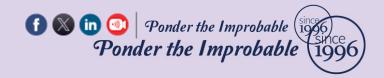


Multilateralism Going Forward

By Muhammad Faizal Bin Abdul Rahman and Felix Heiduk









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SYNOPSIS

The international order that enables multilateralism is being unravelled by global geopolitical and geoeconomic trends. Small and medium-sized powers like Singapore and Germany, as part of regional organisations like ASEAN and the European Union, should make concerted efforts to manage such trends in line with their national and regional interests.

COMMENTARY

The existing international order that has governed multilateral forms of cooperation in political, security and economic affairs and brought about related multilateral institutions since the end of the Cold War is undergoing a seismic change.

While there is uncertainty regarding the type of new order likely to replace it, what is discernible are the myriad phenomena undermining multilateralism and its erstwhile institutions. Parochial interests are challenging established rules and norms leading to increased distrust and destabilising impacts as great-power competition intensifies. Rules of armed conflict and cyber norms of responsible state behaviour are being ignored. Conflicts such as those in the Middle East, Sudan, and Ukraine, and the rise of the so-called "Group of Two (G2)", in which the United States and China lead global governance, illustrate the crisis of multilateralism.

Even as a new international order takes form – one that appears to be shaped by a return to the politics of unilateral "might makes right", military and economic coercion, national chauvinism, and transactionalism, and is marked by economic, ecological and political volatilities – the need for global cooperation to address the most pressing transnational challenges is growing. This is especially so given that multilateral cooperation in both its normative foundations and operational capacity has been shaken.

Instead of being passive bystanders, it is of paramount importance that Southeast Asia and Europe find ways to keep multilateralism alive and relevant, and to cooperate in addressing transnational challenges related to trade, security and the global commons that both regions face.

Reality Checks and the Way Ahead

In this crisis of multilateralism, business as usual is not an option for Southeast Asian and European countries. It is crucial to have reality checks to jointly develop pragmatic initiatives aligned with an international order under strain and a new one where institutions are yet to be created, and rules and norms are yet to be written.

Reality Check #1: The Search for New Friends and Partners

Geopolitical and geoeconomic trends affect both Southeast Asia and Europe in many ways. The foreign, security and economic policies of the Trump administration have hurt the <u>transatlantic alliance</u> between the United States and Europe. President Donald Trump has <u>criticised</u> some of his European allies and made remarks aligned with <u>Moscow's position</u> in its war with Ukraine. Trump has also reduced diplomatic, military, and economic support to Ukraine, creating uncertainty about his commitment to European security.

Trump's policies have also injected unpredictability and weakened the credibility of America's commitment to security alliances in East Asia, which are already facing challenges from China's assertiveness and Russia's revisionism. His abrupt 2025 tariff hikes have threatened regional supply chains and investment plans built on US market access and shaken East Asian confidence in Washington's reliability.

In the emerging international order, the countries of Southeast Asia and Europe would need to diversify their partnerships and collaborate with others to avoid having new rules and norms being foisted upon them by the great powers – a revisionist power (Russia), a transformative power (China), and the US acting unilaterally – that, at best, would marginalise, and, at worst, undermine the multilateralism that the EU and ASEAN embrace.

Reality Check #2: Geoeconomic Alignment to Re-Multilateralise Trade

Geoeconomics is undermining the foundations of economic multilateralism. Associated with the interplay between state power, business interests, and

technology, it leverages asymmetry in economic and technological power. The consequences can be grave, as small and medium-sized powers tend to lose out to the great powers in this arena, where rules and institutions have little influence. If economic relations are increasingly weaponised, Europe and Asia could face a higher risk of interstate conflict.

While it might be appealing for Southeast Asian and European countries to weaponise their economic power, doing so is likely to yield only short-term benefits. Moreover, most countries – except for the United States and, to an extent, China – generally support a multilateral organisation of global trade and commerce.

To manage the challenges associated with a shift to geoeconomics, Southeast Asian and European countries could explore alignment between the European Union and the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP). This partnership could re-multilateralise global trade by harmonising trade standards and policies to mitigate the effects of unilateral US actions and the World Trade Organisation's wider crisis.

Such an alignment would constitute a new force in trade and investment, an incubator for innovation in international trade norms, standards, and policies, and a catalyst for economic growth in Germany and Singapore. Moreover, in political terms, it would demonstrate resolve to Washington and Beijing. Germany and Singapore could play a role in this as Germany is one of the European Union's more influential members and Singapore is an important member of the CPTPP.

Reality Check #3: Interregionalism is Dead, Long Live Interregionalism

The crisis of multilateralism is also affecting interregionalism negatively. The Plan of Action to Implement the ASEAN-EU Strategic Partnership (2023–2027) as a strategic blueprint for interregionalism is one example: It is very broad in scope, covering issues ranging from climate change and maritime security to terrorism, but is limited in depth, often referring to enhancing dialogue or exchanging views but rarely putting forward concrete terms of interregional cooperation. Likewise, the last Joint Cooperation Committee (JCC) Meeting between ASEAN and the European Union in June 2025 produced a joint press release that carried the usual diplomatic statements about interregional cooperation, which appeared more symbolic than action-oriented.

Policymakers in Southeast Asia and Europe should therefore explore bottom-up interregionalism. This alternative approach to interregionalism would place greater emphasis on coalitions of the willing among EU and ASEAN member states rather than on the European Union and ASEAN as a whole. It would opt for flexible modalities to avoid the European Union's legalism trap and ASEAN's consensus deadlock, focusing instead on project-based, capacity-sensitive approaches with a "variable geometry", i.e., different depths with different partners.

More specific and functional cooperation may be needed, and this could take the form of more flexible minilateralism or a coalition of the willing among certain European and ASEAN states ("less than proper interregionalism" approaches) based on common interests such as green energy, digitalisation, cybersecurity and maritime security. It would also need a willingness to settle for minimum normative standards in areas of substantial norm divergence and tolerance for subregional or even local implementation of projects. Such a bottom-up approach could breathe new life into ASEAN-EU cooperation.

Conclusion

Ongoing structural changes in the global order have brought about and amplified a crisis of multilateral forms of cooperation and of international and regional multilateral institutions. For the time being, it is impossible to predict what type of global order is likely to emerge. The revival of the G2 concept by President Trump during his meeting with President Xi Jinping in South Korea to define the future of the US-China relationship has raised concerns in Asia and Europe. A future G2-led world might portend the intent of the great powers to carve Asia and Europe into spheres of influence – a blow to regional integration and multilateralism.

Multilateralism and reciprocity depend on the principle of countries treating each other as equal partners. The bilateral deal-making, flattery and pageantry that featured in President Trump's visit to Asia – Japan, South Korea and the ASEAN Summit in Malaysia – in late October 2025 further demonstrated the pitfalls that the crisis of multilateralism poses for small and medium-sized powers.

Personality is beginning to matter more than principles and institutions in the conduct of international relations, especially if it involves great powers, and in the era of strongman politics. In such a "G2 world", both ASEAN and the European Union would run the risk of becoming mere bystanders. At the same time, the need for multilateral cooperation to address myriad transnational challenges is growing.

Yet ASEAN and the EU becoming bystanders need not be the case. Quite the contrary, small and medium-sized powers like Singapore and Germany, as part of regional organisations like ASEAN and the European Union, should make concerted efforts to manage the challenges in line with their inherent interests.

There are three steps (out of many possible steps) for Singapore and Germany to start initiatives in that direction. First, actively diversify partnerships, including with a view to establishing new partnerships that can help revitalise old and, where necessary, forge new rules, norms and institutions of multilateral cooperation. Second, push for EU-CPTPP alignment to shape global trade and investment. Third, revitalise interregional cooperation via bottom-up approaches that employ flexible modalities, are project-based, and are sensitive to national and/or local capacities.

After all, the need for countries in Southeast Asia and Europe to confront the realities of multilateralism today to safeguard their national and regional interests and address shared transnational challenges has become critically urgent.

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