

REVIVING AMERICA'S MARITIME POWER

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Developing the U.S. maritime sector, which spans shipping, shipbuilding, and port operations, has become one of the top priorities of the Trump administration. Amid escalating geopolitical tensions and fragile supply chains, the administration has launched a sweeping effort to rebuild the nation's maritime strength. This effort is anchored by the belief that maritime dominance is not just an economic asset but a critical pillar of national security. The renewed focus on maritime affairs marks a significant policy development, and has been accompanied by a range of executive actions and legislative proposals. By tying together industrial policy, trade enforcement, and allied cooperation, the Trump administration aims to strengthen America's maritime infrastructure while reducing its dependence on foreign entities for critical logistics and shipbuilding capacity.



THE TRUMP ADMINISTRATION'S NEW MARITIME STRATEGY

In April 2025, President Trump issued an executive order setting forth a comprehensive "Maritime Action Plan" designed to rejuvenate America's domestic shipping and shipbuilding industries, which have been in decline for decades. The plan targets a range of objectives: securing supply chains, increasing U.S.-flagged merchant fleets, investing in maritime technology, and enhancing workforce development. One of the critical elements of the plan is the Maritime Security Trust Fund, which will provide consistent financing for future U.S. shipbuilding and fleet programs. Complementing these initiatives, the administration introduced the concept of Maritime Prosperity Zones to incentivize private investment in maritime industrial hubs and waterfront communities.

The administration has also emphasized workforce development, including maritime education at the U.S. Merchant Marine Academy (USMMA), to address the shortage of skilled labor that has plagued the industry.

Prior to the executive order, the Trump administration announced the establishment of an Office of Shipbuilding within the National Security Council, which is now housed in the Office of Management and Budget. The mandate for the office is to expand both domestic commercial and naval shipbuilding.

GEOPOLITICS AT SEA: COUNTERING CHINA AND SECURING GLOBAL CHOKEPOINTS

The administration's maritime strategy is closely tied to its broader geopolitical agenda, especially competing with China's growing dominance in marine transport and shipbuilding. Beijing has made massive investments in port infrastructure worldwide, often as part of its Belt and Road Initiative, and has established itself as a shipbuilding powerhouse. These developments are seen in Washington as both an economic and a security threat, prompting the U.S. government to reinforce its control over key maritime routes and supply chains.

President Trump has accused China of leveraging its investments and partnerships to exert influence over operations in the Panama Canal, a vital artery for international trade. As a result, the Federal Maritime Commission (FMC) launched an investigation into seven critical chokepoints in March 2025, including the Panama Canal, as well as the English Channel, the Strait of Malacca, the North Sea, the Singapore Strait, the Strait of Gibraltar, and the Suez Canal. The FMC is examining whether restrictive practices, foreign laws, or operational constraints at these straits create unfavorable shipping conditions for U.S. interests. If the investigation confirms these concerns, the U.S. may take drastic measures, including denying port access to vessels registered under foreign flags associated with these conditions.

Seven Straits Under Investigation



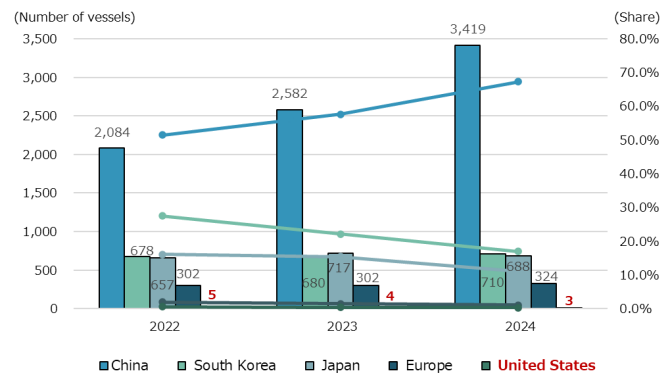
Source: WCORE

Additionally, in May 2025, the FMC launched an investigation targeting flags of convenience, which is the practice of registering vessels under foreign flags to lower costs and bypass regulation. The probe is examining whether foreign flagging laws or commercial practices are creating unfavorable shipping conditions for U.S. traders. Meanwhile, the administration continues to ramp up pressure on foreign-flag and non-U.S.-built vessels. Federal policymakers are signaling that American ports must increasingly rely on U.S.-flagged, U.S.-built ships. These moves aim to protect safety, bolster maritime sovereignty, and curtail the industry's existing reliance on offshore registries, which the administration believes undermines competitiveness and raises concerns about transparency and enforcement.

REVIVING SHIPBUILDING: INDUSTRIAL POLICY MEETS STRATEGIC ALLIANCES

For decades, U.S. shipbuilding has struggled with declining outputs, outdated facilities, and a shrinking workforce. The Trump administration sees reversing this decline as essential to strengthening both national defense and commercial shipping. A pivotal moment came in 2024, when South Korea's Hanwha acquired the Philadelphia Shipyard, a move celebrated as a model of strategic industrial collaboration. Hanwha's investment is expected to boost annual ship production to as many as ten vessels, encompassing both naval and commercial projects.

Number of large foreign-going vessel orders and market share at the end of each year



Source: BRS Shipbrokers¹

Legislation is expected to play a crucial role in the sector's revival. Initially introduced in December 2024, the SHIPS for America Act is designed to renew domestic maritime infrastructure and workforce development. Advocacy from influential groups such as the Shipbuilders Council of America (SCA) and the American Shipbuilding Suppliers Association (ASSA) has been instrumental in shaping the policy. Reintroduced in April 2025, lawmakers set an ambitious target to expand the U.S.-flag merchant fleet by 250 ships over the next decade, establish consistent maritime funding mechanisms, and launch new workforce development initiatives to ensure long-term sustainability. The Act currently remains under consideration in Senate and House committees.

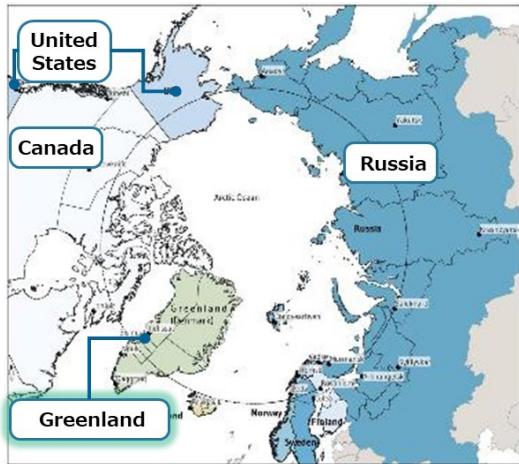
ENERGY SECURITY AND THE ARCTIC FRONTIER

The maritime sector is inseparable from U.S. energy policy. The nation is one of the world's leading exporters of liquefied natural gas (LNG), and its ability to meet global energy demand hinges on reliable maritime transport. Large-scale LNG projects in Alaska are expected to start exports to Japan and other Asian countries in the early 2030s, with strong federal backing. These projects are seen not only as economic drivers but also as tools for strengthening strategic alliances in Asia.

The Arctic has emerged as a key frontier in this context. Melting sea ice has opened new shipping routes and intensified trade competition among Arctic nations, particularly Russia, as well as non-Arctic states such as China. President Trump stated in March 2025 that he had ordered the construction of 48 icebreakers to strengthen the U.S. presence in the region,

ensure the safety of sea routes, respond to emergencies, and maintain strategic superiority in the Arctic. Cooperation with Finland, a leader in icebreaker technology, is also being expanded, with joint commitments on knowledge exchange, workforce development, and R&D collaboration.

Geopolitical Importance of the Arctic Region



Source: The Arctic Institute²

LOGINK, PORTS, AND SUPPLY CHAIN SECURITY

Ports serve as critical nodes in supply chains, handling millions of tons of cargo annually. In recent years, concerns over cybersecurity, automation, and foreign ownership have heightened the need for stronger port security policies. A growing point of concern for U.S. authorities is the Chinese National Transportation and Logistics Public Information Platform, commonly known as LOGINK. This digital platform collects and analyzes logistics data from ports worldwide, raising alarms about its potential use for espionage and military intelligence. In March 2024, the U.S. House of Representatives introduced a bill to prohibit the use of LOGINK in U.S. ports, citing the risks of data breaches and national security vulnerabilities. As of July 2025, the DOT's official "Prohibited Platforms" list expressly forbids any port authority or federally funded maritime entity from using LOGINK or similar Chinese-sponsored logistics platforms.

LOGINK Global Framework



Source: International Coordinating Council on Trans-Eurasian Transportation³

The administration has also taken a hardline stance by imposing tariffs of up to 100% on Chinese cranes and port equipment, while encouraging domestic production through tax incentives and grants. While the American Association of Port Authorities (AAPA) has expressed concerns about the economic impact of these tariffs, the International Longshore and Warehouse Union (ILWU), which represents West Coast port workers, has welcomed measures that encourage reshoring equipment manufacturing and protect union jobs.

Ports Operated by China (2023)



Source: WSJ⁴

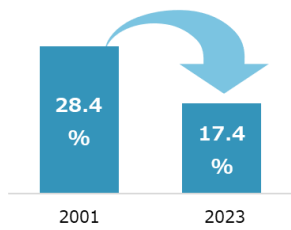
Another major policy development is the Ocean Shipping Reform Act of 2023, which prohibits U.S. ports from using LOGINK and other foreign platforms deemed a cybersecurity threat. Complementing this law is the proposed Port Crane Safety and Inspection Act of 2025, which calls for comprehensive audits of operational cranes and mandates compliance with new cybersecurity standards under the guidance of the Cybersecurity and Infrastructure Security Agency (CISA).

The Trump administration is also working to reduce reliance on Chinese-made port equipment by promoting domestic crane manufacturing and working with trusted suppliers in allied nations such as Japan and Germany. The AAPA has voiced concerns about potential cost increases from these measures. However, labor unions, including the International Longshoremen's Association (ILA), have supported the strategy, viewing it as vital to protecting American jobs and ensuring long-term port security.

ECONOMIC IMPACT AND WORKFORCE CHALLENGES

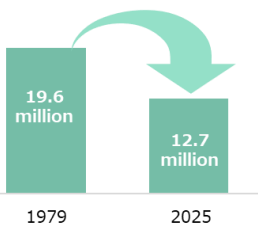
The economic significance of the maritime industry cannot be overstated. In 2022, shipping accounted for 44.6% of international cargo trade by value, or approximately \$2.3 trillion. The port and maritime sector employed roughly 2.5 million workers in 2023, generating \$214 billion in wages and social benefits and contributing \$311 billion to the national GDP. Despite these impressive figures, the industry faces an acute workforce shortage. Many shipyard employees and maritime workers are nearing retirement, and there is a pressing need to recruit and train the next generation of skilled labor.

U.S. manufacturing output



Source: White House⁵

U.S. manufacturing employment



Source: Weekly Economist⁶

The administration has responded by expanding training programs and modernizing the curriculum at the USMMA to better prepare cadets for the challenges of modern shipping and naval operations. Partnerships between government agencies, labor unions, and trade associations such as the AAPA and the United States Maritime Alliance (USMX) are also playing a vital role in addressing workforce challenges. These groups have collaborated on apprenticeship programs, safety initiatives, and campaigns to attract younger workers to careers in the maritime industry.

INTERNATIONAL PARTNERSHIPS WITH JAPAN AND SOUTH KOREA

Alliances with trusted partners form another key pillar of the U.S. maritime strategy. Japan and South Korea, both of which have advanced shipbuilding industries, are central to this approach. In 2024, the U.S. Secretary of the Navy visited Japan to explore collaborative opportunities in naval vessel repair and technology sharing. Such initiatives aim to leverage the expertise of allies to fill domestic capability gaps while ensuring that sensitive technologies remain within friendly nations.

The partnership with South Korea's Hanwha, through its acquisition of the Philadelphia Shipyard, is a prime example of this strategy in action. Hanwha Ocean is responsible for constructing the physical framework of naval vessels, while Hanwha Systems integrates advanced technologies, effectively turning the shipyard into a high-tech production hub. These international partnerships not only strengthen the U.S. defense industrial base but also reinforce geopolitical ties with countries that share strategic concerns about China's growing influence in maritime domains.

Endnotes

1. <https://safety4sea.com/bvs-shipbrokers-shipbuilding-trends-and-numbers-in-2024/>
2. <https://www.thearcticinstitute.org/rising-tensions-shifting-strategies-evolving-dynamics-us-grand-strategy-arctic/>
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5. <https://www.whitehouse.gov/fact-sheets/2025/04/fact-sheet-president-donald-j-trump-declares-national-emergency-to-increase-our-competitive-edge-protect-our-sovereignty-and-strengthen-our-national-and-economic-security/>
6. <https://www.economist.com/buttonwoods-notebook/2017/01/04/the-manufacturing-jobs-delusion>

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THE FUTURE OF U.S. MARITIME POLICY

The Trump administration's maritime policies reflect a broader push to reassert U.S. dominance in global trade and naval power. By combining domestic industrial investment with strategic alliances and tougher security measures, the administration aims to reverse decades of decline and position the U.S. as a leading maritime force. However, it remains to be seen whether the initiatives and policies discussed in this piece will enable the U.S. to compete with China's formidable scale in shipbuilding and port infrastructure.

Still, the administration's initiatives, spanning energy exports, Arctic navigation, port security, and shipbuilding, are setting the stage for a new era of maritime power. Whether these policies succeed will depend on sustained investment, bipartisan political support, and continued collaboration with allies. In an era of growing geopolitical competition, America's ability to project influence and secure global trade routes may well hinge on the success of this maritime revival.

