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No. 029/2025 dated 12 March 2025

The Second Donald Trump Presidency: Implications for Malaysia's Foreign Policy Towards the United States

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SYNOPSIS

The second Donald Trump administration has ushered in a new phase in US-Malaysia relations. Prime Minister Anwar Ibrahim and his government are seeking constructive ties between the two countries. However, Malaysia is likely to adopt a cautious and measured stance towards the Trump presidency, due to the latter's transactional and confrontational approach in foreign affairs. This would affect Malaysia's ties with China, trade and economic relations with the United States, US engagements with ASEAN, and the role of the Gaza conflict on US-Malaysia relations.

COMMENTARY

Donald Trump's return to the White House on 20 January 2025 was a stunning comeback on the American political scene. Along with many world leaders, Malaysian prime minister Anwar Ibrahim congratulated him on his inauguration, [expressing optimism for constructive relations](#) with the Trump presidency.

However, Anwar's optimism for deepening diplomatic ties is likely to be tempered with caution in ways that are shaped by how previous Malaysian governments had responded to Trump's transactional and confrontational approach to foreign affairs. This measured stance would be aimed at achieving positive relations with the United States while safeguarding close relations with China, protecting Malaysia's trade and economic interests, strengthening ASEAN-US relations during Malaysia's chairmanship of the grouping, and upholding Malaysia's pro-Palestinian stance in the Gaza conflict.



The Anwar government will cautiously seek positive relations with the United States, while navigating the challenges posed by US president Donald Trump's policies. *Image source: Unsplash.*

Lessons from the First Trump Administration

Previous Malaysian governments had to cope with the controversies and uncertainties surrounding Trump's unconventional approach to foreign policy during his first presidency while maintaining strong ties with the United States.

The Najib administration sought to establish positive ties with the Trump administration while forestalling tariffs due to Malaysia's trade surplus with the United States. Then-US secretary of state Rex Tillerson's visit to Malaysia reaffirmed strong bilateral cooperation in areas such as [security](#) and [trade](#). [Najib's meeting with Trump at the White House](#) on 12 September 2017 had involved reassurances that Malaysia would seek to address the trade deficit between both countries. However, the Najib government [openly criticised](#) Trump's policy to shift the US embassy in Israel from Tel Aviv to Jerusalem.

The subsequent Pakatan Harapan (PH) government led by Mahathir Mohamad was more critical of the Trump administration. For instance, Mahathir [criticised](#) Trump's confrontational stance against China and increased US naval activities in the South China Sea, which he viewed as contributing to rising tensions in Southeast Asia. Mahathir also reportedly criticised [Trump's unpredictability and inconsistencies](#) as [destabilising](#) to Asia and US interests in the region. Moreover, Mahathir was critical of [Trump's Israel-Palestine peace deal](#). However, the PH government valued bilateral relations with the United States. For example, Malaysia's first-ever [defence white paper](#) acknowledged the close security ties between both countries.

When the Muhyiddin Yassin government came to power in February 2020 during the final year of Trump's first presidency, diplomatic ties appeared to be on a cordial note. For example, during [a phone call](#) in May 2020 between Trump and Muhyiddin, the two leaders affirmed the comprehensive cooperation between Malaysia and the United States, while also emphasising a closer partnership to cope with the COVID-19 pandemic.

Similarly, the Anwar government is likely to adopt a posture of preserving the strategically important relations with the United States, while shielding Malaysia's interests from the adverse aspects of Trump's transactional and confrontational policies.

Malaysia's Relations with China

A case in point would be safeguarding Malaysia's relations with China. Over the past two years, Anwar has been seeking to [improve relations with China](#), given that close economic ties with China are important for generating growth for Malaysia's economy. An example of the significant improvement in bilateral ties is how China has been at the forefront in supporting [Malaysia's participation in the BRICS intergovernmental bloc](#). Clearly, the Anwar administration wants the ongoing upswing in Malaysia-China relations to continue.

Thus, it would not be surprising if the Anwar government remains watchful of Trump's policies that could negatively affect Malaysia's relations with China. For example, it is very unlikely that the Anwar administration would overtly endorse a potentially confrontational stance by the Trump administration against China on issues such as the South China Sea disputes, as it could endanger Malaysia's ties with China and escalate regional tensions.

Additionally, even though Malaysia is not yet a member of BRICS, the Anwar administration would have to be on the alert for potential scrutiny and pressure from the Trump administration, which may perceive Malaysia's involvement in BRICS as tantamount to "[complicity](#)" with China. Already, Trump has [threatened to impose high tariffs against BRICS nations](#) if the bloc were to replace the US dollar as reserve currency.

As such, the Anwar government is unlikely to acquiesce to Trump's positions if they were to seriously undermine Malaysia's non-aligned policy and damage relations with China.

Malaysia's Trade and Economic ties with the United States

Furthermore, the Anwar government not only wants to build its trade and economic ties with the United States but also guard against Trump's protectionist policies on trade. This is understandable, as the United States is the largest source of investments for Malaysia, as well as its third largest trading partner after China and Singapore since 2015.

Indeed, Malaysia faces the risk of being subjected to Trump's tariffs due to its [trade surplus with the United States](#), which amounts to US\$26 billion. US tariffs could hurt Malaysia's exports of products such as [semiconductors](#) and [steel products](#). Also, US tariffs under Trump could hamper China's exports to the United States, thereby [disrupting Malaysia's supply chain](#) due to strong trade links between Malaysia and China.

Thus, the Anwar government is seeking to mitigate the risk of US tariffs. For example, in a parliamentary session in February this year, Anwar mentioned that Malaysia would need to [diversify and widen its trade network for its exports](#). Meanwhile, Malaysia is already in the midst of negotiations with the United States on the issue of tariffs, with Malaysia's trade minister Tengku Zafrul Aziz planning to visit the United States to persuade the Trump administration that [trade with Malaysia would benefit the American economy](#).

ASEAN-US Relations

Additionally, as Malaysia is the ASEAN chair in 2025, Anwar has invited Trump to visit Malaysia this year to [reaffirm ASEAN-US ties](#). Nevertheless, Malaysia must be prepared that Trump's likely absence at ASEAN meetings, such as the East Asia Summit, could dampen ASEAN-US relations. Hence, Malaysia's ASEAN chairmanship would need to be adept at convincing the Trump administration that strong ASEAN-US relations are vital for US interests in the region. There is room for optimism, since the United States is seeking a "pragmatic" and "realistic" approach to [strengthening relations with ASEAN](#), as Marco Rubio had indicated during a Senate hearing in January 2025 to confirm his candidacy as US secretary of state.

However, concurrently, Malaysia would have to utilise its role as coordinator of the ASEAN-China dialogue relationship to ensure ASEAN-China ties remain positive and robust enough to withstand potential challenges, such as a heightening of the US-China rivalry and US-China trade war during the second Trump administration.

Differences on the Ongoing Conflict in Gaza

Meanwhile, the Anwar government will remain openly critical of the US stance on the Gaza conflict if Trump's policies on the territory continue to be incompatible with Malaysia's position on the issue. During the Joe Biden presidency, relations between the two countries were strained as Malaysia's support for Hamas and the Palestinian cause was at odds with US backing of Israel and condemnation of Hamas. Similarly, Malaysia has [condemned](#) Trump's controversial plan to convert Gaza into the "Riviera of the Mediterranean".

Malaysia's open disagreement with the United States over the situation in Gaza underscores the former's pro-Palestinian stance. But more significantly, it highlights the fact that the Anwar administration cannot afford to appear to be too friendly with the United States as such a stance could draw strong domestic opposition, which could undermine Anwar's efforts to bolster his political legitimacy among his Malay-Muslim constituents.

Conclusion

Overall, in managing its relations with the United States over the next four years, the Anwar government will require measured finesse bilaterally and multilaterally that secures the positive relations with the United States, while managing the uncertainties emanating from Trump's policies. The Anwar government will also have to strike deals with the Trump administration that reinforce Malaysia's value to US security interests in the region and the American economy, without compromising Malaysia's stance on matters such as its relations with China and the Gaza conflict

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