FOREIGN AND SECURITY POLICY 13.10.2026 | Mariana Altieri

A race for the South Atlantic

Trump wants to push China out of Latin America. The South Atlantic, with its natural resources and strategic position, could be the deciding factor

For nearly half a century, the South Atlantic was what Brazilian researcher Adriana Erthal Abdenur called a 'strategic backwater': a space that remained outside the rivalry between the great powers and was able to consolidate its status as a zone of peace and a nuclear-weapon-free zone. That era is coming to an end.

Two processes are unfolding in parallel and shaping one another: the expansion of natural resource exploitation, primarily fishing, but increasingly hydrocarbons and minerals; and, on the other hand, the strong alignment of most South American states with US defense and security policy. Two aspects are particularly noteworthy: Argentina's strong cooperation and the Milei government's unconditional alignment with the United States, including its entry into the Shield of the Americas; and the prospect of offshore oil production getting underway in the North Malvinas Basin.

The Atlantic basin broadly defined accounts for more than 40 per cent of the world's proven oil reserves.

The latter requires specific analysis, since exploitation licenses were granted by the colonial government of the Islas Malvinas — 'Falklands' to the British — in violation of United Nations Resolution 31/49 of 1976, which called on the United Kingdom, as the administering power of the territory, to refrain from introducing unilateral changes while the dispute remained unresolved. It should be recalled that the Malvinas Islands are a territory pending decolonization within the framework of the UN Special Committee on Decolonization (C24). The issue must be resolved in accordance with Argentina's right to territorial integrity (Resolution 2025), as the islands were illegally occupied by the United Kingdom in 1833, when it expelled the

Argentine authorities and the population already settled there. Since then, Argentina has continuously called for their restitution and has never accepted colonial occupation.

British naval strategist Geoffrey Till identifies four attributes of the sea as a geopolitical space: a resource, a medium of transportation and exchange, a medium of information and the spread of ideas, and a medium for dominion. Until three decades ago, the South Atlantic ranked low on all four. Today, it ranks high on at least three. The most prominent in this maritime space being strategic natural resources.

In its role as a source of resources, the South Atlantic provides food (living marine resources) and energy (offshore hydrocarbons), as well as strategic minerals and rare earth elements on the seabed (polymetallic nodules and ferromanganese crusts). Fishing grounds are now particularly important, having gained global prominence as Asian fishing grounds have become depleted, while the region's capacity to exploit offshore hydrocarbons is also growing, both on the American and African continental shelves. In fact, the Atlantic basin broadly defined accounts for more than 40 per cent of the world's proven oil reserves. These resources have 'always' been there, but today they affect the geostrategic value of the maritime space because technological advances have made them accessible and because the major powers are stepping up their competition to control their availability. If we add to this analysis the prospecting for mineral resources in Antarctica, whose environmental protocol may be reviewed as of 2048, the picture becomes even more complex.

A potential global energy hub

In terms of offshore hydrocarbon production, South America's Atlantic margin is experiencing the biggest boom in the world today. Brazil has become the world's fifth-largest offshore producer, with more than 4.6 million barrels per day. The other major producer is Guyana, a small country located at the transition to the North Atlantic that has gone from producing nothing to becoming an oil powerhouse following massive discoveries in the Stabroek Block by ExxonMobil.

In this context, the planned development of hydrocarbon resources in the North Malvinas Basin, scheduled for 2028 under licenses granted through the United Kingdom's colonial occupation of a territory subject to a sovereignty dispute between Argentina and the United Kingdom, comes into focus. The United Nations also considers any unilateral action in the area to be in violation of international law. The Sea Lion

project, operated by Navitas Petroleum, an Israeli company, with the British company Rockhopper as a minority partner, is expected to reach peak production of approximately 180 000 barrels per day. This has raised serious concerns within the Argentine government, which shifted its policy of cooperation with the United Kingdom toward imposing sanctions on companies operating there illegally, as required under current national legislation.

It should be noted that the overriding objective of the US administration is to curb China's presence in what it regards as its sphere of influence.

This must also be considered in light of the strong alignment between Javier Milei's government and Donald Trump, Argentina's participation in the Shield of the Americas, and the government's efforts to accommodate US interests in establishing a presence in Ushuaia, given Tierra del Fuego's strategic position vis-à-vis Antarctica and the bi-oceanic passage of the Strait of Magellan. The government's push to enforce sanctions already provided for under Argentine law, whose implementation it had previously delayed, must therefore be understood in light of Trump's statements regarding a possible review of the United States' policy of neutrality on the sovereignty dispute, made with the aim of pressuring the British government to increase its defense spending within the framework of NATO.

Within this framework, it should be noted that the overriding objective of the US administration is to curb China's presence in what it regards as its sphere of influence. Yet this is becoming increasingly difficult, even with sympathetic regional governments. On both shores of the South Atlantic, China's presence combines fishing, energy, and port infrastructure. Between 400 and 600 vessels from its distant-water fishing fleet — part of a global fleet of more than 16 000 vessels, according to ODI Global — operate each year in the Southwest Atlantic, with fishing effort reportedly increasing by 85 per cent between 2019 and 2024; Montevideo remains the logistical hub for the entire operation.

Of the three South American states bordering the South Atlantic, Argentina, with the southernmost coastline

On the African side, where Chinese vessels have for years accounted for the largest share of recorded high-seas fishing, this presence is further underpinned by oil: four of China's five main historical African oil suppliers are located in the basin: Nigeria, Angola, the Republic of the Congo and Equatorial Guinea. Building on

and a strategic projection toward Antarctica, is aligned with Washington.

this foundation, China has made substantial investments in port infrastructure, an approach it has sought to replicate on the South American side, albeit on a smaller scale. One example is China Merchants Port's acquisition of a 90 per cent stake in TCP, the operator of Paranaguá, Brazil's second-largest port, for nearly $1 billion. Meanwhile, China's bid for a port in Ushuaia with a strategic outlook toward Antarctica was thwarted by Trump's direct intervention through his influence within the Milei administration.

In this regard, it is important to clarify the political landscape. Of the three South American states bordering the South Atlantic, Argentina, with the southernmost coastline and a strategic projection toward Antarctica, is aligned with Washington. Uruguay, whose port of Montevideo serves as the logistical and supply hub for the high-seas fishing fleets operating at 'mile 201', just outside Argentina's 200-nautical-mile exclusive economic zone, most of them Chinese, is governed by a center-left administration. Brazil, meanwhile, with the region's longest coastline and sustained investment in the modernisation of its naval forces, including programs for both conventional submarines and a nuclear-powered submarine, faces a choice between the renewal of Lula da Silva's government, characterised by a strong emphasis on strategic autonomy and an orientation toward the Global South, and a shift toward Flávio Bolsonaro, by far the favourite in the runoff, has received strong support from the White House, and has pledged, among other measures, to bring Brazil into the Shield of the Americas.

Such a shift by Brazil would confirm the consolidation of a US-led security architecture, further intensifying its rivalry with China and, in turn, fuelling competition over resources in the South Atlantic. What is extremely unlikely, however, is any shift in the US-UK alliance′s position, however naively Milei may hope otherwise. Argentina's opposition to hydrocarbon exploitation in the Malvinas will therefore remain a solitary struggle, as the issue does not figure in Trump's strategic calculus, while the South Atlantic, once a strategic backwater, is becoming a genuine global hotspot.



Mariana Altieri

Buenos Aires

Mariana Altieri is a geopolitical analyst, the Chair of the Seminar on International Conflicts at theUniversity of Buenos Aires (UBA) and the President of Fundación Meridiano.

-