

American Geo-Commercial Strategy**The Convergence of U.S. Foreign Policy and Private Investment**

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- The U.S. is increasingly integrating private-sector capital into its foreign policy toolkit, aligning Wall Street's financial interests with Washington's strategic goals to counter China's global economic influence.
 - Initiatives like the G7's Partnership for Global Infrastructure Investment, alongside moves such as BlackRock's port acquisitions and the elevation of the International Development Finance Corporation, signal a shift from traditional aid toward investment-driven development rooted in commercial viability and geopolitical calculus.
 - Amid intensifying competition over critical resources and infrastructure, the U.S. is embracing a "geo-commercial" model—incorporating elements of Japanese geo-commercial strategy in the mid to late 20th century—to secure economic and strategic footholds through public-private coordination.
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In March 2025, a consortium led by BlackRock Inc. announced the acquisition of key port assets from CK Hutchison Holdings Limited, including a 90 percent stake in Panama Ports Company—the operator of terminals at both the Atlantic and Pacific ends of the Panama Canal. The transaction comes amid renewed calls from President Donald Trump for the United States to reassert strategic control over the canal, citing Panama's "exorbitant" transit fees on American vessels and growing concerns over Chinese influence in critical infrastructure. Although the deal falls short of restoring direct U.S. control, it reflects a broader trend of private actors aligning with national strategic priorities. By facilitating U.S.-backed control over vital ports, the deal could bolster American leverage in a region of increasing geopolitical competition, even as formal sovereignty and toll-setting authority remain with the Panamanian government.

The escalating strategic competition with China has prompted Washington to implement policies that encourage private capital to bolster key domestic industries, including semiconductors, energy, and shipbuilding. Concurrently, efforts have intensified to counter China's expansive Belt and Road Initiative (BRI). The first Trump administration established the International Development Finance Corporation (DFC) to finance overseas projects and launched multilateral initiatives such as the Blue Dot Network to promote high-quality infrastructure investments. The Biden administration furthered these efforts with the Partnership for Global Infrastructure Investment (PGI), aiming to mobilize private capital as an alternative to China's BRI.

Private-sector entities have been responsive to these geopolitical signals. Firms like KKR, BlackRock, and Global Infrastructure Partners (GIP) have strategically positioned themselves

to capitalize on government-backed initiatives, seeking stable returns in infrastructure, energy, and technology sectors, particularly within emerging markets¹. The BlackRock-led acquisition of Panamanian ports is perhaps the first high-profile transaction that showcases the growing convergence of interests between private investors and Washington policymakers, reflecting the increasingly competitive geopolitical landscape influencing global capital flows.

The trajectory of this public-private alignment under the second Trump administration, while uncertain, suggests a heightened emphasis on "geo-commercial strategy"—the deliberate integration of private-sector resources and expertise to achieve national geopolitical objectives. This approach illustrates the evolving dynamics of U.S. foreign policy, where private capital plays an important role in advancing strategic interests.

1 . U.S.-China Divergence on International Economic Policy

Before examining the convergence of strategic interests between Washington and Wall Street, it is essential to first reckon with the widening gulf between the economic imperatives of Washington and Beijing. Since the late 1990s, China has undertaken an expansive global economic campaign under its "Going Out" strategy—a state-directed initiative designed to encourage Chinese firms, particularly state-owned enterprises, to pursue foreign direct investment, cross-border acquisitions, and infrastructure financing abroad. This initiative pursued four core objectives: securing critical natural resources, acquiring advanced technologies, building globally competitive brands, and extending China's geopolitical influence.

Over the following decades, Beijing's outbound investment surged across key regions—including Africa, Latin America, and the Middle East—most notably in energy and extractive industries. At the same time, the acquisition of Western firms enabled China to rapidly close technological gaps, while companies such as Huawei, Haier, and TikTok emerged as household names on the global stage. These efforts not only advanced China's domestic modernization agenda but also enhanced its ability to shape international norms and institutions, posing a growing challenge to the U.S.-led liberal economic order established in the post-Cold War era.

This divergence deepened in the wake of the 2008–2010 Global Financial Crisis. As

¹ As will be explored further in this report, in June 2024, private equity firm KKR and infrastructure investor GIP co-chaired a coalition under the Indo-Pacific Partnership for Prosperity (IP3), aiming to accelerate infrastructure investment in Indo-Pacific Economic Framework (IPEF) economies. This coalition focuses on sectors such as energy, transportation, water, waste, and digital infrastructure, with members collectively prepared to deploy over \$25 billion in the coming years. In October 2024, investment company BlackRock completed the acquisition of GIP, enhancing its infrastructure investment capabilities across both developed and emerging markets. Additionally, in March 2025, BlackRock, alongside partners including Microsoft and MGX, expanded the AI Infrastructure Partnership (AIP) to invest in AI-ready data centers and supporting power infrastructure, with a potential investment of up to \$100 billion.

confidence in U.S. economic stewardship faltered, China's ascendancy accelerated. By 2010, it had overtaken Japan as the world's second-largest economy by nominal GDP. The trajectory of this ascent was formalized with the launch of the BRI in 2013—a vast, state-backed effort to construct physical and digital infrastructure across the Indo-Pacific, the Middle East, and Europe, aimed at knitting together a China-centric economic sphere.

Washington's shifting view of China's rise during this period is instructive. The Obama administration's first National Security Strategy (NSS), issued in 2010, acknowledged Beijing's problematic trade practices and statist economic model, yet largely embraced China's integration into the global system. By 2015, however, the administration's second NSS adopted a more critical tone, condemning intellectual property theft, the misuse of state subsidies, and currency manipulation. It also identified China's broader strategic ambition: leveraging economic tools to project influence and establish parallel institutions—most notably the Asian Infrastructure Investment Bank (AIIB). While key U.S. allies such as the United Kingdom, Germany, France, and Australia chose to join the AIIB, the Obama administration declined, signaling growing unease over China's expanding role in global economic governance.

2. Washington's Evolving Geo-Commercial Strategy

Successive U.S. administrations have sought to constrain China's expanding economic influence across global markets. But it was during the period spanning the final years of the Obama administration and the first Trump presidency when China made significant inroads to consolidate and extend its global economic footprint, exposing Washington's limited capacity to effectively counter this trend.

Early efforts under President Obama focused on leveraging existing partnerships and promoting liberal economic norms. In November 2011, he announced a “pivot to Asia”—a strategic reorientation of U.S. foreign policy emphasizing diplomatic, military, and economic engagement in the Indo-Pacific. This pivot was accompanied by a series of modest development initiatives, including U.S.-ASEAN Connect, Power Africa, and the Lower Mekong Initiative. However, these programs proved insufficient in scale and coordination to compete meaningfully with the BRI, leaving regional actors few alternatives to Chinese financing. The Trans-Pacific Partnership (TPP)—Obama's flagship trade initiative in the Indo-Pacific—sought to set high standards for trade governance and tie key Asian economies more closely to the United States. Yet by the 2016 presidential election, domestic political sentiment had soured on free trade, culminating in President Trump's withdrawal from the TPP in early 2017. This decision created a vacuum that Beijing was quick to exploit.

The first Trump administration moved to elevate economic statecraft as a core element of U.S. foreign policy. Then-Secretary of State Mike Pompeo signaled this shift in a diplomatic

cable titled “Boosting Commercial Diplomacy Around the World,”² which positioned the BRI as a strategic challenge to be countered and declared support for U.S. business as a foreign policy imperative. A series of institutional responses soon followed. In November 2019, the United States, Japan, and Australia launched the Blue Dot Network (BDN) to promote high-quality, transparent, and sustainable infrastructure standards worldwide. However, the BDN was not designed to directly finance projects, limiting its impact. In parallel, the Trump administration introduced América Crece (Growth in the Americas), which aimed to catalyze private investment in energy and infrastructure across Latin America through bilateral agreements and regulatory reforms. The initiative was complemented by the deployment of “Deal Teams” in U.S. embassies, led by Under Secretary of State Keith Krach, to facilitate international business opportunities for American firms—an approach that came to be described as taking “economic statecraft to the next level.”

These initiatives laid the groundwork for President Biden’s geo-commercial strategy. In June 2021, at the G7 Summit in the United Kingdom, Biden introduced the Build Back Better World (B3W) initiative. Framed as a “democratic, values-driven alternative” to the BRI, B3W sought to mobilize private investment in infrastructure for low- and middle-income countries. It was subsequently rebranded as the PGI at the 2022 G7 Summit in Germany. Rather than creating a new institution, the PGI functions as a coordination platform that links existing efforts—including the EU’s Global Gateway, Japan’s Partnership for Quality Infrastructure, Italy’s Mattei Plan for Africa, and the UK’s British Investment Partnerships—under a common strategic vision. Its central organizing principle is the development of “economic corridors” that promote regional integration through targeted infrastructure investment.

The Lobito Corridor, launched in May 2023, marked the first flagship project under the PGI. The initiative envisions a rail network connecting mineral-rich regions of the Democratic Republic of Congo and Zambia to the Angolan port of Lobito, offering the United States a strategic foothold in a region long dominated by Chinese capital. The European Union and Italy have joined as key partners, positioning the project as a test case for coordinated Western engagement in Africa’s infrastructure and resource sectors. Additional corridors, such as the Luzon Economic Corridor and the India-Middle East-Europe Economic Corridor (IMEC), are at varying stages of development.

These efforts reveal three defining principles of Washington’s emerging geo-commercial strategy. First, U.S. initiatives are framed as offering a qualitative alternative to China’s BRI. Washington frequently critiques BRI projects as vehicles of “debt-trap diplomacy,” lacking transparency, environmental safeguards, and labor protections. In contrast, PGI-affiliated projects emphasize governance standards, community empowerment, and adherence to local regulatory norms—while also advancing a rules-based, democratic alternative to China’s authoritarian model of development finance.

² Shaun Donnelly and Daniel Crocker, “Six Elements of Effective Economic/Commercial Diplomacy,” Jan-Feb 2019, American Foreign Service Association. ([link](#))

Second, fiscal realism shapes the American approach. During President Trump’s first term, China spent an average of \$102 billion annually³. In FY2020, DFC committed just \$4.8 billion; even in FY2023, its commitments rose to only \$9.3 billion⁴ —far short of BRI’s \$92 billion⁵ that same year. Persistent fiscal constraints forces Washington to rely heavily on allied coordination and private capital to achieve scale.

Third, the turn toward private investment is not merely a fiscal necessity but a strategic asset. Private firms demand commercial viability and risk-adjusted returns, ensuring greater discipline and due diligence in project selection and execution. This commercial logic helps filter out politically expedient but economically unviable “white elephant” projects that have plagued the BRI⁶. U.S.-aligned engineering firms, infrastructure operators, and digital technology providers also bring technical expertise and implementation capacity. Unlike public institutions, private capital can often be mobilized with speed and flexibility—qualities essential to competing in a rapidly evolving strategic environment.

3. In Search of an American Geo-Commercial Framework

Last June, at a high-level PGI event held on the sidelines of the G7 Summit in Italy, BlackRock Chairman and CEO Larry Fink addressed a distinguished audience of global leaders—including G7 heads of state, World Bank President Ajay Banga, and Microsoft CEO Satya Nadella. In his remarks, Fink underscored the indispensable role of private capital in closing the global infrastructure financing gap.

“The IMF and the World Bank were created 80 years ago when banks, not markets, financed most things. Today, the financial world is flipped. The capital markets are the biggest source of private-sector financing, and unlocking that money requires a different approach than the bank balance sheet model.” – Larry Fink, June 13, 2024⁷

For decades, the Bretton Woods system—anchored by institutions like the World Bank and the International Monetary Fund—has operated on a sovereign lending model: multilateral institutions borrow at low interest rates, often backed by public guarantees, and lend directly to governments to finance infrastructure development. These institutions carry the risks on their own balance sheets, disbursing long-term loans and managing repayment cycles over

³ According to ChinaPower, a CSIS project funded by Carnegie Corporation of New York. ([link](#))

⁴ “DFC’s Global Portfolio Surpasses \$40 Billion Across More Than 100 Countries,” DFC, December 13, 2023 ([link](#))

⁵ Christoph Nedopil Wang, “China Belt and Road Initiative (BRI) Investment Report,” Green Finance & Development Center, February 5, 2024 ([link](#))

⁶ Projects including the East Coast Rail Link in Malaysia was originally cancelled in 2018 due to cost overruns and concerns over Chinese control. It was later renegotiated at a lower cost. Many projects under the China-Pakistan Economic Corridor (CPEC) experienced major delays as was the case for Kenya’s Standard Gauge Railway and Myanmar’s Kyaukpyu Port project.

⁷ Larry Fink, “My Speech at the G7 Partnership for Global Infrastructure Investment,” June 13, 2024. ([link](#))

decades. This model functioned effectively in the postwar era, when infrastructure projects were relatively modest in scope, capital markets were shallow, and governments served as the primary developers of physical assets.

Fink proposes a reimagining of this model—one in which capital markets, rather than banks, serve as the primary source of infrastructure finance. Institutional investors such as asset managers, pension funds, insurance companies, and sovereign wealth funds now manage trillions in capital and seek long-duration, yield-generating assets like infrastructure. Yet their participation depends on mechanisms that can de-risk investments, particularly in the frontier and emerging markets where U.S. geopolitical priorities are most concentrated. Fink’s argument is clear: if institutions like the World Bank and the U.S. government can absorb political and regulatory risks, private capital will follow.

An early manifestation of Fink’s vision came on March 4, 2024 when the Council on Foreign Relations hosted⁸ the launch of the Indo-Pacific Partnership for Prosperity (IP3) – a public private partnership formed to drive “market-based initiatives that strengthen regional ties and deepen economic engagement in vital areas including infrastructure, energy, critical technologies, supply chain resilience, and job creation”⁹. The initiative is co-chaired by Joe Bae, Co-CEO of KKR, and Natarajan Chandrasekaran, Chairman of Tata Sons—two titans of finance and industry. Positioned as a complement to the Biden administration’s Indo-Pacific Economic Framework (IPEF), IP3 aims to channel private capital toward projects in participating IPEF countries.

IP3’s steering committee includes Matt Harris, Founding Partner of GIP—a leading infrastructure investment firm recently acquired by BlackRock—and Charles Kaye, Chairman of Warburg Pincus, a major player in the global private equity landscape. At the event, Bae emphasized both the demand among institutional investors for geographic diversification into IPEF markets and the need for careful risk-adjustment in the absence of developed capital markets. He further highlighted the role that private equity firms like KKR can play in bridging that gap—bringing not only capital but also technical, operational, and governance expertise.

By June 2024, IP3, in partnership with KKR, GIP, and other coalition members, announced plans to mobilize over \$25 billion in infrastructure investment across the Indo-Pacific. Notably, the coalition includes BlackRock—the world’s largest asset manager, with over \$10 trillion in assets under management. Although historically dominant in public markets, BlackRock has increasingly pivoted toward alternative assets, particularly infrastructure, a trend accelerated by its acquisition of GIP in 2023. While much attention surrounding IPEF has focused on its absence of traditional market-opening provisions, the quiet but significant convergence of Wall Street’s financial imperatives and Washington’s strategic interests, as exemplified by efforts surrounding IP3, represents a broader transformation in American statecraft.

⁸ Indo-Pacific Partnership for Prosperity launch event with Secretary of Commerce Gina Raimondo. ([link](#))

⁹ Indo-Pacific Partnership for Prosperity website. ([link](#))

To Japanese observers, the emerging American model of geo-commercial strategy may carry a familiar ring. From the 1960s through the 1990s, Tokyo pioneered a tightly coordinated public-private approach to overseas infrastructure development, blending state resources with corporate execution to strategic effect. Japanese companies—most notably the *sōgō shōsha* (general trading houses)—operated abroad with the backing of government guarantees, concessional financing, and political risk insurance. This enabled them to pursue complex, capital-intensive projects such as dams and power plants in politically volatile environments, with much of the commercial risk effectively socialized. The result was a wave of Japanese-built infrastructure across the developing world: electric power stations throughout Southeast Asia, urban transit systems in South Asia, and marquee projects like the Second Bosphorus Bridge in Turkey, completed in 1988, all bore the imprint of Japanese official development assistance (ODA) and engineering capacity.

Table – Comparative Geo-Commercial Investment Models

Model	Japan Inc.	Past U.S. model	China BRI model
Era	1970s-1990s	Until recently	2013-present
Lead actors	Sogo shosha, Keidanren, major banks, Japanese government	Private corporations (Bechtel, GE), some government	State owned enterprises, state banks
Government role	Strong coordination, JBIC (Finance), NEXI (Insurance), METI (strategy)	Fragmented: OPIC, USEXIM, underutilized, focused on SME exports and job creation, minimal strategic coordination	Centralized: NDRC, MOFCOM and Exim Bank driving deals
Risk mitigation	Government backed loans, export credit guarantees, political risk insurance	Risk largely borne by private firms	Government absorbs most risk
Strategic alignment	High correlation with national industrial policy and geopolitical strategy.	Low- project pursued based on commercial viability	Very high – part of geostrategic BRI agenda
Project type	Energy, transportation, industrial plants	Infrastructure, energy, defense exports	Railways, ports, digital infrastructure, extractive industries

Source: analysis by author

By the early 1990s, Japan’s dominant position in infrastructure development across the Global South had drawn pointed criticism from Western competitors. American and European firms, operating under more market-oriented constraints, contended with shorter-term financing, greater risk exposure, and fewer diplomatic advantages. In contrast, Japanese contractors—backed by yen loans and policy banks—were seen as benefiting from “tied aid” arrangements that tilted the playing field. OECD reports from the period documented how Japanese ODA-financed projects were increasingly outcompeting Western bids, prompting calls for reforms to limit concessionality and reduce the use of aid as a vehicle for commercial advantage.¹⁰

¹⁰ Over time, Western governments pushed for international rules (like the 1978 OECD Export Credit

Through state-owned enterprises, state-backed banks, and strategic coordination, Beijing adopted a “Japan Inc.” model at scale—using commercial diplomacy to consolidate geopolitical influence. In many ways, BRI is a hypercharged version of the Japanese model, repurposed to diminish Western influence through economic statecraft.

Today, through initiatives like the PGI and the EU’s Global Gateway, the United States and its allies are rushing to establish their own version of strategic investment—an overdue recognition that competing with China’s state-capitalist model requires integrating public ambition with private capital.

4. Trump 2.0 and the Trajectory of American Geo-Commercial Strategy

While the first Trump administration played a pioneering role in advancing many of Washington’s geo-commercial initiatives, the direction of U.S. strategy under President Trump’s second term remains somewhat ambiguous. One of his earliest acts upon returning to office was to freeze all foreign aid for 90 days—a move that immediately raised questions about the continuity of ongoing infrastructure projects, including the Lobito and Luzon Economic Corridors. Nevertheless, early indications suggest that despite rhetorical shifts, the core tenets of Washington’s geo-commercial strategy may endure, albeit in a recalibrated form.

The administration’s “America First” doctrine continues to prioritize economic and strategic initiatives that directly advance U.S. national interests. As such, foreign infrastructure projects that do not offer clear and immediate advantages to the United States may be deprioritized. Yet, given the administration’s strong focus on strategic competition with China, it is likely that geo-commercial instruments will remain central to U.S. foreign policy. That focus is mirrored in Congress, where countering China retains rare bipartisan consensus. This consensus extends to support for the DFC, whose reauthorization this year includes a proposal to double its investment cap from \$60 billion to \$120 billion—an initiative enjoying broad bipartisan support as a key mechanism for challenging China’s overseas economic influence.

Adding further momentum is the recent appointment of Benjamin Black, son of Apollo Global Management co-founder Leon Black, as head of the DFC. A private equity veteran and co-founder of Fortinbras Enterprises LP, Black brings deep experience in mobilizing private capital. In a widely circulated blog post, Black criticized agencies like USAID for diverting resources into low-impact programs with weak oversight, while commending the DFC for its focus on aligning development finance with U.S. strategic objectives. He advocated for shifting elements of USAID’s budget into the DFC to better catalyze private investment in

Arrangement and the 1991 Helsinki Package) that set guidelines for export credits and tied aid, largely to prevent Japan from using overly concessional funds to win commercial deals. See research by Muyang Chen, “Official Aid or Export Credit: China’s Policy Banks and the Reshaping of Development Finance”, Boston University Global Development Policy Center, June 2018. ([link](#))

support of national security goals.

To discern the strategic trajectory of the second Trump administration, one need look no further than its early moves in Latin America. According to reports, the State Department has quietly shelved the Biden-era Americas Partnership for Economic Prosperity (APEP), replacing it with a nascent but as-yet-undefined iteration of América Crece 2.0. Mauricio Claver-Carone—architect of the original América Crece and now serving as Special Envoy for Latin America—has described the initiative as a renewed effort to mobilize private capital at scale. In his view, decades of reliance on multilateral lending, with its rigid and antiquated debt instruments, have impeded the emergence of a dynamic private equity culture across much of the region, with Brazil as a notable exception. Rather than catalyzing investment, public financing mechanisms often crowd out private capital by suppressing returns and introducing bureaucratic inflexibility. For Latin America to unlock meaningful private investment, Claver-Carone argues¹¹, it must pivot toward equity-driven, value-generating models aligned with risk tolerance and return expectations of institutional investors.

These ideas may soon find institutional expression in other areas as well. President Trump's recent executive order directing the Departments of Treasury and Commerce to develop a plan for establishing a U.S. sovereign wealth fund¹² has yet to be formally tied to geo-commercial objectives. Still, the potential implications are clear: such a fund could be deployed to secure strategic overseas assets, particularly in sectors like critical minerals. President Trump has previously expressed interest in gaining access to resource-rich areas such as Greenland and Ukraine. Black echoed these views, suggesting in his blog that with DFC financing, U.S. firms in mining, shipping, and logistics could serve as commercial surrogates for strategic policy, turning countries like Greenland into key partners in securing America's resource base.

Private-sector enthusiasm for strategic opportunities appears to be gaining traction as well. The March 2025 acquisition¹³ of key port assets from CK Hutchison by a consortium led by BlackRock—hailed by President Trump as a strategic win for the United States—signals how private investors are aligning with Washington's geopolitical ambitions. While the deal offers BlackRock a stable, long-term revenue stream, it also strengthens the firm's positioning with policymakers, potentially opening the door to future public-private collaborations. Rival bids

¹¹ LATAM FDI Podcast, "A discussion with Mauricio Claver-Carone", December 15, 2024. ([link](#))

¹² Executive Order, "A Plan For Establishing A United States Sovereign Wealth Fund", February 3, 2025. ([link](#))

¹³ Because the deal involves 43 ports across 23 countries in addition to the two Panamanian ports, reviews by antitrust and competition authorities in various jurisdictions, in addition to national security reviews by Beijing could scuttle the deal. According to the exclusive negotiation window agreed upon by both parties, the deal has 145 days to finalize, which could be extended.

from KKR and Blackstone¹⁴ illustrate the competitive appetite for such high-stakes strategic assets. The Chinese government, which viewed the transaction as a forfeiture of its strategic foothold at a vital maritime chokepoint, has sharply criticized the deal—further highlighting its geopolitical significance.

Other private sector moves may soon follow, including potential offers for mineral rights in Greenland and Ukraine. While operational and political risks—particularly in Ukraine—may deter investment in the short term, the right mix of U.S. policy signals, risk-sharing mechanisms, and commercial incentives could shift investor calculus. In such a scenario, DFC-backed financing could be used to de-risk these ventures, making them viable for firms seeking exposure to strategic resource markets.

Macroeconomic uncertainties remain, especially surrounding the administration’s aggressive tariff agenda and its potential to trigger a recession. Yet even in such an environment, infrastructure assets have historically proven resilient. Ports and energy infrastructure, for instance, are viewed as essential services and tend to deliver stable, inflation-linked returns. Firms like KKR emphasize that private infrastructure assets tend to exhibit lower volatility than other asset classes, particularly during periods of macroeconomic stress¹⁵.

Still, not all assets are equal. While acquiring mining rights in Greenland may be attractive geopolitically, operational hurdles and commodity price volatility complicate the investment case. In Ukraine, the calculus is even more complex. The ongoing conflict and high political risk render most mineral investment currently untenable. Yet, with the right guarantees and strategic partnerships, even these frontier markets could become viable under a retooled, risk-mitigated framework.

5. Conclusion

Over successive administrations, U.S. geo-commercial strategy has increasingly focused on countering China’s expanding economic footprint by leveraging a hybrid model that fuses public policy with private-sector engagement. This evolving framework reflects a broader recognition in Washington that economic influence in the 21st century requires more than state-led initiatives—it demands strategic alignment with capital markets and institutional investors. PGI stands as a central pillar of this approach, signaling the United States’ intent to offer developing nations a credible alternative to China’s BRI. By promoting transparent, high-standard, and commercially viable infrastructure investments, PGI seeks to establish a values-based, market-driven counterweight to Beijing’s state-capitalist model.

¹⁴ According to the Wall Street Journal, Blackstone and KKR also placed bids. A KKR spokeswoman said that Joe Bae was the primary executive involved in the deal. Other factors, including Fink’s political relationships, GIP’s operational expertise in ports, and an existing relationship between Aponte and Li families helped the BlackRock consortium gain the most traction. ([link](#))

¹⁵ Raj Agrawal and Paul Workman, “How to Think about Private Infrastructure as Inflation Finds its Resting Point,” September 2023, KKR Insights. ([link](#))

In the near term, the deepening involvement of private actors illustrates the extent to which financial institutions are now integral to Washington's strategic calculus. BlackRock's acquisition of critical port assets, coupled with the appointment of Benjamin Black to lead the DFC, underscores the growing influence of private capital not only in executing transactions but increasingly in shaping the policy environment itself. The administration's decision to shutter USAID—a historic pillar of U.S. foreign assistance—and its broader shift from grant-based aid toward investment-driven development marks a decisive reorientation of American commercial diplomacy. Development is no longer viewed solely through a humanitarian lens, but increasingly as a strategic vehicle for achieving both financial returns and geopolitical leverage.

Looking ahead, the intensifying global contest over critical resources and strategic chokepoints will provide a growing menu of assets that the United States will seek to secure, often in collaboration with trusted private-sector partners. This includes infrastructure nodes, mineral deposits, undersea cables, and logistics corridors that are vital not only to economic security but to geopolitical leverage. The extent to which Washington, alongside its allies and strategic competitors, continues to refine and institutionalize its geo-commercial strategy will serve as a crucial signal for companies with long-term investment horizons. As capital flows increasingly follow geopolitical fault lines, understanding the contours of this emerging paradigm will become essential for navigating global markets in an era where statecraft and finance are inextricably intertwined.

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