Donald Trump's new presidential term and the main foreign economic and geoeconomic priorities of the United States

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Abstract

In the research, there are analyzed the role of the United States under the Trump administration in the World Economy and impacts of US economic policy on the national interests of the official Washington.

The research is dedicated to the explanation of the perspectives of the further economic development of the United States (pessimistic and optimistic scenarios), US trade tariffs policy toward China, Canada, Mexico, European Union. Furthermore, attention is paid to the US interests in Ukraine related to the possible production of rare minerals.

Keywords: USA, Tariffs, World Economy, EU, China, Canada, Mexico, Crypto Currency, Stock Exchanges

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Introduction

As is known, on January 20, 2025, after the official inauguration, the 47th President of the United States, Donald Trump, officially began to exercise his powers.

In this regard, it is necessary to note the not-so-constructive and supposedly peace-loving initiatives of the new president in the direction of foreign policy, which Trump has regarding the Russia-Ukraine war and other issues, which caused great excitement and a wave of protests in the United States itself and in the international community.

In addition to the Russia-Ukraine war, Trump's unrealistic initiatives are related to issues whose implementation probability is almost zero, namely:

-Declaring Canada, the 51st state of the United States;

-Purchasing Greenland from Denmark, or establishing control over the island by force;

-Appropriating the Panama Canal;

-Relocation of the population of the Gaza Strip (2.1 million people) to neighboring states;

-Withdrawal of the United States from the United Nations (an absurd idea, although with a near-zero chance of being implemented);

-Renaming the Gulf of Mexico as the Gulf of America, etc.

As for economic issues, in this case, such goals as the abolition of the income tax (which accounts for 50 percent of the US federal budget) and the compensation of budget losses by increasing taxes on imported products seem unrealistic;

As for the erroneous initiatives that can be partially implemented, but not to the extent that the Trump administration threatens, they are the following:

Additional taxation of imported Chinese, European, Canadian, and Mexican goods;

Deportation of migrants from the country;

The US withdrew from several international organizations (especially those working on climate, health, education, etc.);

The incomprehensible initiative is the demand to transfer 50 percent of Ukraine's rare earth metal reserves (which are supposedly worth $500 billion) to the US (Sinclair, 2025). Ukraine does not have such a large number of such reserves, and the cost of extracting what it does have is still so high that today's local and international investors will not show much interest.

Given all of the above, it would be interesting to focus attention on Donald Trump's foreign economic policy and discuss various socio-economic and financial issues in more detail.

The Role of the United States in the Modern Global Economy

Following the November 2024 US presidential election, members of the new US presidential team have stated that there is an assumption that Donald Trump’s second presidency will transform the global economy, and the US will significantly overtake its competitors in terms of socio-economic development (The Telegraph, 2024).

When it comes to the fact that America will significantly overtake its main competitors, several economists seem to give the basis for this statement the fact that over the past decade, the growth rate of the US has significantly exceeded that of its competitors. In particular, in 2008, the GDP of the European Union was still slightly higher than that of the US, although by 2022 the US had become 30% richer (BPN, 2024). This trend is likely to accelerate as growth in the European Union continues to slow.

Similarly, China’s competitiveness with the United States is diminishing, despite forecasts that China will become the world’s largest economy by 2030. China’s economy is slowing and losing credibility, and there is already some skepticism about the country’s 5% annual growth target (The Telegraph, 2024).

According to economists who support Trump, the president plans to accelerate economic growth in the United States. His ambitious economic agenda includes boosting the fracking industry, ensuring energy independence, deregulating Wall Street, cutting taxes for businesses and entrepreneurs, aggressively using tariffs to open up foreign markets, and more. Thus, according to some experts, the US economy will grow faster than other regions of the world. Accordingly, the gap in economic development between the US and the EU will increase even more, while China, despite its strengths, will remain in second place. As a result, the US will become the world's leading economy, the analog of which has not been seen since the 1980s.

At the same time, the Trump team and, especially, the techno-libertarians around Musk seem to realize the fact why the problem of "regulations" has arisen. In particular, the Code of Federal Regulations was first updated annually in the early 1960s and has grown eight times since then. It contains 185,000 pages and covers 240 volumes (BPN, 2024). The regulatory machine has cornered innovation, and the productivity of ever-growing civil servants is stagnating, which is dragging down the entire economy.

Some economists say that the Trump team is determined to fix this, and if they achieve even a small part of their goal, it will transform the state machine, which will be an example for the rest of the world. They will, along with stimulating innovation, free up limited resources for more productive use. This will further accelerate America's leadership in the rest of the world.

The above factors give us reason to believe that the world population will witness huge changes in the global financial system. Unlike his first term, when Donald Trump was very skeptical about digital money, the newly elected president has welcomed the growth of cryptocurrencies. There is speculation that the market will be open to small retail investors, while there is talk of a strategic reserve of Bitcoin, which will compete with the gold stored in the Federal Reserve at Fort Knox.

It can be said that under Trump's leadership, cryptocurrencies will become a major part of the investment world. This could be the perfect time for Bitcoin to become a mainstream part of the financial system, which will fundamentally change the way the dollar-based system has worked for the past 70 years.

According to some experts, the return of Trumponomics during Trump's second term will truly transform the global economy. In fact, the US will pursue such policies in the field of business and economics over the next four years that it will be ahead of all its competitors, and the rest of the world will be forced to account for this.

At the same time, there is an opinion among Trump's opponents that the immigration policy implemented by the president and the deportation of all illegal immigrants will lead to a decrease in US GDP. In particular, the decrease may amount to 8% (Bloomberg Economics, 2025). As is known, on January 22 of this year, President Donald Trump signed an executive order that closed the southern border of the US to illegal immigrants. The Pentagon will send about 10,000 troops to the Mexican border, with the first wave of at least 1,500 ground troops, adding to the 2,500 already deployed there (Sinclair, 2025). In addition, a document from the US Customs and Border Protection (USCBP) envisages doubling the capacity of detention facilities for illegal immigrants. Specifically, four new facilities with a capacity of 10,000 and 14 additional facilities with a capacity of 700 to 1,000 people will be opened. In addition, the Ministry of Defense will also use military bases as detention facilities (BPN, 2025).

In an executive order signed immediately after his inauguration on January 20, Trump ended the practice of catch and release, which involved the release of illegal immigrants detained by law enforcement agencies before their cases were heard in immigration court. In return, Trump reinstated the practice of "remain in Mexico," under which asylum seekers from third countries seeking asylum in the United States would wait in Mexico for court decisions on their cases. The 47th president also suspended refugee resettlement programs and eliminated the right to citizenship for newborns of immigrants born in the United States.

In total, Trump promised to deport all immigrants living in the country without permission, that is, approximately 11 million people, and since January 24 of this year, the new US administration has already begun returning people deported to Guatemala and El Salvador by American military aircraft (BPN, 2025).

According to Wall Street strategists, economists and professionals, if Trump can fully implement his proposals, this will cause shock waves in the economy. In particular, we are talking about an increase in inflation and a shortage of labor in agriculture and construction.

According to Mark Malek, Chief Investment Officer at Siebert, “If we are talking about deporting 10 million people shortly, it could have an economic impact that is not on the scale of the Covid pandemic, but close to it” (BPN, 2025).

Amid such risks, the S&P 500 index reached a new all-time high in early February 2025, as traders do not believe that Trump will successfully deport 10-11 million illegal immigrants (BPN, 2025).

Tariff Storm: How New US Tariffs Will Change Trade and Markets

As is well known, President Donald Trump announced that starting February 3, the US will impose a 25% tariff on imports from Canada and Mexico, and a 10% tariff on imports from China. The initial reaction in the markets was negative. As a result of the tariffs, American consumers are expected to see higher prices, while exporting countries will suffer significant financial losses (BTU, 2025).

The imposition of tariffs will directly affect products that the US imports from Canada, Mexico, and China. Canada is the largest energy supplier to the US, with 98% of its (Canada’s) oil exports going to its southern neighbor. The new tariffs will increase fuel prices in the US market and affect the oil refining industry (although it is worth noting that instead of 25%, only a 10% tariff will apply to petroleum products). The lumber sector will also be affected, as Canada is a major supplier to the US construction industry. The main blow for Mexico will be to automobiles and agricultural products - the volume of automobiles imported from Mexico was expected to exceed $100 billion in 2023, which is a critical part of the US market (BTU, 2024). The tariffs will force Mexican manufacturers to either raise prices or move production to the US. The prices of imported fruits and vegetables, including avocados, tomatoes, and citrus fruits, will also increase. In the case of China, the main blow will be to the electronics, technological equipment, and clothing sectors. Most smartphones and laptops sold in the US are made in China, and tariffs would increase the prices of these products, which would lead to additional costs for consumers.

The US is Canada’s most important trading partner, with about three-quarters of its exports going to the US. The tariffs would hurt Canada’s energy and steel industries, which could also cost jobs. Mexico’s economy is even more dependent on the US, with more than 80% of its total exports going to the US (BTU, 2024). This means that Mexican manufacturing could suffer a serious decline, especially in the automotive industry. The US market is also important to China, although with a lower direct dependency, with about 17% of Chinese exports going to the US (BTU, 2024). Although China has a larger and more diversified global trade network, the new tariffs will still hurt its technology sector, forcing Chinese companies to look for alternative markets. China could also have an additional, indirect impact, as many of its products and materials pass through Canada and Mexico, from where they are then exported to the United States. This applies to sectors such as automobiles, electronics, and industrial materials, where Canada and Mexico often use parts and components of Chinese origin. Accordingly, the increase in tariffs by the United States on products imported from Mexico and Canada could ultimately reduce Chinese exports, as demand for parts used in the production of Mexican and Canadian companies decreases. The announcement of the tariffs has caused volatility in the US stock market. Specifically, during February, the S&P 500 fell 0.5%, the Dow Jones fell 0.8%, and the Nasdaq fell 0.3%. Automakers such as Ford and General Motors have seen their shares fall as tariffs will increase their production costs (BTU, 2024). Technology companies that rely on imported parts from China have also been hit by price cuts. On the other hand, domestic steelmakers such as US Steel and Cleveland-Cliffs may see gains as the increased tariffs on imports will boost their domestic sales.

The impact of tariffs on the US economy is multifaceted. On the one hand, domestic production may be strengthened, but this will come at the expense of rising prices and strained relations with trading partners. Mexico and Canada are likely to impose retaliatory sanctions (which they have already announced), which will further complicate global trade. Ultimately, this move could be reflected in higher prices for American consumers.

Trump's Tariff Policy towards the European Union

As part of his tariff policy, President Donald Trump told reporters in the Oval Office of the White House that he "absolutely" intends to impose tariffs on the European Union (Tabula, 2024).

"Am I going to impose tariffs on the European Union? Do you want a straight answer or a political answer? Absolutely," Trump told one of the reporters.

Trump added that "the European Union is treating [the United States] terribly" (Tabula, 2024).

The 47th President of the United States has threatened to start a trade war with the European Union in the past. In December 2024, he wrote on social media that if the bloc did not buy more American oil and natural gas, "tariffs would be coming" (Tabula, 2024).

However, the above comment was the first time Trump had confirmed this intention. The President did not specify what type of tariffs he would impose or on what type of goods but said that he planned to "do something very significant" (Tabula, 2024).

The European Commission responded by saying it was prepared to "retaliate proportionately" if Trump reimposed tariffs on the bloc.

During his first term, Trump imposed 25% tariffs on steel imports from the EU, Canada, and Mexico, and 10% tariffs on aluminum imports. This triggered a trade war with the EU, which eventually resulted in the bloc imposing tariffs on $6 billion worth of American goods, including whiskey, motorcycles, and orange juice (Tabula, 2025). The Biden administration managed to de-escalate the US-EU trade war through negotiations.

Europe on the brink of a trade war – how will Brussels respond?

The divergent political and economic views of European countries often make it difficult to reach common decisions. However, when it comes to trade pressure from Washington, the EU is trying to maintain a unified position. US President Donald Trump is once again threatening the EU with heavy tariffs, which could have serious economic consequences.

As already noted, Donald Trump made a sharp statement at the end of January that the EU was not buying enough American goods, especially cars and agricultural products, which he described as a weakness in American trade policy. This statement was quickly reflected in financial markets – the euro fell by 1% against the dollar, and European stock market indices fell significantly (The Economist, 2025).

The EU's traditional response to such situations has been to retaliate with similar tariffs. For example, in 2018, when Trump imposed restrictions on metal imports into the US, the EU retaliated by imposing targeted tariffs on US products that were important to Trump voters. Today, the EU has new mechanisms for such measures, including an "anti-blackmail instrument" that provides for rapid retaliatory tariffs if third countries exert economic pressure on an EU member state (BTU, 2024).

Brussels has already developed a plan for retaliatory measures, although it has not yet been made public. It is likely that the EU will continue to use the same approach – a gradual introduction of tariffs, which will push the Trump administration to negotiate.

However, there are significant problems. First, if Trump decides to impose a 10-20% tariff, the EU will have to either go through a lengthy legal process through the WTO or adopt a new law specifically for the US. In addition, imposing tariffs would lead to further escalation of the trade war, which could negatively affect the entire global economy. The WTO leadership is already urging countries to find alternative ways to avoid a trade war. The EU is likely to try to appease the Trump administration with some concessions. One way could be to buy more American gas and weapons. The President of the European Commission, Ursula von der Leyen, has already said that the EU is ready to significantly increase imports of American liquefied natural gas (LNG), especially to reduce dependence on Russian energy supplies. At the same time, an increase in the defense budget, which is one of Trump's main demands, may be made conditional on the purchase of American weapons.

Another possible compromise step is the issue of China. The United States is already tightening its trade policy towards China, and if the European Union imposes more restrictions on Chinese companies, this could be a kind of signal to Trump that Brussels is ready to agree on certain issues.

One of the important aspects that has always worried Trump is the positive trade balance of European countries with the United States. This applies in particular to Germany, which has long enjoyed a positive trade balance with the United States. Brussels may offer Trump an agreement according to which EU member states would work on trade balancing, for example, by encouraging domestic consumption.

Trump has already announced that the EU is the target of his next trade war. This could lead to a long negotiation process, where both sides will take some "dramatic" steps. Trump will demand a victory for the American economy compared to Europe, while EU leaders will fight to protect their economic interests (The Economist, 2025).

Brussels understands well that external threats always unite the EU. It is likely that this trade conflict will force Europe to take faster steps towards strengthening the economy, energy independence and strengthening its defense. However, the main question is – will the EU be able to avoid a major economic confrontation through negotiations that would have a serious impact on the entire global market?

ACI or "Bazooka" Effect – EU to "Hit Silicon Valley" in Response to Trump's Tariffs

When discussing US-EU trade relations, it should be noted that the Trump administration believes that imposing tariffs will allow the US to eliminate its trade deficit with the EU (BPN, 2025). Trump is also dissatisfied with Brussels' policy against American technology companies. In turn, as already noted, EU leaders say that the bloc will be ready to retaliate.

If US President Donald Trump imposes new tariffs on the EU, the bloc may hit Silicon Valley with retaliatory measures, which Brussels calls a "bazooka" (European Pravda, 2025).

There is speculation that the European Commission will use the so-called Anti-Coercion Instrument (ACI) in a potential dispute with Washington (European Pravda, 2025).

The instrument was created during Trump's first term and has since been used by the EU as a deterrent against China.

The ACI allows the EU executive, the European Commission, to impose restrictions on trade in services if it determines that a country is using tariffs on goods to force a policy change.

The ACI will target large American technology companies (Big Tech).

According to officials, the ACI's terms already include Trump's threat to use tariffs to force Denmark to hand over Greenland to the US, as well as to pressure the EU to abandon coercive measures against US technology companies.

The ACI mechanism, which EU officials call the "bazooka," entered into force in 2023. It allows the EU to choose a wide range of response options, such as enforcing intellectual property rights or prohibiting their commercial use. Through the ACI, the EU can also block foreign direct investment or restrict market access for banking, insurance, and other financial companies (BPN, 2025).

"War" on China's Economy

US President Donald Trump is escalating his trade war with China with new tariffs. The Trump administration has announced that tariffs on Chinese imports will increase by an additional 10 percentage points, bringing the total to 45% on some products. The move, Trump said, is necessary because Beijing is failing to stop the flow of fentanyl into the US. China has called the move "a unilateral and bullying move" and said it will retaliate.

Market analysts say the tariff war will not only worsen relations between the two countries but will also significantly increase costs for businesses and consumers in both the US and China. China's Ministry of Commerce strongly criticized the US move, saying that Washington's policies "violate international trade rules and disregard the interests of all parties."

China's pro-government newspaper, the Global Times, which is affiliated with the Chinese Communist Party, said that Beijing was already preparing "strong and powerful countermeasures," including both tariffs and non-tariff restrictions. According to an anonymous source, these measures could include restrictions on imports of US agricultural and food products. It is worth noting that in 2023, China was the largest market for American farm products, accounting for 17% of US agricultural exports.

The first phase of the tariff war began in February 2024, when Trump imposed 25% tariffs on imports from Canada and Mexico. The tax was delayed for a month after negotiations, but eventually went into effect. At the same time, a 10% tax was imposed on Chinese imports, which was motivated by trade restrictions on fentanyl.

China quickly took retaliatory measures, including:

- A 15% tariff on American coal and liquefied natural gas;
- 10% tariff on agricultural machinery and oil;
- Restrictions on the export of minerals used in the production of high-tech products;
- Launching an antitrust investigation against Google;
- Blacklisting two American companies.

Although Beijing's response initially seemed moderate, the new tariffs are likely to intensify it even further. China's economy is already in recession, and public discontent is growing. Accordingly, Chinese leaders are likely to seek a tough and symbolic response to Trump's moves.

Trump and Chinese leader Xi Jinping have yet to meet, and the US Treasury Secretary and Secretary of State have only held telephone talks with the Chinese side. This creates a situation where the possibilities for negotiations are limited and the risk of a trade war escalates.

A similar confrontation already occurred in 2018-2020, which ended with a partial agreement in which China pledged to purchase an additional $200 billion in American goods. However, Beijing failed to fulfill this promise. This time, Chinese state media emphasizes that the country is better prepared for this trade war: it has more diversified trading partners and continues its domestic stimulus policy.

Analysts estimate that the trade war will largely depend not only on economic factors, but also on the political calculations of the Trump administration. It is expected that the retaliatory measures will become more severe, especially if US-China relations worsen further.

Trump's decision to impose new tariffs marks a new phase in the trade conflict. China seems ready to respond, and, likely, the US economy will also feel the pressure of the new tariffs. This trade conflict remains one of the main challenges, and its consequences will have a significant impact on both the global and regional economies (BTUAI, 2025).

US Sanctions on Iran's Oil Network and Its Impact on the Global and Energy-Importing Economies

The United States has once again tightened sanctions on Iran's oil sector, targeting an international network of tankers and companies. This network facilitates the transportation of Iranian oil to China, and the proceeds are used to finance Iran's armed forces and destabilize the region. This move is part of the US administration's "maximum pressure" policy, which aims to weaken Iran's economy and tighten control over its geopolitical influence.

According to the US Treasury Department, the sanctions are aimed at cutting off sources of illicit revenue from Iran's oil sales, which finance military programs, including the creation of ballistic missiles and the development of unmanned aerial vehicles. The core of this network includes companies in India, the United Arab Emirates and China, which transport millions of barrels of oil.

The special significance of these sanctions lies in the fact that they extend not only to Iranian companies directly but also to their partners in other countries. For example, tanker owners and management companies that transport Iranian oil to China are now subject to sanctions. This includes the Indian company Marshal Ship Management, which has over 3,000 crew members and operates over 110 vessels (BTU, 2024). Their involvement in Iran's sanctions evasion scheme has also been exposed.

Against the backdrop of these moves, Iran's economic situation is becoming increasingly dire. Iran relies on its oil exports as its main source of income, which constitute a significant portion of the country's budget. Sanctions could increase price pressures on the domestic market, ultimately affecting the daily lives of the Iranian population.

Iran's role in the global oil market is enormous, despite its limited access to international markets. Any disruption in the oil supply chain has a direct impact on world oil prices. A reduction in Iranian oil exports as a result of sanctions could lead to an increase in oil prices, which would affect major importers such as China, India, and European countries.

The sanctions imposed by the United States are also changing the structure of energy markets, favoring countries such as Saudi Arabia and the United Arab Emirates, which can increase oil production and fill the vacuum left by Iran. However, these changes may hurt regions of the world where the availability of energy resources depends on price.

The tightening of sanctions against Iran will also indirectly affect other oil-importing countries. In particular, the energy market of the countries importing "black gold" is significantly dependent on international oil prices. If sanctions lead to an increase in oil prices, this will directly affect the countries importing oil and gas. The increase in fuel prices will increase transportation and production costs, which will ultimately affect the prices of products and services.

The sanctions imposed by the United States against the Iranian oil sector will have a significant impact on the global and regional economy. Accordingly, oil-importing countries need to refrain from unilateral dependence and strengthen cooperation with various regional partners. The development of energy and logistics infrastructure, as well as the implementation of innovative projects, may become the key to the stability and competitiveness of the economies of various countries in the future.

The Iranian issue once again shows how much international economic events are related to small countries and how important it is to analyze global processes in detail.

The USA as a cryptocurrency leader

Donald Trump has been openly supporting crypto business throughout the pre-election period. In this regard, we should probably expect Trump to ease regulations.

Some experts believe that Trump's presidency is a uniquely positive event for the development of the crypto market, because America is the largest contributor, both in terms of supply and consumption of cryptocurrency, to the global market. Accordingly, Trump's support, which is likely to be converted later, by easing regulations, and easing control mechanisms, in turn, was one of the important factors for this business. Because some time ago, this is what stopped the development of cryptocurrency. Accordingly, the fact that the maximum of the Bitcoin exchange rate was recorded on Election Day, shows how the crypto industry will develop. Moreover, it is one of the strategic directions in the US financial sector.

Greenland and the confrontation of superpowers: the geopolitical significance of the ice continent

Greenland, which for years was considered a symbol of the geographical peace of the Arctic, has today become the focus of attention of global superpowers. Its strategic location, natural resources, and geopolitical potential make the ice continent the epicenter of a new global confrontation. Against the background of growing interest in Greenland, the struggle of the superpowers of America, Russia and China for control of the Arctic is visible, which turns the region into a new front line of global politics.

In 2019, then US President Donald Trump came up with the idea of purchasing Greenland, which became the focus of world media attention. This proposal sounded frivolous at first glance, but in reality, Trump's desire to gain control over this territory indicated. The United States has long used a military base in Greenland, which is the center of military and intelligence operations in the Arctic. Maintaining control over this region remains a key part of the US national security strategy.

In addition, Greenland's geopolitical potential lies in its natural resources - oil, gas and rare earth minerals. In particular, according to the US Geological Survey, the total reserves of rare earth minerals in Greenland are about 1.5 million tons (IPN, 2025). The melting of the Arctic ice creates new economic opportunities, which is of long-term interest to the superpowers.

Russia is a major player in the Arctic, and its interests are felt around Greenland. The country's strategy is based on strengthening its military infrastructure and exploiting oil and gas in the Arctic. Moscow has been claiming the Arctic as its territory for decades and is trying to dominate it, further increasing Greenland’s role in the regional context.

China does not exercise direct military influence in Greenland, but its economic power is felt in the region. Beijing is investing in Greenland’s natural resources and is trying to gain control of the northern routes, which will strengthen its participation in world trade through Arctic shipping.

Greenland has become part of the geopolitical battlefield of the modern world. Its geographical location, which unites Europe, North America and the Arctic region, increases its strategic importance. However, the population of Greenland and its self-government are fighting to preserve their identity and try not to become victims of global politics.

Today, the Arctic is no longer just a territory of ice and peace. It has become a global center of strategic importance, where natural resources, military balance, and climate change intersect. Greenland, at the epicenter of these processes, can become a symbol of not only political but also ecological and economic transformations. The struggle of superpowers in the Arctic indicates that the future of the world is also determined by the icy continent (BTU, 2025). It is important for the world that this struggle remains only a competition and does not turn into a source of new conflict, because the stability of the Arctic serves not only regional but also global security.

Uranium, titanium, lithium, graphite - what rare minerals does Ukraine possess, which Trump demands as a guarantee

As is known, US President Donald Trump has shown a keen interest in Ukrainian affairs.

"We want to agree with Ukraine where they guarantee what we give them in terms of precious minerals. We tell Ukraine that they have precious, precious minerals. We want what we give them to be guaranteed," Donald Trump said in a White House briefing (BPN, 204).

What is Ukraine's "The Future of the Earth?"

Ukraine's "Future of the Earth" has a strong point, which, like Western countries, is focused on protecting, investing in, and using natural resources.

The four main minerals found in the Earth are: uranium, titanium, lithium, graphite, and others. According to the Russian-American newspaper, the US needs to develop ultra-modern, high-precision technology.

In addition to the various alternatives presented by the Ukrainian side, it was also intended to make the acquisition and use of resources possible in conjunction with specific partners. However, first of all, it is necessary to provide security guarantees so that natural resources are free from Russian interference.

During a meeting with Trump in September 2024, Zelensky immediately raised the issue of security guarantees for natural resources.

At the same time, it is worth noting that a significant part of the reserves of natural gas in Ukraine is currently under control, that is, a significant part of Ukrainian natural gas is located in the territories over which Kyiv has established control.

It is worth noting that according to the 2023 estimates, the total value of Ukraine's mineral resources is estimated at approximately $15 trillion (The Telegraph, 2024). However, more than 70% of the reserves are in the self-proclaimed DPR (the occupied Donetsk region) and LPR (the occupied Luhansk region), as well as in the Dnepropetrovsk region (The Telegraph, 2024).

Likely, American investments in the extraction of natural minerals on the territory of Ukraine are in the common interest of both Ukraine and the United States, which is why official Kyiv, for its part, is likely trying to convince Trump that supporting Ukraine is not charity, but rather an economically viable geostrategic option that is also in the interests of the United States.

On the other hand, when talking about rare metals, it should be emphasized that the world's revenues from the extraction of these raw materials amounted to only $ 5 billion in 2024. More than 80 percent of this profit comes from China (Voronoi, 2025).

At the same time, Ukraine's reserves of rare metals are 1-2 percent of the world's reserves. If Trump were to completely appropriate all the income from not only Ukrainian but also global extraction, it would take 100 years to pay it off, given the current situation. By 2030, annual revenues from the extraction of rare metals will reach $ 10 billion. Even with increasing growth, it will take several decades to produce $ 500 billion (Voronoi, 2025).

Because Ukraine's reserves are insignificant, Trump had to include all of Ukraine's natural resources and infrastructure, including ports, in the deal, although the Ukrainian government has taken a firm stance to protect its national interests.

Accordingly, the current draft of the US-Ukraine agreement on rare earth minerals includes six key points, namely:

1. Ukraine and the US will establish a Recovery Investment Fund, which will be jointly owned and jointly managed by the governments of both countries;

2. Ukrainian minerals and resources will remain Ukrainian, and will not be transferred to the US or anyone else;

3. Ukraine will contribute 50% of future revenues from its natural resource assets to the fund;

4. The US will make contributions to the fund in the form of funds, financial instruments, and other assets that are critical to Ukraine's recovery;

5. The funds collected by the fund will be invested only in projects for the reconstruction of Ukraine. We are talking about a fund for future generations of Ukrainians;

6. The agreement provides for Ukraine's obligations within the framework of the European integration process (IPN, 2025).

Global Automakers Face Impact of US Tariffs

The global automotive industry, which has been a key sector of the global economy for more than a century, is facing unprecedented challenges. The new US trade policy and increased tariffs on imports from Canada, Mexico, and China could significantly change the dynamics of the industry.

Global production networks, which have been built over the years to optimize costs and increase efficiency, are now facing a severe test. As already noted, the new tariffs introduced by the US include:

A 25% increase in duties on products imported from Canada and Mexico;

A 10% increase in tariffs on Chinese products (BTU, 2025).

These changes are particularly problematic for automakers like General Motors and Ford, which have long relied on parts and components from these countries.

Supply Chain Issues

Supply chains are the most sensitive part of an automaker's economic structure. For example:

General Motors plants in Mexico produce high-margin Silverado pickup trucks that are then exported to the U.S. market.

Under the new tariffs, the costs of these operations will increase significantly, making the final product more expensive.

The costs of tariffs include not only higher taxes, but also logistical difficulties and additional losses. Supply disruptions directly affect companies' ability to deliver products to customers in a timely and efficient manner.

Experts say the biggest problem is the administration of tariff-related regulations, which requires additional financial and human resources.

How will this affect consumers?

A direct result of the increase in tariffs is an increase in the price of cars, which will be passed on to consumers.

Tesla, which manufactures most of its products in the United States, is already suffering huge losses due to the statements made by Elon Musk. In particular, in March 2025, Elon Musk's Tesla shares fell by 15% in one day (Wolff, 2025). Accordingly, the company's share price returned to the level it was before Donald Trump's victory. It is worth noting that Tesla's share price increased the most in December last year when one share cost $480. The share is selling for $222 in early March 2025, which reduces the company's value from $1.5 trillion to $715 billion. For comparison, the value of the American auto giant Ford is $40 billion, and General Motors is $48 billion (Newshub, 2025).

Small and medium-sized automakers that rely on global supply chains are more vulnerable.

In addition, the increase in the cost of imported parts will lead to shortages and make American manufacturers less competitive. As a result, product prices will exceed pre-tariff levels (BTU, 2025).

Challenges for Mexico and Canada

Mexico and Canada are the United States' main trading partners and will be the hardest hit.

Mexico's economy is heavily dependent on automobile production,

and the new tariffs will force them to develop new economic strategies and increase trade with other countries.

Challenges for European automakers

The impact of the tariffs will also affect European automakers.

45% of Volkswagen's production is produced in Mexico, which will cause significant financial damage to it (BTU, 2025).

BMW and Mercedes-Benz will be forced to rethink their global production networks and look for alternative markets.

How are automakers responding to these challenges?

Global automakers are already working on alternative strategies.

Some companies are ramping up local production to mitigate the impact of tariffs.

The development of electric vehicles and autonomous vehicles is seen as one solution, as these sectors are less dependent on global supply chains.

Conclusion

When considering what kind of economic, domestic, and foreign policies US President Donald Trump would have, it is important to note that Trump's inauguration was watched by millions of people interested in economics and politics in America and around the world.

A large part of society does not hide its joy and emotions with Trump's presidency, but there are quite a few people who are watching Trump's second term with some fear and caution.

Despite the fierce confrontation between US political forces, with Trump's inauguration, the US political class, considering the culture of transferring power, set an excellent example for many countries.

Now that many people have expressed their opinions on the topic of Trump's inauguration in Washington, even though many believe that Trump's arrival will begin a "golden age" for America, it is time for us to discuss what Trump said at the inauguration and what he intends to do in the economy, as well as in domestic and foreign policy?

In this regard, it is worth noting that expectations during Donald Trump's presidency are as contradictory as the attitude toward his personality. Some perceive him as a kind of savior, while others see him as a challenge. Whether there will be a new "golden age" for America should be judged by the results, not by preliminary statements.

At the moment, what can be said with certainty is that Trump has quite ambitious plans. He wants his name to be mentioned among the legendary leaders of America. At the same time, this is his last presidential term, and he will do everything to leave a legacy that will bring glory to his personality.

It can also be said with certainty that we should not expect much clarity in both domestic and foreign policy of the United States. Trump is a politician who leaves a lot of room for ambiguity.

In general, Trump's plans partially coincide with the priorities announced during his first presidential term, both domestically and internationally. He spoke about them quite clearly at the inauguration.

Conservatism will strengthen, and this will apply to social and migration policy, as well as other areas. Trump had already announced the improvement of the bureaucracy during his first presidential term, although I cannot say that he was successful in this matter then.

Innovations and the space exploration program are gaining particular importance. Restrictions related to ecology and climate change are being lifted, the energy sector is especially noteworthy, innovations are expected in the healthcare and social sphere, the tax system, etc. It would take us far to list everything and is probably not necessary, the inaugural speech is available and can be viewed by everyone interested.

One of the most important should be foreign policy priorities. In this regard, several directions were highlighted. These are relations with neighbors. First of all, Mexico and Cuba, but also the Panama issue, China, relations with European partners, the Middle East, the fight against terrorism, international conflicts and Russia are of great interest.

It should be emphasized that Trump signed several decrees in the direction of foreign policy - Cuba was again declared a state sponsor of terrorism. Accordingly, the US focus will be on regaining control in its neighborhood. The US lifted sanctions imposed on Israel due to the establishment of Jewish settlements in the West Bank (Palestine). This will further complicate the final negotiations, but it is assumed that Trump, in addition, the US is starting to leave the World Health Organization (WHO). Trump accused the organization of China's beneficial actions.

The US is starting to prepare to send astronauts to Mars. We should consider this in three contexts: 1. The beginning of a new space race between the US, China, and Russia; 2. An attempt to search for potential resources beyond Earth; 3. The presence of Elon Musk in the Trump administration, who has his own interests and space program.

Trump withdrew from the Paris environmental agreement, which the US needs to promote domestic industrialization, but this reduces the importance of global climate change control and green policies.

As for the economic policy implemented by Trump, to which most of the work was devoted, in this case, it is worth noting that it is not developing very successfully, a clear example of which is the fact that since March 2025, after President Donald Trump initiated tariffs, the market capitalization of companies on US stock exchanges has decreased by $4 trillion. The S&P 500 stock index hit its all-time high on February 19, but less than a month later, in March, its value had fallen by 8.9% (Forbes, 2025).

According to financial and capital market analysts, the sharp deterioration in the prices of companies' shares on stock exchanges is the result of the economic policy of the new US President, Donald Trump, and, accordingly, price correction is currently underway. Trump's introduction of tariffs on Canada, Mexico, and China has negatively affected investor expectations. According to Ayako Yoshioka, Chief Investment Strategist at Wealth Enhancement, there has been a sharp change in public sentiment and what worked before no longer works (Forbes, 2025).

American economists fear that maintaining such a picture may lead the economy into recession. President Trump himself does not share this forecast and states that soon every American will have so much money that it will be difficult to spend it.

Interestingly, according to a study by the Federal Reserve Bank of St. Louis, the US, the lowest wealth stratum, or the bottom 50%, owns only 1% of the capital markets, while the richest, or the top 1%, owns 50% (Forbes, 2025). Accordingly, in the short term, a market correction will negatively affect the wealth of the country's richest people, but in the long term, it will affect all segments of the country's population, regardless of their income.

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