

The geopolitical codes involved in the steel industry

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Nippon Steel East Nippon Works seen from Tokyo Bay in 2020

Carilyn Pointer - An American steel company is at risk of being taken over by Nippon Steel (a Japanese company) following a [\\$1.14 billion](#) bid. The problem is that “domestically owned steel production is critical to U.S. manufacturing and supply [chains](#).” Losing control of that valuable resource is does not bode well for America, but denying the bid also puts future alliances between countries at risk. Biden’s attempt to navigate this difficult situation, exemplifies the prevalence of geopolitical codes within a country and the decisions a world leader makes. Within the complex dynamic of the geopolitical world, there are states and geopolitical entities that act as actors. The calculations each actor makes to determine how they will interact on the world stage is referred to as a [geopolitical code](#). These calculations are critical when deciding how to appropriately respond to a situation as a leader and as a state. In this case, the most notable actors are the steel companies, Japan, the U.S., and President Biden. The first calculation is determining how to best build, maintain and international alliances. By blocking Japan’s acquisition of the steel company, Biden risks endangering an important ally. This connects to the next calculation of assessing current enemies and foreseeing future threats. Japan is currently an ally of the U.S. and is one that we don’t want to turn into our enemy, especially with tensions with China and Russia ramping up in recent years.

Another potential enemy that Biden is trying to protect against is the American public. The economic policies Biden has been pursuing during his presidency to regain and revitalize the industrial sector are not in alignment with

the successful acquisition of the American steel company. His plans to rebuild through the “[creation](#) and retention of high-paying union manufacturing jobs in the United States,” is in direct competition and dissonance with his desire and need to keep Japan as an ally. The decision to try to protect allies at home versus allies abroad, speaks to the complex nature of geopolitical codes. Especially, with another election year upon the U.S. tension and scrutiny running high, a miscalculation from Biden could have dramatic effects.

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