well-funded green industrial agendas.

These significant moves in the provision of substantial state financial and other support for U.S. industry are aimed at stimulating strong U.S. domestic economic growth, including job growth. The policy under this pillar may render collaboration with existing and potential Western allies of the U.S. more problematic, given a weakened ability to compete against the U.S. This issue is evidence of some muddled thinking in designing a NWC that will be attractive to allies and potential allies, save perhaps for the potential for being a subservient part of U.S. supply chains.

Pillar 4

This pillar, building soft power in emerging economies, was surely part of the OWC and implies that it failed. Deployment of trillions of dollars of development aid appears to be motivated by a belated attempt to match or replace the successful Belt and Road Initiative (BRI) (Lloyd & Savic, 2022) by a similar U.S.-led initiative. The initiative may work as far as the emerging market countries are likely to welcome such funds. However, the success of the BRI has been because China does not attach conditions to the aid (such as imposed by the World Bank Group (2005) or the International Monetary Fund (2023), in the form of loans to the BRI recipient countries. There have been cases of debt repayment problems, such as for Sri Lanka (Lloyd & Savic, 2022), but China tends to respond by lengthening the term of the loan, and in other ways, to assist the borrowing country (Peng & Cheng, 2024).

Although the aim of promoting massive financial investments in emerging market economies may appear to be beneficent, the objective, it should be noted, is building soft power. This objective might be construed as a form of economic colonization by a U.S.-led West, together with associated geopolitical adherence to and international support for U.S. foreign policies.

It may be argued that this approach is precisely the same policy approach that China pursued through its BRI. However, this is to misunderstand the Chinese approach, which is based on partnership and non-interference in the global political positioning of the recipient countries. It is true, of course, that a degree of economic dependence is involved in the BRI approach in terms of Chinese companies supplying goods, such as mobile phones in many African countries and in construction projects. This whole pillar now seems to be in jeopardy by the Trump administration action of attempting to shut down USAID (Oswald, 2025).

Pillar 5

This pillar involves protecting foundational technologies with a small yard and high fence and clearly targets China, and other countries who may be considered

bad actors by the U.S. and is linked directly to U.S. security concerns and policy actions, such as technology sanctions (Lloyd, 2023). The aim of this pillar is to protect foundational technologies to ensure that next-generation advanced technologies will not fall into the wrong hands to work against democracies and national security. It is this proposed policy development that is at the core of the NWC. Recall the emphasis in Sullivan's remarks quoted earlier on securing:

“a functioning social safety net for the world's most vulnerable countries is essential to our own core interests - guiding us as we make our policy decisions at the intersection of economics, national security, and democracy” (Sullivan, 2023, p. 9).

The intent is also to draw in Western allies to adopt similar technology sanctions regimes, primary and secondary. However, it is not clear that such a generalized approach will receive as wide a level of support among allies as the U.S. assumes.

Especially with regard to China, the national economic and technological interests of a number of U.S. allies may not always align with the interests of the U.S. Moreover, the definition of which countries are considered as allies is rather broader in concept from the U.S. side. Several of the countries included by the U.S. as allies on technological and on other broader security issues do not participate, such as Turkey. (Pravda, 2024). Other EU countries, such as Hungary and Slovakia, are unlikely allies in the U.S. anti-China crusade. The NWC is still, as was the OWC, intended to favor countries supporting the U.S. in technological as well as political terms, but U.S. national security commitments are more intensively and overtly incorporated into the approach. It is also the case, as is demonstrated by the development of Deep Seek (Bloomberg, 2025a, 2025b), and the emerging ability to innovate in the production of more sophisticated chips (Lloyd & Savic, 2022) that, in the medium-term, China reacts by increasing its own innovative capabilities.

An international and universalist approach was inherent in the conceptualization, (though not subsequently in the eventual development or implementation of the rules) contained in the formation of the United Nations and allied international organizations. Sullivan suggests that the U.S. should return to this international vision.

“Returning to the core belief we first championed 80 years ago: that America should be at the heart of a vibrant, international financial system that enables partners around the world to reduce poverty and enhance shared prosperity” (Sullivan, 2023, p. 9).

This protestation rings somewhat hollow given not only the nature and operation of the OWC, but also the history of earlier U.S. interventions in, for example, Latin America. The NWC is still essentially postulated on a U.S.-led Western imperium and abandonment of the existing international rule-based order, save for that which is in line with U.S. interests. This situation is ironic given the post-World War II, U.S. Administration's attempt to form an international trade

organization (ITO) in 1948, admittedly thwarted by the U.S. Congress.¹ (A separate initiative, led in 1950, to the formation of the General Agreement on Tariffs and Trade (GATT)) (Drache, 2000), and later superseded by the WTO. It might be argued that the NWC is more overtly partisan in its demonstrably Western bias than was the original 1948 internationalism. That earlier internationalism floundered on the rocks of the Cold War.

In relation to the linked content of the five pillars, there appears to be a potential mismatch between U.S. perception of the interests, concerns, and capabilities of some of its putative allies, in the areas of economic policy, foreign policy, and security policy alignment. In the absence of this requisite coherence, it is not obvious that the NWC is likely to represent a new internationalism, even in some like-minded Western nations, let alone involving the Global South (nations regarded as having relatively low levels of economic and industrial development, generally located to the south of more industrialized nations).

The NWC and the Trump Administration Approach

Whatever, the planned development and approach of the Biden administration in pursuing the NWC, for the next four years it is the attitude of the Trump administration to the NWC approach that will be dominant and require analysis, as far as is possible at this time. Although there may be a few elements of the NWC that could be favored and supported by Trump, as a whole the NWC seems likely to be confined to history, almost as soon as it was proposed. The NWC, perceived as a combined domestic, foreign, and security policy, and purported rejection of neo-liberalism, inclusive of Western allies, will not survive the Trumpian approach to policy-making or his recent treatment of Western allies.

Given what we have learned so far about both the domestic and foreign policy approaches of the new Trump administration, any attempted coherent and coordinated approach, or one informed by ideology, seems unlikely to materialize. Trump engages in transactional power politics. Ethics and values appear to take second place.

There has been no formal statement from Trump on the NWC, though on issues of U.S. climate change policy and his rejection of IPEF, Trump has been clear that he is, to say the least, unsympathetic. Trump's skepticism about climate change seems to run counter to any meaningful international collaboration on climate change with either friends or foes. On artificial intelligence (AI), Vance's recent opposition, set out at the Paris AI conference (Caroli, 2025; Tech UK, 2025), to international safety regulation in relation to AI, indicates a clear America-First approach in this area of technology development, joined on this occasion by the UK.

¹ The focus on the GATT as a trading group involving principally like-minded and nonaligned countries, but not adversarial countries, increased further after the collapse of the proposed International Trade Organization, involving a United Nations-linked treaty that would have governed broad portions of international trade, in 1950.

Trump has been critical of the substantial spending of Biden, as reflected in the \$5.9 trillion IRA. Indeed, the first of his early executive orders was to command agencies to immediately pause the disbursement of funds under former President Joe Biden's 2021 infrastructure law and his 2022 climate statute. (Cama et al., 2025, p. 1). If this action remains unchallenged, billions of dollars of funding for infrastructure projects already begun across U.S. states, including Republican-led ones, will be threatened. Whether subsequent tailoring of these project cancellations might spare those that involve key industrial companies and American jobs is, as yet, unclear. The Trumpian action rhetoric is often subject to wiser counselling down the line. We will subsequently discover the actual impacts on jobs of reduced public expenditure.

Certainly, given the pruning of federal departments' spending and staffing, being implemented by Elon Musk's Department of Government Expenditure (DOGE), it seems unlikely that the Trump administration will be inclined to use federal spending in the way envisaged under the IRA. However, the federal structure of the U.S. may mean that some of the well-resourced states, as far as their budgets allow, (California as an example, currently a Democrat-led state) may utilize their own financial resources to continue to follow the Biden infrastructure plans.

Notwithstanding, the Trump antipathy to federal government expenditure (a traditional Republican credo), his administration is likely to support spending on manufacturing employment, especially in the Rust Belt states, such as Pennsylvania. Trump's commitment to bringing back manufacturing jobs to the U.S. was a key election promise. Indeed, his wide tariff policies are aimed at achieving this objective.

It may be that the rapid development and deployment of AI in relation to manufacturing and service sectors, with the substantial loss of jobs involved (Acemoglu & Restrepo, 2019; Institute for Public Policy Research, 2025) will provide a conundrum for Trump. His suggestions, including in 2016, that the loss of U.S. manufacturing jobs was attributable to U.S. trade imbalances, especially involving China, ignored the significant job-reduction impact of technology, now being accelerated by AI.

The savage attack on the U.S. Agency for International Development (USAID), authorized by Trump and executed by Musk, in terms of suspending and sacking the 14,000 staff working for the organization and suspending all spending by the organization (Devex, 2025), is clear proof that any spending to fund development of emerging economies, as suggested by the NWC, will not be supported by the Trump administration. Not surprisingly, there has been judicial intervention to suspend the executive order that gave rise to the abrupt and substantial attack on USAID. It may also be the case that opposition may not be confined to the judicial branch of the U.S. government. USAID was established by Congressional legislation (McCabe, 2025), and even Republican Congressional representatives have criticized the move (Oswald, 2025). It will be interesting to see the outcome of this apparent overreach of executive power. Whatever the final outcome is of this Trump initiative, the NWC proposition of spending trillions of development aid to combat the influences of China, Russia and other states, that Biden regarded as ideological foes (China Daily,

2025), and hence needed to be countered in emerging economies, seems unlikely to be endorsed by Trump.

Pillar 3 suggests working with partners to ensure that they adopt similar industrial policies to develop a strong techno-industrial base. This collaborative approach, encompassing U.S. allies, is hardly likely to commend itself to the Trumpian America-First agenda, rather the opposite is the case. Under Trump there are no real allies, only temporary accepters and endorsers of whatever transactional policy he favors for the U.S. (Center for Strategic and International Studies, 2025). Some countries, assuming a *quid pro quo*, may benefit but others will not.

The Biden and Trump Approaches to U.S. Global Policies in Light of the NWC.

Whether either the Biden approach to the projected NWC policy pillars or the Trump transactional approach to the projected NWC policy pillars is analyzed, the two approaches both have geo-economic and geopolitical implications. As a preliminary observation, it is less than clear exactly how new the NWC is or how much of a significant shift it is, rather than a rationalization of recent and past U.S. foreign and domestic policy positioning. Hence, insofar as Trump ignores the NWC, the only noticeable influence of U.S. foreign policy is likely to be a more U.S. self-centered, transactional approach to the issues raised under the five pillars of the NWC. It will also be the case that Trump's support for a foreign policy based on geopolitical spheres of influence will preclude the global bifurcation of the West versus the rest, envisaged by Biden. What will remain will be the intensification of the challenge to the U.S. major geo-economic rival China.

The current (and indeed the former) Trump administration approach is essentially transactional (though some values are referenced (Bose & Chiacu, 2025), unlike the Biden administration whose approach was predicated on an overt ideological, democratic values proposition. The other distinction in the Biden offer is to propose the U.S. as first among allies, while Trump proposes the U.S. as first, alone.

The Biden NWC envisaged a bifurcated geopolitical world in which a U.S.-led West, informed by liberal-individualistic democratic values would dominate the world. The aim of the Biden NWC was to establish a strong solidarity of values and purpose within a U.S.-led West, leaving China, Russia, and much of the Global South, led by the BRICS, to inhabit the remainder of a bifurcated world. For an analysis of the multi-dimensional global structure, including values, see Lloyd and Dixon (2022).

The Trumpian global policy approach involves the attempted exercise of U.S. raw state power at home and abroad to enforce policies (as far as contradictory objectives do not cause it to fail, such as the actual impact of tariff protection (York & Durante, 2025) via a piecemeal approach, rather than a coordinated initiative like the NWC. Allies and foes are likely to fluctuate in a Trumpian world, save perhaps for China's position as a foe. The Trump approach is also predicated on the establishment of spheres of influence, as a mechanism for the avoidance of military conflict.

Much of the content of the NWC appears to be concerned with attempting to redress the alleged negative impacts, within the U.S., of China's benefitting from its

extensive international trade and global supply networks (Center for Strategic and International Studies, 2024; Rand Commentary, 2024). Indeed, the U.S. view is that the liberal order of international trade has been undermined by China. Therefore, it is ironic that in recent years it has been China that has applied to the WTO for redress about U.S. alleged unfair trade practices (Le Podevin, 2025).

Both Biden and Trump have a shared approach towards China, seeing China as an adversary and serious challenge to U.S. hegemony. (Bloomberg, 2025a, 2025b). The U.S. should perhaps also be worried about India, whose growing technological prowess is as much of a challenge as China (Watson, 2021).

Nonetheless, the Trump administration policy towards China has yet to be made explicit, and may follow a similar, though more cautious, realism approach, as with Russia. Trump's China policy may soon emerge to enable a more detailed judgement to be made. In an interview with the right-wing Breitbart news channel (Bloomberg, 2025a, 2025b), Secretary of State Marco Rubio, stated, with respect to China and Russia, that despite disagreements and confrontation with both Beijing and Moscow, Rubio stressed that maintaining a relationship with both was important. "These are big, powerful countries with nuclear stockpiles. They can project power globally," he said. "I think we have lost the concept of maturity and sanity in diplomatic relations" (Bloomberg, 2025a, 2025b, p. 2).

The aim of the Biden NWC initiative with respect to emerging market countries was directly attempting to counter the BRI of China (Sacks, 2023). Trump appears willing to ignore these countries, unless they have something that the U.S. needs, such as key mineral deposits that can be traded.

Overall Conclusions

The Biden administration design and promulgation of the NWC was motivated by a number of factors:

- a) its ideological commitment to individualistic values (misleadingly reduced to endorsing individual freedom and electoral democracy);
- b) concern about the growing geoeconomic power and geopolitical influence of China; and
- c) the desire to maintain its hegemony over as large a part of the world as possible, especially those Western allies it considers share its liberal, individualistic ideology.

These considerations led to the NWC approach (purportedly abandoning the OWC) combining domestic, foreign, and security policies, and seeking to sign up as many supporting U.S. allies as possible to the NWC agenda. Nonetheless, as argued earlier, the design of the five pillars of the NWC appears ill-considered and impractical, especially in terms of gaining support from current and potential allies for a U.S.-led Western ideologically-based alliance, predicated on the perspective of a broadly bifurcated world.

This position adopted by the Biden administration, in connection with the NWC, potentially set up a dangerous and unnecessary civilizational conflict (Petro & Moeini, 2024). It goes beyond containing Russia and China. Thus, the approach may result in defining the emerging divided global economy (though still with strong geo-financial linkages) in terms of an engineered geopolitical binary global structure, identified also with an unresolvable clash of values.

The Trump administration may find that some of the motivation and elements of the NWC align with its own domestic, foreign, and security policy agendas, for instance, an aggressive attitude towards China. However, the Trump administration is unlikely to endorse the overall approach of the NWC, though it may endorse certain elements, such as a strongly combative economic stance towards China.

President Trump's approach to geopolitics is based principally on transactional power politics, differing clearly from the Biden values approach, and operating in the context of spheres of influence (Liu & Xue, 2025), aiming to avoid overt military conflict. This approach may better reflect the reality of the contemporary global geopolitical environment, as it is developing.

In actuality, the global requirement is for a common international approach to global geo-economic and geopolitical problems, especially those of climate change, accepting the differing social, cultural, and political viewpoints. Not only is this desirable, but it would better serve the interests of achieving global peace and security, including that of the U.S. and its allies.

The original Washington Consensus, operated since the end of the Cold War, in the 1990s and into the twenty-first century, was postulated on a U.S.-led Western values-based imperium, linked to a market-driven neoliberal agenda. The proposed NWC is simply the latest evolution, with perhaps less focus on market values. During this period, despite paying lip-service to the liberal international rule-based order, adherence was maintained by the U.S. only where it suited its domestic interests. The exploitation of the international order by China to its advantage, suggested to the Biden administration that the international order needed reforming and renewing, in the form of a NWC, together with an enhanced geopolitical ideological/values mission.

For the time being, Trumpian realism, together with a spheres-of-influence approach, allied to a quasi-isolationist, America-first, geopolitical and geo-economic positioning, has supplanted this view. Despite some opposition from the many of U.S. political and administrative elites (especially those linked to the Democrats and to liberal Republicans), Trump's initiatives are dominating U.S. domestic and foreign policy agendas. Trump's foreign policy actions are also being challenged by sections of the liberal European and UK elites, even though some aspects of Trumpian realism could potentially stimulate a constructive response, once the bewilderment has passed. This disruption of what appeared to be Western-accepted geo-economic and geopolitical norms may not last, though it has pointed to a wider need to reevaluate the contemporary geo-economic and geopolitical positioning of the West. Only the future will determine the sustainability of the Trumpian approach. The Biden NWC as a purported coordinated economic, foreign policy, and security approach, including traditional Western allies within its scope of influence, is clearly currently in abeyance.

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