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FULCRUMS OF ORDER



RISING STATES *and* THE
STRUGGLE *for* THE FUTURE

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B L O O M S B U R Y

Fulcrums of Order

Rising States and the Struggle for the Future

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PART I

INTRODUCTION

On a chilly October afternoon in 2024, dozens of world leaders flew to Kazan to kick off the 16th BRICS summit. The vibrant riverside city, 500 miles east of Moscow, has been a melting pot of people and cultures for more than half a millennium. It had been destroyed and rebuilt several times, and now it was on the upswing. In that way, the city itself seemed to capture much of what the BRICS movement is all about.

But when the time came to take the “family photo” of summit participants, it was not just leaders from the traditional BRICS economies—Brazil, Russia, India, China, and South Africa—who appeared. Putin, as host, was in the center, and Chinese President Xi Jinping was to his right. Further to their right, after South African President Cyril Ramaphosa, stood President Abdel Fattah el-Sisi of Egypt and Prime Minister Abiy Ahmed of Ethiopia. To their left, after Prime Minister Narendra Modi of India, were Emirati President Mohammed bin Zayed Al Nahyan and Iranian President Masoud Pezeshkian (as well as the Brazilian foreign minister, who stood in for Brazilian President Lula da Silva).

These new faces—from Egypt, Ethiopia, Iran, and the United Arab Emirates—were not from the 29 “observer nations” on the margins of the event. Rather, they were fully-fledged new mem-

bers of BRICS, now often referred to as “BRICS+.” And these states were just the lucky ones: Many other countries, among them Cuba, Malaysia, Thailand, and Turkey, were knocking on the door, applications in hand.

Standing amid this expanded group, Xi Jinping looked satisfied. He had good reason to be. Beijing has long pushed to use expanded multilateral groupings to pare back Western influence. These include BRICS, the Shanghai Cooperation Organization, the Belt and Road Initiative, and the Asian Infrastructure Investment Bank. The summit was more evidence of his success. In a speech to fellow leaders in Kazan, Xi hailed the “collective rise of the Global South” as transformative for the global landscape, adding that “we in China will always keep the Global South in our hearts, and maintain our roots in the Global South.”¹

The idea that the Global South has had increasing sway in world affairs predated the Kazan summit, but the summit’s focus on it gave the idea further momentum. Still, the mere idea of a “Global South” is somewhat puzzling. The grouping has no clear boundaries nor membership. Countries in the group are united by what they are not (wealthy liberal democracies) and by a shared desire to weaken the hold that the United States and its allies have over the rules of global order. But what else unites them? What do they all want, and how do they want to get there? That is much less clear. One could argue that they are united by a general set of grievances with the global order, but what binds them is less the origin of their grievances than an aspiration for greater power. They see the Global South framing, and the solidarity following from it, as a pathway to boosting their geopolitical weight. Still, at this point, these countries’ individual interests appear to far outweigh collective ones.

While Washington has struggled to engage effectively with the Global South as a group, the importance of doing so is likely to grow.² The rising complexity and diversity of transnational challenges,

the increasing diffusion of global wealth, and the growth of population centers far away from traditional centers of power combine to mean that countries that see themselves as part of the Global South—and thus distinct from and in some sort of opposition to traditional U.S. partnerships and alliances—will be increasingly salient in global affairs. In at least some respects, and on some issues, they are likely to band together, just as the G7 has done since its founding a half-century ago. U.S. security and prosperity will require more effective U.S. strategies to engage with these countries, both multilaterally and bilaterally.

This volume seeks to understand the increasing salience of the Global South and the changing ideas around what it represents. It seeks to do so both for countries that see themselves as rising powers, as well as for those such as the United States and its closest partners that seek to protect dominant positions in the current global order. The goal is to help increase the resilience of global order, providing a pathway for change that preserves both peace and prosperity.

The reasons for doing so are clear. War has often marked shifts in global order, both confirming and accelerating the demise of the old. Costly and disruptive wars between major powers dominated the first half of the twentieth century. Fear of their recurrence has helped lay the groundwork for 75 years of relative peace between those powers. The prospect of nuclear war that kills millions is just part of that threat. So, too, is the physical destruction and economic dislocation that major conflict provokes, as is the widespread chaos that might result from technological powerhouses unravelling adversaries' digital infrastructure in silent acts of aggression.

Such a conflict could unfold in multiple ways. There could be direct aggression between major powers, or powers could undermine each other by attacking each other's greatest strengths and exacerbating each other's greatest weaknesses. The United States'

prosperity and global role have been aided by other governments promoting a world in which countries behave—economically, militarily, and otherwise—in relatively predictable ways. A more autarkic world would also be a more chaotic one. Governments would need to prepare for a wider range of threats from a wider range of sources, and they would be less confident they could get relief from outside their borders. The need to prepare for a wider range of contingencies would have economic costs, and governments testing each other’s boundaries would have costs as well. International standards would be less robust, and international trade and investment would decline, perhaps giving a boost to domestic producers but also raising costs for consumers.

The rising powers described in these chapters will have a large role to play determining how the global order evolves. Successfully joining in the reform of that order would help such countries ensure it reflects their priorities more clearly, but also that the new order emerges from its current period of strain with greater resilience. That is to say, these countries have a role in promoting an order that adapts to twenty-first century realities while continuing to constrain age-old threats.

Yet, a reform effort could also go awry. It could undermine what many complain is U.S. hegemony while leaving a vacuum in its wake. In such a world, the strongest powers could still obtain what they needed. Further down the food chain, however, weaker countries would be at the mercy of stronger countries, and the law of the jungle would prevail. While some rising powers might have enhanced power among their neighbors, they would be badly at the mercy of stronger powers in global affairs. In addition, weaker powers would be strongly incentivized to enlist great power patrons, who might then deploy weaker powers as proxies against each other.

Former Senator Daniel Patrick Moynihan once observed, “Weak nations will hope that strong nations will be law-abiding.”³ Moynihan

begs two important questions: what forms laws governing international conduct should take, and who should play what roles defining them. Nevertheless, weaker states should fear the unconstrained actions of stronger states. The United States' eagerness after World War II to limit states' autonomy of action was directed in large part at the Soviet Union, but those efforts produced benefits that extended far beyond Eastern Europe. Even many of the rising powers at Kazan—and arguably, especially the rising powers at Kazan—should seek a predictable world in which to chart their continued growth.

ENDNOTES

- 1 Huaxia, “Highlights of Xi’s Remarks During 16th BRICS Summit,” Xinhua, October 25, 2024, <https://english.news.cn/20241025/225fa6aa4d1947c3b1d-15855963dlac3/c.html>.
- 2 Important work on this topic includes Christopher S. Chivvis and Beatrix Geaghan-Breiner, *Emerging Powers and the Future of American Statecraft* (Washington, DC: Carnegie Endowment for International Peace, 2024), <https://carnegieendowment.org/research/2024/04/emerging-powers-and-the-future-of-american-statecraft?lang=en>; Richard Fontaine and Gibbs McKinley, *Global Swing States and the New Great Power Competition* (Washington, DC: Center for New American Security, June 2025), <https://www.cnas.org/publications/reports/global-swing-states-and-the-new-great-power-competition>; Leslie Vinjamuri and Senem Aydin-Duzgit, *Competing Visions of International Order: Responses to US Power in a Fracturing World* (London: Chatham House, March 2025), <https://www.chathamhouse.org/2025/03/competing-visions-international-order/13-envisioning-future-international-order>; Stewart Patrick et al., *BRICS Expansion and the Future of World Order* (Washington, DC: Carnegie Endowment for International Peace, March 2025), <https://carnegieendowment.org/research/2025/03/brics-expansion-and-the-future-of-world-order-perspectives-from-member-states-partners-and-aspirants?lang=en>; and Heather A. Conley et. al., *Alliances in a Shifting Global Order: Rethinking Transatlantic Engagement with Global Swing States* (Washington, DC: German Marshall Fund, May 2023), <https://www.gmfus.org/news/alliances-shifting-global-order-rethinking-transatlantic-engagement-global-swing-states>.
- 3 Daniel Patrick Moynihan, *On the Law of Nations* (Cambridge: Harvard University Press, 1990), 176.

CHAPTER 2

BROKEN MULTILATERALISM AND THE RISE OF THE GLOBAL SOUTH

Lily McElwee and Jon B. Alterman

When Russian tanks rolled into Ukraine in February 2022, they began Europe's first major land war in almost eight decades. Six weeks later, the UN General Assembly considered whether to suspend Russia from the Human Rights Council in response to what Kyiv called Moscow's "gross and systematic violations of human rights." Nearly all European nations voted in favor of the resolution, as did the United States and key U.S. Indo-Pacific partners such as Japan, South Korea, Australia, and the Philippines. But even more striking were the nations that withheld support: 24 countries opposed the measure, and 58 countries abstained. Many of these states were from a diverse but growing group of countries in Asia, Africa, the Middle East, and Latin America that consider themselves part of the Global South.

Some states opposed or abstained from the resolution due to their complicated ties with Russia. For most, though, the issue was even more straightforward: They did not see Ukraine as their fight. The United States and its allies hoped that states in the Global South would feel empathy for Ukrainians. Instead, they felt jealousy. Some grumbled that the West was showering Ukraine with resources and attention while persistently ignoring the problems of the rest of the

world. Indian Foreign Minister Subrahmanyam Jaishankar captured this sentiment by suggesting that “Europe has to grow out of the mindset that Europe’s problems are the world’s problems, but the world’s problems are not Europe’s problems.”¹

For some of these countries, reservations about showing solidarity with the West came naturally. Indeed, some countries have been resisting a tight U.S. embrace for three-quarters of a century. The Asia-Africa conference in Bandung, Indonesia, in 1955 gathered leaders from 29 mostly post-colonial countries who committed to not choosing sides in the Cold War. After 20 wealthy Western democracies came together to form the Organisation for Economic Cooperation and Development (OECD) in 1961 to coordinate policies and share best practices, 77 developing states united with similar goals in 1964 to form the G77.² Several states in the two groups share a history: The OECD contains a number of former colonial and imperial masters, while the G77 contains many of the lands that they ruled. In many ways, the divisions between the two groups have grown steadily starker. While both groups have grown significantly, only Mexico and South Korea have moved from the G77 to the OECD, and no countries have moved in the opposite direction.

And yet, the old order is ripe for disruption. In 1990, the OECD represented 21 percent of the global population but over 80 percent the world economy. By 2030, however, estimates suggest that OECD economies will constitute about 18 percent of the world’s population and only 40 percent of the global economy—about half as much as four decades earlier. While wealthy Western states still have higher per capita incomes, the growth of economies and populations in non-OECD states is changing the world’s balance of wealth and power. As that happens, partnership with many of these states will be required to address a widening array of global issues.³

This is partly because of the very processes of global integration that have lifted the incomes and well-being of billions of people.

The World Bank estimates that 43.6 percent of the world population lived in extreme poverty in 1990. Today, that number is just 9.9 percent.⁴ Much of the change is connected to growing connectivity: the ease of trade and travel, the increased availability of finance, and the spread of knowledge and information.

With these advances comes a set of heightened challenges, which are often cross-border in nature. The challenges include infectious disease, climate change, informal migration, and trafficking in persons and goods. Developing states and emerging powers are disproportionately affected by these challenges, and they will be especially important in any effort to address them effectively. Many of the world's top carbon emitters, for example, are countries often counted among the Global South, including China, India, Russia, Brazil, and Indonesia.⁵ Studies suggest that emissions from the Global South will outweigh those from Global North countries across 2017 to 2040.⁶

While the Covid-19 pandemic may have affected the Global North more acutely in terms of number of cases and death tolls, longer-term strains on health infrastructure and economic development disproportionately have affected developing economies. According to the United Nations, over 70 million people were pushed back into extreme poverty in 2020, the first recorded rise in global poverty since 1998.⁷ The global ramifications are obvious. Human migration, induced by climate, poverty, or conflict, overwhelmingly originates from countries in the Global South, although it affects countries in the Global North and South alike.⁸

Since the days when many of these states won independence in the post-World War II period, there rarely has been a consensus on what to call them. Cold War framing often portrayed them as “Third World nations” (they were neither wealthy capitalist Western states nor communist East Bloc ones), and economists often described them as “developing” or “lesser-developed countries.” By the late

1970s, many began thinking of themselves as states of the Southern Hemisphere, and they began talking of “South-South cooperation.”⁹

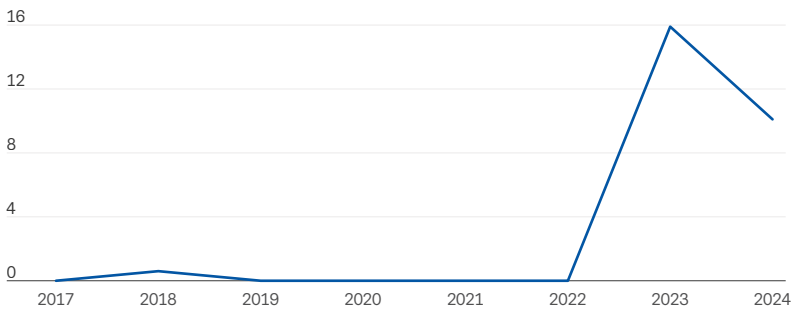
The idea of a “Global South” comes out of this construct, but the idea is better defined by who is not a member of the Global South than who is, or for what purpose. To a degree, the entire notion of a Global South is a statement of estrangement from the current centers of power, and little to nothing about geography. While an earlier generation in Europe and the United States might have argued for themselves representing “the West,” having a counterpart in the “East” does not account well for the growing economies of either Latin America or Africa. Of course, using the descriptor “South” has its own set of problems. Many countries in the Global South lie well north of the equator. For its part, China is essentially at the same latitude as the United States, and Russia is significantly farther north.

Geography is not the only confounding aspect of the Global South. In its current shape, the group includes some of the world’s wealthiest and poorest countries alike, from glittering Middle Eastern sheikhdoms to arid Asian and African hinterlands. While many were colonies or imperial holdings until the 1960s, many in Latin America gained independence more than 200 years ago, not long after the United States did. Some are democracies and others are dictatorships, with many degrees of variation in between. In fact, the closer one looks, the more seams appear in the fabric that unites these states. The principal consistent element seems to be a feeling of alienation and exclusion from what they see as the world’s most elite club.

Amid a shared sense of alienation, the concept of a Global South has proven to be sufficiently elastic as to serve multiple purposes. Leaders have used it with sharply increasing frequency, even as they seek to advance very different goals. One example is Prime Minister Narendra Modi of India. In power since 2017, Modi has begun regularly folding the term Global South into his speeches over the past several years. As of 2023, Modi used it in nearly one-sixth of his

speeches, a trend that has continued in 2024. Prior to this, he only used the term in one formal address, back in 2018.

Figure 1: Proportion of Speeches by Narendra Modi Containing “Global South,” 2017-2024

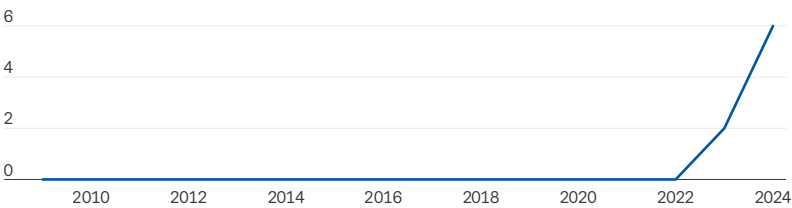


Source: Data on Prime Minister Narendra Modi’s speeches were compiled from the official archive of the Press Information Bureau of India. See: *Press Information Bureau, Government of India, “PM Speeches Archive,”* <https://www.pib.gov.in/indexd.aspx>.

This discursive trend is not limited to Modi. The BRICS grouping increasingly has come to see itself as a voice for the Global South, and part of that has been its sudden and widespread adoption of the term. Though the BRICS grouping has met since 2009, only since 2023 have its leaders deployed the term Global South with any frequency.¹⁰ The term was not mentioned at all in joint leader statements from 2009 to 2022 but was used at least seven times in statements from the 2023 Johannesburg Summit and 2024 Kazan Summit. In Kazan, BRICS chair Russia hosted a “BRICS Plus” dialogue with emerging and developing economies from Africa, Asia, Latin America, Europe, and the Middle East termed “BRICS and the Global South: Building A Better World Together.” BRICS members subsequently issued a joint statement “welcome[ing] the con-

siderable interest by countries of the Global South in BRICS” and affirmed that “extending the BRICS partnership . . . will further contribute to strengthening the spirit of solidarity and true international cooperation for the benefit of all.”¹¹ As noted in the introduction, aspiring BRICS entrants now regularly affiliate themselves with the Global South.

Figure 2: BRICS Joint Statements: Use of “Global South,” 2009–2024



Source: Author’s calculation based on summit statements available here: “BRICS Summits,” University of Toronto, BRICS Information Centre, accessed January 3, 2025, <http://www.brics.utoronto.ca/summits/index.html>.

APPROACHING THE CHALLENGE

As they think about their own strategies to address global challenges, Western states would do well to have a better understanding of the drivers and motivations of governments embracing the mantle of the Global South.

For some, the motivation seems clear. For Russia and China, for example, it seems clear that their superpower status drives their actions. Their principal motivation is to instrumentalize the multi-lateral idea of a Global South to advance their bilateral interests. Not only do the United States and its treaty allies dominate the current global order, but they constructed it to reflect their strengths and serve their interests. They pay in a large share of the funds that operate international institutions, and they have the strongest voices in

the institutions that matter most: the UN Security Council, the International Monetary Fund, and the World Bank, among others. Diffusing power within these institutions may not help Russia and China directly, but it certainly helps diminish unique U.S. advantages—not least because alliances are not part of Russia’s and China’s foreign policy structure. They rely on being stronger—and sometimes more ruthless—than others with whom they might have differences. A less-ordered world therefore gives them more freedom to act with impunity and diminishes the likelihood of U.S.-led collective actions against them.

Yet, many states that see themselves as members of the Global South have a subtler approach. Often, they are seeking to supplement strong historical relationships with the United States with others: with Russia, China, and with other rising economies. BRICS is an evolving example of how this might work, but limiting the sample to BRICS (or BRICS+) countries is unnecessarily restrictive, and it arguably omits important countries while including some that are less central. At the same time, it lumps Russia and China—superpowers with specific agendas vis-à-vis the United States and its allies—in with countries that have very different agendas.

This project focuses on eight “hinge states” worthy of special focus: Brazil, India, Indonesia, Mexico, Turkey, Saudi Arabia, South Africa, and the United Arab Emirates (UAE). They are hinges in two senses of the word. First, as major regional powers with deep regional and global trading relationships, they are important connectors between rising regions and traditional centers of power. In addition, as this volume will explore, the future shape of the global order will hinge in significant measure on these countries’ attitudes towards it. If they seek to sustain it while reforming it, some version of current global arrangements is likely to prove resilient. If they join revisionist powers seeking to undermine it, their weight—combined with that of the rest of the Global South—will undermine that

order or, perhaps more aptly, promote a new level of disorder that varies significantly from region to region and from relationship to relationship.

As a whole, these states make sense as a group. Thinking in terms of their global alignments, these states' partnerships with the United States are important to their global posture but not completely central, as is the case with South Korea and Australia.¹² Many are members of the G20 but not members of the G7, though all are robust global players in their own right. In addition to their economic size, each has a well-developed national security apparatus, a sophisticated foreign service, and a well-organized and competent military. While they are not superpowers, they are fully capable of effectively engaging with superpowers. Each has unique strategies and competencies through which they can contribute to global prosperity and security.

Each is also a major regional power, able to use its economic and military might to help steer regional affairs. They are major players in regional organizations, manufacturing and trading hubs, transit hubs, and more. From the perspective of global powers, aligning with these countries does more than merely win over a series of middle powers. It also is an important step in aligning with entire regions, given their leadership roles in them.

Importantly, these countries are far from uniform. Some are much richer than others: Saudi Arabia's per capita GDP, for example, is quadruple that of South Africa. Their populations also vary widely: Not only is India's overall population about 125 times that of the UAE, but there are at least three times as many Indian citizens living in the UAE as Emiratis themselves.¹³ Some states, such as the UAE and Saudi Arabia, are a hub for migrants from other countries and regions, while others, like India, Mexico, and Indonesia, regularly see outward migration.

Their economic and political systems also differ. Indonesia,

Brazil, Mexico, and India are well-established democracies, while the UAE and Saudi Arabia are autocratic regimes. Economics is a key driver of foreign policy across many of these states, but economic structures vary considerably. Trade captures almost 90 percent of Mexico's GDP, but only half of Brazil's.¹⁴ Indonesia, Saudi Arabia, and the UAE are rich in natural resources, which dominate exports; about 90 percent of Mexico's overall exports, by contrast, are manufactured goods. For many countries, China is the largest trading partner, but for Mexico, the United States imports 50 times more Mexican goods than China and exports more than twice as much to Mexico as China does.¹⁵

Shared Grievances with Unique Origins

Each of these eight hinge states have grievances with the U.S.-led global order and favor the reform of institutions and power structures that have been in place since the post-World War II period. Yet each has a complex set of motivations behind these grievances that relates to individual histories and strategic cultures.

For some, colonial memories continue to fester. In South Africa, colonization first by the Dutch and then the British left a mark long past the country's formation as a self-governing dominion of the British Empire. Descendents of White settlers inherited political control from the British and codified their political domination—and the disenfranchisement of other racial groups—with the formalization of apartheid in 1948. The deep and enduring embeddedness of apartheid's effects throughout the South African population—not only on poverty, income inequality, and economic growth, but also on many South Africans' insistence that the post-apartheid state should serve as the world's moral conscience and protest injustice—continues to drive domestic politics today. For decades, the United States and many of its allies had supported White minority rule as a function of their anti-communist strategy. Moscow and Beijing hailed members

of the now-ruling African National Congress as freedom fighters, but Western states designated many as terrorists. Apartheid ended as the Cold War did, but many South Africans have remained deeply skeptical of the geopolitical motivations of the United States and its allies.

Other countries seem far less scarred by their colonial history. Brazil was colonized by the Portuguese in 1500, but it achieved independence in 1825. As CSIS's Ryan Berg shows, Brazil's grievances with the rules-based international order relate more to a sense that the country has consistently been denied its rightful place in that order since its emergence more than a century ago. Brazil fought on the winning side in both World War I and World War II, and it was the only South American country to join both war efforts—contributing roughly 25,000 expeditionary troops under direct U.S. command to the Italian campaign during World War II. Yet despite American promises to the contrary, Brazil was not invited to play any meaningful role in the postwar peace conference or the construction of the Bretton Woods institutions. As a result, Brazilian elites today are motivated by a desire to right the perceived wrongs of the postwar moment and achieve their country's due on the global stage.

For a country like Indonesia, the source of grievances is mixed. The country's Dutch colonial legacy shaped its early postwar strategic culture, defined by pursuit of an anticolonial agenda and sovereignty on the world stage. Yet the Indonesian political leadership turned strongly anti-communist in the 1960s, and the prominence of the anticolonial agenda receded as Indonesian leaders sought to use stronger ties with the United States to address the country's serious economic challenges. Moreover, while Indonesia shares many of the Global South's criticisms of the rules-based international order, it played an influential role among African and Asian states at the initial UN Conferences on the Law of the Sea in 1958 and 1960. In this sense, Indonesia *did* have a role in many international laws of today, and it continues to champion them, albeit quietly and behind

closed doors. Indonesia's geography contributes to its complexity as well. Its leading role in the Association of Southeast Asian Nations (ASEAN), its robust trade with China, and its ongoing disputes with China in the South China Sea all create a complicated set of considerations. Indonesia seeks to bandwagon and balance simultaneously in order to navigate its complex set of interests and threats.

ASPIRING REGIONAL POWERS

Despite their varied histories, economies, and political systems, each of these countries has a robust sense of itself and its place in the world. Each is an aspiring regional power with well-developed foreign policy bureaucracies designed to assert national interests on the international stage. These states are highly embedded within their region as trading and investment hubs as well as providers of norms and global public goods. South Africa, for example, is by far the most "central" player in sub-Saharan Africa, as home to four of the continent's top six banks, which together account for over half the continent's total assets.¹⁶

The UAE is the top trading hub in the Middle East and North Africa, just ahead of Saudi Arabia, as the country has pursued a growing set of diplomatic partnerships in order to position itself as a "gateway to Africa and the Global South."¹⁷ As the UAE chapter of the volume acknowledges, "the country does not fit into an East-West paradigm nor a North-South paradigm. Instead, it links them, hosting large expatriate communities and even larger hordes of tourists in a post-nationalist, post-civilizational melting pot of coexistence and profit."¹⁸ The UAE's Middle Eastern neighbor, Saudi Arabia, has similar ambitions. Under Mohammed bin Salman, Riyadh has ambitiously pursued an assertive foreign policy designed to reduce reliance on hydrocarbons, mitigate regional stability, and broaden its international partnerships. Central to these goals are flexible relationships with great powers and investments in Africa,

where hydrocarbon demand is expected to remain strong in coming decades. Like the UAE, Riyadh has ambitions to be both a leader and a gateway to the region.

Brazil's foreign policy is motivated by the quest to be seen as a "serious country." As Berg recounts, fear of not being seen as a robust player on the international stage continues to shape the Brazilian national psyche. Across the left-right political continuum, elites in Brazil view their country as a regional leader and globally relevant power that deserves a higher place in global affairs. That Brazil is a "serious country" deserving of prestige and status is made obvious, this consensus holds, by its proactive foreign policy and regional and global engagement. In recent years, Brazilian diplomacy has included provision of global public goods and conflict mediation in South America and elsewhere (including an attempt to broker a curtailment of Iran's nuclear weapons program in 2010); strong cultural attraction and soft power; and efforts to consolidate and uphold international norms. Indeed, Brazil played an active role in preventing an arms race in the Southern Cone by consolidating the norm of South America remaining a zone free of nuclear weapons.¹⁹

Flexible Foreign Policies

Each of these hinge states seeks direct unmediated relations with all great powers. Their intention is to enhance their policy autonomy and advance multiple opportunities for economic development. India is a prime example. New Delhi's active participation in U.S.-led groupings such as the Quadrilateral Security Dialogue (or Quad), the I2U2 Group, and the Indo-Pacific Economic Framework for Prosperity (IPEF) show India has drifted toward a more Western-oriented orbit in recent years. Yet the country still actively participates in BRICS, the Shanghai Cooperation Organization, and other organizations that act as counterweights to U.S. influence, and it has enduring ties to Russia. These ties include heavy reliance on Russia for

military equipment as well as a growing trade partnership.²⁰ India has refused to condemn Russia's aggression in Ukraine, and nearly 60 percent of the Indian population holds a favorable view of Russia or has confidence in Vladimir Putin.²¹ India's relationships with great powers are a manifestation of what Indian leaders call the country's "strategic autonomy." As Foreign Minister Jaishankar put it, "[India is] today the fifth or sixth largest economy in the world. . . . I am entitled to have my own side. I am entitled to weigh my own interests, and make my own choices."²²

India is not alone in this confidence. Turkey, for example, officially pursues an "independent and national foreign policy" that aims to remain largely on the sidelines of great power competition while optimizing room for maneuver.²³ Likewise, a concept of "rowing between two reefs" and pursuing a "free and active diplomacy" has remained a guiding principle of Indonesian foreign policy since the country's independence in 1945.²⁴ In line with this policy, Jakarta has stridently refused to take sides in great power competition, with the new president, Prabowo Subianto, recently stating that the country's "guiding philosophy is to be friends with all countries."²⁵ Indonesia, unlike India, has condemned Russia's invasion of Ukraine but, unlike the West, opposes sanctions on Russia and has continued to buy Russian oil at prewar levels.²⁶

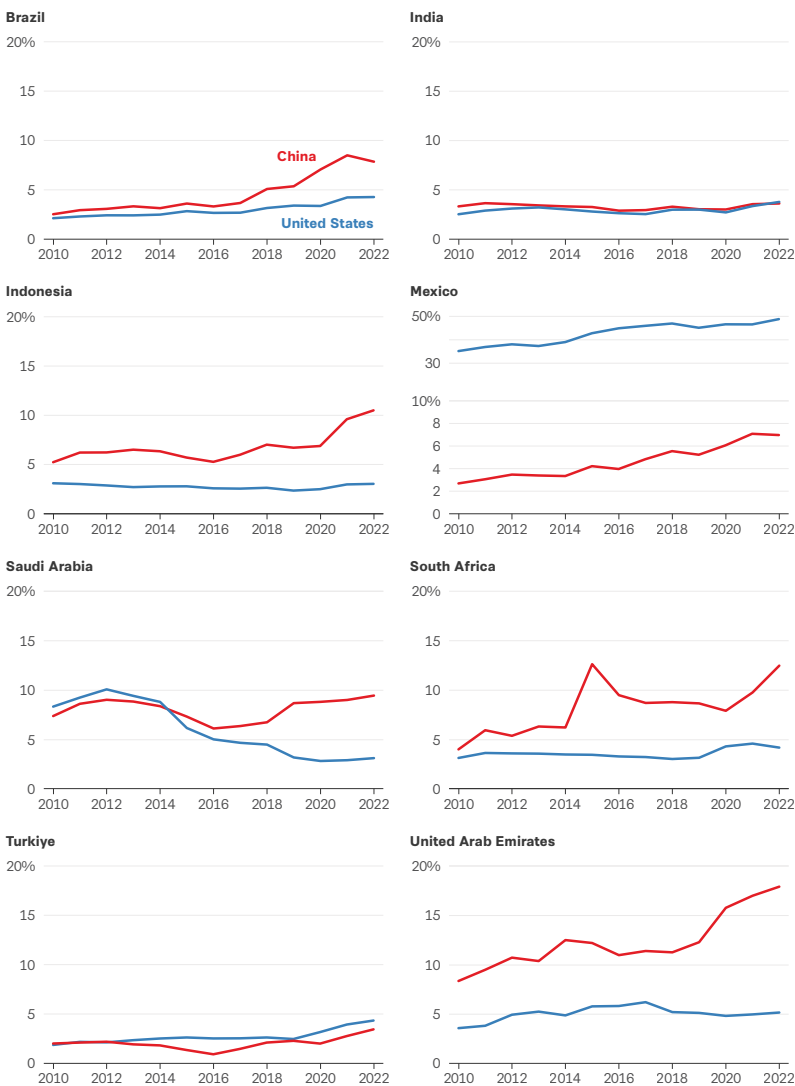
Saudi Arabia is similarly prioritizing national interests over its longstanding relationship with the United States in international diplomacy. In pushing for Beijing to play a mediating role in its 2023 reproachment with Iran, for example, Riyadh demonstrated its willingness to diversify relationships beyond Washington. This approach extends to other partnerships as well, with Riyadh recently signing a mutual defense agreement with Pakistan in September 2025. Riyadh is flexibly leveraging international relationships to achieve broader national objectives. Courting foreign direct investment from China and the United States and making sovereign wealth

fund investments in all great powers, for example, can help Saudi Arabia reduce its dependence on hydrocarbons, boost economic growth and innovation, and improve human capital.²⁷

Amid growing contestation between Washington and adversaries such as Beijing and Moscow, most hinge states seek to flexibly maintain relationships with all three powers. Trade is a key arena where this balancing plays out. For nearly every hinge state, trade with great powers accounts for more than 10 percent of GDP. The number is even higher in trading hubs like Mexico (over 50 percent) and the UAE (roughly 25 percent). Across the board, trade with China has grown significantly. In Saudi Arabia, a long-standing U.S. partner, China's demand for oil, the launch of the Belt and Road Initiative in 2013, and Riyadh's own drive to diversify its economy have steadily deepened ties. By 2015, China had overtaken the United States as the kingdom's top trading partner, a shift reinforced by Chinese leader Xi Jinping's visit in 2016, where both sides pledged closer diplomatic and political cooperation. While oil remains central to the trade relationship, it has since broadened to include strategic technology transfers in fields such as 5G networks, surveillance systems, and AI.

South Africa deepened its trade ties with China significantly after 2010, marked by a series of high-level exchanges. That year, President Jacob Zuma led a delegation of 17 cabinet members and 300 business leaders to Beijing, culminating in a launch of a "comprehensive strategic partnership." Subsequent trade missions and a state visit by Xi Jinping brought a raft of cooperation agreements spanning energy, trade, and other areas. China's role as a key trading partner grew meaningfully between 2012 and 2014, as Pretoria actively embraced the relationship to diversify its links with great powers. In a 2014 speech at Tsinghua University, President Zuma captured this sentiment, declaring that China's rise offered African countries "an opportunity . . . to free themselves from the shackles that are really colonially designed."²⁸

Figure 3: Trade with Great Powers as a Percent of GDP



Source: Data retrieved from CEPII (Centre d'Études Prospectives et d'Informations Internationales), available at https://www.cepii.fr/CEPII/en/bdd_modele/bdd_modele_item.asp?id=37.

Hinge states deepening trade ties with China does not signal their abandonment of cooperation with Washington. Saudi Arabia, for example, continues to source the vast majority of its weapons from the United States even as it expands diplomacy and trade with China. Rather, the trend points to a desire to assert greater strategic autonomy: an effort by these aspiring regional powers to pursue their interests through a diverse set of relationships.

A BETTER WAY TO ENGAGE THE GLOBAL SOUTH

One approach to these states is to address them bilaterally. The United States traditionally puts more emphasis on bilateral relations than multilateral ties, and it can charge ambassadors and embassies with improving links. Such an approach would allow the United States to tailor its approach to each state's history, conditions, and aspirations, and it could put additional emphasis on whatever states it decides to target.

Yet, it is not always clear what additional emphasis looks like, or how it can be sustained. Ambassadors have different levels of experience and different skills, and embassies vary in their access to both in their respective capital cities as well as to decisionmakers in Washington. At worst, a decision to put greater emphasis on these states is merely adding one small ingredient in a complex relationship. For example, in the present Trump administration, U.S.-India ties started off warmly and cooled sharply: There is no U.S. ambassador in New Delhi, and U.S. tariffs on Indian goods are at historic highs. In August 2025, President Trump raised U.S. tariffs on Indian goods in response to India's purchases of Russian oil; perhaps in response, President Modi traveled to China that month and held bilateral talks with Xi Jinping and Vladimir Putin. At a time when the White House is increasingly active shaping U.S. policy, and that policy is increasingly volatile, it is not always clear how advice to put more emphasis on certain countries is a helpful guide to policy.

An alternative is to think of ways to frame the rise of the Global South that contributes to a longer-term strategic response. It is intended to provide an opportunity to think longer-term about the phenomenon of these rising states and provides a way to plan a wider array of U.S. activities, alone and with allies, that help to create more space for these states' aspirations.

As described in the policy implications section of this volume, one helpful framing is to think more carefully about the domestic politics in the rising states of the Global South. Many of these states are democratic, and their publics feel a sense of precarity and urgency for change. In the non-democratic states of the Gulf, the energy transition creates pressure for economic diversification away from hydrocarbon production. While the particulars of each state are different, they are united in two things. The first is a broad consensus that the status quo is unsustainable for their countries. The second is a rising sense of their own agency, and government leaders' responsibility to act to advance the national interest.

A danger for the United States is that this sense of dissatisfaction with the status quo leads to a populist surge, in which a "natural majority" seeks to free itself from the tyranny of an exploitative minority. That framing captures much of the sentiment that is bubbling in the calls to unify the Global South—and, implicitly, to join Russia and China in undermining the power of the United States and its closest allies. Thinking more intentionally about the politics of the Global South and its populist impulses gives the United States a starting point for an effective response. After all, for more than a century democratic systems have been able to accommodate populist demands while preserving democratic order.

This volume proceeds with chapters on each of the eight hinge states described above. The chapters each follow a similar structure to help the reader discern similarities and differences between the countries. The country chapters are then followed by a chapter

that explores policy implications and recommendations from the foregoing, and the volume concludes with a focus on great power competition and the early attitudes of the Trump administration.

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PART II

STRIVING FOR SERIOUSNESS: BRAZIL'S INCLUSION AND EXCLUSION FROM THE WORLD ORDER

Ryan C. Berg, Henry Ziemer, and Luke Maloney

INTRODUCTION

Unlike other significant actors in the Global South, the genesis of Brazil's grievances is not principally the country's colonial past, but rather its presence at the founding of the rules-based international order. In other words, Brazil is motivated less by mistreatment than by a sense of not being given its due. In 1942, Brazil officially entered World War II on the side of the Allied powers, serving as the only independent country in South America to join the war effort. Perhaps most notably, Brazil deployed a significant expeditionary force to the Italian campaign: a force which numbered around 25,000 soldiers directly under U.S. command.¹

However, Brazil's expeditionary force deployed on the Italian front in September 1944 and left in May 1945—arriving too late and heading home too early. As a result, Brazil did not secure a significant role for itself in the formation of the postwar international order. This ran counter to Brazilian expectations—and, it should be noted, to American promises. At a meeting in February 1943 between Franklin D. Roosevelt and President Getúlio Vargas in Natal, the U.S. president told his Brazilian counterpart that he

wanted him at his side during the postwar settlements to reorganize the world.² Instead, Brazil did not play a large role in the postwar peace conference or in the founding of the Bretton Woods institutions. The spoils that were to accrue to Brazil from fighting on the right side failed to materialize.

Brazil sees itself as a Western country with Western institutions. And yet, from its point of view, it has been excluded from most global leadership roles in the rules-based international order underpinned by Western power and constructed after World War II. Brazil's foreign policy is thus motivated by the desire to right the wrongs from this postwar moment and achieve its due on the international stage. Foundational to this approach is Brazil's diplomatic north star: reforming the United Nations and achieving a coveted permanent seat on the UN Security Council (UNSC). Brazil has seen a long string of disappointments on this front: After failing to secure a permanent seat on the Council of the League of Nations or a seat on the UNSC shortly after its formation in 1945, its current campaign to get a seat at the table has been running since at least the early 1990s.³ More recently, serving as a founding member of the BRICS grouping—an organization often lacking a *raison d'être* but meant to herald the arrival of the Global South—has provided further ballast to Brazil's efforts.

Behind this drive and the self-assured flexing of its diplomatic muscles is Brasília's deep-seated sense of insecurity. Brazil does not take kindly to perceived slights to its prestige or status as a globally relevant power. For much of its modern history, Brazil has been a continental power searching for a higher place in world affairs while harboring a deep sense of grievance about not receiving its due in the international system.

In a story that is likely apocryphal, in 1964 following a nasty dispute between France and Brazil over fishing rights near the two countries' shared maritime border at French Guiana, French presi-

dent Charles de Gaulle allegedly stormed out of the room, muttering under his breath that “Brazil is not a serious country.”⁴ The veracity of this story notwithstanding, “*le Brésil n’est pas un pays sérieux*” has managed to bore itself deep into the Brazilian national psyche. The scars of not being taken seriously, especially by great powers like the United States, are evident in Brazil’s foreign policy strategy and pursuits. “Brazil is the country of the future—and always will be,” goes a common refrain meant to illuminate the yawning gap between the country’s potential and its reality. In September 2013, a front-page story in *The Economist* on Brazil’s troubles blared: “Has Brazil blown it?,” painting a picture of Brazil yearning to become a “serious country” with global ambitions yet frustrated by repeated setbacks.⁵

Although foreign policy preferences may change depending on where a Brazilian president is on the political spectrum, an elite consensus exists in Brazil regarding the country’s place in the global order. In this worldview, Brazil is uniquely situated to lead in an increasingly multipolar world. Brazil is cast simultaneously as an inheritor of Western liberal international values and a champion among the countries of the Global South, a steadfast leader within its region (despite being culturally and linguistically distinct from most Spanish-speaking nations) and a respected voice on the global stage. This belief, in turn, guides the multitudinous ways in which Brazil seeks to demonstrate its “seriousness” in world politics. Serious countries consolidate and uphold global norms; Brazil led the way in preventing an arms race in the Southern Cone, negotiating the Guadalajara Agreement with Argentina and consolidating a norm of South America remaining a zone free of nuclear weapons.⁶ Serious countries provide global public goods and solve complex challenges with deft diplomacy; Brazil has solved border disputes in South America and attempted to negotiate an end to Iran’s nuclear weapons program by proposing the transfer of fissile material to Turkey (a proposal that the United States rejected).⁷ And serious countries

maintain attractive values and have a concern for their image in the world; in the space of two years, Brazil hosted two of the most well-known cultural and sporting events, the 2014 World Cup and 2016 Olympic Games, for which Brazil had lobbied extensively as a sign of its growing international clout. Today, Brazil's cultural attraction and soft power remain undeniable.⁸

VISIONS OF GLOBAL ORDER

More than anything, Brazil desires a more equitable share of power globally. After decades of feeling second-rate to other Western powers, it strives to create a world defined by benign multipolarity.⁹ Brazil rankles at U.S. unipolarity, summed up by the words of two analysts: "Brazil does not need the US to 'lead the world.' It needs the US to find a new place at the table."¹⁰

Part of Brazil's vision therefore includes restructuring the "table" by reforming key international institutions to encourage a more equitable distribution of power and influence. Top priorities for Brazil include expanding the UNSC and reforming international financial institutions, as well as discouraging unilateral actions in favor of utilizing the UN framework as a tool for global peace and prosperity. If Brazil can achieve these goals, it believes that the voices of China, India, and developing countries in the Global South—itsself included—will have a greater impact in the international arena and will be able to advocate for more equitable and less Western-centric solutions to global problems.

Brazil has long advocated for UNSC reform, believing that the institutions established in the wake of World War II are deeply biased and non-inclusive. In 2005, Brazil, along with Germany, India, and Japan, presented a reform to the UNSC largely modeled as a spiritual successor to the council's expansion in 1965.¹¹ Brazil's Ministry of Foreign Affairs emphasized that the UNSC represented 22 percent of the United Nation's member states in 1945, while it only represented

7.7 percent in 2005 (and even less today). For that reason, Brazil proposed expanding the council from 15 to 25 members, 6 of whom would be permanent while the other added 4 would be non-permanent and occupied on a rotating basis. Furthermore, the plan calls for greater geographic diversity, with two permanent seats assigned to Africa and Asia each and one assigned to Western Europe and Latin America and the Caribbean (LAC), while Africa, Asia, Eastern Europe, and LAC would also receive one non-permanent seat each. In addition, the proposal discusses the removal of absolute veto power from the permanent members to create a more responsive and effective UNSC.

Brazil lauds multilateral cooperation while lambasting unilateral acts, be they military actions or something as simple as individual sanctions. Brazil takes as axiomatic that multilateral action is always better than unilateral solutions. It sees the United Nations as the bedrock of a more democratic, multipolar world and strongly supports international decisionmaking. This policy stance often finds itself in conflict with the unilateral nature of many U.S. actions. It was also challenged by former President Jair Bolsonaro's "Brazil above everything" philosophy, which represented a countercurrent to the country's tradition of multilateralism. Under Bolsonaro, Brazil retrenched from both regional and global roles, exiting the Community of Latin American and Caribbean States and undermining Brazil's international prestige in the eyes of traditionalists through his willingness to align rhetorically with the Trump administration.¹² The election of President Luiz Inácio Lula da Silva was accompanied by a flurry of enthusiasm by traditionalists for Brazil to "return" to its traditional role in international politics, with one piece going so far as to proclaim: "Brazil is back from the dead."¹³

Following a trip to Cuba in September 2023, Lula denounced the U.S. embargo on the island as illegal and decried the nation's inclusion on the United States' list of state sponsors of terrorism.¹⁴

Additionally, Brazil's staunch support for peaceful conflict resolution led it to vote against the implementation of sanctions on Iran in 2010, asserting that sanctions would only cause more suffering and could spiral into a conflict, as evidenced by the Iraq War.¹⁵ Similarly, appalled by the destabilizing UN intervention in Libya, Brazil proposed modifying the Responsibility to Protect (R2P) principle to Responsibility While Protecting (RWP).¹⁶ With RWP, Brazil aimed to establish a new doctrine that provided a more balanced approach to protecting populations while maintaining respect for state sovereignty and international norms, in order to ensure more accountable and proportionate civilian protection interventions.

Brazil also sees peacebuilding as central to its foreign policy and vision for an international order. Indeed, alongside its commitment to multilateralism, Brazilian foreign policy prides itself on a belief that Brazil can serve as a credible interlocutor between countries of all stripes—an attitude that was on full display in Lula's 2023 inauguration speech, where he called on Brazil to “resume relations with all the countries of the world.”¹⁷ However, this unrelenting search for peace sometimes brings Brazil into contention with global norms surrounding the creation of a just peace. Recently, as chair of the UNSC, Brazil formally proposed a ceasefire resolution for the Gaza conflict. However, this effort was vetoed by the United States due to the lack of language regarding Israel's right to self-defense. Additionally, immediately before Russian President Vladimir Putin's announcement that he is open to peace talks with Ukraine as long as Russia maintains control of the territory it currently occupies, Brazil and China arrived at a series of “common understandings” for a political settlement of the war.¹⁸ Brazil's stance on Ukraine clearly demonstrates its preference for peace of any kind rather than a peace that reinforces the norms inherent to the rules-based order and that reaffirms a nation's right to territorial integrity.

While Brazil may find like-minded countries in Latin America, its

vision for a more multilateral world order may be overshadowed by its lack of leadership on critical issues.¹⁹ Additionally, Lula's ascription of equal blame to Russia and Ukraine for Russia's invasion firmly aligns it with the authoritarian powers of Russia and China—nations that most seek to undermine the current rules-based order and do not share the same deep-rooted democratic values as Brazil.²⁰ However, this tracks with Brazil's desire to diminish the control that the United States and the West have over the global order, under the belief that anything done to undermine Western dominance of the world order must be a positive step toward a more inclusive, multilateral international community. One might call this the fallacy of the false alternative, where most choices are evaluated against a utopian ideal.

While some of Brazil's goals seem unattainable and others appear to negatively affect the current, fragile order drafted almost 80 years ago, Brazil has firmly established itself as a leader in the Global South. Brazil sees itself as a bridge between the old Western powers and new, more diverse powers.²¹ The centerpiece of this vision—and of Brazilian foreign policy as a whole—is the idea that, before becoming a world power, Brazil must first act as a leader in its region.²² Its leadership in creating MERCOSUR, the South American trade bloc, demonstrates its strong desire to use trade as a peacebuilding and development mechanism, mollifying its long-held rivalry with Argentina and expanding economic opportunities for the region. However, not all of its initiatives have been successful. In 2008, Brazil helped launch the now-defunct Union of South American Nations (UNASUR) with the goal of promoting regional integration and fostering economic development and political stability while serving as a balance to U.S. power.²³ However, due to the influence of Venezuela and political infighting, Brazil, along with six other member states, suspended membership in 2019.²⁴ The Brazilian government officially rejoined UNASUR in 2023 in an attempt

to encourage a resurgence of multilateral cooperation in its home region, but other regional actions have been less than enthusiastic.²⁵ Before doing so, Brazil held a regional leadership summit in Brasília in which Lula pitched his ideas of regional stability and the creation of a regional currency to rival the U.S. dollar.²⁶ However, these talks were overshadowed by Lula's effusive praise for Venezuela's authoritarian leader, Nicolás Maduro.

ECONOMICS

Brazil's economy is, and has been, dominated by commodity exports. From its initial role as a coffee-producing powerhouse to its emergence on the global economic stage as a leading rubber producer, Brazil's economic growth through much of the twentieth century pursued an export-substitution model with mixed results. Such a model promises to bootstrap resource-rich countries into industrialization by exporting raw materials in exchange for finished goods, an approach subscribed to by many Latin American countries during this period. While Brazil's economy liberalized and opened slightly in the 1990s, it is still considered one of the most closed economies in Latin America, with most of Brazil's exports concentrated in energy and agriculture today. Brazil is the world's largest soybean producer, accounting for nearly 40 percent of global production.²⁷ Meanwhile, state-owned oil firm Petrobras has seen consistent growth in production, even under the more environmentally minded Lula administration.²⁸ In some models, Brazil is set to be a top-five oil producer later this century.

This is not to say that manufacturing and services are absent from Brazil's economic story. To the contrary, the country has seen a rapid expansion in its digital economy and is home to the largest number of "unicorn" technology startups, valued at over \$1 billion, in Latin America.²⁹ In an earlier period, when Brazil was ruled by a military regime (1965-1985), it experienced rapid industrialization,

which economists refer to as “the Brazilian economic miracle.” Nevertheless, a common thread running through Brazilian economic policy is a sense that the country’s resource wealth has yet to be translated into a greater share of global value chains.

This attitude has manifested across political alignments and administrations. Bolsonaro, for instance, championed niobium—a key metal for advanced aerospace and steel manufacturing—as an avenue to jump-start the Brazilian economy. Brazil is responsible for 91 percent of global niobium production, a feature the former president highlighted on a trip to Japan, where he wore a custom niobium medallion while proclaiming his desire to create a “Niobium Valley” in Brazil to rival Silicon Valley in the United States.³⁰ How exactly Bolsonaro intended to transform Brazil’s niobium industry—an offshoot of the broader mining sector concentrated on raw mineral extraction and initial processing—into an emerging technology titan was never elaborated upon. The sentiment, however, was clear: Brazil has what other countries want, and consequently, Brazil deserves to play a more prominent role in the global economy.

Brazil’s efforts to climb these value chains have been complicated by the sheer diversity of interests and stakeholders at play in its economy. While Brazil is an open, market-based economy on paper, it is home to a fluctuating array of state, private sector, and international interests. State-owned enterprises dominate in most sectors, including banking, energy generation, and oil and gas exploration, but they coexist with foreign actors in a few others, such as the mining sector, where multinational corporations have established a foothold and even Brazilian firms like Vale have successfully internationalized. Finally, powerful domestic agricultural lobbies wield considerable power over Brazilian politics, in turn shaping Brazil’s approach to international trade and economic relations.

The result of this dynamic array of interests and stakeholders is the creation of a tangled web of regulations, laws, and political horse

trading collectively known as the *custo Brasil*—the cost of doing business in Brazil.³¹ Economist Matthew Taylor has deemed this “decadent developmentalism,” wherein domestic economic interest groups continuously push for self-serving protectionist regulations, creating negative feedback loops which simultaneously raise the cost of doing business while exacerbating pressure on the state to compensate for sluggish growth and raising the costs of reforms.³² This hidden cost has frustrated Brazil’s efforts to grow its share of the value-added manufacturing sector and lessen its dependency on international commodities markets.

One actor which has proven remarkably proficient at navigating the *custo Brasil* is China. China serves as the primary export destination for Brazilian oil, minerals, and agricultural products, while Brazil is the second-largest recipient of Chinese development finance in the Western Hemisphere (behind only Venezuela) and one of the largest recipients of Chinese foreign direct investment globally.³³ Beijing has successfully parleyed this economic influence into a greater openness to Chinese firms, including telecommunications giant Huawei and automaker BYD.³⁴ The latter offer, in particular, has marked appeal to Brazil’s vision of a world where it is not merely the source of raw materials but also an important contributor to global value chains.

Beyond U.S.-China competition, Brazil is actively pursuing an expanded role for itself in multilateral economic fora. Accession to the Organisation for Economic Co-operation and Development (OECD), for instance, was a goal of the Bolsonaro government, though it has been stymied thus far by calls to reduce corruption and lower the cost of doing business.³⁵ Joining the OECD does not fit comfortably within Lula’s administration, since the country’s Worker’s Party is often skeptical of organizations seen as “rich country groupings.” The country will likely use its hosting of the G20 platform later this year to build some momentum toward its accession

to the OECD, meanwhile pushing for other initiatives such as a global billionaires' tax of 2 percent to lower inequality. President Lula, for his part, has cautiously advanced Brazil as an observer member of OPEC+, though in his words this is strictly to "convince people that a part of the money made from oil should be invested for us to nullify oil, creating alternatives."³⁶

Finally, Brazil's status as a founding member of BRICS is a point of particular pride as an ostensibly Global South-led grouping whose origins do not lie with the post-World War II international order. Critically, however, Brazil does not necessarily see BRICS as a means of advancing a wholly separate global order (as some of its members do) but instead seeks to use the grouping in conjunction with other multilateral bodies to increase Brazil's power and prestige, practically advance economic and trade goals, and ensure diplomatic space with other rising powers. The recent entrants into the BRICS+ grouping, especially the more problematic and autocratic powers such as Iran, may lead Brazil to "lean away" from BRICS in order to confirm its democratic credentials with Washington and the West.

GREAT POWER COMPETITION

Brazil approaches great power competition as a balancing act between the United States, China, and, to a much lesser extent, Russia.³⁷ In this equation, Brazil believes the United States, as the established power, needs to learn to step back from its role at the head of the international order and accommodate the rise of other powers. China, as the emerging power, should be welcomed into the fold and given the opportunity to prove itself as a responsible actor through increased multilateral cooperation. Mediating between these two is Brazil, which, by virtue of its position at the crossroads of the traditional "Western world" and the burgeoning Global South, is uniquely situated to play the role of interlocutor. Russia, it should be noted, is treated like a normal global power capable of helping

Brazil balance against the United States. Unlike the United States, Brazil would not like to see Russia weakened significantly as a result of the war in Ukraine.

Brazil has built intellectual scaffolding for this policy position (i.e., that of so-called non-alignment or neutrality). In practice, Brazil has sought to get the best of both worlds by partnering with China on economic development and infrastructure initiatives while retaining its ties to the United States when it comes to traditional areas of convergence like counternarcotics and military-to-military cooperation.

Over Lula's first two terms, the China-Brazil relationship expanded dramatically. Chinese firms have cemented themselves in Brazil's physical and digital infrastructure, including helping to construct a fiber-optic cable from Fortaleza to Kribi, providing the largest data transmission capacity between Africa and South America. China is building and financing the Salvador SkyRail line in São Paulo, creating railroad networks in the Amazon, and expanding public transportation nationwide.³⁸ China and Brazil have also established partnerships for scientific research, while Brazil boasts nearly a dozen Confucius Institutes promoting closer academic and cultural ties between the two countries.³⁹ China-Brazil relations have appeared relatively stable over the past two decades, owing largely to the criticality of the trade relationship between them.

Notably, Bolsonaro irked China on the campaign trail with a trip to Taiwan, as well as by claiming that "China is not buying in Brazil; it is buying Brazil." However, upon assuming power, Bolsonaro quickly discovered that pursuing a confrontational policy toward Beijing is unsustainable, especially in the face of strong pressure from the agricultural industry, which relies on China as its primary export market.⁴⁰ Lula, for his part, has sought to pick up where his predecessor left off in cultivating closer ties between Beijing and Brasília. During his April 2023 state visit to Beijing (and on the heels of a visit to Washington), Lula reaffirmed Brazil's commitment to

partnering with China, telling Chinese President Xi Jinping: “Our relationship with China is extraordinary, and it has become more mature and stronger over time. . . . We hope that Brazil-China relations are able to go beyond trade. Nobody can stop Brazil from continuing to develop its relationship with China.”⁴¹

While Brazil and China have cultivated close economic ties, Brazil has sought to moderate Beijing’s influence in important ways. Until recently, Brazil did not seek to join the Belt and Road Initiative (BRI), although there are rumors that the Lula administration will sign a memorandum of understanding regarding the effort at the G20 in November. Unlike other large Latin American holdouts to the BRI like Mexico and Colombia, Brazil does not enjoy a free trade agreement with the United States. Brazil has furthermore consistently demurred over Chinese efforts to establish a direct government-to-government line of credit between Beijing and Brasília.⁴² Having seen how thoroughly China’s funding line ensnared neighboring Argentina, Brazil appears determined to preserve its fiscal independence even as trade and foreign direct investment flows continue to grow, thus far refusing China’s overtures to establish a direct sovereign credit line.

One area where China’s advances have met with limited progress is the defense sector, where the Brazilian armed forces continue to regard the United States as their partner of choice. Under Bolsonaro, Brazil was inaugurated as a U.S. major non-NATO ally, making it one of only three countries in Latin America to bear this distinction.⁴³ Most recently, the aircraft carrier USS *George Washington* docked in Rio de Janeiro following a joint exercise with regional navies.⁴⁴ While China has made some strides in the defense sector, for instance, sending personnel to train at the Brazilian jungle warfare school and Peacekeeping Operations Joint Training Center, cooperation along this axis remains limited.⁴⁵ This promises new challenges for Brazilian foreign policy, with the armed forces looking north

to the United States and NATO for their force modernization plans while the country's foreign policy establishment seeks to encourage greater South-South cooperation.

How sustainable Brazil's balancing act will be over the long term remains in question, and there are already signs that it may be fracturing. For example, Brazil has been caught in the crossfire of the Washington-Beijing rivalry in the case of telecommunications. After Brazil banned Huawei from competing in the country's first 5G spectrum auction, China responded by threatening to withhold Covid-19 vaccines.⁴⁶ It further threatened enhanced phytosanitary checks against Brazilian agricultural exports, ensuring that all three of Brazil's agricultural lobby groups became mouthpieces for Huawei. Faced with foreclosing badly needed pandemic relief, Brazil reneged, but the incident underscored the difficulty of accurately assessing what the United States and China view as strategic interests and red lines. Brazil's ability to pursue increased economic and trade ties with Beijing while retaining diplomatic and security relations with the United States may prove increasingly difficult to maintain as great power tensions persist.

RECENT ACTIONS

The Lula administration has eagerly embraced the opportunity to restore Brazil's reputation for multilateralism and leadership at both the global and regional levels. To be a leader of the Global South, Brazil recognizes that it must develop and maintain better relations with African and Asian countries.⁴⁷ Many of its recent actions demonstrate its desire to expand its role. While initially hesitant, Brazil endorsed the expansion of the BRICS platform, which culminated in the admission of four new members. Argentina's rejection of the offer means that Brazil remains the only Western Hemisphere member of the newly christened BRICS+, but the entry of new members may yet help Brazil's push for multilateralism by diluting the

weight of China and Russia within the grouping.⁴⁸ In August 2023, Lula participated in the Community of Portuguese Speaking Countries summit along with eight other developing countries from Africa and Southeast Asia to encourage cooperation on food and nutritional security as well as the creation of human rights networks and the implementation of diplomat training programs.⁴⁹

Furthermore, Brazil—home to the world’s largest rainforest—finds itself closely aligned with countries like Indonesia and the Democratic Republic of the Congo on environmental issues. In May 2023, Lula met with Indonesian President Joko Widodo to discuss the preservation of the world’s tropical forests as well as the two countries’ trade balance and shared positions on the war in Ukraine.⁵⁰ Closer to home, Brazil held the first Amazon Summit in Belem, a landmark conference that encourages cooperation among eight South American nations to facilitate sustainable and inclusive development.⁵¹ In addition to its work on environmental issues, Brazil has aligned itself with the Global South in the fight against wealth inequality. In June 2023, Lula publicly blamed rich countries for the environmental crisis facing the world, emphasizing that “it was not the African people who polluted the world. It was not the Latin American people who polluted the world,” but rather those who carried out the Industrial Revolution, and that therefore they should be the ones to pay.⁵² Following devastating floods in the state of Rio Grande do Sul in 2024, which left over 100 dead and hundreds of thousands displaced, Lula issued new calls for international support toward mitigating the impacts of climate change, though the response to date to this incident has been primarily driven by Brazilian government resources.⁵³

Brazil’s strong insistence that world powers do their part does not come without Brazil making its own efforts, however. In South America and the broader world, Brazil seeks to act as a peacemaker and share the burden of the traditional powers. At least locally,

Brazil appears ready to support its neighbors to guarantee peace. As Venezuela continues its military buildup, threatening Guyana and ending the respite from interstate conflict that South America has experienced since the 1990s, Brazil has called for calmness and restraint over the Essequibo border dispute.⁵⁴ To demonstrate that it would be willing to enforce peace, Brazil reinforced its border with Venezuela after Venezuela refused to back down.⁵⁵ This goes against the Brazilian policy of peace at all costs, as seen in Ukraine and Gaza, which it has supported since the onset of the two conflicts. Lula went to great lengths to advocate for peace in Ukraine, meeting with President Zelensky in September 2023 and offering to serve as a conduit for negotiations between Ukraine and Russia. By contrast, Brazil's efforts in Gaza have been less fruitful. After the rejection of its proposed ceasefire in the UNSC, the war expanded, prompting Lula to recall his ambassador from Israel.⁵⁶

Most recently, Brazil has sought to shepherd a bloc of left-leaning governments in responding to the fraud and subsequent crisis that followed Venezuela's presidential elections on July 28, 2024. Notably, Brazil has yet to recognize Maduro as the victor of the elections, and it has been marshaling support among other regional heavyweights like Colombia and Mexico in seeking a mediated solution, including potentially a redo of the election. This suggestion was heavily criticized by the Venezuelan opposition.⁵⁷ However, Brazil's credibility as a regional authority may be challenged by its approach to Venezuela. On August 16, 2024, a grouping of over 20 Western Hemisphere and European countries, led by the Dominican Republic and Panama, signed a joint statement condemning apparent fraud in Venezuela's elections and demanding a release of citizens detained in the subsequent protests that broke out across the country.⁵⁸ Rather than acting as a mediator, Brazil found itself sidelined by a coalition of smaller states able to articulate a clearer shared vision. This incident underscores that Brazil's pride of place

on hemispheric issues is by no means a given, and Brazil's inclination toward multilateralism may not, in itself, be sufficient to navigate major regional crises.

CONCLUSION

In its quest for "seriousness," Brazil suffers from a foreign policy at times lacking in coherence. It chafes at U.S. unilateralism and dreams of a world where Washington contents itself with a seat at the table, but not at its head. At the same time, the powers Brazil courts in pursuit of benign multipolarity are themselves unlikely to be content with a mere seat at the table, and far more likely to desire a position of leadership. Indeed, when it comes to issues like territorial disputes, China and Russia appear perfectly content with unilateral action. As great power competition continues to challenge and divide international institutions, Brazil may very well have the chance to establish its diplomatic bona fides as a champion of a cooperative and rules-based order. Doing so, however, will not only require strategic vision and sustained commitment from Brasília but a recognition that it may not always be possible to engage with all countries, especially when those countries seek to actively upend or subvert the very rules by which Brazil wishes the world to play.

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INDIA'S FUTURE STRATEGIC CHOICES: COMPLICATIONS OF MASS

Richard M. Rossow

INTRODUCTION

Leading up to the 2023 G20 summit in New Delhi, the Indian government put up billboards of Prime Minister Narendra Modi across the city. By one count, there were almost 1,000 signs and banners in the 12-kilometer stretch between the airport and U.S. President Joe Biden's hotel highlighting India's accomplishments, aspirations, and vision under Modi's leadership.¹ When asked about the billboards, India's G20 coordinator responded, "We haven't done advertising. We're doing branding."² But this branding exercise was not merely intended to highlight India's leadership role in a major international summit; it also sought to assert India's leadership among the G20 countries that are less wealthy but large and fast growing. Quite purposively, India gathered more than 100 countries for the Voice of the Global South Summit the week before the G20 summit, where Modi declared the importance for India of "voicing the concerns of the Global South on the agenda of a significant platform like G-20."³

As the concept of a coalition of Global South countries has emerged in recent years, India's efforts to bolster its own brand as the vanguard of the Global South have accelerated. But India's response to a new international order reflects an old strategy. In

March 1947, on the eve of Indian independence, India hosted the first Asian Relations Conference, bringing together a diverse range of countries, including China, Indonesia, Egypt and the Arab League, Australia, and many of the Soviet republics. India hosted the conference during a period of geopolitical transformation, as countries around the world grappled with the aftermath of World War II and an emerging process of decolonization. Jawaharlal Nehru, then vice president of the Viceroy's Executive Council, described the moment of the conference as an "age of transition." He argued, "One of the notable consequences of the European domination of Asia has been the isolation of the countries of Asia from one another," but "as that domination goes, the walls that surrounded us fall down and we look at each other again and meet as old friends long parted."⁴

In 1947, India was still undergoing a postcolonial political consolidation and a reversal of almost two centuries of economic exploitation under British colonialism. The idea that colonizers had purposefully created divisions between the countries they colonized and that India should play a role in restoring the historical ties among the newly liberated states became a powerful foreign policy tool. India argued that similarly situated states should align neither with their former rulers nor with their adversaries and instead should remain nonaligned.

Today, India uses similar instruments of influence. India has a growing repository of hard-power tools—including defense technology and outbound foreign investment—with which to affect the international system. India's attention has, until now, often focused domestically, with one Indian diplomat arguing, "The foremost task of India's foreign policy is to enable the domestic transformation of India."⁵

Yet a changing global order offers new opportunities to strengthen India through expanded Indian influence. An era of U.S.-led unipolarity is yielding to rising great power competition, while demographic and economic growth across the Global South

has increased the geopolitical salience of countries that have traditionally lacked influence on the international stage. India has a fast-growing economy, a hard-power tool kit that is poised to significantly expand, and important stakes in the international system. It is therefore unsurprising that India, once again, finds itself at the center of an emerging discourse among states that were formerly leaders of the nonaligned world, often termed the Global South.

To date, India's external power and influence are largely confined to its regional neighborhood and to rhetorical power. India's claims of leadership for the Global South are consolidating its influence in Africa and Asia but still fall far short of China's investment-led diplomacy. However, in the coming decades, socioeconomic and geopolitical shifts will dramatically change India's role in the global system. India's growing economic power will encourage other countries to seek closer relations, and as India becomes "a friend to all and an enemy to none," it will gain greater diplomatic power. Still, India's aspiration for "strategic autonomy" will be tested as states push an increasingly powerful India to pick sides in conflicts ranging from Russia's war in Ukraine to the Israeli-Palestinian conflict and tensions with Iran. Additionally, for India to remain undeterred on its economic development trajectory, it will have to carefully balance an increasingly aggressive neighbor, Pakistan. The last few weeks of May 2025 proved the fragile nature of regional peace. The significance of the Global South as a political coalition may ultimately hinge on how India chooses to balance its goal of strategic autonomy with its emerging role as a powerful actor on the global stage.

HISTORY, GRIEVANCES, AND ASPIRATIONS

A fundamental contradiction lies at the heart of Indian foreign policy: The state is, in many respects, one of the most significant geopolitical actors on the global stage, yet it does not share in many of the benefits of the international system afforded to other major

powers in the Global North. This contradiction stems from the formation of the post-World War II international system. During the war, India supplied almost 2.5 million troops around the world, a total exceeding that of countries such as France.⁶ Yet, in the aftermath of the war, France was rewarded with a permanent seat on the UN Security Council (UNSC), whereas India was not. The sense of dispossession has remained a through line of Indian foreign policy, with Indian Minister of External Affairs Subrahmanyam Jaishankar lamenting more than 70 years later, “India was not on the high table in 1945 and continues to pay the price of being absent.”⁷

Since independence in 1947, India has sought to play a role in leading fellow countries that had recently emerged from colonialism. In 1955, India co-organized the Bandung Conference, where dozens of nations came together to speak for oppressed nations and outline shared objectives of self-determination and equality.⁸ Six years later, India co-organized the first meeting of the Non-Aligned Movement (NAM) to discuss how postcolonial countries could avoid being drawn into Cold War competition.⁹ India played a formative role in the creation of the Group of 77 (G77) in the United Nations in 1964 and served as the inaugural chair from 1970 to 1971.¹⁰ The group, which has been focused on what were formerly known as “developing countries,” now encompasses 134 nations, from impoverished ones like Yemen to wealthy ones like Qatar and from tiny ones like Dominica (population of about 75,000) to huge ones like India (population of more than 1.4 billion).¹¹

India has used its capacity to convene and mobilize Global South countries to push for the reform of international institutions. Since the 1990s and 2000s, India has positioned itself as the leading voice of developing nations at the World Trade Organization (WTO). Indian officials argue that developed nations almost entirely drive the priorities of WTO discussions. Issues such as agricultural market access disproportionately affect poorer countries, and India

has often called for a comprehensive set of discussions that offer clear protections for developing nations.¹² India also regularly calls for governance reforms of the World Bank, International Monetary Fund, Nuclear Suppliers Group, and International Telecommunication Union.¹³

Within the United Nations, India has emerged as a champion of the principle of Common but Differentiated Responsibilities and Respective Capabilities within the UN Framework Convention on Climate Change.¹⁴ This principle, which acknowledges different responsibilities for nations like India that have historically had a significantly lower carbon footprint than Western nations, has become a key issue for Global South countries as states ramp up the global response to climate change.¹⁵ Finally, India's Ministry of External Affairs explicitly linked the Voice of the Global South Summits to its presidency of the G20 at the time. Following the first summit in January 2023, the ministry wrote that the summit's deliberations were significant because "India's ongoing presidency of the G20 provides India a special and strong opportunity to channelize these inputs into the deliberation and discourse of the G20."¹⁶

This long-standing grievance about India's exclusion from the institutions of international governance has naturally aligned its rhetoric at the United Nations with that of other Global South countries. In 2018, then-Minister of External Affairs Sushma Swaraj noted that the combined populations of India and Africa totaled almost 2.5 billion people and called for the inclusion of both Indian and African representation on the UNSC.¹⁷ Similarly, in 2023, Modi pointed to the exclusion of the continents of Africa and Latin America when he advocated for India's inclusion in the UNSC.¹⁸ India couches calls for its increased inclusion in the international system of governance within the language of a united Global South movement. By doing so, it seeks to legitimize its efforts as part of a broader shift toward more inclusive international governance rather than a self-inter-

ested pursuit of increased Indian influence.

Building on its historical role, India hosted three Voice of the Global South Summits between 2023 and 2024, where it convened 125 countries to share their perspectives on and priorities for a range of issues facing developing countries, including the Covid-19 pandemic, Russia's war in Ukraine, developing country debt, and food and energy security.

But as India seeks to leverage the power of a coalition of Global South countries to restructure the international system, it also seeks to preserve that system. The 1962 Sino-Indian War is a historical example that casts a long shadow. In part, it exposed India's vulnerability to its eastern neighbor, and the aftermath of the conflict led India to dramatically overhaul and modernize the Indian military. But the war also led India to emphasize the importance of sovereignty and respect for territorial borders in the international system.

As a result, Indian foreign policy today seeks to navigate between the two poles of stasis and change. Modi cautions against an "adversarial relationship" with the Global North and warns that the alternative to an inclusive international order is "a world that is adrift, that becomes more fragmented."¹⁹ Moreover, China's ascent in the geopolitical landscape has magnified India's concerns about sovereignty and the maintenance of international norms. India's strategy is to balance its competing desires to position itself as a leader of the Global South and to push for fundamental reform of international institutions while also maintaining its strategic autonomy and using the international system of rules and norms to protect its geopolitical interests.

VISIONS OF GLOBAL ORDER

India does not want to be pushed by other nations to reduce critical trade linkages with Russia. While India's position on the invasion of Ukraine has evolved in helpful ways, India still relies on Rus-

sian military equipment for its services, and its decision to ignore restrictions on Russian crude oil sales has been a boon to domestic energy markets. However, there is little strategic overlap between evolving worldviews in Delhi and Moscow. India's diaspora, trade, and investment partners are largely with the United States, Europe, South Korea, Japan, and other Western or Western-oriented nations. India desires recognized borders, shipping security, and other basic features of a global international order.

India has three interconnected approaches to global order. First, it would like to reform existing international institutions in order to enjoy greater authority within them. At the G20 Foreign Ministers' Meeting on Global Governance Reform in 2024, then-Indian Minister of State for External Affairs Vellamvelly Muraleedharan argued that an Indian vision of a reformed multilateral system includes four elements: increasing the representativeness and efficacy of international financial institutions, improving the working methods of international organizations, reducing the influence of individual states' interests in multilateral systems, and initiating comprehensive UN reforms, especially of the UNSC.²⁰

Second, India is shifting from its historical policy of nonalignment to a new strategy of "plurilateral omni-alignment." The fundamental goal of both nonalignment and what India's ruling Bharatiya Janata Party (BJP) calls "multialignment" remains the same, insofar as India continues to seek strategic autonomy. However, this new strategy diverges in its increased willingness to enter into simultaneous strategic partnerships with competing major powers alongside coalitions of Global South countries and middle powers.²¹ As part of this strategy, India has joined or created a wide range of multilateral or minilateral organizations that allow it to advance its strategic interests while simultaneously providing alternatives to existing structures.²² In doing so, it has balanced its participation in Western, Global South, nondemocratic, and Indo-Pacific groups with the goal

of becoming “a friend to all and an enemy to none.”²³

Third, while India is engaging with Global South countries across the world, it is also refocusing on expanding relations with immediate neighbors. It does so as China has expanded its development assistance and economic investments in South Asia, including almost \$16 billion in projects in the Maldives and Sri Lanka alone between 2000 and 2018.²⁴ India has sought to counter growing Chinese economic influence in the Indo-Pacific neighborhood by expanding its regional diplomatic and economic ties. In 2020, for example, India formed the Colombo Security Conclave—a new minilateral group including Bangladesh, the Maldives, Mauritius, Seychelles, and Sri Lanka—focused on security issues, humanitarian assistance, and disaster relief.²⁵ At the same time, India has tightened its economic ties with its neighbors through infrastructure investments and debt diplomacy, including by signing a 20-year energy agreement with Sri Lanka and providing loans to the Maldives to prevent a default.²⁶ Notably, India’s loans to the Maldives were interest free, part of India’s broader strategy of economic engagement with Global South countries that seeks to contrast itself with China’s more exploitative model of debt diplomacy.

NATIONAL DEBATE

As India’s leadership seeks to expand the country’s influence on the global stage, domestic public opinion is signaling widespread optimism with the country’s growing geopolitical weight. According to a 2023 Pew Research Center poll, 68 percent of Indians feel that India’s influence in the world has been on the rise in recent years. This finding holds true across political party affiliation, with 60 percent of respondents who do not support the governing parties under the National Democratic Alliance agreeing that India is growing in global influence.²⁷ The polls also suggest growing Indian public concern with China, whose impacts on India range from trade

to territory. Unfavorable views of China reached record levels at 67 percent of participants, up from 46 percent just five years prior.²⁸

Despite growing popular alignment over India's international trajectory and its principal foreign policy concerns, India's domestic politics are becoming more challenging. In May 2024, Prime Minister Modi's BJP formed a third consecutive government—a feat only previously achieved by India's first prime minister, Jawaharlal Nehru. However, the BJP no longer constitutes a majority in parliament, and it must rely on coalition partners to form a government. While Modi enjoyed an outright majority from 2014 to 2024, the situation was unusual; from 1989 onward, India has typically had coalition governments at the center supported by regional parties—a norm that appears to have returned.

In this context, India's political opposition parties have begun to craft a foreign policy agenda that more clearly differentiates them from Modi's ruling party, the BJP. Although foreign policy has historically been a marginalized issue in Indian elections, opposition parties emphasized foreign policy during the 2024 elections.²⁹ In its 2024 election manifesto, the Indian National Congress party highlighted several areas of divergence, criticizing the Modi government for insufficiently raising defense expenditures and advocating for a harder line on China and greater engagement with India's immediate neighbors—specifically, Bhutan, the Maldives, Myanmar, Nepal, and Sri Lanka. It also calls for India to return to its more traditional stance on foreign policy, singling out the Modi government's relative embrace of Israel amid the conflict in Gaza.³⁰ But as these critiques demonstrate, the scope of political debate about India's engagement with the world, and with Global South countries specifically, is mainly relegated to debates over the shape of that engagement. There is widespread support within the political elite, buttressed by strong public opinion, that India should play a more assertive role in global affairs.

Historically, India's permanent diplomatic corps has contributed to India's relatively consistent foreign policy agenda. However, turbulent coalition dynamics mean that this consistency and unanimity can change and should not be taken for granted. There are other factors, too. Demographics are changing, and the number of urban voters will increase. Climate risks are increasingly consequential. These changes may combine to make regional political interplays more complex.

Moreover, although foreign policy falls solely under the mandate of the central government, state governments and regional parties are central to India's development trajectory and, by extension, its narrative as a global player. This is for two reasons. The first is their role in attracting foreign direct investment. While many outsiders see a "China+1" supply chain diversification strategy as a national issue, states have major economic roles to play, and many develop their own set of foreign policy priorities. In addition, political parties—such as the one running Bihar and Andhra Pradesh—sometimes have parochial interests that can affect national policy. For instance, the Congress-led coalition government in 2010 could not muster enough regional parties to support legislation to set liability for civilian nuclear accidents, which, in turn, has precluded nuclear trade with the United States.

Ultimately, there is relatively high unity among both foreign policy decisionmakers and grassroots public opinion about the need for India to play an assertive role in global politics and international governance. However, smaller margins for the ruling coalition in parliament have incentivized opposition parties to more clearly differentiate their foreign policy platforms from Modi's. Combined with demographic changes and substate policy variation, these trends suggest that the specific form of India's global engagement may be susceptible to change over time in the coming years.

ECONOMICS

Promoting economic growth and integration is an integral part of India's broader strategy of maintaining plurilateral agreements with a wide range of international actors. The country's rapid domestic economic growth creates a positive incentive for countries to expand engagement with India, both economically and diplomatically. The country's GDP has increased dramatically, from approximately \$37 billion in 1960 to \$3.57 trillion in 2023. This growth has made India the world's fifth-largest economy, and it is projected to surpass Germany and Japan in the next six years.³¹ In demographic terms, India recently passed China to become the world's most populous nation—a title India may never cede. India is also the largest source of international migrants, with a diaspora estimated at 17.5 million as of five years ago.³² India is also the largest recipient of remittances at \$125 billion in 2023, almost double that of the second-largest nation, Mexico.³³

To this end, India's substantial economic development domestically has put the country in a more powerful position to strike deals internationally. India was the world's second-largest exporter of information technology (IT) services in 2021 at \$119 billion, behind only Ireland at \$204 billion. India also has a meaningful level of trade integration with the world. India's goods trade is equivalent to 46 percent of its GDP, which is middle of the pack for the world's five largest economies—behind Germany and Japan but ahead of the United States and China.³⁴ Military hardware plays a major role in India's trade figures. India constituted nearly 10 percent of total global arms imports from 2019 to 2023, and the country's arms exports are growing.³⁵ While Russia remains the largest source of foreign-procured arms, France, the United States, and Israel are steadily gaining market share.

India is also a growing provider of development assistance, which has become a tool of foreign policy. Between 2000 and 2024,

India provided a total of \$48 billion in development assistance to 65 countries. That total includes grants, credit, and capacity building and training assistance but excludes emergency assistance and multilateral funding.³⁶ The emphasis on international development assistance for Global South countries is also set to expand in the coming years, with India allocating \$810 million for external development projects in its FY 2025–26 annual budget, an increase of 20 percent from the previous year and representing a third of the Ministry of External Affairs’ total budget.³⁷

Expanded development assistance serves two key functions for India’s foreign policy goals. First, it serves as a vehicle for India to establish itself as a leader among countries of the Global South. At the Third Voice of the Global South Summit, Modi unveiled a Development Compact designed to coordinate efforts by Global South countries to address their debt crisis by boosting capacity building, trade, and concessional finance.³⁸ Second, Indian development assistance is building long-term partnerships between India and Global South peers. India has provided loans of more than \$14 billion to fund 357 projects across 42 countries in Africa. These projects often focus on building traditional infrastructure, such as highways, railroads, and ports, which could serve as a precursor to more expansive bilateral trade with African countries.³⁹ Similarly, India is also exporting its own digital infrastructure to Global South countries as a means of fostering greater multilevel engagement.⁴⁰ Collectively, this economic engagement has the potential to build up long-term mutual economic dependencies between the Global South and India.

STRATEGIC COMPETITION: THE CHINA THREAT

If the goal of India’s increasing engagement with Global South countries is to ensure India’s strategic autonomy in a changing global order, it does not view all threats to its autonomy equally. As the

rhetoric of policymakers and public opinion polling demonstrate, Indians remain particularly concerned about threats within their immediate neighborhood. India faces important territorial disputes with its two largest neighbors, China and Pakistan. Instability in several Middle Eastern countries, where India has large diaspora populations, is a recurring concern for New Delhi. Almost all of India's immediate neighbors have varying levels of political instability, as well as deepening linkages with China.

India's most important strategic consideration is its tense relationship with China, which poses a range of escalating threats beyond India's ability to manage alone. First, the two nations have yet to resolve their border disputes. This has led to significant clashes, such as a 2020 skirmish where soldiers engaged in brutal hand-to-hand combat resulting in dozens of casualties.⁴¹ Second, China's People's Liberation Army Navy has increased its presence in the Indian Ocean, regularly deploying research vessels and conducting deep-water surveys.⁴² Third, India holds a significant trade deficit with China. China (including Hong Kong) is India's largest goods trade partner by a significant margin, with \$147 billion in total trade in FY 2023-24. India's second-largest goods trade partner is the United States, with \$120 billion in total trade last fiscal year. India also has a five-to-one trade deficit with China, which has triggered a range of trade protections by the Modi government.⁴³ Fourth, China's influence extends into the religious domain. In 1959, the spiritual head of Tibetan Buddhism, the Dalai Lama, fled Communist China to take up residence in India. He is now 89 years old, and there are concerns about a leadership schism after his passing. Many expect the Chinese government will seek to select a more pliant religious leader, over the objections of India-based Tibetan Buddhists.⁴⁴ Lastly, China is heavily invested in Pakistan, which India views as an often-hostile neighbor to its west. Despite reports that China's investments are going poorly, projects such as the \$62 billion China-Pakistan Economic Corridor (C-PEC)

and the deepwater port in Gwadar make some Indians fear China is attempting to encircle them.⁴⁵

India's response to this set of challenges has been to expand its engagement with Global South countries in the Indo-Pacific. As other sections of this paper note, India in recent years has substantially increased its multilevel engagement with countries in the Indo-Pacific, including by developing minilateral fora, ramping up development assistance, and building physical and digital infrastructure to facilitate mutual dependencies. India's engagement with Global South countries is thus mediated by extant security concerns and, accordingly, exhibits regional variations.

RECENT ACTIONS

While India's economy has grown significantly, its ability to use economic tools to advance its diplomatic goals remains modest. India provided a total of \$667 million in aid to other nations in FY 2022-23, the majority of which went to its tiny neighbor Bhutan.⁴⁶ Worldwide, Indian firms invested only around \$4 billion in equity into external markets, a tiny sum on a global scale.⁴⁷ While India's trade is growing sharply, the majority of India's largest goods trade partners are "developed" nations, and all of them have higher per capita income levels than India.

India is expanding efforts at economic integration with partners, particularly through development assistance, loans, and infrastructure construction. Compared to other major powers in the global system, however, its global economic footprint remains modest. The relatively small scale of Indian engagement helps explain why India has sought to use symbolism as a force multiplier, leading through ideals and pushing diplomatically for global changes on behalf of fellow Global South countries.

As discussed, India has taken a strong advocacy role, calling for reform and more inclusive structures within existing international

institutions, ranging from the United Nations to the International Monetary Fund, World Bank, and WTO. Officials in New Delhi discuss India's leadership of the G20 as the reintroduction of India as an emerging leader on global issues and a voice of the Global South. While tangible outcomes resulted, such as gaining support for the African Union joining the G20 and raising awareness of India's growing digital public infrastructure, these were relatively marginal.

Facing resistance to its efforts to reform the current structures of international governance, India has sought to create competing structures and tools. Among the most notable is the formation of BRIC (Brazil, Russia, India, China) in September 2006, later rebranded as BRICS with the inclusion of South Africa in 2010.⁴⁸ Members' disagreements about exactly what the group's goals should be and how it should pursue them, abetted by rivalries between them, have sometimes obstructed progress. As a result, early ambitions, such as disrupting the Western-led global economic system, have remained unfulfilled. Still, BRICS has been active. It created a multilateral development bank called the New Development Bank in 2015. More recently, it expanded, adding Egypt, Ethiopia, Iran, and the United Arab Emirates in 2024 and Indonesia in 2025.⁴⁹ Yet exactly what the organization will seek to do and what it can do remain uncertain.

With internal disagreements limiting the impact of BRICS as an alternative to the Western-led international order, India has recently invested in newer, smaller, and more plurilateral coalitions of Global South countries. In its own neighborhood, India launched the Forum for India-Pacific Islands Cooperation in 2014 to boost its bilateral and multilateral cooperation with 14 Pacific Island countries. But this policy has extended well beyond the Indo-Pacific. In 1991, El Salvador, Guatemala, Honduras, Nicaragua, and Panama established the Central American Integration System (SICA) to boost regional cooperation and economic integration. In 2004, India hosted a delegation of 14 SICA countries, leading to a formal agreement to establish a mechanism

for political cooperation between India and SICA. This agreement led to a framework of biannual high-level meetings between India and SICA countries, as well as annual meetings alongside the UN General Assembly, with a specific focus on cooperation over IT, science and technology, drugs and pharmaceuticals, infrastructure, and tourism.

India has also crafted agreements with Western powers to support its work with Global South countries. In 2015, India cocreated the International Solar Alliance (ISA) with France.⁵⁰ The role of the ISA is to facilitate the transfer of capital and technology to developing nations to accelerate steps to combat climate change. India and other nations believe that developed nations' pledges of support are not being met, and India wants to play a catalytic role in supporting more work.⁵¹ Around 120 nations have signed on to the ISA, including the United States. The ISA claims progress in strengthening solar projects in Bhutan, Madagascar, Uganda, and elsewhere.

However, as much as India seeks to lead the Global South, the chief obstacle is its complex relations with China. The two countries are neighbors, partners, and rivals. While India has grown strong ties with fellow Indo-Pacific powers that share concerns about China's destabilizing rise, almost all these countries share China as their principal trading partner. In addition, India's concern with China has driven U.S.-India security ties, both bilaterally and through the reconstituted Quad—a grouping among Australia, India, Japan, and the United States—of which India is a principal driver. India finds the Global South an inadequate security hedge against China's power; India requires help from the United States and its closest allies, arguably undermining the strategic autonomy India seeks from traditional great power competition.

CONCLUSION

India's future will be even brighter than the present. India contributed around 16 percent of global economic growth last year; this

number could rise to 18 percent by the end of the decade.⁵² As its economy grows, India will have more resources to channel into outbound foreign investment, development assistance, and production of a wider array of advanced weapons systems. However, as India continues along this trajectory, it will likely face growing tension between its aspirations to play a more powerful role in the international system and its desire to maintain strategic autonomy and multialignment. India's engagements with other nations will become more consequential, and India may find it harder to continue its role as a bridge between competing forces. Other nations will want India to choose sides.

India's strategic and economic footprint has been large enough to be noticeable but small enough to allow flexibility in looking at partnerships and models for global order. Those days will soon pass. China's strength and belligerence will compel India to continue deepening a range of strategic partnerships, and India's growing heft as an economic and technological hub will challenge its ability to retain its position as a balancing power on crucial global issues such as future conflicts in the Middle East. Ultimately, India's security and domestic prosperity will be most closely linked to its relations with the United States and its partners.

India's outreach to Global South countries could be a key determinant of its ability to maintain a balance between its strategic autonomy and rising power in an era of dynamic multipolarity and growing geopolitical competition. Like India, many countries in the Global South resent their exclusion from the international system of governance and the legacy of a forced choice between great power competitors during the Cold War. At that time, however, Global South countries remained fragmented, limiting their ability to resist the pressures of the international system to choose a side. But today, Global South countries have begun to consolidate coalitions of like-minded countries, leveling up their ability to influence international

politics. India, as a clear leader of many of these coalitions, could use this scaled-up influence to define for itself what strategic autonomy will look like in a multipolar world featuring a powerful Indian state. In the next decade, a new chapter in the foreign policy strategy of a resurgent India must be written as its tools catch up to its lofty visions for an independent pathway in global affairs.

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BETWEEN TWO REEFS: INDONESIA'S STRATEGIC CULTURE IN THE TWENTY-FIRST CENTURY

Gregory B. Poling and Andreyka Natalegawa

INTRODUCTION

In a landmark 1948 speech, Indonesia's first vice president, Mohamad Hatta, proclaimed, "The best policy to adopt is one which does not make us the object of an international conflict. On the contrary, we must remain the subject who reserves the right to decide our own destiny and fight for our own goal, which is independence for the whole of Indonesia."¹ While Hatta spoke of the Cold War and the choice of aligning with either the Soviet Union or the United States, his conception of Indonesia as rowing between two reefs (*mendayung antara dua karang*) has remained a guiding principle of Indonesian foreign policy in the decades since the country's independence.

As the world's third-largest democracy, the largest Muslim-majority nation, a founding member of the Non-Aligned Movement (NAM), and a leading figure in the Association of Southeast Asian Nations (ASEAN), Indonesia has been characterized as a rising middle power and a central player in the emergent Global South. As a sovereign country, Indonesia has pursued what analysts and policymakers describe as a *bebas aktif*, or free and active, foreign policy—free because the country does not side with world powers,

and active because it does not take passive or reactive stances on global issues but does seek to operate in a diplomatic role.²

With a free and active foreign policy forming the root of the country's strategic culture, Indonesia has forged a path of nonalignment, pursuing a strategy of what former President Susilo Bambang Yudhoyono described as "a million friends and zero enemies."³ This has remained true even for Indonesia's outlook toward current geopolitical tensions between the United States and China. Former President Joko "Jokowi" Widodo held to it while in office from 2014 to 2024, and his successor Prabowo Subianto has adopted his own spin on Yudhoyono's mantra: "A thousand friends are too few, one enemy is too many."⁴ But it remains to be seen whether this approach will be sufficient in safeguarding Indonesian interests while reducing the risk of conflict and promoting peace and prosperity in the region.

HISTORY, GRIEVANCES, AND ASPIRATIONS

Following Indonesia's declaration of independence on August 17, 1945, the nation's early strategic culture was defined by its commitment to anticolonialism and its pursuit of agency and sovereignty through diplomatic engagement. Foreign policy in the early years under Sukarno, Indonesia's first president, was marked by efforts to secure international support for Indonesia's independence in the face of the Netherlands' campaign to reassert control over its former colonial subject. Indonesia's strategic culture in the decade following the conclusion of the Indonesian National Revolution in 1949 could be characterized as being primarily invested in maintaining its independence and showing it off on the global stage, rather than attempting to achieve other objectives. By the mid-1950s, Indonesia began to more actively use its international platform to advance an anticolonial agenda, resulting in the landmark Asian-African Conference in Bandung in 1955 and the subsequent establishment of the NAM in 1961.

Under Sukarno, anticolonialism was also a manifestation of his most pressing internal priority: countering the centrifugal forces that threatened to split the new nation. Unlike most of the newly independent states of Southeast Asia, there was no precolonial polity or shared culture on which to build an Indonesian national identity. Sukarno, therefore, resisted calls to root the nation's founding principles in either Islam or the culture and language of Java, where most of its citizens lived, reasoning that those would only encourage disunity. Instead, the nation was founded on a pluralistic creed, dubbed Pancasila, and an official language that none of its citizens spoke at home, the simplified Malay trade language now called Bahasa Indonesia.⁵

Official myth building was necessary to forge a sense of national unity, but it also led Indonesia to pursue what its leaders imagined to be their natural borders. One of Indonesia's first real forays into international affairs was to force negotiations with the Netherlands, backed by military threats, over the status of the Dutch half of New Guinea, which led to the incorporation of the territories into Indonesia as Irian Barat (now Papua). Then came a low-level and ultimately unsuccessful military campaign, dubbed Konfrontasi, to prevent the formation of Malaysia. This was driven in part by Indonesia's desire to incorporate the former British colonies of Sabah and Sarawak, which border its own Kalimantan region on the island of Borneo. Indonesia would later invade Timor-Leste upon its independence from Portugal to unify the island of Timor.

The ouster of President Sukarno and the transition to the Suharto-led New Order regime in the mid-1960s led to consequential shifts in Indonesia's strategic culture and foreign policy. While still nominally neutral in the Cold War, the Suharto government was avowedly anti-communist and sought a "moderate, pragmatic approach to Indonesia's serious economic problems," which, in turn, led it to improve ties with the United States and its allies in a bid for much-

needed investment and economic engagement.⁶ The Suharto era was also marked by the 1967 founding of ASEAN, then consisting of Indonesia, Malaysia, the Philippines, Singapore, and Thailand.⁷ The bloc was initially established to stem the spread of communism in the region and to prevent disagreements between the members from breaking out into violence, as they had during Konfrontasi. The group proved quite successful at both, not least by giving Indonesia a platform to advance its goal of regional leadership without violence. ASEAN today forms the nominal cornerstone of Indonesian foreign policy, with the country repeatedly reaffirming the importance of “ASEAN centrality,” even as the organization faces a multitude of crises and strategic drift.⁸

The collapse of the Suharto government in 1998 and the onset of the democratic *reformasi* period led to seismic shifts in Indonesian policy, including the swift decentralization of power from the national government to local authorities and the redefining of Indonesia’s foreign policy priorities to reflect the democratic transition.⁹ The domestic debate over the basis of Indonesian nationhood widened, and while the security services remained fixated on perceived threats to national unity, the state made compromises unthinkable during the Suharto years. Timor-Leste was allowed to vote for independence in 1999 after decades of insurgency, though the process was marred by violence.¹⁰ The westernmost province of Aceh, which calls itself “Mecca’s veranda,” won special autonomy and the right to impose sharia law in 2001 after a long insurgency.¹¹ The Papuan provinces were also granted special autonomy that same year, but implementation was piecemeal, and the insurgency there is arguably now stronger than ever.¹² On the national level, Islamist parties were allowed to compete in elections starting in 1999, and though their overall vote share has remained relatively low, they have pulled national politics steadily in their direction.¹³

Indonesia’s approach to foreign affairs since the democratic

transition has walked a narrow line between global pressures and internal political dynamics.¹⁴ The now-routine changes in administration in the country have also contributed to the changing shape and nature of Indonesia's strategic culture.

President Yudhoyono, who served from 2004 to 2014, was the first post-*reformasi* leader to really seek to elevate Indonesia's role in world affairs.¹⁵ He embraced Indonesia's emergence as a middle power, particularly during its hosting of the G20, as well as ASEAN and East Asia Summits during his tenure. Yudhoyono's government sought, among other objectives, to play a much more active role in regional affairs, including in the South China Sea disputes between fellow ASEAN members and China, and even offered to send Indonesian peacekeepers when a border dispute between Cambodia and Thailand turned violent.¹⁶ His successor, Jokowi, was by comparison less interested in international affairs beyond the ability to attract foreign investment. Prabowo, however, has a vision for Indonesia's role in the world at least as ambitious as that of Yudhoyono. But despite their differences, across all periods of Indonesia's history, from the Sukarno and Suharto eras to the *reformasi* period, the conception of a free and active diplomacy has remained a critical guiding principle and the foundation of Indonesia's strategic culture.

NATIONAL DEBATE

Despite Indonesia's vibrant democracy, public debate over the role of the country on the international stage remains limited. For instance, foreign policy issues were not a major factor in the country's 2024 presidential elections, with many voters instead casting their ballots based on perceptions of the economy.¹⁷

The lack of a consistent public debate on Indonesia's foreign policy is rooted in the fact that the general population has remained consistent in its views of Indonesia's core priorities. In the Lowy Institute's Indonesia Poll 2021, respondents identified "protecting Indo-

nesian citizens abroad,” “strengthening the Indonesian economy,” and “protecting the jobs of Indonesian workers” as the country’s top foreign policy priorities, nearly identical to the survey’s results in 2011.¹⁸ The survey revealed that “Indonesians also see global and regional challenges as important goals, but place a lower priority on them than domestic and trade-related concerns,” with respondents identifying “strengthening international institutions, peace and conflict resolution and other related foreign policy goals as ‘fairly important’ rather than ‘very important.’”¹⁹ These findings reflect the fact that for most of Indonesia’s history, foreign policy was the bailiwick of the country’s elites. While the post-*reformasi* period has brought greater public interest in international affairs, the democratization of Indonesian foreign policy remains a gradual process.

Most Indonesian elites share similar foreign policy priorities with the public. In the 2025 iteration of its annual survey of Southeast Asian strategic elites (defined here as policymakers, academics, civil society representatives, and private sector executives), the ISEAS-Yusof Ishak Institute (ISEAS) found that Indonesian respondents generally identified “unemployment and economic recession,” “widening socio-economic gaps and rising income disparity,” and “climate change and extreme weather events” as the primary challenges facing the region.²⁰ Where there are debates within elite circles on issues related to foreign policy, such as over how to triangulate Indonesia’s relationships with the United States and China, disagreements are often grounded in parochial domestic or economic considerations rather than norms or values. By and large—and perhaps reflective of the “big-tent” governance style adopted by most of Indonesia’s post-*reformasi* leaders—there is a considerable degree of consensus among Indonesian elites on foreign policy. With a few exceptions, the foreign policy platforms of candidates in Indonesia’s 2024 presidential elections were strikingly similar, each rooted in the country’s longstanding *bebas aktif* approach.²¹

That both the public and elites view Indonesia's foreign policy agenda as a corollary to a domestic economic agenda in some ways reflects the country's growing pains as an emerging economy and its anxieties regarding economic recovery following the Covid-19 pandemic. These anxieties may in turn be compounded by the impact of the second Trump administration's trade agenda, with Washington announcing a 32 percent tariff on Indonesian goods on "Liberation Day."²² But this more focused definition of Indonesia's interests narrows the aperture of the country's strategic culture, with Indonesian diplomats more often serving as "salesmen" and as facilitators of trade and investment rather than as emissaries for a more ambitious foreign policy.²³

Despite this dynamic, most Indonesian elites have a bullish view of the country's role in regional affairs. The 2025 ISEAS survey found that, when asked which ASEAN member state has made the biggest contribution to the region's development and progress, almost 80 percent of Indonesian respondents selected Indonesia itself.²⁴ And in a 2020 survey of strategic elites in Southeast Asia conducted by CSIS, nearly 50 percent of Indonesian respondents identified their country as holding significant political power and influence in the region, with this figure rising to over 60 percent when Indonesian respondents were asked to identify countries that will hold significant political power and influence in 2030.²⁵ Indonesian elites clearly evince a degree of pride and optimism toward their country's leadership role in Southeast Asia, but this optimism exists in tension with the fact that Indonesian foreign policy has for the past decade been frequently described as "punching under its weight."²⁶

ECONOMICS

Indonesia's economy can be described as a mixed economy, one in which free market principles are balanced by a degree of centralized economic planning, protectionist impulses, and the outsized

role of state-owned enterprises (SOEs). This reflects a deep-seated pattern of economic nationalism that grew out of the anticolonial struggle for independence from the Netherlands, whose rule began not under the Dutch government but the shareholders of the Dutch East India Company. That legacy colored the economic policies of both the Sukarno and Suharto administrations; the former flirted with Soviet-inspired central planning, whereas the latter pursued Western-oriented free market reforms, mainly for the benefit of a close circle of cronies.

The country's GDP is about \$1.54 trillion, with an annual growth rate of approximately 5 percent, as of 2023.²⁷ Inequality remains a core challenge for Indonesia, with a Gini coefficient of 38.3 and approximately 9.4 percent of the population below the national poverty line in 2023.²⁸ Unsurprisingly, economics are a key driver of Indonesian foreign policy. This dynamic has sharpened in recent years, with hopes for Indonesia's demographic dividend balanced against fears of falling into the middle-income trap informing the country's economic statecraft and foreign policy.²⁹

Indonesia's abundance of natural resources means that its exports are dominated by commodities and raw materials. Mineral products, including coal briquettes, petroleum gas, copper ore, and other materials, accounted for more than 27 percent of Indonesia's export value in 2022.³⁰ Animal and vegetable by-products are also a critical industry, and Indonesia ranks as the world's top exporter of palm oil, which accounts for about 9 percent of the country's exports by value.³¹ Indonesia's top export destinations as of 2022 were China (28.5 percent of overall export value), the United States (9.7 percent), Japan (8.5 percent), India (8.0 percent), and Malaysia (5.3 percent). Meanwhile, in terms of imports, top partners as of 2022 were China (28.5 percent of overall import value), Singapore (8.2 percent), Japan (7.2 percent), Malaysia (5.3 percent), and South Korea (4.9 percent).³²

The long-term viability of Indonesia's reliance on the export of

raw commodities has come under increased scrutiny from Jakarta in recent years, with the Jokowi administration pursuing an ambitious—and controversial—campaign to accelerate the country’s industrialization in a bid to avoid the “resource curse.”³³ These efforts included a 2020 ban on the export of nickel ore, a move primarily aimed at encouraging companies to process the resource onshore “so more value accrues to Indonesia.”³⁴ Indonesia is the world’s top exporter of nickel, which is vital in many industries, including batteries and electric vehicles.

This strain of resource nationalism, as well as a broadly protectionist streak among Indonesian policymakers, sometimes leads to incompatibility between Indonesian foreign policy and international efforts toward trade integration. While Indonesia played a leading role in the establishment of the Regional Comprehensive Economic Partnership (RCEP) agreement between the 10 ASEAN countries and five of its dialogue partners, including China and Japan, the country initially refrained from joining the Trans-Pacific Partnership (TPP) and its successor, the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP).³⁵ Moreover, Indonesia has been remarkably less ambitious than its peers when it comes to next-generation trade frameworks, including those that its ASEAN neighbors are pioneering in the digital space.³⁶ But Indonesia has lately shown an increased appetite for multilateral, rules-based trade arrangements, albeit not those at the cutting edge. Jakarta joined the Biden administration’s modest Indo-Pacific Economic Framework for Prosperity and has championed the ASEAN Digital Economy Framework Agreement, which the grouping hopes to conclude by the end of 2025. Most importantly, the Prabowo administration announced that Indonesia will finally bid to join the CPTPP.

GREAT POWER COMPETITION

In line with its free and active foreign policy, Indonesia has firmly

refused to take sides in great power competition, with President Prabowo remarking, “Our guiding philosophy is to be friends with all countries.”³⁷ Elite and public opinion polls suggest this desire for balance is widely held. The Lowy Institute’s 2021 survey indicated the United States enjoyed more trust than China among the Indonesian public, but not by the considerable margins seen in the Philippines or Vietnam, which are more directly confronted by Chinese bullying.³⁸ Both Lowy’s public polling and elite surveys by groups including ISEAS and the Foreign Policy Community of Indonesia show a strong preference to remain neutral in U.S.-China tensions.

This is in part reflective of the strength of China-Indonesia relations. The two sides upgraded their relationship to a comprehensive strategic partnership in 2013, and China has been Indonesia’s top trading partner for over a decade.³⁹ China also routinely ranks as one of Indonesia’s top sources of foreign investment and has played a key role in infrastructure development through the Belt and Road Initiative, developing the high-profile Jakarta-Bandung high-speed rail project, among others.⁴⁰ Public opinion surveys conducted by Gallup in 2024 indicate that 29 percent of Indonesians surveyed approved of China’s leadership while 49 percent disapproved—compared to 24 percent of respondents who approved of U.S. leadership and 58 percent who disapproved.⁴¹ China and Indonesia also share a degree of alignment in international fora—across votes in the UN General Assembly identified by the U.S. State Department as being strategically significant to Washington, Indonesia and China maintained an average voting coincidence of 78.3 percent between 2008 and 2024, in contrast to Indonesia’s voting coincidence of 33.0 percent with the United States in the same period.⁴²

There are limits to this equanimity, however, and Indonesians are not blind to potential threats—economic, environmental, or military—particularly from China. While Indonesians generally welcome Chinese trade and investment, and attracting more of it was proba-

bly the foremost priority of the Jokowi administration, polling also shows considerable anxiety about the environmental and social tolls of irresponsible investment. Most citizens in Indonesia, like everywhere else, have relatively little time to worry about geopolitics amid the struggles of daily life. But they do see plenty of stories of exploitative business practices by Chinese employers, importation of Chinese labor to construct Belt and Road Initiative projects, and environmental crimes like the dumping of toxic tailings from Chinese nickel mines into the sea.⁴³

On the security front, Indonesia does not feel threatened by China in the same way the Philippines or Vietnam do. But Indonesia is a party to the South China Sea disputes, as much as Jakarta has traditionally denied it, and public anger has risen as China has engaged in coercive behavior at sea with increasing frequency. Public opinion appears to be on the side of those, mainly in the security services, who want a stronger response to this growing harassment. A recent survey by the Indonesia Strategic and Defence Studies (ISDS) think tank showed that more than 70 percent of members of the Indonesian defense community believe China represents a military threat to Indonesia in the South China Sea. Further, majorities support strengthening military capabilities and working more closely with neighbors and outside parties like the United States (in the latter case by smaller margins) to confront that threat.⁴⁴

It is also unclear how much impact the Israel-Hamas war and the reelection of Donald Trump are having on Indonesian perceptions of the United States or how lasting the damage will be. Anecdotaly, the image of the United States in Indonesia has suffered since October 2023, but there is no public polling and very little elite polling to indicate by how much.⁴⁵ The damage is not likely to be as severe as in neighboring Malaysia and Brunei, the other two Muslim-majority states of Southeast Asia, but that may be partly because the Palestinian cause, while salient, does not have the same profile in Indonesia

as it does in Malaysia. Malaysia has hosted a Hamas representative office for years, and it publicly supports the group. Meanwhile, Indonesia has distanced itself from Hamas, allowing only a Palestinian Liberation Organization office.

Since the outset of the war in Gaza, the Malaysian government under Anwar Ibrahim has rallied public support for Hamas and has condemned both Israel and the West at large, while the Indonesian government has been more measured. Indonesian officials have decried Israeli attacks on civilians, especially on the Indonesian-run hospital in Gaza, but have not publicly supported Hamas. They have also been careful not to blame the United States directly for Israel's actions and have tried to keep the war from poisoning U.S.-Indonesia relations. Jokowi, for instance, had a state visit to the White House in 2023 that minimized tensions over Gaza in favor of focusing on bilateral cooperation.⁴⁶ More recently, then-president-elect Prabowo publicly welcomed a Biden administration ceasefire deal while U.S. Secretary of State Antony Blinken thanked Prabowo for Indonesia's humanitarian assistance in Gaza.⁴⁷

In keeping with its nonaligned foreign policy, Indonesia has also tried to navigate Russia's war in Ukraine without entirely alienating either side.⁴⁸ Indonesia maintains robust relations with Russia, with the two countries upgrading their relations to a strategic partnership in June 2025.⁴⁹ In terms of economic relations, bilateral trade between Indonesia and Russia amounted to \$3.3 billion in 2023—the two countries are also now in the process of negotiating a free trade treaty between Indonesia and the Russian-led Eurasian Economic Union (EAEU).⁵⁰ Russia has also historically played a significant role in Indonesian defense procurement, though this has ebbed and flowed in recent years due to concerns within Jakarta regarding the threat of secondary sanctions under the Countering America's Adversaries Through Sanctions Act (CAATSA). Meanwhile, in terms of public sentiment toward Russia, nationally representative public

opinion surveys conducted by Gallup in 2024 found that 29 percent of Indonesian respondents approved of Russia's leadership and 48 percent disapproved—compared to the 24 percent of respondents who approved of U.S. leadership and the 58 percent who disapproved.⁵¹ And in the United Nations, across votes in the UN General Assembly identified by the U.S. State Department as being strategically significant to Washington, Indonesia and Russia maintained an average voting coincidence of 66.7 percent between 2008 and 2024, in contrast to Indonesia's voting coincidence of 33.0 percent with the United States in the same period.⁵²

There is little polling to indicate how Indonesians feel about the war, but anecdotal evidence suggests Russian disinformation operations have found more success in Indonesia than elsewhere in Southeast Asia, particularly on TikTok. Many Indonesians appear to admire Russian President Vladimir Putin for his perceived strength, though there is no way of telling just how much of the population shares such sentiments. The Indonesian government has not supported sanctions on Russia and has continued to buy Russian oil. But Indonesia supported three of the four UN General Assembly resolutions condemning Russia, abstaining only on the resolution to evict Russia from the UN Human Rights Council.⁵³

Indonesia was hit particularly hard by the spike in food and cooking oil costs that resulted from the Russian invasion. As a result, Jokowi made stabilizing food and fuel prices a major focus of his chairmanship of the G20 in 2022.⁵⁴ He was determined to have both sides present at the summit in Bali that fall and started by making unsuccessful, and perhaps naive, trips to Kyiv and Moscow early in the year.⁵⁵ He succeeded, however, in promoting Indonesia as an honest broker and obtaining enough representation from each side at the G20 summit—Foreign Minister Sergey Lavrov, but not President Vladimir Putin, for the Russians, and a video address by President Volodymyr Zelensky for Ukraine—that no one boycotted

the meeting and the parties could issue a joint communique. The breakthrough was hardly major, but more than most international bodies managed that year.

VISIONS OF GLOBAL ORDER

Much like other Global South countries, Indonesia holds a mixed view of the rules-based international order, simultaneously benefiting from its institutions while also critiquing such bodies for their perceived inequities. For instance, Indonesia has long sought to advance the reform agenda in the United Nations, with a central focus on “efforts to make the Security Council more democratic and representative.”⁵⁶ Despite widely shared criticisms of the UN Security Council, Indonesia has remained firmly committed to the United Nations. The Lowy Institute’s polling and elite surveys from ISEAS show that Indonesian citizens and elites prioritize the United Nations only slightly less than they do ASEAN as a pillar of the nation’s foreign policy.⁵⁷

Indonesia has also played an unusually important role in the development of the UN system. It did not get a say in the original charter or the creation of the Security Council, but it had a hand in creating most of what came after. For instance, Indonesia played a leading role among the Asian and African states at the first two UN Conferences on the Law of the Sea in 1958 and 1960. Indonesia, alongside the Philippines, was the first to advance the concept of an “archipelagic state” entitled to rights over its internal waters.⁵⁸ It refused to ratify any conventions that did not include that new concept, championing it through to the conclusion of the UN Conference on the Law of the Sea in 1982—a major victory over both Soviet and Western opposition.

As the world’s largest archipelagic state, Indonesia continues to champion international maritime law. Its foremost jurist on the subject, the late Hasjim Djalal, served as the first president of the

International Seabed Authority in the mid-1990s and helped write the rules governing deep seabed mining, which are prevalent in the news today. In the South China Sea, until the Philippines filed its landmark arbitration case in 2013, Indonesia had crafted the most detailed legal arguments against the nine-dash line. Even as Jokowi refused to publicly endorse the Philippine victory in that arbitration, his government quietly incorporated it into Indonesian domestic law, redrawing its maritime claims maps in accordance with the court's findings. On this and many other fronts, Indonesia may prefer to argue quietly behind closed doors rather than make public pronouncements, but it is a firm champion of the international laws it helped write.

Indonesia, like most in the Global South, seeks revisions to the global order, particularly on economic matters. This has led the country to pursue alternative diplomatic frameworks rooted in cooperation with Global South countries. For instance, on the sidelines of the 2022 UN Climate Change Conference (COP27) summit in Sharm el-Sheikh, Egypt, Indonesia signed a rainforest protection pact with Brazil and the Democratic Republic of the Congo—collectively home to more than half of the world's tropical rainforests.⁵⁹ Indonesia has also spearheaded dialogue among fellow middle powers through the MIKTA grouping (Mexico, Indonesia, South Korea, Turkey, and Australia), providing these countries with a platform for enhanced cooperation and mutual understanding.⁶⁰ But Indonesia's appetite for alternative diplomatic arrangements and institutions outside of its role in ASEAN, which remains the cornerstone of the country's foreign policy, has its limits: Following months of speculation, Indonesia in August 2023 politely refused an invitation to join BRICS (Brazil, Russia, India, China, South Africa), which would have been seen as an endorsement of China's preferred structures over those of the West.⁶¹ Although the Prabowo administration later reversed this decision and announced Indonesia's intent to join BRICS in

October 2024, continued public debate on the challenges and risks associated with the grouping demonstrates a lack of consensus on the matter within Indonesia's strategic elite.⁶²

In tandem with its engagement with BRICS, Indonesia has also actively sought membership in the Organisation for Economic Co-operation and Development (OECD). It has explicitly framed its membership bid as offering the OECD the “existence of the voice of the Global South” in the grouping, demonstrating Indonesia's preference for leveraging its middle-power status to reform, revise, and improve global rules-based institutions rather than break them altogether.⁶³ These efforts also signify Indonesia's perspective that while ASEAN remains the cornerstone of the country's foreign policy, more is better as it relates to channels of diplomatic engagement.

RECENT ACTIONS

Indonesia's alignment in the global order and its role on the international stage rest at a nexus. Following 10 years of relatively anemic foreign policy under President Widodo, the transition to the Prabowo administration presents an opportunity for Indonesia to take on a more ambitious role both regionally and globally. While the apparent sidelining of the Indonesian Foreign Ministry in the policy process in favor of a more personalistic leadership style under Prabowo poses a risk to the country's pursuit of its foreign policy goals, the myriad challenges that Indonesia now faces in the region could force Jakarta to reimagine and retool its role in international affairs. This could prove most visible in ASEAN, where Indonesia is often seen as a natural leader given its size and economic heft but has been somewhat absent during the last decade.

However, ASEAN has been in a funk for more than a decade, undermining its oft-stated “centrality” in regional affairs.⁶⁴ The grouping has made virtually no progress on political and security crises, either within itself (the crisis in Myanmar) or between mem-

bers and external parties (the South China Sea or the Mekong River). On the economic front, ASEAN has had considerable success on traditional issues like reducing barriers to trade and labor mobility, but it has lacked ambition on other issues, including the digital economy. Indonesia has been a leading proponent of a more ambitious ASEAN agenda on issues as diverse as Myanmar and ethics related to artificial intelligence. But moving beyond talk to action will require a constellation of Southeast Asian states pushing at the leader level, with Indonesia a necessary component of any such effort.

The South China Sea is one area where Indonesia has become progressively more engaged but still punches below its weight. China's nine-dash line overlaps with Indonesia's exclusive economic zone. Since the early 1990s, Indonesia has struggled to confront state-sanctioned and often coast guard-escorted fishing fleets from China operating illegally within its waters. During Jokowi's first term, from 2014 to 2019, Fisheries Minister Susi Pudjiastuti publicly called out China's behavior as part of her campaign to crack down on illegal fishing, and on several occasions the Indonesian coast guard had violent run-ins with Chinese fishers and law enforcement vessels.⁶⁵ In more recent years, Jokowi was forced to fly to Natuna Besar—the northernmost point of Indonesian territory bordering the South China Sea—and order a flyover of Indonesian fighter jets to convince China to withdraw a large fishing fleet that lingered for weeks in Indonesian waters.⁶⁶

Despite these incidents, when not compelled by a major news cycle, Jokowi and the Indonesian foreign ministry preferred to keep quiet on the South China Sea tensions. The Indonesian security services, however, reached a turning point in late 2021. That year, Indonesia began exploratory drilling to develop a new offshore gas block at the southern edge of the nine-dash line. China responded by sending coast guard vessels to harass the rig and its supply ships, forcing the Indonesian navy and coast guard to deploy several ships

to protect the rig.⁶⁷ There was no violence, but the cat-and-mouse game went on for three months. In the end, Indonesia succeeded in developing the new gas block. Indonesian coast guard and navy officials have been more vocal on the issue ever since, including calling for greater coordination with fellow Southeast Asian claimants. This bred hopes that as president, Prabowo, who served as defense minister during Jokowi's second administration, might give the security services more room to deepen maritime cooperation with others and push back on China's bullying.

On that front, messages have so far been mixed. Indonesian and Chinese vessels engaged in a weeks-long standoff in October 2024—Prabowo's first month in office—and security services were for the first time allowed to publish videos and photos of Chinese aggression. But a month later, Prabowo visited Beijing and signed a joint statement that offered to share resources in disputed waters of the South China Sea, shocking his own foreign policy apparatus. In less than 48 hours, the foreign ministry clarified that Indonesia does not recognize any legally disputed waters with China, making the joint statement a dead letter. But the result has been whiplash and confusion on Prabowo's approach to Beijing. In the end, Prabowo still seems unlikely to make any major shifts in navigating U.S.-China tensions. He will likely seek to defend Indonesian sovereignty without alienating China or breaching Indonesia's traditional policy of non-alignment.

CONCLUSION

A free and active diplomacy—or, to use the favored metaphor, rowing between two reefs—has served as the bedrock for Indonesia's strategic culture and foreign policy since independence. That role is unlikely to change despite how great power competitions has limited the middle ground on which Indonesia hopes to stand. Like most middle powers of the Global South, Indonesia is concerned pri-

marily with preserving its agency and pursuing its national interests, not picking a geopolitical camp. As it did in the Cold War, Indonesia will align most closely with the power that best serves its interests, but the relationship will never be exclusive. The only factor that could change this situation would be overt aggression from China (not just gray zone coercion by coast guard and militia vessels), which is unlikely. Indonesia is an emergent power on the world stage, one whose support will be necessary to advance an agenda on most global challenges. The United States must strengthen its soft power advantages in Indonesia, work with Jakarta where interests overlap, allow space for Indonesian leaders to buck U.S. preferences when they must, and minimize the impact of those disagreements.

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MEXICO: A PIVOTAL STATE ON THE GLOBAL STAGE

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INTRODUCTION

In his 1867 Manifesto to the Nation, Benito Juárez famously stated: “Among individuals, as among nations, respect for the rights of others is peace.”¹ Spoken by Mexico’s first indigenous president, Juárez’s quote demonstrates Mexico’s view of the global order—that countries should promote national sovereignty, security, and prosperity through collaboration and dialogue rather than through intervention. Mexico effectively operates with one foot in the door of the Global North, via its position in North America, and one foot in the door of the Global South, as one of the leading economies and cultural powerhouses of Latin America. This hybrid role, characterized by some as a “pivotal state,” has created both opportunities for leverage and areas of tension with other countries, particularly with regards to its close but complicated relationship with its northern neighbor.²

A key player and beneficiary of a global economy underpinned by a U.S.-led order, Mexico has found itself in a state of “autonomy within limits,” by which U.S. interests oftentimes circumscribe Mexico’s range of potential actions.³ Being the United States’ southern neighbor both grants Mexico unmatched economic benefits and presents it with a delicate balancing act: In pursuing autonomy

within limits, Mexico must maximize its benefits from the Western-led order while asserting its sovereignty and reducing its dependence on the order's biggest players, especially the United States. This tension influences Mexico's policy positions as its presidents balance nationalistic rhetoric at home and trying to assuage U.S. concerns. Mexico's balancing act also exacerbates divisions between the country's pro-Global North elites and its disadvantaged populations who have not received the benefits of global economic integration, which has led to the success of the social welfare and populist-oriented Morena party.

Mexico's effort to maintain relations with its neighbor to the north consumes most of its foreign policy energy. But Mexico's foreign policy DNA, often described as noninterventionism or the Estrada Doctrine (after Foreign Affairs Minister Genaro Estrada), can sometimes undercut its desire to play a leadership role on the global stage. Mexico firmly believes that nonintervention in the internal affairs of other countries can earn it a seat at the tables that matter, allowing it to negotiate or mediate conflicts. In practice, however, Mexico has demonstrated little global leadership of late, preferring to stay on the sidelines (and under President Lopez Obrador, to focus on his project of domestic transformation). Mexico's ultimate goal is to exert full sovereignty over its domestic affairs; it has also used its political capital on the global stage to openly criticize the role of U.S. sanctions and containment policies against Cuba, Nicaragua, and Venezuela for contributing the region's security and migration crises. Further, Mexico does not see the world through the West's post-Cold War lens, but rather as a group of politically equal states. China and Russia are treated as normal states in the international system the same way Algeria, Ethiopia, or Thailand might be.

HISTORY, GRIEVANCES, AND ASPIRATIONS

Mexico's troubled history with colonialism planted the seed for the

suspicion of hegemonic powers that reverberates through its current foreign policy positions. Throughout its three-hundred-year rule, Spain established an extractive colonial economy in Mexico that used the hacienda system to primarily export minerals including silver and gold to Spain. This system and its exploitation of indigenous people exacerbated inequality, creating socioeconomic divisions that remain relevant today. According to recent estimates, Spain pillaged around 100 metric tons of gold in the first 50 years of the *conquista*, making it “the most powerful country in Europe.”⁴ Spain’s rule came to an end in 1821 during the War of Independence under the leadership of Miguel Hidalgo, but issues such as foreign ownership of mines operating in the country continue to be sensitive topics today.

After achieving independence, Mexico’s exercise of sovereignty was short-lived. The country suffered invasions, first by the United States and then by France.⁵ Animosity as a result of the Mexican-American war, in which the United States took half of Mexico’s territory in 1848, was a determining factor in the bilateral relationship for over a century and served as the basis of Mexico’s non-interventionist policy.⁶ The French invasion from 1861–67 further cemented this position; in fact, it was after the invasion of France that President Benito Juárez immortalized the quote mentioned above. The principles of self-determination and nonintervention remain so present in Mexican foreign policy that after Russia’s full-scale invasion of Ukraine in 2022, then-Minister of Foreign Affairs Marcelo Ebrard said that because “Mexico suffered two invasions by France and two by the United States, we lost half of our territory, and due to history and tradition, due to our genesis as a nation, we have to reject and strongly condemn the invasion of a country like Ukraine by a power like Russia.”⁷

Post-independence, Mexico bristled at the operation and foreign ownership of key industries as a way for foreign countries—partic-

ularly the United States—to limit its sovereignty. Natural resources, particularly oil, have been central to Mexico’s political and economic history. The expropriation of foreign oil companies by President Lázaro Cárdenas in the 1930s and the subsequent creation of *Petróleos Mexicanos* (Pemex) were key moments that asserted Mexico’s autonomy and sovereignty against U.S. economic interests in the region. This move stood in contrast to the policies of President Porfirio Díaz, whose 1892 subsoil ownership laws aligned closely with foreign interests, allowing landowners to exploit oil and mineral resources without special concessions.⁸ Díaz’s 1909 law further clarified that resources including petroleum were the exclusive property of the landowners, which benefited foreign companies and elites at the expense of the broader Mexican population. In 1925, President Calles reversed course and solidified the nation’s control over its subsoil resources through the Petroleum Law, which declared that the Mexican nation owned all hydrocarbons. This law positioned the petroleum industry as a public utility, prioritizing its development over surface land use and preparing the ground for Cárdenas’ subsequent nationalization. The law, however, led to tensions with the United States, which were partially eased by the 1928 Calles-Morrow Agreement affirming the rights of foreign companies to areas they had developed before the 1917 Constitution. After Cárdenas’ expropriation in the 1930s, a decline in foreign investors saw the country face an economic slowdown with a 50 percent decrease in exports.⁹ Threats from the United States and the confiscation of oil assets led to diplomatic tensions. Mexico then sided with the Allied Powers in World War II, allowing for the reinvestment and modernization of its oil industry after the war.

While Mexico and the United States grew closer as a result of World War II, it was not until the Cold War that Mexico actively sought to strengthen its relationship with its northern neighbor. By the 1980s, Mexican policymakers shifted their economic policy to

work closely with the United States, primarily due to the United States' rise as a global economic power. The signing of the North American Free Trade Agreement (NAFTA) in 1994 in particular heralded what came to be known as the Mexico's "Grand Strategy," an economic alignment with the United States and an institutionalization of bilateral relations.¹⁰

Notwithstanding, Mexico's pragmatic approach has been mostly economic and has not translated into full political alignment with the United States. The two countries continue to face tensions over issues such as drug and weapons trafficking, corruption, and immigration, with several acute issues of note. The United States pressed Mexico to declare a "War on Drugs" after the murder of U.S. Drug Enforcement Administration agent Enrique "Kiki" Camarena in 1985.¹¹ Conversely, Mexico has filed a lawsuit against U.S. gun manufacturers for their role in fueling violence in the country.¹² In 2019, the United States arrested Genaro Garcia Luna, Mexico's former security minister, on charges of corruption and drug trafficking in collaboration with the Sinaloa Cartel, and General Salvador Cienfuegos on charges of drug trafficking and involvement with the H2 cartel.¹³ Cienfuegos' arrest, conducted without informing Mexican counterparts, was heavily criticized in Mexico as a violation of Mexican sovereignty.

Historically, Mexico has maintained close ties with regimes that challenge the United States in the hemisphere, even when these are repressive dictatorships, including Cuba and Venezuela.¹⁴ It is widely known that Fidel Castro sought refuge in Mexico in 1955, from where he launched the movement to overthrow the U.S.-backed Batista government. According to Castro's memoir, he, his brother, and Ernesto "Che" Guevara chose Mexico because it "was a country that had carried out a great revolution in the second decade of the 20th century . . . [and] every other nation in the region was ruled by tyrants."¹⁵ Mexico's Support for Cuba continues today—by the

end of the first quarter of 2023, the government had supplied at least 2.8 million barrels of oil to Cuba, invited Cuban leadership to participate in Mexico's civic-military parades during Independence Day celebrations, and called for an end to the U.S.-led embargo.¹⁶

NATIONAL DEBATE

The role of Mexico on the global stage, and specifically its relationship with the United States, has been at the center of national debate since the country's independence. On the one hand, Mexico's externally oriented economy and its integration with the United States has provided it with significant economic benefits. GDP per capita has risen dramatically, catapulting Mexico to middle-income status. On the other hand, outsized reliance on the United States as an export market has made it vulnerable to diplomatic pressure, creating a tension difficult to reconcile given Mexico's strong nationalistic and anti-interventionist stance.

From Mexico's perspective, the question at the center of the power imbalance between Mexico and the United States is not whether the United States infringes on Mexico's sovereignty, but to what extent this should be permitted. In the apogee of the Monroe Doctrine, Latin America was often referred to as the "United States' back yard." Mexico's desire to exert full sovereignty while being constrained by U.S. economic and political interests has been a source of discontent and, at times, resentment. During the presidency of Porfirio Díaz, for example, the United States pressed Mexico to provide significant concessions to U.S. companies wanting to build railroads in Mexico's north.¹⁷ Manuel María de Amazona, Mexico City's representative in Washington, warned Díaz at the time that if U.S. railroads did not make their way into Mexico, "their bayonets will."¹⁸ Mexico interprets the demands of U.S. companies as bullying behavior even today, as U.S. companies press Mexico to provide subsidies and privatize its national enterprises at the occasional cost

of Mexicans' quality of life, as seen during the Covid-19 pandemic.¹⁹

While on paper it seems as though Mexico as a whole has benefited from trade with the United States, there is strong internal debate over who benefits from the wealth that the country has seen in recent decades. Internal divisions between the industrialized north and the agrarian south, and between urban economic elites and disadvantaged rural populations, are evidence that rising levels of inequality are leading to diverging views of the role of the United States and its importance as a trade partner. The elite (sometimes of U.S. origin) tend to want friendlier relations with the United States, while much of the rest of the country hopes to assert greater self-determination.

There are two main factors at the root of inequality in Mexico: geography and race. Ethno-racial stereotyping is pervasive in Mexico, and it is a significant factor that has outsized impact on individuals' prospects for progress. In fact, recent studies have shown that race is the most important determinant for Mexicans' economic achievement, with darker-skinned—oftentimes indigenous—Mexicans achieving lower socioeconomic status and social mobility.²⁰ Similar studies have also demonstrated that Mexicans with lighter skin report higher salaries (\$220 a month) than Mexicans with darker skin (\$137 a month). This has contributed to societal fractures in Mexico where progress seen as accruing from NAFTA has been primarily profitable to light-skinned, often U.S.-educated Mexican entrepreneurs.

Geographic disparities in the distribution of wealth are also evident, with inequality primarily concentrated in the southern regions of Mexico.²¹ In postcolonial times, the concentration of land in the hands of hacienda owners left a legacy of dispossession among indigenous people, whose occupation was primarily agrarian. Prior to NAFTA, farming was for subsistence and trade, but after the trade agreement came into effect, Mexico's agricultural produc-

tion was taken up by larger U.S. companies which led to deepening inequality. Intergenerational social mobility is also greatest in the Mexican north.²² Furthermore, most foreign direct investment (FDI) is concentrated in northern states, facilitating a more prosperous environment and deeper pro-U.S. sentiments. As of August 2024, about 46 percent of FDI was concentrated in Mexico City, followed by the Mexican states of Nuevo Leon, Baja California, and the state of Mexico.²³

According to some reports, the top 10 percent of Mexicans increased their share of national income in the decade after NAFTA was implemented, while the other 90 percent saw a decrease in income share or did not experience any change at all.”²⁴ In 1996, former Minister of Foreign Affairs Jorge Castañeda argued in *Foreign Affairs* magazine that “as long as Mexico delays the changes that will bring prosperity to all, the country will remain stalled, divided between a minority whose lot depends on the United States and a majority periodically buffeted by economic and political crisis.”²⁵

Mexico’s inequality indices also serve as a proxy for political sentiments throughout the country. In 2018, to the surprise of many, Mexico elected a populist president, who for the first time focused on the poor (remarkably, his campaign slogan was “for the good of all, first the poor” [author’s translation]).²⁶ Andrés Manuel López Obrador (often referred to by his initials, AMLO), who campaigned on addressing inequality by investing heavily in social welfare programs, made it a central point of his presidency to bridge the gap between Mexico’s industrialized north and its disadvantaged south—if sometimes via dubious white elephant projects.²⁷ While there is extensive debate over the feasibility of AMLO’s policies, some argue that these programs were able to decrease Mexico’s inequality for the first time in six years.²⁸ President Claudia Sheinbaum has continued AMLO’s legacy of social welfare, upholding support for national industries, and pushing Mexico-first policies. However, at a critical

time when investors are looking at Mexico's potential to attract near-shoring investment, internal divisions over Mexico's relationship with the United States—and with other countries in Latin America—may lead Mexico once again to a more inward stance.

ECONOMICS

Mexico's economy has grown to be the 12th-largest in the world, making it the second-largest in Latin America and Mexico one of few countries with a total GDP exceeding \$1 trillion.²⁹ Its economy is primarily a competitive free market; however, state-owned enterprises and domestic champions are extremely popular, especially in the oil and energy sectors, with policies favoring them prompting worry among international partners and at times leading to trade disputes.³⁰

Mexico's establishment as a global trading hub can be traced back to the colonial era, during which the ports of Veracruz and Acapulco linked the transoceanic silver trade from Europe to Asia. Like other post-independence countries, Mexico initially pursued a developmental, protectionist model with import substitution and barriers to foreign investment in the early twentieth century.³¹ Although Mexico's economy rose to global prominence during the colonial period as an exporter of silver commodities, the country's economy industrialized and shifted to manufacturing in the postwar era, leading to the "Mexican Miracle" of rapid development.³² Since Mexico adopted its economic reforms in the 1980s and 1990s—largely under presidents who had trained at U.S. universities in economics and political science—trade has been central to Mexico's interactions with other countries, and it has become a pillar of Mexico's overall economy, making up roughly 88 percent of its total GDP.³³ Mexico has free trade arrangements with more countries than the United States does.

Mexico's geographical proximity and socio-historical links to the United States have prompted much of its trading economy to be

oriented toward its northern neighbor, particularly in the manufacturing sector. Manufacturing, which started as the famous low-wage *maquiladoras* and has transformed into more elaborate industries, continues to be the largest sector of Mexico's economy, with strengths in automotive, aerospace, consumer electronics, and medical device production. Mexico is home to large private companies like FEMSA, Grupo Bimbo, and Grupo Mexico; however, foreign companies and their Mexican subsidiaries are among the largest employers in the country. While domestic firms tend to cater primarily to the domestic market, foreign firms are outward-focused, often more competitive, and primarily export goods to the United States.

Beyond manufacturing, Mexico has significant mineral and oil reserves, and the country's state-owned oil enterprise Pemex, despite recent financial travails, is among the most valuable firms in Latin America. While mining commodity exports no longer form the backbone of Mexico's economy, its mineral wealth provides opportunities in high-value supply chains like electric vehicles and semiconductors. The state of San Luis Potosi alone produces roughly 63 percent of the global supply of fluorspar, a mineral that is critical for the process of etching semiconductor wafers.³⁴ The state of Sonora hosts one of the largest reserves of lithium in the world, although its terrain and criminal environment makes the process of extraction challenging, compounded by legal regulatory barriers established by Lopez Obrador's nationalization of lithium.³⁵

Mexico's economic relationship to non-Western powers including China has evolved over time. China's rise and the U.S. push to nearshore manufacturing production has attracted Chinese suppliers into Mexico to take advantage of U.S.-Mexico-Canada Agreement (USMCA) provisions and bypass U.S. restrictions on Chinese imports. Chinese FDI into Mexico has skyrocketed over the past decade, rising from \$38 million in 2011 to \$386 million in 2021.³⁶ In 2023, China announced \$12.6 billion in new investments in the coun-

try.³⁷ Unlike in much of Latin America, where China's investments aim to secure access to commodity exports, investments in Mexico are concentrated in services and advanced manufacturing. Border states like Nuevo Leon have seen particularly significant investment from Chinese suppliers of electronic vehicle components, largely to take advantage of existing infrastructure for automobile manufacturing and China's dominance in refining and producing lithium-ion batteries.³⁸ Mexico has also made deals with Huawei to expand its public Wi-Fi and fiber-optic cable networks, increasing internet access across Mexico despite privacy concerns. Huawei's market expansion is driven in part by its ability to mitigate risk through Chinese state subsidies, making it the cheapest option for telecoms hardware in Mexico and granting it almost unhindered market access after Mexico's telecoms giant, América Mavil, named it a "trusted vendor."³⁹

Neither fully Global North or Global South, Mexico actively participates in multilateral and global economic institutions. Upon ratifying NAFTA, Mexico was the first Latin American country to join the Organisation for Economic Co-operation and Development (OECD), which has since only been joined by Chile, Colombia, and Costa Rica. Mexico is likewise a member of Asia-Pacific Economic Cooperation (APEC) and joined the Grupo 23 in 2002 to advocate for trade liberalization in the agriculture sector. Mexico was a member of the Organization of the Petroleum Exporting Countries (OPEC) from 1982 to 1985, and since 2006 it has been a member of OPEC+. Through its membership in the G20, Mexico has worked to promote greater social inclusion and equity in development finance for the Global South.⁴⁰

GREAT POWER COMPETITION

Mexico was one of the first countries in Latin America to recognize the People's Republic of China in 1972. Its ties with China have been

expanding since the 2000s, alongside China's turn toward greater global economic engagement. With Mexico, China's economic engagement is based on North American supply chains. However, the relationship is unbalanced, as Mexico imports nearly 10 times the value that it exports to China.⁴¹ In 2013, Mexico and China signed an agreement to participate in a "comprehensive strategic partnership," and the two countries have utilized the China-Community of Latin American and Caribbean States (CELAC) forum and APEC to promote political and economic cooperation.⁴² A more recent problem is the concern that Chinese investments target Mexico as a backdoor to bypass tariffs and take advantage of favorable USMCA provisions.⁴³ Mexico is currently facing the challenge of balancing U.S. interest in nearshoring supply chains with China's growing investments in North American supply chains. So far, Mexico has refrained from joining the Belt and Road Initiative or the Asian Infrastructure Development Bank, likely in an effort to calm U.S. concerns about China.

Mexico's relationship with Russia is more limited but perhaps even more complicated. While it condemned Russia's invasion of Ukraine in the United Nations and even presented its own version of a "peace plan," Mexico has declined to impose sanctions on Russia and has remained largely neutral in the conflict overall.⁴⁴ In March 2022, Mexico's Chamber of Deputies launched a Mexico-Russia friendship caucus, which received pushback from AMLO's Foreign Affairs Ministry.⁴⁵ In 2023, AMLO again caught U.S. attention when he invited Russian troops to participate in the country's Independence Day parade.⁴⁶ There have long been rumors that Mexico City is a key node in Russia's espionage network harkening back to the Cold War, when it was a top destination for Soviet spies; under the AMLO presidency, Russia has increased its diplomatic presence in Mexico City, with many speculating that additional personnel could be conducting espionage. In economic terms, Mexico is Russia's larg-

est trading partner in Latin America; Russia exports metals, chemicals and plastics and rubber materials.⁴⁷ For its part, Mexico exports consumer and capital goods, as well as machinery and electronics to Russia. Bilateral trade between the two countries decreased year-on-year between November 2023 and November 2024 from \$3.08 million to \$2.33 million⁴⁸. In terms of NATO expansion and alliance politics, Mexico is neither a member of NATO nor is it designated as a major non-NATO ally. It has said little about the debate over NATO enlargement, but AMLO once criticized NATO's military aid to Ukraine, accusing it of prolonging the war.⁴⁹

Of course, Mexico's other most important relationship—that with the United States—is often seen as dynamic, complicated, and even a love-hate relationship. Years of interaction between the two countries have yielded significant accomplishments on U.S.-Mexico bilateral relations but have also created areas of friction. Mexico and the United States have cooperated on shared security challenges through frameworks like the Merida Initiative (2008-2021), the Bicentennial Framework (2021-present), and the High-Level Security Dialogue (2021-present).⁵⁰ Fora such as the North American Leaders Summit have further established working committees on important issues like labor mobility, educational exchanges, migration, and semiconductor industry promotion.

However, unlike China, which presents itself as a partner and Global South peer, the United States oftentimes is perceived as an imposing power. On sensitive topics such as drugs and weapons trafficking and migration policy, Mexicans often interpret little to no desire from the United States to acknowledge its role in the matter, despite rhetoric touting “shared responsibility.” On gun trafficking, for example, U.S. gun manufacturers make up seven out of the top ten companies whose guns are most frequently seized in Mexico's war against the cartels.⁵¹ Operations conducted by the U.S. government such as “Fast and Furious,” which allowed guns to be sold to

criminal organizations in Mexico to build a legal case against the groups, further exacerbated the waves of violence ravaging communities throughout the country.⁵² While U.S. representatives have refused to vote to curtail the sales of semiautomatic weapons and high-capacity magazines, the same representatives have advocated for kinetic action against drug cartels in Mexico which would directly violate Mexican sovereignty.

VISIONS OF GLOBAL ORDER

When conceiving visions of the global order, contemporary Mexico has no appetite for leadership. Acute security crises, an epidemic of inequality, and the reality of being south of the U.S. border serve as self-constraint. This lack of desire for global leadership may also stem from Mexico's espousal of a foreign policy of nonintervention: a vision of a world in which every country should be left alone to exert sovereignty over its own territory, which has oftentimes left it at odds with its powerful neighbor. Mexico famously declined to support resolutions related to the U.S. invasion of Iraq, declaring it an abrogation of international law, and condemned the subsequent war declared in 2003. In the United Nations, Mexico has criticized the use of veto power by members of the security council, and while it did condemn the invasion of Ukraine, it has done little to sever relations with Russia or put pressure on Putin.⁵³ In Mexico's view of the world, Russia is not a pariah state in the international system, but rather a country pursuing its national interests like any other.

Mexico *has* sought to assert its regional leadership, competing primarily with Brazil. Mexico has a long history of playing an out-sized role in international legal efforts to support human rights, rules, and norms in the international order. For instance, it was one of the 51 states that founded the United Nations. Mexico has utilized its position in multilateral organizations to promote core foreign policy priorities codified in the Mexican Constitution, which

include self-determination of peoples; nonintervention; peaceful settlement of disputes; elimination of the threat or use of force in international relations; legal equality of states; international cooperation for development; respect, protection, and promotion of human rights; and the push for international peace and security.⁵⁴

Historically, Mexico has been an active participant in regional multilateral fora such as the Organization of American States (OAS) and CELAC. Mexico was a founding member of the OAS, and after the Cold War, it was an active member of the Inter-American Drug Abuse Control Commission, one of the first efforts to coordinate policy responses to the narcotics crisis.⁵⁵ Mexico also led the working group that drafted the Inter-American Convention Against the Illicit Manufacturing of and Trafficking in Firearms, Ammunition, Explosives, and Other Related Materials, and it contributed financially to the Inter-American Human Rights System.⁵⁶

The OAS's analysis of the elections in Bolivia in 2019, which OAS found to be fair and Mexico viewed as the cause of the coup d'état against indigenous President Evo Morales, deteriorated its trust in the organization and marked the start of a decisive and antagonistic turn between Mexico and the OAS. If Mexico had ambitions for a regional role, it quickly became evident that involvement in U.S.-centered multilateral institutions would not be the way to achieve it. This aversion did not come from a place of disdain but rather from a fear (likely unfounded) of U.S.-led soft intervention in these fora. AMLO, like Morales, claimed to have a mandate from a sector of the population that has long been neglected in Latin American politics, and AMLO has often referred to the OAS as an "interventionist" organization.⁵⁷

Disillusioned with the OAS, Mexico shifted its focus to CELAC. Created in 2011, CELAC seeks to serve as a counterweight to the OAS and increase the region's autonomy vis-à-vis the United States—notably, CELAC excludes both the United States and Canada. This

new vehicle of multilateralism also opened the door for China to engage with the Southern Hemisphere in a forum free of its chief global competitor. The annual China-CELAC forum has established itself as an essential mechanism for China to pitch Latin America and the Caribbean on support for China-led initiatives, which often revolve around topics tied to its view of global order. Past topics have included global security and global development initiatives.

More recently, Mexico has led the CELAC grouping with the pro tempore presidency, promoting vaccine self-sufficiency and hosting the Third Ministerial Meeting of the China-CELAC Forum, producing an important *Joint Action Plan for Cooperation in Key Areas (2022–2024)* that still defines many of China's aims in the region today.⁵⁸ During Mexico's participation on the UN Security Council from 2021 to 2022, the country's three core priorities were outlined as (1) promotion of human rights and fundamental freedoms, (2) cooperation for sustainable development, and (3) avoidance of force in international conflict and the prevention of hegemony.⁵⁹

Mexico's greatest advocacy of a more rules-based order is perhaps in the trade space, partly because it has benefited from participation in a myriad of trade agreements. While Mexico has fewer trade agreements than the United States—13 in total—the agreements to which it is party comprise more countries. Mexico's free trade agreements include the USMCA, the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP), the EU-Mexico Trade Agreement, the European Free Trade Association, the Mexico-Central America Free Trade Agreement (FTA), the Pacific Alliance, the Mexico-Colombia FTA, the Mexico-Chile FTA, the Mexico-Peru FTA, the Mexico-Panama FTA, the Mexico-Bolivia FTA, the Mexico-Japan FTA, and the Mexico-Israel FTA. In trade matters, Mexico has supported the use of World Trade Organization dispute settlement mechanisms as the best way to resolve investment and trade conflicts.⁶⁰

RECENT ACTIONS

Over the two decades preceding the Lopez Obrador administration, Mexico positioned itself as a key player in North America, at times allowing its relations with the broader Latin American region to take a back seat in its national priorities. In the early 2000s and 2010s, Mexico strengthened its ties to the United States and Canada through the establishment of institutions such as the North American Leaders Summit, as well as through policy actions to support U.S. priorities on migration enforcement and counternarcotics operations. With the signing of NAFTA and accession to the OECD and G20, Mexico has created deep links with the Western and Global North-led world order in a way that few other Global South countries can claim. In a similar vein to the United States' pivot to Asia, Mexico has taken steps to increase its orientation towards the Indo-Pacific region by joining APEC and the CPTPP, as well as by founding the Pacific Alliance alongside Chile, Colombia, and Peru. In 2026, Mexico will participate in the six-year review of USMCA alongside the United States and Canada and is expected to strongly support the renewal of the agreement in spite of contentions over labor, agricultural, and energy policies.⁶¹

During the Lopez Obrador administration and the subsequent Sheinbaum administration, AMLO's Morena party consolidated power throughout Mexico. The country has taken steps to increase alignment with the Global South—at times subverting the priorities of its Global North partners. In 2023, Mexico joined the G77, signaling a reaffirmation of its self-identification with the Global South grouping of economies. Presidents Lopez Obrador and Sheinbaum have also emphasized the importance of CELAC as the best regional body and suggested that it could fully replace the OAS, calling for a deeper integration of Latin American countries under institutions that exclude the United States and Canada.⁶² Lopez Obrador's support for CELAC as a replacement for the OAS to promote a Latin

American agenda without U.S. influence aligned closely with his critical stance on U.S. policy towards the governments of Cuba, Nicaragua, and Venezuela, demonstrated in his refusal to attend the Summit of the Americas in 2022 despite having the shortest trip to Los Angeles of any regional leader.⁶³ Lopez Obrador also assigned some level of blame to the United States and NATO expansion for the outset of the war in Ukraine, and his government maintained ties to Russia while lodging relatively tepid criticism of the invasion.⁶⁴ Mexico has maintained its support for multilateral institutions to resolve international conflicts, however, and operated within the UN system to handle its dispute with Ecuador following the latter country's violation of and ingress into its embassy in Quito.⁶⁵

Despite moves toward closer alignment with the Global South, Mexico continues to work with the United States and other Global North countries on shared priorities like free trade and migration. This has been particularly true during the Sheinbaum administration, as she and President Donald Trump have worked closely together to negotiate tariff deals in return for stronger cooperation in combatting the flows of narcotics. Mexico's willingness to engage in limited collaboration with the United States can also be seen in its efforts to counter Chinese inroads into North American supply chains—in 2023, the United States and Mexico agreed to monitor inflows of foreign investments, largely in response to concerns over the security implications of Chinese investments, and this cooperation has continued.⁶⁶ Also in 2023, Mexico increased tariffs by 5-25 percent on 392 products from countries with which it does not have a free trade agreement, leading to tariffs on Chinese products that prompted a warning from China's Ministry of Commerce.⁶⁷ Most recently, the Mexican Ministry of the Economy has indicated a desire to replace Chinese imports with domestically produced goods to be shipped to the United States.⁶⁸

CONCLUSION

From Mexico's resistance to colonial rule to its contemporary strategies for economic and political sovereignty, the country's journey has been characterized by a delicate balance between engagement with the Global North and solidarity with the Global South. While this position can be contradictory at times, it grants Mexico the opportunity to act as a bridge between both blocs—a true pivotal state. This equilibrium is not merely a reflection of historical grievances but a testament to Mexico's evolving role on the world stage. Mexico's growing economic prowess, as evidenced by its significant position in global trade, will likely provide it with greater bargaining power that it may use to diversify its international partnerships, most controversially with China. Efforts to navigate its historical tensions with the United States while fostering new diplomatic relationships with China and other global players will likely produce tensions in the short term but could develop and mature over the long run.

Mexico's path forward is fraught with obstacles, as increased competition between the United States and China begin to pressure it, but if Sheinbaum's presidency can successfully merge the lessons of Mexico's past with innovative solutions for the future, Mexico can transform its complex role into a source of strength and stability in the international community.

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SAUDI ARABIA'S STRATEGIC VISION

Leah Hickert

INTRODUCTION

In March 2023, two men stood shaking hands in front of a blinding array of flashing cameras while the international community—and especially observers from across the Middle East—watched in disbelief at their unlikely meeting. Videos captured the previously unimaginable scene of Ali Shamkhani, the secretary of the Supreme National Security Council of Iran, smiling alongside Musaad bin Mohammed al-Aiban, Saudi Arabia's national security adviser. The adversaries had just agreed to restore diplomatic relations, de-escalating regional tensions that had been brewing since the two countries severed ties in 2016, when demonstrators stormed the Saudi embassy in Tehran to protest Riyadh's execution of a prominent Shia Muslim cleric.

Notably, some onlookers did not think the rapprochement was the most surprising aspect of the press conference. For many, the deal was the natural culmination of years of negotiations between Saudi Arabia and Iran. Instead, these observers were stunned by the nationality of the man who Saudi Arabia asked to mediate the deal. He stood just behind the pair, in front of a flag with 5 stars—not 50. China's top-ranking diplomatic official, Wang Yi, heralded in the new era of regional peace. U.S. officials were nowhere to be found.

From an outsider's perspective, this China-brokered deal may seem like an example of Saudi Arabia's dependence on great powers. After all, the kingdom historically relied on foreign actors to protect its insecure regime. Even before 1932, the Ottomans shielded Arabia from Portuguese incursions in the Hijaz and Persian influence in al-Hasa.¹ After the modern Kingdom of Saudi Arabia was established in the twentieth century, Great Britain and the United States played pivotal roles in safeguarding the regime from foreign invasions and internal revolutions, whether sponsored by Gamal Abdel Nasser's Egypt, Saddam Hussein's Iraq, or Ayatollah Ruhollah Khomeini's Islamic Republic of Iran.

By pushing China to play a mediating role in its détente with Iran, however, Saudi Arabia demonstrated its willingness to diversify its key relationships beyond the United States. Having witnessed the limits of great power commitment to the region, Saudi leaders believe that the kingdom is capable and deserving of more than it has received from its international relationships in the past. Empowered by its immense oil wealth and leadership roles in multilateral forums, Saudi Arabia now seeks to operate from a position of strength, not insecurity.

More than any of his predecessors, Crown Prince Mohammed bin Salman (MBS) embodies Saudi aspirations. Through his Vision 2030 plan, he aims to diversify not just the Saudi economy but also the country's diplomatic relationships. With an ambitious leader at the helm, Saudi Arabia is redefining what it means to balance between great powers in an increasingly multipolar international system. Its strategic vision of self-reliance, regional leadership, and partnerships across the Global South aim to establish the kingdom as a key player in the global order.

HISTORY, GRIEVANCES, AND ASPIRATIONS

The Saudi regime has long been driven by a pervasive sense of inse-

curity, a sentiment deeply rooted in the kingdom's pre-modern history. For centuries, shifting loyalties and territorial competition defined the Arabian Peninsula. Political leaders relied on tribes to conduct military campaigns, creating a system of ad hoc alliances.² King Abdulaziz bin Abdul Rahman Al Saud was modern Saudi Arabia's first leader. His ancestors had failed twice at creating a durable state, and he understood the challenges of establishing dominance over the vast kingdom. Even after 1932, his nascent regime lacked the financial resources to establish a monopoly of violence, reinforcing the insecurity that would define Saudi foreign policy for the next eight decades.³

Saudi Arabia's insecurity—especially prior to the discovery of oil—motivated its dependence on great powers. Ibn Saud formalized his relationship with Great Britain in the 1915 Treaty of Darin, a bilateral agreement in which Great Britain provided Ibn Saud with an annual subsidy, ammunition, and weapons to help him expand—and protect—his reign.⁴ Yet, the Al Saud ruling family distrusted Britain and sometimes felt encircled by British allies. The prospect of a U.S. relationship—which would provide refuge from the “imperialistic reputation” of the United Kingdom while ensuring U.S. security support, as well as badly needed expertise—was deeply attractive.⁵ This culminated symbolically in February 1945, when President Franklin D. Roosevelt and King Ibn Saud met aboard the USS *Quincy* in the Great Bitter Lake of the Suez Canal. It was the first face-to-face meeting between a U.S. president and a Saudi king and laid the foundations for the U.S.-Saudi partnership.⁶ In 1951, the Al Saud signed a mutual defense assistance agreement with the United States, cementing Riyadh's reliance on a powerful ally to mitigate external and internal threats.⁷ That partnership has remained central to Saudi Arabian security thinking for three-quarters of a century, despite a series of crises and an even longer series of stresses. In recent years, however, Saudi Arabia increasingly shows signs that

it believes it is deserving—and capable—of more than it has received from its great power relationships.

While MBS values a positive relationship with Washington, Saudi Arabia has shown a growing willingness to prioritize its national interests over its historical allegiances. In addition to pushing for China's mediating role in the Iran-Saudi deal, Riyadh sometimes has collaborated with Moscow at the expense of U.S. interests.⁸ For example, in October 2022, Saudi Arabia agreed with Russia to slash oil production by 2 million barrels per day despite pleas from high-ranking U.S. officials to maintain oil production levels. The Biden administration interpreted the move not only as a betrayal but also as an effort to hurt President Biden before midterm elections, as well as a push to boost the Russian economy at a time when Russia's invasion of Ukraine had pushed even China and India to distance themselves from Moscow.⁹ In the aftermath, Biden's threatened retaliation never materialized, and Saudi Arabia's star rose as both the *de facto* leader of OPEC+ and the only Arab country in the G20.¹⁰ One interpretation is that Saudi Arabia was able to demonstrate that it is too economically and geopolitically vital to isolate. That freed the country to pursue a more ambitious and independent foreign policy.

For much of the twentieth century, Saudi Arabia's foreign policy was conservative and predictable. In the last decade, however, the country has shown an increased appetite for risk, as evidenced by its military intervention in Yemen and its blockade of Qatar. The kingdom's leaders portray recent efforts to mend fences with Iran, a long-standing rival, as anything but a sign of weakness. Rather, Riyadh seeks to herald a new era on its own terms. Saudi Arabia clearly articulates its aspirations in Vision 2030, the country's strategic plan, which aims to reduce Saudi Arabia's economic reliance on hydrocarbons, mitigate regional instability, and broaden its international relationships. For the first time since its founding, the kingdom is motivated by ambition—not fear.

NATIONAL DEBATE

The Saudi government has been wary of open debate on public policy issues from the beginning. It has relied on complementary strategies of cooptation and coercion for almost a century, starting with when Ibn Saud simultaneously used force and diplomacy with tribal and religious authorities to combat the Ikhwan, an armed coalition rebelling against the state.¹¹ This dual-pronged strategy has persisted. In the Arab Spring, for example, the regime simultaneously detained protestors, co-opted clerics from the Shia opposition, and announced \$93 billion in social spending to win over its citizens in the first month after the collapse of Mubarak's regime in Egypt.¹²

As an oil-rich state, Saudi Arabia is well resourced to pursue co-optation. Today, two-thirds of all Saudis in the workforce are government employees, and the government heavily subsidizes everything from housing to healthcare.¹³ Because Saudis rely so heavily on the government for economic security, they are often reluctant to voice their concerns loudly about the state's direction or vision. Family and friends tend to discourage vocal opposition—partly out of concern for the individual and partly out of their own self-interest. Individuals whom the state considers to be adversarial often face harsh consequences.

The boundaries of permissible discourse are especially restrictive for issues such as national security. In the first centuries of the Al Saud family's rule, before the creation of the modern Saudi state, national security was limited to the family's efforts to unify the Arabian Peninsula. In that context, it often treated internal dissent as a national security threat.¹⁴ As growing oil wealth caused Saudi Arabia to develop an increasingly sophisticated set of international relations, the focus on keeping things secure on the home front persisted. In the aftermath of the Arab Spring, and amid efforts to implement the kingdom's ambitious Vision 2030 plan, Saudi Arabia continues to see domestic security—and public quiescence—as an

ongoing strategic concern. As a result, there is very little public debate on the kingdom's international ties. Commentary tends to strongly support government initiatives while being deeply critical of the government's perceived adversaries.

The lack of public debate on national security issues reflects Saudi Arabia's deeply entrenched governance model in which power is tightly held by a select few, with minimal public oversight. As with most issues in the kingdom, high-ranking government officials—often members of the royal family—decide national security concerns behind closed doors, with little to no input from the public. These are considered “sovereignty issues” that are solely at the discretion of the ruler.

Personalistic leadership shapes Saudi Arabia's national discourse, which in turn empowers—and constrains—the kingdom's geopolitical position. On one hand, Saudi Arabia's avowedly top-down system has tended to limit governmental capacity, as underlings are wary of being perceived as being on the wrong side of either current or future policies. The structure tends to reinforce group-think, and it discourages a rigorous evaluation of alternative strategies. It also tends to suppress innovations and initiatives that could complement government strategies to the benefit of the state. However, Saudi Arabia's top-down system also creates agility. Policies that are prioritized can be implemented swiftly and consistently.¹⁵

ECONOMICS

There is a growing perception among Saudis that the kingdom has not been maximizing its economic potential. While the country's economic growth in the twentieth century was breathtaking by any measure, the ingredients for that growth were not sustainable for the twenty-first century. The leadership has been frank that decades of policies that promised government employment to Saudi nationals, over-relied on foreign workers, inhibited women's workforce

participation, and nurtured cumbersome patronage networks were no longer fit for purpose. Its most obvious response was Vision 2030.

The kingdom has had 10 development plans—each focusing on the need for economic diversification—and none were considered successful.¹⁶ From its launch in 2016, Vision 2030 has sought to be different. It is more ambitious, more disruptive, and more elaborate than anything before it, and it has more money behind it. It is comprehensive, too, with a sophisticated engagement campaign that is especially targeted at women and young people and blankets the media, schools, and almost every aspect of public life. With Vision 2030—conceptualized in partnership with global consulting firms like McKinsey and Boston Consulting Group and executed with an even larger array of outside partners—the Saudi leadership has devised more than a dozen “vision realization programs” and a “national transformation plan” that addresses 37 objectives across eight themes, measured initially through 92 main key performance indicators (KPIs) and 224 sub-KPIs implemented through 433 initiatives and projects.¹⁷ Those numbers have only grown since the plan’s inception.

One of the economic engines behind Vision 2030 is the revitalized Public Investment Fund (PIF), which has grown to hold almost \$1 trillion in assets. MBS is the chairman, and his close associate Yasser al-Rumayyan serves as governor. The PIF is avowedly aligned with advancing the goals of Vision 2030, and it is investing hundreds of billions of dollars in domestic enterprises that are intended to boost the kingdom’s economic diversification. But the PIF has also been an important source of Saudi outward investment, buying high-profile assets such as international sports teams and leagues and investing in major multinational companies such as Uber and Electronic Arts.

The nationalization of the workforce, often referred to as “Saudiization,” has been another cornerstone of the kingdom’s economic strategy. Implemented primarily through the Nitaqat program, the

results have been mixed but promising. Following the Arab Spring, over 80 percent of Saudi Arabia's private sector workforce consisted of foreign labor, and its unemployment rate was one of the highest in the world, at 12.7 percent in 2017.¹⁸ Since then, the government has tried to address this issue by imposing quotas, applying levies on expatriates, and subsidizing the employment of Saudi nationals. By the end of 2022, the unemployment rate was 8 percent, and more than 277,000 Saudis joined the labor market that year, reaching 80 percent of the state's initial target.¹⁹ While the kingdom is still far from possessing a predominantly Saudi workforce, the gradual gains bode well.

In preparation for its transition to alternative energy sources, Vision 2030 redefines Saudi Arabia's economic relationships with great powers. Of course, oil is still a critical aspect of Saudi trade relationships. China is the country's largest oil export market, and the kingdom's strategic collaboration with Russia over oil production remains vital to Saudi economic interests. Beyond oil, however, Saudi Arabia is interested in using foreign direct investment from great powers to secure economic growth, innovation, and enhanced human capital. China is the kingdom's most active foreign investor, accounting for 58 percent of new business investments in 2023, signaling a shift toward stronger Sino-Saudi economic collaboration.²⁰ The United States is the second-largest source of foreign investment, and the Saudi sovereign wealth fund has its most significant investments in U.S. stocks.²¹

Additionally, MBS is leveraging the country's ties with great powers to foster innovation. While actively pursuing a U.S.-Saudi deal on civil nuclear cooperation, the kingdom is also considering bids from China, France, and Russia to build a nuclear power station.²² Saudi Arabia sees this multipronged approach as vital to securing the technological and economic advancements necessary for navigating the energy transition.

As part of its more assertive foreign policy, Saudi Arabia is also seeking to establish itself as an economic hub of the Global South. Aramco CEO Amin Nasser estimates that that by 2050, 80 percent of hydrocarbon demand will come from the Global South. As a consequence, Saudi Arabia is focusing especially on strengthening ties with states in Africa and South Asia.²³ In 2023, MBS pledged to invest \$25 billion in African states by 2030 in sectors such as clean energy, climate, and counterterrorism, demonstrating a desire to become an indispensable partner to states in the Global South.²⁴ The kingdom's plans to draw top-level talent from other states—and its ambitious mega-projects like NEOM, a futuristic regional project whose estimated costs may top \$1 trillion—suggest a broader Saudi ambition to become a leader of the new global order.²⁵

Economic diversification is beginning to yield fruit in Saudi Arabia. With an expansion of petrochemical exports and tourism, oil accounted for only 73 percent of Saudi Arabia's total exports in 2023, well below the 84 percent average in 2012-2013.²⁶ Even so, government revenue is still closely linked to the oil market, and falling oil prices drive up borrowing needs. The International Monetary Fund estimates that Saudi Arabia needs oil prices of almost \$91 per barrel to balance its budget, and in April 2025, oil traders forecasted prices of just under \$70 per barrel for the rest of the year.²⁷ As a consequence, Saudi Arabia's projected budget deficit in 2026 is almost 4 percent of GDP, up from the 1.6 percent of GDP that the government had initially projected for 2024.²⁸ The kingdom's debt-to-GDP ratio remains quite healthy, however, and bond offerings have been snapped up in international markets.

GREAT POWER COMPETITION

In recent years, Saudi Arabia's ties to the United States have been volatile. Although President Biden did not follow through on his 2019 campaign promise to treat Saudi Arabia as a "pariah" following the

2018 murder of journalist and U.S. resident Jamal Khashoggi, leaders on both sides wondered whether the long partnership between the United States and Saudi Arabia was about to enter a profoundly different phase. Saudi Arabia was looking for U.S. partnership and protection as it embarked on the most dramatic transformation in the country's history; instead, it found circumspection and disapproval. The Biden administration was committed to reducing the U.S. military footprint in the Middle East, and increasing intimacy with an oil producer whose human rights record (both at home and in its conduct of a war in neighboring Yemen) distressed many Americans and made little sense to U.S. government officials.

Saudi Arabia's initial response was to diversify its international relationships. According to a 2020 Washington Institute poll, 49 percent of Saudis agreed at least somewhat that they could not rely on the United States and that the kingdom should look more to Russia or China as partners.²⁹ Two years later, 61 percent of Saudis agreed with that statement.³⁰ Also in the 2022 poll, the Saudi public ranked China and Russia higher than the United States in terms of perceived importance for the first time since these polls began nearly a decade ago.³¹ One should read those numbers not as pressure on the government to diversify its ties so much as the public's response to official discourse on the country's geopolitical orientation.

In response to a chill in the U.S. relationship, Saudi Arabia supplemented its long-standing dependence on Washington with closer bilateral ties to China and Russia. China offers the kingdom substantial benefits across the energy, technology, economic, and defense sectors. In addition to being the largest consumer of Saudi oil, China facilitates strategic technology transfers related to artificial intelligence, 5G networks, and surveillance hardware.³² It also provides military capabilities that the United States has been reluctant to offer due to fear of civilian casualties in Yemen.³³ Moreover, China's no-strings-attached approach and its aspirational economic model

appeal to Saudi ambitions, particularly in the context of Vision 2030.

Similarly, Saudi Arabia enhanced its collaboration with Russia, viewing the current regime as less threatening than the communist Soviet Union. Although Riyadh's relationship with Moscow is more nascent than its ties to Beijing, the two states cooperate on oil production limits through OPEC+. Additionally, the two countries have strengthened their defense relationship through arms deals and a joint military cooperation agreement.³⁴ By fostering closer ties with Russia, Saudi Arabia also has the strategic benefit of winning over one of the only states that can keep Iran in check.

It is worth noting that the Biden administration did not remain estranged from Saudi Arabia. Intent on blocking China's advance into the Persian Gulf, while similarly eager to advance Saudi-Israeli diplomatic normalization to tamp down a slew of burgeoning regional conflicts, Washington quickly came to see Riyadh as a vital regional partner. The advent of the Trump administration has drawn the United States and Saudi Arabia closer still. President Trump's commitment to non-interference in the domestic affairs of allies and partners, his hostility to the climate commitments of the Biden administration, his apparent personal warmth toward MBS and some of his closest associates, and his open desire for trade and investment with the kingdom have raised Saudi expectations. Saudi Arabia has perceived Trump's decision to use the country as a venue for high-profile negotiations over a potential end to the Russia-Ukraine war as a validation of the kingdom's elevated status, and it came as a bright spot amid news that the leadership would have to slow some of its most ambitious economic plans due to declining revenues.

VISIONS OF A NEW GLOBAL ORDER

Saudi Arabia strategically engages in multilateral institutions to improve its image and advance its interests. In recent years, Riyadh smoothed over internal disputes within the Gulf Cooperation Coun-

cil, and King Salman bin Abdulaziz Al-Saud declared that “promoting peace” is one of Saudi Arabia’s primary foreign policy goals at the UN General Assembly.³⁵ By rebranding as a peacemaker, Saudi Arabia attempts to project itself as a regional leader, not a destabilizing force. An improved reputation in multilateral forums helps advance Saudi interests because more states are willing to collaborate with the kingdom.

However, Saudi Arabia is careful to ensure that its multilateral engagement advances its narrow self-interests rather than strengthens an international order that might constrain its sovereignty. It does so in several ways. Historically, the kingdom has sought to co-opt international groupings and resist demands which it sees as constraining Saudi action. For example, on numerous occasions, Saudi Arabia ignored UN calls to lift blockades and allow humanitarian access into Yemen, out of fear that this would strengthen its Houthi opponents.³⁶ Even more recently, the kingdom executed 81 individuals in one day—many for vaguely worded offenses—despite UN pleas for a moratorium on the death penalty and demands for fair trials.³⁷ While Saudi leaders have prioritized protecting the country’s sovereignty, the government has simultaneously found ways to burnish its international image. For example, Saudi Arabia has been an increasingly visible participant in G20 summits, assuming the presidency of the grouping in 2019–20. In September 2023, Saudi Arabia worked to ensure that the renewable energy section of the New Delhi Leaders’ Declaration did not commit to a phase-out of fossil fuels, thereby protecting its long-term economic interests.³⁸

Riyadh has also associated itself with broad multilateral efforts that signal a desire to reform international institutions without directly challenging them. It has expressed interest in reforming institutions like the UN Security Council to be more representative of the current global order, and it joined the Shanghai Cooperation Organization as a dialogue partner.³⁹ It has been circumspect about

joining the BRICS as a full member, however, for fear of becoming a pawn in great power politics.⁴⁰

Meanwhile, Saudi Arabia is taking the lead in newer multilateral forums where it can win over other emerging powers. For example, at a New Africa Summit in Riyadh in November 2024, the Saudi finance minister announced plans to raise \$41 billion in investments and financing for sub-Saharan African nations and announced that Gulf development banks were preparing an additional \$50 billion in loans to the region by 2030.⁴¹ While Qatar and the United Arab Emirates have spread influence quickly across Africa, Saudi Arabia has been more calculating, relying on its size and weight to build partnerships that win support for Saudi Arabia's other reputational projects, such as hosting Expo 2030 and the 2034 World Cup. In the Saudi vision of a new global order, there is space for both multilateralism and ad hoc bilateral ties—especially with the Global South. Despite its human rights record, potential partners view the kingdom favorably. According to an Arab Barometer poll across 10 countries in the Middle East and North Africa, only Palestinians and Lebanese reported a noticeably unfavorable view of Saudi Arabia, likely due to its normalization efforts with Israel and regional competition with Iran.⁴² In part, the kingdom's popularity may be due to its ability to provide win-win relationships without the influence of great powers. Its key relationships with countries like India, Pakistan, and various African states are driven by a mix of economic interests, strategic security needs, and geopolitical aspirations. These ad hoc bilateral relationships are built on mutual gains, not conditionalities.

CONCLUSION

Guided by Vision 2030, Saudi Arabia is diversifying its economy just as much as its diplomatic relationships. While the world transitions to alternative energy sources, the kingdom looks toward the Global South to forge partnerships that can outlast the dwindling oil

supplies of regional competitors. As a key player in new and existing international institutions, the kingdom fosters multilateral and bilateral relationships centered around mutual interests rather than stipulations. Saudi Arabia seeks to advance new relationships while preserving old ones, maneuvering to a position of greater centrality in world affairs.

In a departure from its historic diplomatic caution, Saudi Arabia has been leveraging great power competition ambitiously to advance its national interests. This shift in strategic culture is not just about seeking protection from external threats; it is also about shaping a new global order that is conducive to Saudi aspirations. Rather than relying on a single relationship, the kingdom engages with the United States, China, and Russia to fulfill different strategic needs. To maintain close ties with Saudi Arabia, the United States must identify and strengthen areas in which it retains a competitive advantage over its global adversaries, with particular emphasis on defense capabilities and human capital. If the United States fails to engage the kingdom on its own terms, it risks falling behind as Russia, China, and a host of “middle powers” vie for relevance in the Gulf.

Ultimately, Saudi Arabia envisions a new global order in which it is recognized as a partner rather than a subordinate. So far, the kingdom’s assertive policy has largely paid off. For almost a decade, MBS has been navigating the country through an impending energy transition, increasing multipolarity, and great power competition with gradual success. However, Saudi Arabia does not aim merely to endure the current geopolitical landscape: The kingdom’s strategic vision strives to shape a new global order defined by self-interest, ad hoc partnerships, and indispensable Saudi leadership.

The views expressed in this chapter are those of the author and do not reflect the official policy or position of the Department of Defense or U.S. government.

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CHAPTER 8

THE WEIGHT OF HISTORY AND ALLIANCES IN SOUTH AFRICA'S GEOPOLITICAL TURBULENCE

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INTRODUCTION

On his first visit to the United States in June 1990 following his release from Robben Island prison, Nelson Mandela spoke at a townhall meeting at the City College of New York.¹ During the event, Jewish community leaders confronted Mandela twice over the closeness of the African National Congress (ANC) and the Palestinian Liberation Organization (PLO). According to these leaders, Mandela had met with Yasser Arafat, whom he had praised three times over six months after his release from prison. Additionally, they claimed Mandela had told Muammar Gaddafi that he shared his views and applauded Gaddafi on his record on human rights and his drive for freedom and peace around the world. Mandela had also praised Fidel Castro as a leader of human rights. The Jewish community leaders asked that Mandela denounce and distance himself from these leaders.

Mandela pushed back. “One of the mistakes, which some political analysts make,” he said, “is to think that their enemies should be our enemies. That, we can and will never do.” He went on to explain

that the ANC had its own struggles and was grateful to the world for supporting it. Nevertheless, it was an independent organization with its own policy. The ANC's attitude toward any country was determined by the attitude of that country toward their struggle. "Yasser Arafat, Colonel Gaddafi and Fidel Castro support our struggle to the hilt," Mandela continued. "There is no reason whatsoever why we should have any hesitation about hailing their commitment to human rights as they are demanding in South Africa." He went on to say that the ANC identified with the PLO because, like the ANC, they were fighting for the right to self-determination. "The ANC, however," he further explained, "has never doubted the right of Israel to exist legally."²

Thus, four years before the end of apartheid and his own election to the presidency, Mandela had clearly and unequivocally laid out the foundation of what would become South Africa's foreign policy: a commitment to morality in global affairs. The ANC, which has been in power since 1994, has not wavered from that stance since. This position, however, has been a source of contention between the United States and South Africa, in large part because the United States seeks to influence South Africa's relationships with its allies. Over the years, these tensions have manifested themselves differently, whether over South Africa-China joint military exercises or South Africa's position on Russia's invasion of Ukraine. The tensions further escalated in December 2023, when South Africa brought a case against Israel to the International Court of Justice accusing Israel of genocide against the Palestinians in the Gaza Strip. White House National Security Council spokesman John Kirby deemed South Africa's case "meritless, counterproductive and completely without any basis in fact whatsoever."³ This simmering tension came to a full boil with the second Trump administration, which immediately put South Africa in its crosshairs. President Trump has suspended all aid to South Africa, expelled South Africa's ambassador to the United States, and

falsely claimed that Afrikaners were targets of race-based discrimination, clearing the way for Afrikaners to relocate to the United States as refugees. This tension culminated in a now-infamous Oval Office visit by South Africa's president, Cyril Ramaphosa, in which he was ambushed with videos and printed articles purporting to prove there is a "white genocide" in South Africa.⁴ With U.S.-South Africa relations at their lowest in decades, it is unclear whether this increased pressure will deter or encourage South Africa from forging closer ties with the United States' competitors.

What remains true is that just as South Africa envisions itself as a "Rainbow Nation," so too does it aspire for global institutions to create avenues for a rainbow world—a world with diversity of choice in leadership, partnership, and ideology. In 1994, after more than four decades of apartheid, Nelson Mandela became the first Black president of South Africa. On Mandela's inauguration day, he declared: "Never, never and never again shall it be that this beautiful land will again experience the oppression of one by another and suffer the indignity of being the skunk of the world. Let freedom reign!"⁵

With its independence closely following the collapse of the Soviet Union, the Republic of South Africa emerged into a unipolar world dominated by institutions such as the United Nations, the World Bank, and the International Monetary Fund. Notably, these institutions were led by Western countries—many of which had supported the apartheid regime and even designated the freedom fighters as terrorists. Conversely, during the liberation struggle, China and the Soviet Union supported the freedom fighters. This solidarity has not been forgotten as Russia and China have emerged as key development partners, providing a necessary counterbalance to the dominance of Western development policies. South Africa's grievances with the international order stem from its apartheid-era experience and a perceived lack of global support, both of which have driven its

commitment to advocate for what it views as rightful causes today.

Furthermore, the formation of the BRICS bloc (Brazil, Russia, India, China, and South Africa) as a challenge to the G7 bloc reflects a collective effort to democratize the international order. BRICS aims to provide an alternative platform for cooperation and development that prioritizes the interests and needs of emerging economies, primarily in the Global South. For South Africa, participation in BRICS represents a commitment to a multipolar world where equality and democracy are defined by a country's ability to choose policies and partners that best suit its unique context and aspirations. South Africa's vision of a multipolar world aligns with both its quest for global justice and equitable governance and its internal commitment to diversity. By championing a global order that respects the sovereignty and choices of all nations, South Africa seeks to ensure that no country is subjected to Western domination. This approach underscores the belief that true equality and democracy are about having the freedom and agency to shape one's own destiny, both domestically and on the international stage.

HISTORY, GRIEVANCES, AND AMBITIONS

To understand the brutal history of apartheid is to largely understand the state of South Africa today. Apartheid was a system of institutionalized and legalized racial segregation in South Africa that formally began in 1948. Before apartheid was codified, however, racial segregation was already taking root. Apartheid was built upon South Africa's colonial past, having been colonized first by the Dutch and then by the British. South Africa secured its independence from Britain in 1910, at which point control of the country was left to the white settlers in the region. Between 1910 and 1948, the white population consolidated its control over the state. The Bantu Land Act of 1913, for example, limited the land ownership of Black Africans in South Africa to 7 percent of the country and prohibited Black

Africans from purchasing land from white people (and vice versa). Segregation legislation such as the Bantu Land Act formed the building blocks of formalized apartheid.

Formal apartheid began in 1948 with the initial victory of the National Party, an Afrikaner ethnic party led by Hendrik Frensch Verwoerd. Leonard Thompson, author of *A History of South Africa*, describes four beliefs that formed the core of the apartheid system. Firstly, the South African population was delineated into four racial groups: White, Coloured, Indian, and Black. Secondly, the white group was declared “the civilized race” and was therefore entitled to have complete control over the nation. Thirdly, white interests took precedence over Black ones, and the state had no obligation to ensure equality among the races. Lastly, whites were merged into a single nation, while Africans were divided into 10 different nations (“the Homelands”). This made the white nation the largest in the country.

Under apartheid, segregation pervaded every aspect of society. Black Africans could not purchase or own land outside of the Homelands—effectively stripping them of their South African citizenship. In urban areas, the Group Areas Act segregated people into neighborhoods by their race, displacing thousands of Black, Indian, and Coloured South Africans and breaking apart communities. This also meant that Black people living in segregated urban areas, for example, could not own the homes they lived in.⁶ Schools were racially separated, with Black schools being grossly underfunded. Black people were forced into manual labor and low-paying jobs.⁷

These are just a few examples within the expansive system of apartheid. To be Black in South Africa during apartheid was to be a non-citizen, without rights, under constant persecution.⁸ Under such dire oppression, liberation movements cropped up in resistance to the apartheid state. The best-known movement was the ANC, the party of numerous well-known South African freedom

fighters like Nelson Mandela, Winnie Madikizile-Mandela, Oliver Tambo, and Walter Sisulu. After the Sharpeville Massacre of 1960, where the South African police opened fire on protestors, killing 69 people, the ANC formed a controversial militant wing called uMKhonto we Sizwe, or MK.⁹

After decades of immense struggle and strife—as well as international pressure from the mid-1980s onward—apartheid came to an official end in 1994, and the ANC was seen as the national movement responsible for the development. The ANC, then registered as a political party, won the 1994 elections, and Nelson Mandela was inaugurated as president of South Africa. Under his leadership, he sought to unify South Africa into one “Rainbow Nation” where citizens would be able to enjoy their rights and privileges regardless of race. Mandela was successful in unifying a deeply divided country into a shared national identity, but social divides and economic disparities persist to this day.

Two of South Africa’s strategies to create a more equitable society—the Land Expropriation Act and the Black Economic Empowerment Act—have caught the attention of the Trump administration as evidence of racial discrimination against the white minority in South Africa.¹⁰ Since entering office in 2025, the Trump administration has cited these policies as evidence of so-called racial discrimination against the white minority in South Africa. The administration’s actions have drawn sharp criticism from South African officials, who argue that the policies are constitutional tools to redress apartheid-era injustices, not vehicles of racial persecution.

Post-apartheid South Africa struggles with deeply entrenched xenophobia and xenophobic violence against African migrants, refugees, and their economic enterprises. During apartheid, white elites used migrant labor to weaken Black South African power. Today, xenophobic attitudes reflect an attempt to reclaim the unfulfilled promises of the post-apartheid era, fueled by high unemployment

and poverty rates.¹¹ Further, politicians use anti-immigrant rhetoric to scapegoat African migrants for the government's failings.¹² Beyond social marginalization and discrimination, xenophobia discourages foreign investment from African countries, disrupts the small businesses that are frequently targeted in xenophobic attacks, and endangers diplomatic relations.¹³ While South Africa wants to play a leadership role at the continental level, it must overcome internal struggles with xenophobia.

ECONOMY

South Africa has the continent's most industrialized, technologically advanced, and diversified economy. This mixed economy has propelled South Africa into the upper-middle-income country category, a status only a handful of African countries have achieved. In 2024, South Africa registered a nominal gross domestic product of \$373 billion—Africa's highest—and \$62 billion in gross foreign exchange reserves, thus outperforming Nigeria and reclaiming its ranking as the continent's largest economy.¹⁴ South Africa has leveraged its advanced economy, strategic location, and well-developed infrastructure to position itself as a key hub for regional and continental trade. Furthermore, South Africa views its role in Africa as advocating for countries with less leverage, while also seeing itself as a key economic trade partner for nations that lack similar access to global markets.

Due to its economic and financial standing, South Africa has been able to play a significant role as an emerging market leader and a regional power both at the African Union and on the world stage. South Africa is the only African country that is a member of the G20, the exclusive multilateral forum for international economic cooperation, of which it assumed the presidency in 2025. As a host of the G20 summit this year, South Africa focused focus on three key issues: inclusive economic growth and food security; artificial intelligence and data governance; and innovation for sustainable development.¹⁵

South Africa anchors Africa's banking industry and is home to four of the continent's top six banks, which account for half of the continent's total assets.¹⁶ As a financial hub for Africa, South Africa enables investment and cross-border trade and financing in the continent—an important tool for African businesses and development projects, as capital and credit are otherwise scarce and expensive. Additionally, South Africa is a leading proponent of the African Continental Free Trade Area (AfCFTA), viewing it as an opportunity to expand market access and promote industrialization across the continent. Strengthening AfCFTA will boost Africa's global trading position by unifying the continent's voice and expanding its influence in international trade negotiations. AfCFTA also aims to reduce African dependency on non-African trade partners and shift Africa's role in global trade from exporting raw materials to supplying value-added goods.

The automotive industry employs over half a million people in South Africa, contributes 4.3 percent to its gross domestic product, and accounts for 18.1 percent of the country's total exports.¹⁷ Although the largest automotive export markets are in Europe and North America, South Africa's location affords car manufacturers low production costs and access to markets. South Africa's developed infrastructure—including ports, road networks, and railway lines—facilitates the movement of goods across the continent and around the world. The manufacturing sector has benefited from preferential trade agreements, such as the U.S. Africa Growth and Opportunity Act (AGOA) and EU initiatives.

South Africa holds large mineral reserves, including diamond, gold, coal, manganese, and platinum. The country ranks among the world's top producers of many of these resources, with estimated total annual revenue from mining at around \$34.8 billion.¹⁸ The mining industry is not only an important pillar of the economy, but it has also given South Africa expertise and knowledge that, when combined with financial backing, provides South African companies

great leverage in critical mining projects across Africa.

One of the greatest obstacles that hinders the performance of South Africa's national economy is its mixed and diverse nature. The government controls or owns stakes in around 700 enterprises, spanning key sectors including energy, transportation, telecommunications, financial services, transport, agriculture, and tourism.¹⁹ This means that the government wields tremendous power over the economy beyond the traditional regulatory prerogatives. South Africa watchers often point to inefficient government bureaucracy, restrictive labor regulations, and political instability as key factors undermining the economy. The government, along with parliament, has initiated policies to help reform important parts of the economy, but with only limited success. The national unemployment rate rose to 33.2 percent from 32.9 percent in the second quarter of 2025, with youth unemployment at a worrisome 46 percent.²⁰ The energy sector has been particularly affected by ineffective ANC policies; since 2008, South Africans have been subjected to rolling blackouts, or "load-shedding," to prevent the collapse of the electrical grid. The frequency of these blackouts has only increased over time, and they can now last anywhere between two and eight hours.²¹ These power shortages have disrupted economic activity and increased operating costs for businesses due to their reliance on power generators. The energy shortfall affects infrastructure and all sectors of public life, including education and public health.

In 2024, the political debate in South Africa was dominated by the state of its flailing parastatals (state-owned enterprises), corruption, economic mismanagement, income inequality, and poor service delivery. These failures have been almost entirely attributed to the ANC's governance, as its leadership over the last 30 years has been characterized by state capture, inefficiencies, and scandal after scandal.²² In 2024, the ANC was forced to form a coalition with the Democratic Alliance after receiving only 40 percent of the popular

vote, breaking decades of political dominance. In many ways, the 2024 elections were seen as a referendum on the ANC's leadership; now that the country has a government of national unity, economic management is expected to be more rigorous.

Lastly, South Africa has emerged in the past 25 years as the largest beneficiary of AGOA, Washington's premier trade promotion program with Africa, which offers a host of African products duty-free access to the U.S. market. South Africa, more than any African country, has taken advantage of this program to expand into export sectors geared toward the U.S. market; as a result, today it represents Africa's most diversified economy. Although AGOA expired on September 30, 2025, the Trump administration has signaled support for a one-year extension.²³ However, South Africa's continued standing as an AGOA beneficiary is not guaranteed.

Since Donald Trump assumed the U.S. presidency in 2025, the U.S.-South Africa bilateral relationship has sharply deteriorated. U.S. concerns over South Africa's domestic and foreign policies, including the controversial Land Expropriation Act, perceived anti-American rhetoric, and South Africa's deepening ties with Iran, Russia, and China have pushed the diplomatic relationship into its most turbulent state since the end of apartheid.²⁴ In February, the U.S. government paused development aid and dismantled USAID, severely affecting South Africa's healthcare sector, particularly the treatment of HIV/AIDS. This abrupt policy change led to job losses, as funding for the U.S. President's Emergency Plan for AIDS Relief (PEPFAR) accounted for about 18 percent of the country's healthcare budget.²⁵

In August, President Trump announced a 30 percent tariff rate for South Africa, one of the highest on the continent. South Africa's automotive and agricultural industries are vulnerable because the United States is the third-largest destination for its exports. Higher tariffs may mean that South Africa's largest employers need to lay off workers. The governor of South Africa's central bank estimated

that the tariffs could cost the country up to 100,000 jobs.²⁶

The diversity of the country's economic portfolio is such that South African financial influence is omnipresent across the continent, whether one speaks of investment, financial products, or agriculture. Accordingly, South Africa remains an indispensable economic power.

GREAT POWER COMPETITION

South Africa maintains complex relations with great power competitors owing to the country's unique liberation struggle, its post-apartheid politics, and its evolving patterns of global trade and development. Echoing a position held during the Cold War, South African political leaders from the long-ruling ANC use the language of neutrality and nonalignment to describe their foreign policy today. As thought leaders on the African continent and within the Global South, the South African political establishment believes that the Cold War era was destructive to Africa's political and economic development. For this reason, South Africa has worked to embed the notion of creating a multipolar world into both the ANC's foreign policy platform and the African Union's Agenda 2063, its long-term strategic vision of the continent.²⁷

In practice, however, South Africa post-Mandela has drifted away from a strictly nonaligned position to one that could be more easily viewed by Washington as aligning with Russia and China. South Africa sees a far more relevant model of development in China than it does in Western nations: Over the span of two generations, China has moved from an agrarian to an industrial economy and has lifted hundreds of millions of its citizens out of poverty, and as such China is viewed with reverence among many South African political leaders.²⁸ Pretoria is also keen to maintain friendly relations with Beijing, as China's investments help to employ millions of South Africans.²⁹ Despite South Africa's outspokenness on

issues related to global human rights and justice, particularly in Palestine—an advocacy stance it has championed for decades prior to the current conflict there—it remains largely quiet regarding, for example, China’s treatment of its minority Muslim Uyghur populations or its threatening moves against pro-democracy groups at home or in Hong Kong and Taiwan.

Over the last decade, China has emerged as South Africa’s largest trading partner, with exports from South Africa to China totaling approximately \$12 billion in 2023 and imports from China reaching \$21.5 billion. The United States and Germany followed as key destinations for South African exports that same year, receiving \$8.2 billion and \$7.5 billion, respectively. The same countries ranked as South Africa’s second- and third-largest suppliers for imports, albeit flipped, with Germany accounting for \$8.4 billion and the United States for \$7.3 billion.³⁰

But even beyond the obvious economic and political ties, South Africa sees in China an important counterbalance and bulwark against the U.S.-led Western hegemonic world order that they perceive as dominating all matters of global debates—including issues of peace and security, global finance, justice, the environment, and intellectual property. This latter issue became an especially painful irritant in South Africa’s relations with Global North countries—and the United States in particular—during the Covid-19 pandemic, when Western countries refused to waive vaccine patents so that pharmaceutical labs in South Africa could produce sufficient vaccines for the continent. There was little precedent for waiving such intellectual property rights, though, and Washington instead led a global effort to donate Western-produced vaccines to the continent, thereby reinforcing an antiquated donor-grantee relationship and leaving African nations waiting the longest to procure vaccines, even after many in the Global North had received multiple doses.³¹

When it comes to Russia, South African leaders in the ANC

harbor an appreciation and even nostalgia for what they remember as Russia's support to the ANC during its fight against apartheid. (Former South African Foreign Minister Nalendi Pandor was particularly fond of reminding U.S. officials of Washington's decades-long support of white minority rule and its designation of the ANC as a terrorist group.³²) Much of the ANC's leadership received various forms of training and education in the Soviet Union; even today, the youth wing of the ANC sent election monitors to observe and endorse Russia's fraudulent elections in Crimea, while party leaders—including the president and the foreign minister—have gone to great lengths to refrain from criticizing Russia for its invasion of Ukraine. However, not all South Africans support these stances. In particular, the country's white minority population bristles at the ANC's closeness to Russia. In more recent years, strategic Russian investments in sectors like mining have helped Russian oligarchs with ties to President Putin develop relations with ANC party leaders; such relations even prompted corruption allegations when it was uncovered that a Russian oligarch had financed an ANC party conference in the lead-up to the presidential elections.³³

Perhaps most importantly, South Africa sees both China and Russia as allies, as they both championed the inclusion of South Africa in the creation of the BRICS organization more than a decade ago, a group which has emerged as a central component of South Africa's foreign policy aimed at promoting a multipolar world. While not explicitly opposed to Western interests, South Africa has sought to use its voice inside of groups like the BRICS, G20, and even G7—where it has recently been granted observer status—to advocate for Global South perspectives. It has gone further in advocating for fundamental reforms of the UN Security Council, arguing that it and other Global South countries should be afforded permanent seats, as well as in reforming the management and the mandate of global financial institutions to better serve the needs of

developing countries.³⁴

On many of these calls for reform, the United States and European allies have appeared open to South Africa's lobbying and acknowledged the need to modernize these institutions to better reflect the world's changing distribution of power, influence, wealth, and population. During the Biden administration, for instance, there was a genuine sense of trying to court South Africa, sensing that its drift into a more Eastern-oriented, anti-West orbit was perhaps accelerating. President Biden hosted President Ramaphosa in the Oval Office in 2022, his first time hosting an African head of state as president, while U.S. Secretary of State Antony Blinken traveled to South Africa more than any other African country and chose it as the location to launch the administration's 2022 Africa strategy. Under the second Trump administration, the pendulum has swung from trying to build a stronger partnership with South Africa to adopting a more adversarial approach.

VISION OF GLOBAL ORDER

South Africa makes no secret of promoting a new world order updated for the twenty-first century, not based on power, but based on adherence to a rules-based international system that applies equally to all countries, regardless of size, wealth, or military prowess. As former Foreign Minister Pandor recently told a Council on Foreign Relations audience, "We've got to rethink the multilateral system, ensure it's more fair, more open, transparent, and democratic."³⁵ In pursuit of this vision, South Africa has displayed a multipronged approach: working through existing global institutions such as the G20 from the inside, seeking to reform institutions such as the United Nations and Bretton Woods from the outside, and creating or expanding new institutions that better serve the interests of the Global South. However, the pursuit of these goals can often appear both self-serving and contradictory.

For example, on issues of global justice, South Africa spearheaded a landmark case at the International Court of Justice to bring genocide charges against Israel for the war in Gaza, over Western objections.³⁶ However, Pretoria sought to animate the rules-based international order it champions against Israel at virtually the same time as South African officials resisted pressure to arrest Russian President Vladimir Putin following an arrest warrant issued by the International Criminal Court (ICC) for his crimes in Ukraine.³⁷ While Putin ultimately chose not to attend the BRICS summit in South Africa, the case is reminiscent of an incident in 2017 when ICC indictee Omar Al-Bashir of Sudan was allowed to travel freely to South Africa for an African Union summit despite South Africa's legal obligation to detain him under the terms of the Rome Statute.³⁸ While South Africa at the time argued that its domestic law granting sitting heads of state immunity superseded the ICC indictment, many contend that Pretoria's opposition was grounded more in its belief that the ICC had been unfairly used by Western states to unduly target Africans; at the time, the ICC had only indicted Africans.³⁹ While some argue that South Africa is just being opportunistic, Pretoria revels in using the tools of the international system in ways that work to its benefit while highlighting the West's use of the same institutions to advance its own agenda.

At the same time, South Africa continues to use its voice within global institutions to reform them from the inside. At the United Nations, South African officials felt misled during their time as a nonpermanent member of the Security Council when, in 2011, they voted to authorize a NATO air campaign—ostensibly under the Responsibility to Protect doctrine—to avoid what appeared in the moment to be a potential genocide of citizens in Benghazi, Libya, by longtime dictator Muḥammad Qaddafi.⁴⁰ Pushed by the United States, the United Kingdom, and France, the mission quickly transformed into a campaign to remove Qaddafi from power and has since

led to more than a decade of violent instability emanating across Saharan Africa from Libya. South Africa's experience on the Security Council during this period, which coincidentally also included other BRICS countries Brazil and India, led Pretoria to advocate for fundamental reform of the council, including adding permanent African seats for itself and others. Short of that, South Africa has also sought to make more use of the UN General Assembly to get around the use of the Security Council's veto and give countries an equal say in global debates. A case in point is Russia's aggression in Ukraine, where South Africa has used multiple General Assembly votes to rally African states to express a neutral stance toward the war.⁴¹

Finally, South Africa's role in the BRICS organization has become central to its foreign policy. It seeks to expand and elevate the grouping to serve as a counterweight to the current Western-dominated world order, instead striving for a multipolar global order. Through BRICS, South Africa has advocated for the creation of a BRICS bank, currency, and trade architecture that would circumvent—or, at the very least, weaken—the dominance of Western-controlled institutions like the World Bank and the International Monetary Fund in setting the global rules for lending and borrowing.⁴² Pretoria has also been a chief advocate for the expansion of BRICS, with four new countries joining the grouping at the 2024 summit hosted by South Africa.

CONCLUSION

South Africa, rooted in its history, grievances, and aspirations, champions a multipolar world whereby no single country or block can impose its will over others. Through participating in diverse global institutions and championing the AfCFTA, as well as by leveraging its position in BRICS and the G20, South Africa elevates African countries and their concerns to the international sphere. Reaping the benefits from its relationships with China, Russia, and the United

States, South Africa demonstrates that great power competition is not a zero-sum game—it is instead an exercise in choosing what best suits one’s specific context and partnering without restrictions. As Africa’s biggest economy, South Africa is playing an instrumental role in advocating for reforms in the global financial architecture, as well as in the UN Security Council, to foster a more equitable and inclusive global order. While the nation navigates hurdles facing its young democracy, hopes for the Rainbow Nation continue to evolve.

However, South Africa’s foreign policy is not without its complexities and criticisms. While it espouses a commitment to international law and justice, its selective engagements in global justice issues have drawn scrutiny. The country’s alignments with China and Russia illustrate the pragmatic balancing act it must navigate to protect its economic interests and global influence. Yet, South Africa’s overarching goal remains clear: to contribute to a fairer, more transparent global order that accommodates the diverse perspectives and aspirations of nations across Africa and the wider Global South.

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STRATEGIC AMBIGUITY: ERDOĞAN'S TURKEY IN A MULTIPOLAR WORLD

Jeffrey Mankoff and Max Bergmann

INTRODUCTION

Following Russia's invasion of Ukraine in 2022, Finland and Sweden made the historic decision to seek membership in the North Atlantic Treaty Organization (NATO). While Washington greeted this decision as an opportunity to strengthen the alliance and reinforce Russia's strategic miscalculation in starting the war, Turkish President Recep Tayyip Erdoğan saw Finland's and Sweden's membership aspirations as an opportunity to seek concessions over arms sales, Turkey's pursuit of membership in the European Union, and Stockholm's perceived sympathy for Kurdish militants. After signing off on Finland's membership in March 2023, Turkey only approved Swedish membership in January 2024 after Sweden approved new counterterrorism legislation—and after the administration of U.S. President Joe Biden agreed to sell Turkey modernized F-16 fighter jets.

The saga over Finland and Sweden joining NATO demonstrates how Turkey straddles multiple worlds. It is at once part of the West—a NATO member and an EU candidate country—and part of the Middle East, an integral player across the region stretching from Libya to Afghanistan. It is also a member of the Global South that practices familiar hedging strategies toward the West, engages con-

structively with Russia and China, and does not hesitate to pursue foreign policy goals counter to the interests of its most important treaty ally, the United States.

Erdoğan's ruling Justice and Development Party (AK Party) aspires to establish Turkey's "strategic autonomy" while taking advantage of its NATO membership and strategic geography to achieve a level of global influence exceeding expectations.¹ According to its Ministry of Foreign Affairs, Turkey pursues an "independent and national foreign policy" that aims to "strengthen regional peace and security, expand the institutional basis of [Turkey's] foreign relations, promote economic development and prosperity in [Turkey's] region and influence the transformation of the global system."²

The AK Party rejects the Kemalist vision of Turkey as a secular state modeled on European antecedents. Instead, it looks to the country's Ottoman past as a model of religiously legitimated power. It also has adopted an Ottoman-inflected geographic imagination. Former AK Party Foreign Minister Ahmet Davutoğlu describes Turkey in his academic writings as a "central state (*merkez ülke*)" linked by historical and cultural bonds to its former hinterlands in the Balkans, the Caucasus, and especially the Middle East.³ This outlook, sometimes derided by critics as "neo-Ottomanism," encourages Turkey to supplement its long-standing role as NATO's pillar in the Mediterranean with a renewed focus on areas sharing a post-Ottoman heritage, particularly in the Middle East and North Africa.⁴ In recent years, Erdoğan has supplemented this emphasis on the "post-Ottoman space" with a new focus on the "Turkic World" of Azerbaijan and Central Asia, as well as concerted outreach to Africa and other parts of the Global South.⁵ Turkey, meanwhile, remains an important player in the Black Sea and Eastern Mediterranean, with the second-largest military of any NATO ally (after the United States) and an increasingly potent defense industry.

Over the past decade, Turkey has improved relations with China and especially Russia. Pragmatic relations with Russia have allowed Turkey to pursue a more expansive agenda in North Africa, the Middle East, the Balkans, and the Caucasus. China, meanwhile, has become a larger economic partner, as Turkey is potentially a key node in Beijing's Belt and Road Initiative (BRI).⁶ Turkey's NATO membership and economic connection to Europe allow Ankara to engage these Eurasian rivals from a position of strength, even as Erdoğan uses the specter of closer alignment with Russia and China to enhance his leverage with Western powers. Turkey also maintains a vision of global order that aligns with Beijing's and Moscow's (not to mention Tehran's) pursuit of multipolarity. Even as Turkey maintains its status as a NATO member, a nominal EU aspirant, and a member of legacy institutions like the Council of Europe and the International Monetary Fund (IMF), it has shown increased interest in Sino-Russian initiatives like the Shanghai Cooperation Organization (SCO) and BRICS (Brazil, Russia, India, China, South Africa), which embody a nonliberal model of global and regional governance—while Moscow and Beijing both see Turkey as too aligned with the West to grant membership in these organizations.⁷

Erdoğan's Turkey also has global ambitions. Turkish forces are deployed in Qatar, Libya, and Somalia, while Ankara has bilateral defense agreements with dozens of states.⁸ The AK Party, with its Islamist outlook, has been particularly ambitious in the Middle East, albeit with mixed results. Support for the Arab Spring and the Muslim Brotherhood alienated key Middle Eastern governments like those in Saudi Arabia and the United Arab Emirates while damaging Turkey's traditional alliance with Israel. Intervention in the Syrian Civil War, meanwhile, nearly brought Turkey into conflict with Russia.⁹ Turkish forces have long battled Kurdistan Workers' Party (PKK) militants in Iraq and Syria.¹⁰ With the fall of the Assad government to rebels from the Turkish-backed Hayat Tahrir al-Sham

(HTS), Turkey has been locked in an escalating struggle with Israel over the future direction of Syria.¹¹

Beyond the Middle East, Turkish soft power—including development assistance, trade, education, and culture—has made significant inroads in the Balkans, the Caucasus, and Central Asia. Many states are now looking to Turkey for military support following the victory of Turkish-backed Azerbaijan over Armenia in the Second Nagorno-Karabakh War (2020). Africa is also a primary focus for Turkish development assistance and a major customer for Turkey’s defense industry. Turkey’s strategic ambiguity and political hybridity give Ankara an advantage with countries seeking to remain on the sidelines amid mounting competition among the West, Russia, and China.

HISTORY, GRIEVANCES, AND ASPIRATIONS

From the 1950s to the 1990s, Ankara maintained a pro-Western alignment that developed in response to Soviet efforts to project power at Turkey’s expense. Along with Greece, Turkey was a focal point of the Truman Doctrine, according to which the United States would provide economic and military assistance to countries resisting attempted communist takeovers. Turkey joined NATO in 1952 in response to Soviet leader Joseph Stalin’s efforts to station Soviet troops in Turkey and contest Ankara’s control of the Bosphorus and Dardanelles Straits. Turkey also signed an association agreement with the European Community in 1963, leading to the formation of a customs union that anchored Turkey’s economy to Europe and fed hopes, at least among a subset of the ruling elite, that Turkey could eventually join what became the European Union. Turkey was also one of the few Muslim-majority states to recognize Israel, and it remained neutral during the 1967 and 1973 Arab-Israeli wars, to the intense anger of many Arab governments.

This alignment with the West was never without controversy. Ruling elites from the military and security services developed a

strongly anticommunist political culture, even as disaffected students, Kurds, Alevis, and other marginalized groups adopted a leftist ideology that at times saw them align with Moscow. Meanwhile, religious groups marginalized by Mustafa Kemal Atatürk's reforms remained strongly anticommunist even as they critiqued Kemalist secularism. The 1960s saw the consolidation of a so-called "Turkish-Islamic synthesis" uniting religious and nationalist opposition to the Kemalist state.¹² (Turkey's ruling AK Party is a product of this synthesis.)

While the Kemalist elite, concentrated in the military and internal security services, maintained a pro-Western outlook throughout the Cold War, their commitment to democratic rule was limited. In 1960, the military overthrew the government of Prime Minister Adnan Menderes—Turkey's first freely elected leader—in part over his perceived accommodation of Moscow. While the military soon returned power to civilian leaders, the ouster (and execution) of Menderes set a precedent for military intervention that continues to haunt Turkish politics. After periods of economic crisis and worsening instability and violence between leftist and nationalist groups, the military launched further coups in 1971 and 1980, each followed by large-scale repression targeting civil society. Following the return to civilian rule in 1983, the governments of Turgut Özal and Yildirim Akbulut liberalized the economy and opened Turkey up to trade and investment from the United States and Europe.

These reforms also set the stage for Turkey's political and economic transformation. A conservative Muslim with links to the Sufi lodges closed under Atatürk's reforms, Özal's economic liberalization challenged the dominance of large industrialists aligned with the Kemalist establishment. Economic growth in the 1980s and 1990s catalyzed the emergence of new industries in Turkey's more conservative heartland. These "Anatolian Tigers" would provide much of the financial and political capital for the economically liberal, mildly Islamist AK Party, founded in the late 1990s following a

split in the Islamist movement prompted by a “soft coup” in 1997.¹³

For the better part of a decade, the AK Party government appeared to balance Turkey’s commitment to partnership with the West and an emerging interest in acting as a regional power. Turkey played an important role in the U.S.-led mission in Afghanistan, where its forces commanded two provincial reconstruction teams from 2006 to 2014 and secured Kabul’s airport. Although Ankara refused U.S. requests to use its territory to carry out the 2003 invasion of Iraq, the George W. Bush administration held up the AK Party’s Islamically infused democracy as a model for reconciling Islam and democracy across the Muslim world. Under then-Prime Minister Erdoğan, Turkey dramatically accelerated political and economic reforms in line with its aspirations to join the European Union. Erdoğan’s government strengthened civilian control of the military, deregulated the economy, and opened Turkey to foreign investment. Responding, in part, to this apparent democratic breakthrough, Brussels opened accession negotiations with Turkey in 2005.

This democratic opening did not last, however. Over time, the AK Party shunted aside opposition parties and much of the old infrastructure of the Kemalist state. Much of this shift took place under a veneer of democratic legitimacy, as the AK Party continued winning elections while chipping away at the checks and balances necessary for real pluralism. Established business groups lost out on state contracts to firms and individuals close to the AK Party—notably the Anatolian Tigers. Religious schools received new infusions of state funding, with their graduates encouraged to enter government service.

Aiding this transformation was the AK Party’s alliance with the religious movement directed by exiled cleric Fethullah Gülen, sometimes referred to as Hizmet (“Service”). Although Gülenists provided ideological, financial, and political backing for the AK Party, they maintained their own political aspirations while establishing a strong

foothold in the intelligence services, the military, and law enforcement. After a series of scandals and Erdoğan's efforts to marginalize them, Gülenists in the military launched an abortive coup in the summer of 2016. After the coup failed, Erdoğan and his allies conducted a massive purge of the military, judiciary, and civil service that saw thousands jailed. Erdoğan blamed the United States for being slow to criticize the coup and for providing refuge for Gülen in Pennsylvania.¹⁴ Ankara would subsequently classify what it called the Fethullah Terrorist Organization (FETÖ) as a terrorist group on par with the PKK and the so-called Islamic State of Iraq and Syria (ISIS).

Another major source of grievance with the United States grew out of the war in Syria. Turkey had strongly supported the Arab Spring, hoping it would bring to power new governments whose democratic legitimacy would be based on an embrace of Islamic values. With the outbreak of civil war in Syria, Turkey called for the ouster of President Bashar al-Assad and threw its support behind a range of rebel groups, including some hardline Islamists aligned with al Qaeda. Above all, Ankara was interested in using the Syrian conflict to stamp out offshoots of the PKK in northern Syria. While ISIS carried out attacks against Turkey, the United States accused Ankara of downplaying the ISIS threat while prioritizing strikes on Kurdish forces. When ISIS began a genocidal campaign against Kurdish-speaking Yazidis in northern Syria, the United States turned to the Syrian Democratic Forces (SDF), whose largest component comprised the PKK-linked People's Protection Units, to stem the tide. Even with the fall of the Basar al-Assad regime in late 2024, the status of the SDF and their relationship to the United States remains a source of contention.¹⁵

The Syrian war also facilitated Turkey's rapprochement with Russia. Turkish backing for the Syrian rebels put Ankara at odds with Moscow, which had intervened militarily in 2015 to support Assad, leading to sporadic clashes between Russian and Turkish

forces, including the November 2015 downing of a Russian jet that had crossed into Turkish airspace. Moscow imposed an economic blockade in response, while Turkey asserted that its Western partners provided insufficient backing for its efforts to defend its airspace. Amid the crisis over U.S. support for the SDF and the general failure of Turkey's support for Middle Eastern democratization, Erdoğan formally apologized for the downing of the Russian jet. This step set the stage for an end to the blockade and a more general Turko-Russian reconciliation, which was accelerated despite the assassination of Russia's ambassador to Turkey in an Ankara art gallery in December 2016.

NATIONAL DEBATE

Political parties in Turkey are deeply entrenched in political identities according to two primary divisions.¹⁶ One significant fault line is rooted in a conservative-secular divide, where the ruling AK Party embodies the conservative (Islamic and center-right) factions of the population while the opposition Republican People's Party (CHP) predominantly champions secular values. The other divide revolves around national identity, with various Turkish nationalist parties on one side and the parties aligned with Turkey's Kurdish movement on the other. Since 2018, the ultranationalist National Movement Party (MHP) has been a coalition partner of the AK Party, pushing the government to adopt a harder line on issues related to Kurds, Cyprus, migration, and other topics. Selahattin Demirtaş, leader of the secular pro-Kurdish Peoples' Democratic Party (HDP), has been imprisoned since 2016, while the government seeks to ban the HDP over alleged support for terrorism and ties to the PKK.¹⁷

Despite the AK Party's two-plus decades in power and its success at consolidating an electoral autocracy, Turkey's opposition has recently seen its popularity increase. Candidates from the CHP won mayoral elections in both Istanbul and Ankara in 2019. Although

the AK Party triumphed in the May 2023 parliamentary elections, the CHP again won multiple local elections in May 2024, including Istanbul and Ankara.¹⁸ These results underscore Erdoğan's weakening grip on autocratic power and the continued vitality of Turkey's democratic traditions. They also sparked the crackdown that led to the arrest of Istanbul's mayor, Ekrem İmamoğlu, in March 2025 and attempts to ban him from running as the CHP candidate in the 2028 presidential election.

Opposition parties skillfully capitalized on votes from diverse sectors, including business leaders and former foreign policy elites, by adopting an anti-regime stance, critiquing Erdoğan's autocratic moves, distancing from Western institutions and values, and emphasizing the erosion of the rule of law.¹⁹ The AK Party's diminishing capacity to mediate between state and citizens and its sustained clientelist practices, as well as the prevailing discontent with its economic and political governance, catalyzed support for the CHP, regardless of the heterogeneous composition of its electorate. The main drivers of Erdoğan's decaying support are widespread and multifaceted economic and political grievances, such as the erosion of meritocracy and worsening economic indicators, including unemployment, foreign exchange rates, and inflation.²⁰

Additionally, the 2024 local election results in Turkey have shown a civil society that stood up against the AKP's cultural project. Opposed to Erdoğan's ultra-nationalistic, ultra-religious, illiberal, authoritarian, and inward-looking project, a major section of Turkish society advocates a modern, secular, democratic, pluralistic, and inclusive Turkey. The AK Party's monopoly over Islamist votes was also contested in the 2024 local elections by the success of the Islamist New Welfare Party, which calls for freezing trade with Israel, denying NATO troops access to Turkey (including shutting down NATO's radar station), lowering interest rates, prohibiting adultery, and removing gender equality laws.²¹

However, while the major victory of the opposition in the 2024 local elections showcases the winds of change in Turkey, the CHP must secure its popular support by governing through the institutions it controls and resisting the government's attempt to undermine it. This will not be an easy task, as the Turkish presidential system grants the executive power a wide array of competences. Yet the AK Party will also face difficulties governing with pressure and resistance from Islamists and nationalists, making its leadership increasingly unstable.

ECONOMICS

Turkey has experienced significant economic growth over the last two decades. Real gross domestic product (GDP) growth has averaged more than 5 percent per year, and poverty has been reduced significantly. Yet following the failed coup attempt in 2016 and Erdoğan's authoritarian turn, Turkey saw a decline in foreign investment. Its foreign debt levels exploded, and the lira declined in value. Erdoğan, meanwhile, sidelined economic technocrats and eroded the independence of the Central Bank.²² In the early 2020s, Turkey pursued a highly unorthodox loose monetary policy under the notion that higher interest rates contribute to inflation rather than decrease it. Turkey thus pursued a loose, if not reckless, monetary policy that caused inflation to skyrocket from roughly 10 percent in 2020 to as high as 80 percent in 2022.²³ Erdoğan also raised public sector salaries by 45 percent in the run-up to the 2023 presidential election.²⁴ Since securing re-election, however, Erdoğan has again allowed interest rates to rise and has reappointed technocratic economic officials, including Governor of the Central Bank Fatih Karahan and Minister of the Economy Mehmet Şimşek.²⁵ Despite generally higher interest rates, Turkey's central bank predicted annual inflation would remain around 24 percent in 2025.²⁶

Under the AK Party, Turkey's economic interests are closely inte-

grated with its foreign policy.²⁷ This approach marks a shift from the security-focused foreign policies of the 1990s to a more economy-driven strategy. The ruling elites emphasize economic relations as a key element of foreign policy, reflecting the belief that economic liberalization fosters security, stability, and democracy.

The state plays a central role in shaping economic policies, particularly through its influence on foreign policy. This state-driven approach aims to leverage Turkey's geographical and cultural ties to enhance its economic position regionally and globally. Economic factors are deeply intertwined with Turkey's geopolitical outlook. The AK Party's focus on economic ties aims to capitalize on Turkey's unique position at the crossroads of multiple regions, promoting a "civilizational outlook" that seeks to bridge traditional East-West and Europe-Middle East divides.²⁸ Its economic diplomacy is intended to reinforce Turkey's role in regional peace and stability and to position it as a key player in both the Islamic world and the West.

Turkey has been actively promoting the development of the Trans-Caspian East-West Corridor, also known as the Middle Corridor, which links Europe and China via a network of railways and roads passing through Turkey, Georgia, Azerbaijan, the Caspian Sea, and Central Asia.²⁹ This initiative reflects Turkey's strategic geoeconomic vision to position itself as a vital hub in the global supply chain, enhancing its economic and geopolitical influence.

Turkey's pursuit of middle-power status through the Middle Corridor could align well with the European Union's quest for strategic interdependence.³⁰ If this initiative progresses in the coming years, it could become a mutually beneficial strategy where both the European Union and Turkey enhance their economic cooperation while safeguarding their respective interests. This partnership would not only bolster economic ties but also promote regional stability and integration, reinforcing Turkey's pivotal role in connecting the East and the West.

Moreover, Turkey has been expanding its military capacities and developing an innovation ecosystem within its military-industrial complex to position itself as a “tekno-nation.”³¹ This effort is part of a broader defense and security policy aimed at achieving autonomy through three main strategies: reducing dependence on international providers; systematically promoting technological innovation through partnerships with techno-parks, startups, and universities; and increasing the capacity to export various weapon systems.

The state-owned Defense Industry Agency (SSB) oversees the development and manufacture of armament projects. Indicators of Turkey’s increased defense spending include significant growth in sector employment, rapid increases in annual defense expenditure, a rising share of domestic manufacturing capacity, and the recruitment of specialized engineers, software developers, and marketing experts from Turkish and international universities. This comprehensive approach is supported by numerous universities, six innovation clusters in key cities, and various techno-parks, reinforcing Turkey’s ambition to become a leading nation in defense technology and innovation.

The defense industry is a major source of Turkey’s growing international influence. Overall defense and aerospace sales have increased tenfold since the start of the twenty-first century.³² The Second Nagorno-Karabakh War provided an important advertisement for Turkish Bayraktar TB2 drones and other capabilities. Since then, Bayraktar manufacturer Baykar and other Turkish defense companies have signed deals to provide drones to countries including Kazakhstan, Kyrgyzstan, Ethiopia, Niger, Morocco, Tunisia, and Togo. Turkish firms have carved out a particular niche in Africa, offering capable, relatively low-cost systems with minimal political strings attached. Along with Baykar, firms such as Aselsan, Turkish Aerospace Industries (TAI), and others have become global players in recent years. The war in Ukraine has also been a boon for Turkey’s

defense industry. Amid a worldwide scramble for artillery shells to allow Ukraine to match the volume of Russian fire, the United States is working with Turkey's MKE Corporation to source 155 mm shells for Ukraine and potentially invest in additional production.³³

GREAT POWER COMPETITION

Like many middle powers, Turkey tries to largely remain on the sidelines of great power competition while maximizing its leverage and room for maneuver. But unlike other middle powers, Turkey is a member of NATO and participates in a customs union with the European Union. Ankara continues leaning into NATO to ensure its security, and it values its bilateral relationship with Washington, which has recently improved after a long period of tension. This close association with the West is a strategic asset for Turkey—one that allows Ankara to engage regionally and globally from a position of strength. It also limits Turkey's ability to act as a revisionist power, even though Ankara's calls for a more equitable distribution of power and influence, at times, leave it aligned *de facto* with the revisionist powers Russia and China.

Some of this alignment stems from the AK Party's retreat from liberalism and democracy; some, however, is a product of the altered strategic geography created by the end of the Cold War and Turkey's growing geopolitical aspirations. If Turkey's strategic focus during the Cold War was the Mediterranean and southeastern Europe, the end of the war provided an increased margin of security and opened up new opportunities for power projection in the Balkans, the Caucasus, the Black Sea, the Middle East, and even Central Asia thanks to the retreat of Russian/Soviet power from Turkey's borders. However, the Soviet collapse also removed some of the strategic rationale for Ankara's Western orientation, dating back to the 1952 decision to join NATO. Even before the AK Party came to power in 2002, thinkers and analysts were promoting a more expansive vision of Turkey's role in the world.

This shift often came at the expense of Turkey's inherited alliance with the United States. The divergence between U.S. and Turkish interests was starkly visible in the 2003 invasion of Iraq, when the Turkish parliament refused to let U.S. forces use Turkish territory to carry out the attack. Similarly, the backlash to U.S. support for the PKK-linked SDF during the Syrian Civil War still complicates relations, as does Turkey's retreat from the democratic opening of the early 2000s, when the AK Party was actively pursuing EU membership. Erdoğan's turn to illiberal democracy and the ascent of Islamism at home have undermined the moral foundations of the relationship. While Turkey has never threatened to abandon NATO and remains nominally committed to EU membership, these crises have damaged trust on both sides and have made U.S.-Turkey and EU-Turkey relationships more transactional. They have also created incentives for Ankara to deepen ties with Moscow and Beijing.

Following the Cold War, Turkey prioritized deepening trade, economic, cultural, and political ties with the newly independent states of Eurasia, including Russia, despite a long strategic rivalry between the two states. Trade quickly boomed, and Russian tourists came in large numbers to Turkey, lured by beaches, warm weather, low prices, and the lack of visa requirements. Turkish companies became important players in the markets of Russia and neighboring states. Pipelines from the South Caucasus and Russia supported Turkish economic growth and fed Turkish ambitions to become an energy hub for Europe. As Turkey drifted further into authoritarianism through the early 2010s, ties with Moscow provided ballast against the deterioration of relations with the United States and Europe. More broadly, Erdoğan's populist turn, invocation of Turkish civilizational greatness, and aspiration to turn Turkey into an autonomous regional power created a common purpose with Vladimir Putin's Russia.

In 2010, Erdoğan and Putin created a High-Level Cooperation Council bringing together senior officials for regular meetings. Tur-

key's need for imported energy gave Russia a strong card to play. When the European Union blocked Russian efforts to construct the South Stream subsea gas pipeline to southern Europe, Moscow instead built the Turkish Stream pipeline under the Black Sea, deepening Turkey's dependence on Russian gas and allowing Turkey to profit from the resale of gas to the European Union. Russia's Rosatom also signed a contract to build Turkey's first nuclear power plant. Dependence on Russian energy is a key factor in Turkey's reluctance to impose sanctions over Russia's war in Ukraine.

Nevertheless, Turkey's strategic ambitions produced frequent clashes with Russia. The most serious took place over Syria, where Ankara had been one of the principal backers of rebels seeking the ouster of Assad. Despite these tensions, Putin was quick to condemn the July 2016 Gülenist coup attempt (and may have warned Erdoğan in advance). Erdoğan claimed, conversely, that the United States waited until it was clear the coup would fail before denouncing it. Subsequent purges of the armed forces and the security services saw the removal and jailing of many officials with ties to the West, including NATO. The rise of ISIS created further problems, as Washington accused Ankara of turning a blind eye to the influx of foreign fighters while prioritizing attacks on Kurdish forces. The coup attempt, coupled with the impact of the Russian blockade on Turkey's economy, paved the way for Erdoğan's decision to apologize for the November 2015 downing of the Russian warplane and ensuing rapprochement between Ankara and Moscow.

In December 2017, Turkey agreed to purchase the Russian S-400 air defense system. The United States and NATO regarded this system, which may have been intended to guard Erdoğan against a repeat of the 2016 coup attempt led by the Turkish air force, as an intelligence threat and contrary to Turkey's alliance obligations. With Ankara unwilling to walk away from the deal, the United States formally excluded Turkey from the F-35 fighter program. Mean-

while, Moscow and Ankara increasingly worked together to address their regional disputes. Along with Iran, they established the Astana Format for managing their respective interests in Syria (with Turkey effectively acknowledging that Assad would remain in power for the time being). They engaged in a kind of coercive bargaining over Libya and the South Caucasus, where Turkey's deepening strategic alignment with Azerbaijan challenged Russia's inherited role as regional security broker. With Russia's February 2022 invasion of Ukraine, Ankara has supported Kyiv militarily while leveraging its ability to mediate among all sides.

Turkey's relationship with China walks a similar line. China is an increasingly important economic partner and source of investment for Turkey. Since 2010, the two sides have described their relationship as a "strategic partnership," and China has been instrumental in projects like the construction of a high-speed rail line between Istanbul and Ankara.³⁴ China is now Turkey's second-largest individual trade partner, with trade turnover rising from around \$25 billion in 2020 to more than \$40 billion in 2023.³⁵ Beijing has invested around \$1.4 billion in Turkey in the context of the BRI, while Turkey is the second-largest recipient of funds from the Chinese-sponsored Asian Infrastructure Investment Bank (AIIB).³⁶ In part because of opposition from construction firms closely linked to the AK Party, however, Chinese infrastructure investment in Turkey has been sharply limited. Turkey nevertheless stands to be a major beneficiary of efforts to construct a Middle Corridor connecting China to Europe while bypassing Russia. Economic relations have encouraged Erdoğan and other Turkish leaders to temper their criticism of China, including its repression of Turkic Muslim Uyghurs in Xinjiang. Uyghur groups have accused Turkey of cooperating with Chinese security services to illegally detain and deport Uyghur activists in Turkey.³⁷

Despite their sectarian divide, diverging political models, and competing geopolitical ambitions, Turkey and Iran have also main-

tained a largely pragmatic relationship. Ankara opposes Iran's nuclear ambitions and has fought a long proxy war with Tehran in Syria and (to a lesser degree) Iraq. The Kurdish issue has also been an enduring source of tension, with Ankara charging that Tehran was turning a blind eye to the activities of PKK-linked militants.³⁸ At the same time, Turkey and Iran have a common interest in containing Kurdish nationalism—one they also share with both Iraq and Syria. Turkey also views Iran as a useful counterweight to Israel in the Middle East.³⁹ With the fall of the Assad regime, neither Ankara nor Tehran wants to see an Israeli presence on the ground in Syria or a Syrian regime that is too close to Jerusalem. Though Turkey is a close ally of Azerbaijan and Iran generally supports Armenia, Ankara and Tehran also favor a kind of regional condominium in the South Caucasus and oppose the expansion of Western influence in the region.⁴⁰ Along with Russia, Iran remains a potential obstacle to Turkish-Azerbaijani ambitions of expanding east-west connectivity through the Caucasus.

VISIONS OF GLOBAL ORDER

Turkey maintains an ambivalent position with respect to the global order. It remains committed to the legacy institutions it is a member of—including NATO, the Council of Europe, and the IMF. Its closer alignment with Russia and China, however, has encouraged the nation to seek admission to a host of new non-Western forums like the G20, BRICS, and the SCO. Erdoğan argues that legacy institutions fail to provide countries from the Global South adequate representation and that “the world is bigger than five” (the five permanent members of the UN Security Council).⁴¹ It prioritizes regional ownership of disputes in ways that require working with powers like Russia and Iran while marginalizing allies. Turkey uses the 1936 Montreux Convention to limit the presence of allied naval forces in the Black Sea and promoted Russia-Turkey-Iran regional mechanisms for Syria (the Astana Format) and the South Caucasus (the so-called 3+3).

Like Russia and China, Turkey challenges its neighbors' territorial integrity. Turkish forces have occupied the northern third of Cyprus since 1974, with some Turkish Cypriot politicians suggesting Ankara could annex the de facto Turkish Republic of Northern Cyprus.⁴² Turkish troops also remain entrenched in pockets of northern Syria and frequently carry out incursions into northern Iraq against PKK militants. Turkey has also sporadically contested Greek control of several islands in the Aegean Sea and adopted a 2019 maritime delimitation agreement with the Libyan Government of National Accord that challenges claims by Greece, the Republic of Cyprus, and Egypt.

This support for revisionism also has an ideological component. After the start of the war in Ukraine, Turkey has accentuated its revisionism and anti-Western narratives.⁴³ Like Putin's Russia, Erdoğan's Turkey promotes a "traditional values" narrative that emphasizes patriarchal gender roles, opposition to same-sex marriage, and deference to religious establishments. Erdoğan has announced on various occasions that Western democracies and liberal democratic systems are in decline and obsolete. Yet Turkey's revisionism has its limitations. The country has profound economic dependencies that limit its fully independent course in foreign policy, and efforts to gain independence from its Western allies have not been accompanied by building sustainable alliances elsewhere, despite its "flexible alliances in defense policy."⁴⁴

Moreover, Turkey maintains a degree of geostrategic ambiguity.⁴⁵ In recent years, Turkey has become a dialogue partner of the SCO and has announced its intention to seek membership in the BRICS coalition. Yet it also remains tied historically and institutionally to the West, above all through its membership in NATO and its customs union with the European Union. These affiliations have limited the willingness of both Moscow and Beijing to support admitting Ankara as a full partner to either the BRICS or the SCO. Although Ankara's

relationship with Washington has become increasingly transactional, NATO remains the linchpin for Turkish security. Turkey has long met NATO's target of spending more than 2 percent of GDP on defense. Along with Turkey's ability to leverage the Finnish and Swedish accession requests for its own ends, the 2024 Washington NATO Summit Declaration in particular reflected several Turkish priorities, notably the focus on counterterrorism as an alliance priority, the emphasis on defense industrial cooperation, and the language on the Black Sea and Western Balkans (including reference to the Montreux Convention, which allows Turkey to limit egress and ingress of warships through the Turkish Straits).⁴⁶

As much as Ankara attempts to position itself as a global pivot, it will eventually have to make some difficult choices. The leadership's foreign policy ambitions contradict its international commitments: Expanding its relationship with Russia conflicts with its NATO membership commitments, restoring relations with Israel is at odds with its support of Hamas, and Turkey's desired EU membership is severely contravened by Erdoğan's autocratic governance and eroded rule of law.⁴⁷

RECENT ACTIONS

Turkey's position on the war in Ukraine reflects Ankara's complex balancing act between the West and Russia. On the one hand, Turkey has been a vital contributor to Ukraine's war effort. Ankara has long emphasized its support for Ukrainian territorial integrity, including control of Crimea. Among other weapons and supplies, Ankara provided armed Bayraktar TB2 drones, which were important in Kyiv's early success against Russian armor, and even signed a deal to coproduce the drones inside Ukraine. Turkey has also provided precision-guided rockets, machine guns, and other weapons systems. In response to requests from Ukrainian authorities, Ankara invoked the Montreux Convention to close the straits to warships

not permanently stationed in the Black Sea. This decision has prevented Moscow from reinforcing its Black Sea Fleet with ships from the Mediterranean and has aided Ukraine's naval attrition strategy. Turkey has also played an important mediation role: It hosted talks in the first months of the conflict on a potential ceasefire and helped broker agreements securing a corridor for the export of Ukrainian grain and for exchanges of prisoners of war. Turkish officials participated in the June 2024 Ukrainian peace summit in Switzerland and signed onto the joint communiqué endorsing President Volodymyr Zelensky's peace formula. Turkey also hosted ceasefire negotiations initiated by the Trump administration in early 2025.

At the same time, Turkish officials and analysts suggest that Ankara does not want to see Russia decisively defeated in a way that could spread instability across a wider region. Ankara has resisted Western pressure to impose personal or sectoral sanctions on Russia. Large numbers of Russians sought sanctuary in Turkey. Meanwhile, Turkish exports to Russia more than quadrupled in the year following February 2022 before dropping under sustained U.S. and European pressure, including the threat of secondary sanctions.⁴⁸ U.S. officials have cited the role of several Turkish companies in facilitating sanctions evasion. To Western frustration, Ankara's interpretation of the Montreux Convention also restricts the ability of NATO warships to enter the Black Sea, even though NATO is not a belligerent in Ukraine. As the stakes in Ukraine rise for all sides, Turkey faces mounting pressure to abandon its ambivalence and fully align with its NATO allies in supporting Ukraine and deterring further Russian aggression.

The views expressed in this chapter are those of the authors and are not an official policy or position of the National Defense University, the Defense Department, or the U.S. government.

ENDNOTES

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THE UNITED ARAB EMIRATES: FROM FOOTNOTE TO SOPHISTICATED GLOBAL PARTNER

Jon B. Alterman

INTRODUCTION

Vladimir Putin bounded down two dozen steps from his presidential plane on the morning of December 6, 2023. It must have felt good to be on the road again. An International Criminal Court indictment following his invasion of Ukraine had limited his international travel to former Soviet states, China, and Iran—but now, he seemed free.

While world leaders were focused on the COP28 conference in Dubai, Putin—escorted by four Su-35 fighter jets—arrived in Abu Dhabi to a hero's welcome. Lampposts were draped with Russian and Emirati flags. His limousine rolled past Bedouin guards and their camels lining the right side of the road, while mounted cavalry bearing Russian flags lined the left. The seven jets of the UAE Air Force's acrobatic team streaked overhead, their colored smoke painting the Russian tricolor across the skies of the Emirati capital. The onward trip to Saudi Arabia for a few hours that evening almost felt like an anticlimax.

For nearly two decades, the leadership of the United Arab Emirates (UAE) has spared no effort in portraying itself as an essential Middle East partner to the United States, a beacon of moderation,

and a catalyst for regional transformation. The push had its origins in crisis: two of the 9/11 hijackers were Emirati, leaving behind distrust among some in Congress and the American security establishment. The Emirati leadership confronted those perceptions head-on, skillfully courting U.S. government officials, senior military officers, and opinion leaders over the years. They judged that success in Washington was impossible if Israel and the UAE were at loggerheads, so outreach extended to the American Jewish community and included many years of quiet conversations with Israeli officials, culminating in U.S.-brokered diplomatic recognition in 2020. The Emirati goal with each successive U.S. president, it seemed, was to be considered America's favorite Arab state. That effort was largely a success. For many in Washington and across the United States, the UAE became a model for the Middle East.

And yet, as the Biden administration sought to rally the world after February 2022 to defend Ukraine and isolate Russia, the UAE remained circumspect. Distrustful of ideology in all its forms, the Emirati leadership viewed their country as a global entrepôt that had earned the right to flourish outside of political blocs. They saw no contradiction between being a close friend of the United States and entering into a “comprehensive strategic partnership” with China in 2018. When Russian capital (and capitalists) sought a place to land after Ukraine-related sanctions slammed Russia in 2022, Emiratis welcomed both. Emirati officials touted their success in negotiating the exchange of hundreds of Russian and Ukrainian prisoners of war. They simultaneously deepened economic ties with both Ukraine and Russia. The UAE, they argued, was a more valuable friend when it maintained relationships with all. They would not choose—in part, because they judged they did not have to.

HISTORY, GRIEVANCES, AND ASPIRATIONS

Unlike many colonized countries, the UAE emerged reluctantly from

the colonial period and almost seemed to rue its end. Colonialism began in 1820, when British rulers in India brought peace to the Persian Gulf, making treaties with the tribes of the lower Gulf to secure Britain's regional trade and end the piracy and looting that had become endemic.¹ For more than a century, the British footprint was light but effective. In the 1920s, when the Al Saud swept out of the Najdi plain and sought to unite the Arabian Peninsula under its rule, British ties protected the eastern tip of the Arabian Peninsula, known as the Trucial States, from absorption into the future Saudi Arabia.² Throughout the period, British troops remained to keep Persia's—and then Iran's—periodic regional ambitions in check.

If the emirs of the Trucial States strained under British rule, it was barely visible, in part because the British exercised minimal direct rule. Britain was a security guarantor and an occasional referee, but it neither invested nor extracted much from what it considered a backwater. The British provided basic medical care and education, but those costs were low. Dubai's population was only 20,000 in 1950, and Abu Dhabi's just 4,000.³ Limited amounts of oil were discovered in the late 1950s and early 1960s, but they produced little wealth.⁴

Over time, Britain scaled back its regional efforts more broadly, and the foothold in the Trucial States made less and less sense. As post-World War I mandates in the Middle East expired, India gained independence, and Britain evacuated the Suez Canal zone, British outposts in places such as the lower Gulf became less strategically important. In 1968, Prime Minister Harold Wilson announced that by the end of 1971, Britain would scale back the “east of Suez” as a cost-cutting measure.⁵ The withdrawal spurred the rulers of the lower Gulf's small coastal emirates—originally including Qatar and Bahrain—to seek a union. In December 1971, protection treaties between the United Kingdom and the Trucial States were terminated, command of the Trucial Oman Scouts, a parliamentary force

under British control from 1951 to 1971, passed from the British political resident to the new UAE president. The British political agent in Abu Dhabi became ambassador, and the British political agent in Dubai became consul general.⁶

By then, the UAE economy had begun to grow. When Sheikh Rashid bin Saeed Al Maktoum took power in Dubai in 1958, he swiftly found funds to dredge Dubai Creek and maintain Dubai's status as the Gulf's leading entrepôt, which it had held for the better part of a century.⁷ By the mid-1960s, oil wealth began fueling the Trucial States' economic development, and the windfall grew as prices and production levels soared after independence in the 1970s. Still, development was relatively slow. Not only was the UAE a new nation in need of almost everything, but it was created decades after its counterparts, including Saudi Arabia and Kuwait.

Its leader, Sheikh Zayed bin Sultan Al Nahyan, was quietly ambitious. He made it a practice to take less than he could and let others save face, but always did so in service of larger goals. The structure of the country reflected this approach. At least symbolically, power was shared among the rulers of all seven emirates, even as Abu Dhabi's oil wealth grew.

While the UAE played an active role in Arab politics, not least as a vocal advocate of Palestinian rights, it had not played much of a global role prior to 2000. Then, two things happened: First, Dubai grew from a regional hub to an international one. This was due in part to the spectacular growth of Emirates airline and the logistics hub that grew around Jebel Ali Port; it was also a product of Dubai's investment in free-trade zones and the Dubai International Financial Centre. Dubai not only became the preferred Middle Eastern headquarters for multinational corporations, but it also became a base for Asian companies trading with the Middle East, Africa, and Europe.

Second, Abu Dhabi became more active, thanks to the vision of then-Abu Dhabi Crown Prince Mohammed bin Zayed Al Nahyan, also

known as MBZ. Whereas his father, Sheikh Zayed, had only a rudimentary education and stressed his Bedouin roots, Sheikh Mohammed was an air force pilot and Royal Military Academy Sandhurst graduate.⁸ After Sheikh Zayed died in 2004, his eldest son, Khalifa, became president of the UAE, but Khalifa's half-brother Mohammed was the one to watch. MBZ grew his portfolio steadily, bolstered by the support of his seven full siblings (the Bani Fatima), who constitute the most powerful bloc among Zayed's approximately 30 children. In 2006, Mohammed set about building a sophisticated organization of cosmopolitan, Western-educated Emiratis called the Executive Affairs Authority (EAA).⁹ The authority was not only his base for operations but also a tool to spot and develop talent for leadership.

From early on, MBZ had a penchant for disruption, and he used the EAA as an incubator for new ideas. Some were economic, such as his upstart sovereign wealth fund, Mubadala, and his initiative to develop a domestic civilian nuclear industry. Some were military, including recruiting a retired Australian Special Air Service Regiment (SASR) general to create a world-class special forces capability.¹⁰ The EAA has long maintained a small political risk function, canvassing the world for assessments of risks and opportunities. Over time, MBZ and the team around him became the center of gravity for much of the UAE's decisionmaking.

In 2011, MBZ and the leadership around him saw the Arab Spring as a challenge on several levels. The UAE had been working to root out what it saw as religious extremism after two Emiratis participated in the 9/11 hijackings.¹¹ For the Emiratis, politicized Islam was the worst of both worlds. The UAE was a paternalistic autocracy that sought openness to the world, and its nightmare was regional politicization and polarization under the heavy hand of religion. On a practical level, the Emirati leadership sought to benefit from Islam's historical deference to rulers, and it saw the Arab Spring instrumentalizing Islam to challenge rulers' legitimacy. Consequently, the

UAE spent tens of billions of dollars isolating Islamist revolutionaries and supporting efforts to return to the region's status quo ante. The effort got the UAE deeply involved in Egypt, Libya, Sudan, Yemen, and beyond.¹²

The Obama administration's embrace of the Arab Spring contributed to the UAE's determination to diversify its international orientation. For UAE leadership, the United States was a vital but somewhat reckless partner. As discussed in the following sections, China has been the UAE's largest trading partner, and Beijing's instinct to reinforce the regional status quo and refrain from domestic interference was a welcome counterbalance to Washington's interference in the Middle East.¹³ Russia was a veteran of battles against Islamists in the Caucasus, and was equally disdainful of a move toward more open political interference in the region.¹⁴

Within the region, the UAE drew close to Saudi Arabia after King Salman bin Abdulaziz Al Saud came to power in 2015. His son, Prince Mohammed bin Salman—later crown prince, known as MBS—shared MBZ's appetite for disruption, as well as his distaste for political Islam. The two collaborated on an effort to isolate Qatar, which both saw as fueling regional instability and political parties aligned with the Muslim Brotherhood. They helped instigate a blockade against Qatar in June 2017, shortly after U.S. President Donald Trump visited Saudi Arabia on his first overseas trip.¹⁵

Soon, though, the UAE came to see Saudi Arabia as reckless and a rival. The proximate cause was the assassination of journalist Jamal Khashoggi in the Saudi consulate in Istanbul in October 2018, but the differences were broad.¹⁶ The two countries had been aligned on efforts to contain the Houthis in Yemen, but cooperation broke down over the overall goals and the strategies to achieve them.¹⁷ They squabbled over who would lead the greater Gulf Cooperation Council (GCC) economic integration. More pointedly, Saudi Arabia's Vision 2030 plan to diversify the economy sought not only to emu-

late various reforms and strategies that the Emiratis had been pursuing for 20 years but also to persuade companies to decamp from the UAE to Saudi Arabia.¹⁸ In recent years, much of that competition has seemingly devolved into rivalry. Because the Saudi economy is more than twice the size of the UAE's and because Saudi Arabia is spending so aggressively to build it up, the Saudi challenge to the UAE regional economic role is not an idle one.

Compared to Saudi Arabia, the UAE has sought to be more agile and proactive in regional affairs. MBZ has been engaging with Western leaders for two decades and is surrounded by a seasoned team. The interplay between Dubai and Abu Dhabi has given the UAE a diverse and sophisticated business community to draw from, one in which talented Emiratis have worked side by side with talented foreign experts for decades. In addition, the UAE has a practice of decentralization. Not only does a federal structure allow Abu Dhabi and Dubai to pursue different approaches to economics and governance, but the country also has the instinct to create multiple institutions in the same space. For example, Abu Dhabi has three separate sovereign wealth funds (the Abu Dhabi Investment Authority, Abu Dhabi Development Holding Company, and Mubadala), and Dubai has three more (the Investment Corporation of Dubai, Dubai Holding, and Dubai World).¹⁹ The country has a strong instinct to approach matters as an investment portfolio with diversified strategies that involve deep hedging rather than making big bets on discrete outcomes.

In addition, the UAE has demonstrated skill in executing ambitious initiatives. The relatively small size of the Emirates—with around 1 million citizens versus about 25 million in Saudi Arabia—and its head start on diversification and development mean the challenges of domestic governance are a fraction of those of Saudi Arabia.²⁰

NATIONAL DEBATE

The UAE has little open debate about foreign policy and security issues. In part, these issues are widely understood as a prerogative of the country's leadership, and any challenge or scrutiny can be taken as a sign of disloyalty. In part, too, the nation has what one Emirati political scientist has described as a "deep reservoir of goodwill" that the leadership has developed over more than five decades of maintaining security amidst startling economic development.²¹ Abu Dhabi's first paved road came to be in 1961 (within living memory of at least some Emiratis), and the country's leaders—not least the country's founder, Sheikh Zayed—are credited with wisdom and foresight that have redounded to the people's benefit.²² In a regional survey of attitudes published in 2020, a full 100 percent of young Emiratis approved of the government's handling of the Covid-19 pandemic.²³ It remains unclear, though, how much of that reflects government performance and how much reflects reluctance to criticize government performance.

Even so, Emiratis pay attention to the world, and they have views about what is happening around them. According to some polls, about a third supported the UAE's normalization of relations with Israel, a third were neutral, and a third were quietly opposed.²⁴ Since the outbreak of war in Gaza in October 2023, opinion has reportedly shifted to be sharply more critical of Israel and sympathetic toward Palestinians.²⁵ Perhaps unsurprisingly, there seems to be no widely published public opinion polling on the issue; one must glean this sense through social media posts and a clearly expanded set of boundaries for public debate. In addition, the UAE government has been among the most active Arab governments providing humanitarian relief for Palestinians in Gaza, and it used its final months on the UN Security Council to call for an immediate ceasefire.²⁶ The government has been clear, however, that it will not reverse normalization with Israel; therefore, few Emiratis are willing to call for it.²⁷

ECONOMICS

Unlike many of its oil-rich neighbors, the UAE has two economic engines rather than just one. Oil fuels much of Abu Dhabi's wealth, and Abu Dhabi is by far the largest energy producer of the country's seven emirates.²⁸ With proven reserves of about 100 billion barrels, the UAE exported \$95 billion worth of petroleum in 2022 based on a production of just over three million barrels per day.²⁹ While those numbers are not the highest in the world, they are among the highest per capita. For example, Saudi Arabia's production capacity is about four times that of the UAE, but Saudi Arabia's oil wealth is spread to about 25 million citizens, compared to the UAE's 1 million.³⁰ Abu Dhabi led the creation of the UAE in 1971 with a promise to share its oil wealth with other members of the confederation, and it has.³¹ Still, Abu Dhabi and its ruling family sit on a remarkable concentration of wealth, and they deploy it domestically and around the world in a strategic fashion.

The ruling family has deployed its wealth to a considerable degree in Dubai, just 100 kilometers up the coast. Dubai was an entrepôt when Abu Dhabi was a backwater, and financing from Abu Dhabi helped supercharge Dubai's growth into a global trading hub. Dubai began attracting international investment in the 1950s, and it began aggressively developing infrastructure in the 1960s. Still, Abu Dhabi's spectacular economic growth, beginning in the 1970s, combined with Sheikh Zayed's interest in using largesse to cement ties between the individual emirates, meant Dubai enjoyed privileged access to capital for decades.³² This access was sometimes acute, such as when Abu Dhabi executed a \$10 billion rescue of a Dubai real estate developer during the 2008 financial crisis.³³ More often, though, Dubai represented a consistently attractive target for domestic investment at a time when Abu Dhabi had tremendous excess capital.

The business of Dubai has been more than mere trade, however. Dubai's real value was exposed when the emirate emerged

as a regional services hub in the 1990s and 2000s and fortunes were made developing real estate for commercial enterprises and housing. More than 3.5 million people now live in Dubai, perhaps 3.4 million of whom are expatriates.³⁴ Emirati companies control land, construction, and imports, not to mention the logistics that link Dubai to the world. As Dubai's growth has exploded, so too has the wealth of its rulers and Emiratis more broadly. While some wealthier expatriates live in Dubai and commute to jobs in other emirates, moderate-income expatriates live in adjoining emirates and commute to Dubai, spreading the benefits of Dubai's economic activity further.

The Dubai model has helped ensure the UAE economy is more diversified than other energy-producing neighbors. Instead of government sinecures serving as the principal driver of employment and economic security, trade and business have provided attractive opportunities for many Emiratis. In addition, Dubai's success has inspired imitation in Abu Dhabi and other Emirates, as they have aggressively sought to provide an attractive business environment for international investors. The result has been that less than one-third of the UAE's GDP comes from hydrocarbons, compared to about half of GDP in Saudi Arabia and Kuwait.³⁵

The UAE's growing interest in being a global hub has led it to pursue ever-widening sets of diplomatic relationships. The leadership's educational and cultural orientation has been toward the anglophone world for more than a century, while the country has simultaneously sought to highlight its Arab identity since independence, creating an ever-deepening web of ties around the world, some of which appear contradictory. For example, the UAE drew especially close to the United States in the mid-2000s, in part due to 9/11 and in part in reaction to U.S. concern that a Dubai company might soon manage six major U.S. ports.³⁶ As Saudi Arabia came under criticism for tacitly supporting extremism, UAE leadership

sought to differentiate itself from Saudi Arabia and dispel concerns that it was anything less than a full partner to the United States. UAE special forces were deployed alongside U.S. counterparts in Afghanistan, and the UAE worked closely with the United States to combat terrorist financing.³⁷ At the same time, however, as U.S. concern over Iran's proliferation activities accelerated, Dubai's trade with Iran blossomed to more than \$15 billion per year.³⁸ The Iranian government claims that about 800,000 Iranians now live in the UAE, both providing a lifeline to a country the United States is trying to pressure through sanctions and an escape valve for Iranians seeking to escape economic despair and political repression.³⁹

China's ties with the UAE grew even more sharply, partly due to rising UAE oil sales to China and partly due to a growing interest in turning Dubai into a showroom for Chinese manufacturers selling to Africa, the Middle East, and Europe. That trade not only led to the creation of Dragon Mart—initially a mile-long mall crammed with Chinese wholesalers selling everything from consumer goods to industrial tools to heavy equipment, and now an even larger network of showrooms, hotels, and more—but it also bolstered Dubai's container trade and helped drive traffic on Emirates, one of the two UAE national air carriers.⁴⁰ Now, more than 400,000 Chinese live in the UAE, and a robust set of businesses provide services to the Chinese expatriate community while paying Emirati landlords.⁴¹ China struck a “comprehensive strategic partnership” with the UAE in 2018, putting the UAE in China's first rank of international relationships, and trade exploded at a compound annual growth rate of almost 90 percent between 2017 and 2022.⁴²

For many years, Russia played a marginal role in the UAE's worldview. With relatively little trade, a modest security relationship, and differences over approaches to Iran, there was little cause for intimacy. The two sides shared common interests in places like Libya and Syria, where the Emiratis helped bankroll opposition to forces

they identified as Islamist, and Russia's Wagner Group fought them as well.⁴³ The two leaderships were united in their hostility to any form of political Islam but not much else.

The Ukraine war and the subsequent efforts by Russians to find a haven for their assets drove a sharp rise in Russian immigration and investment. The UAE resolutely did not join U.S.-led efforts to isolate the Russian economy after the Ukraine invasion, and two years after the war began, Western countries were reportedly pressing the UAE to end the transshipment of dual-use materials that supported Russia's war effort.⁴⁴

Ties with India are also growing markedly closer. The UAE is home to about 4.3 million Indian expatriates, who outnumber the 1 million or so Emirati citizens in their own country.⁴⁵ In addition, the UAE is closer to parts of India than it is to Kuwait, a fellow member of the GCC. But economic ties have been bursting, as trade and investment shoot up.⁴⁶

As its economy and trade relationships have grown, the UAE has come to see itself as a genuinely global enterprise, connected not only to its traditional protectors in Europe, its new protector in North America, its former economic hubs in South Asia, and its growing customers in East Asia, but also to Africa, Australia, and beyond. The country does not fit into an East-West paradigm or a North-South paradigm. Instead, it links them, hosting large expatriate communities and even larger hordes of tourists in a post-nationalist, post-civilizational melting pot of coexistence and profit.

GREAT POWER COMPETITION

In the years immediately after its founding, the UAE did not think much about great power competition. Britain had been its traditional protector, and the United States filled the vacuum when Britain withdrew. Neither China nor the Soviet Union had much to offer. The UAE was serious about its Arab identity and advanced itself as

a protector of Palestinian rights in a world that seemed to neglect them, but it did not seek to lead.

In the early twenty-first century, the UAE began to emerge from second-rank status. The two 9/11 hijackers from the UAE put additional scrutiny on the country. Many in the U.S. Congress objected on security grounds to Dubai Ports World acquiring the British shipping and logistics company P&O in 2006.⁴⁷ The Emiratis concluded two things: First, they needed to be much more energetic in courting U.S. government support. To do this, they dispatched Yousef Al Otaiba, the key foreign policy aide to the then-Abu Dhabi crown prince (now the UAE president), as ambassador to Washington in 2008, where he has used his intimate connections to the UAE leadership to build trust with senior U.S. officials of both political parties ever since.⁴⁸

In addition to fighting alongside U.S. troops in Afghanistan, the UAE has been deeply involved in counterterrorism efforts, including its efforts to be a regional hub for countering violent extremism. The UAE also became an important hub for U.S. military operations in Southwest Asia, hosting thousands of U.S. troops at Abu Dhabi's Al Dhafra Air Base and hosting more U.S. Navy sailors' visits at Dubai's Jebel Ali than any other port outside the United States.⁴⁹ Otaiba also played a key role in building UAE-Israel relations in the late 2010s, helping the UAE become a vital partner to the Trump administration and the catalyst for one of its signature foreign policy achievements, the Abraham Accords.

The second conclusion reached by the UAE was that it needed to broaden its strategic relationships to avoid overreliance on any one great power. While the UAE hews closely to the United States, it also has assiduously built its ties to China and Russia. One might argue that those ties represent a hedge against U.S. strategic abandonment, which UAE officials saw as a potential outcome after the Obama administration announced its strategic rebalancing toward Asia in 2012. These concerns intensified during U.S. negotiations

over the Iranian nuclear agreement, known as the Joint Comprehensive Plan of Action.⁵⁰ Feeling that cleaving only to an increasingly distracted United States would be reckless, the UAE leadership sought to preserve its options.

But there were more reasons to widen the aperture of UAE ties: The Chinese expatriate community, mostly in Dubai, has been growing steadily, and UAE-China trade—now almost \$100 billion per year—has been growing at an average of almost 25 percent per year since 2020.⁵¹ Dubai has emerged as a major logistics hub for Chinese trade to Africa, West Asia, and Europe, and Abu Dhabi has courted closer Chinese ties since the UAE was declared a comprehensive strategic partner in 2018. During the Covid-19 pandemic, Dubai aggressively sought to immunize its residents with the Pfizer-BioNTech vaccine, and Abu Dhabi created a deep partnership with the Chinese firm Sinopharm through clinical trials and manufacturing.⁵² Abu Dhabi also enlisted a Chinese firm for Covid-19 testing, which U.S. officials were concerned would leak DNA information to Chinese officials.⁵³

Indeed, U.S. security concerns over Chinese involvement in the UAE have been rising. In 2021, U.S.-UAE talks over the sale of F-35 fighter jets stalled after the United States objected to the UAE's purchase of a Huawei-built 5G telecommunications network, for fear that China would derive helpful signals intelligence about the plane's electronic countermeasures.⁵⁴ The jet sales were a principal driver of the Abraham Accords, so the UAE's unwillingness to eschew a Huawei telecommunications system to obtain them indicates its commitment to strategic dynamism. Similarly, the United States objected vigorously to what it claimed was a Chinese effort to build a military facility at Khalifa Port in Abu Dhabi in late 2021, and leaked U.S. government documents in the spring of 2023 assessed that construction had recently resumed.⁵⁵

Although the UAE has more recently claimed to be “decoupling” from Chinese technology firms, there are still questions regarding the

depth of this shift. Emirati AI development company Group 42 (G42) has reportedly removed \$1.7-\$2.0 billion worth of Huawei hardware from its data centers as part of efforts to comply with U.S. export controls and court U.S. technology partners like Microsoft. Yet some observers note that Chinese authorities have remained unusually silent in response to these removals, which suggests that they might have an agreement in place. Moreover, other Emirati entities such as the state-owned telecommunications company e& (formerly Etisalat) continue to collaborate openly with Huawei on 5G and cloud infrastructure while simultaneously partnering with Microsoft and Amazon Web Services. This strategy is further complicated by revelations that G42's divested Chinese holdings may have simply been transferred to another Abu Dhabi-based investment fund, Lunate, which remains under the supervision of the UAE's national security adviser and retains major investments in Chinese tech firms.⁵⁶ The UAE seeks to assure Washington of its commitment to AI-related decoupling, but ultimately, Huawei's lingering footprint in Emirati infrastructure will continue to be a cause for U.S. concern.

While UAE-Russia ties do not match those between the UAE and China, they are robust and growing. The two major oil producers share an interest in managing global energy markets, and while Saudi-Russian ties (and tensions) have garnered most of the headlines, Abu Dhabi maintains a strong dialogue with Moscow on energy issues. The UAE has been a major purchaser of Russian weapons systems since the 1990s, and the UAE and Russia found themselves similarly aligned on a range of regional security issues, including their hostility to the strains of political Islam unleashed by the Arab Spring. Russian investments—which some experts have argued represent mere money laundering—have flooded into Dubai, and the influx only increased after Western powers imposed sanctions on Russia after the 2022 invasion of Ukraine.⁵⁷ Rather than join in solidarity with Western powers to isolate Russia, MBZ has put himself

forward as a mediator between Russia and Ukraine, helping negotiate at least six prisoner swaps between the two sides.⁵⁸

The UAE has an advantage in demonstrating that it has alternatives to the United States, and calling out what it sees as onerous conditions in agreements, in order to drive better bargains. Yet, as the UAE has witnessed in some of its agreements over technology and weapons sales, the United States limits its crown jewels to its closest partners. The UAE must constantly balance the costs and benefits of being a close partner with the United States against the benefits that Russia and China offer for creating more distance with the United States.

Emirati officials profess an interest in building ties in every direction rather than joining one bloc instead of another. Anwar Gargash, former UAE minister of state for foreign affairs and current adviser to the UAE president, argued in 2021, “We’re all worried, very much, by a looming Cold War. . . . The idea of choosing is problematic in the international system, and I think this is not going to be an easy ride.”⁵⁹ He expressed similar sentiments in 2023, arguing at a conference in St. Petersburg, Russia, “This polarization has to be broken.”⁶⁰

Yet the UAE is also keen to emphasize the centrality of U.S. ties to its global posture, appealing for an “ironclad” written defense agreement with the United States.⁶¹ What the UAE would be willing to give the United States in exchange for such an agreement is unclear. In particular, it is unclear whether the UAE can float above great power competition, which has become more central to global affairs, while simultaneously deepening its U.S. ties. The UAE seems destined to make hard choices between its major partners. At the same time, it sees itself reacting to, rather than shaping, such competition, and it is committed to maintaining its optionality. With a nimble government, deep coffers, and a unique flexibility that derives from the relative independence of Abu Dhabi and Dubai, it is likely to be able to enjoy its options for some time.

VISIONS OF GLOBAL ORDER

As a small but wealthy country in a complex and dangerous world, the UAE is committed to the idea of global order while arguing that it has only a small role in contributing to it. The Dubai International Financial Centre and, more recently, the competing Abu Dhabi Global Market are examples of sophisticated, world-class financial hubs that host hundreds of global businesses.⁶² The UAE recently completed a term on the UN Security Council, and UAE charities are significant contributors to humanitarian aid in Gaza.⁶³ For a country with only 1 million citizens, the UAE enjoys success across multiple domains that countries a hundred times larger struggle to accomplish.

Yet the UAE sometimes seeks to operate under the radar. It has denied persistent reports of involvement in civil wars in Libya, Somalia, and Sudan, which, if true, is in violation of UN sanctions.⁶⁴ The UAE is reportedly a market for conflict minerals, and some argue it is a global hub for money laundering by criminal networks, some of which reportedly operate out of a UAE base.⁶⁵ As the UAE seeks to play a global role as a base for cryptocurrency, it inherits global concerns that crypto markets conceal vast amounts of illegal activity.⁶⁶

CONCLUSION

In a remarkably short period, the UAE has grown from a footnote in global security, diplomacy, and economics to a significant partner. Its ties extend well beyond the Middle East into Europe, Africa, and Asia. More importantly, its growth seems to be far from over. The UAE's commitment to playing a sustained role in global energy markets well beyond the hydrocarbon age and its deep financial resources are likely to give it sway in international affairs for years to come.

The UAE's challenge will be managing its role as a stakeholder in an international order that seems to be fragmenting. The UAE's perspective is often that of a marginal player whose actions do not affect the whole. Yet, increasingly, the UAE punches above its weight, and

its actions redound far beyond its borders. It is hard to imagine circumstances in which the UAE seeks to abandon its core stake in a relationship with the United States, given that it wants to integrate more deeply with the economic and cultural world in which the United States has such a dominant position. Yet it is also hard to imagine that the UAE would turn its back on Russia and China, which occupy important places in global energy markets. Further, China is an important trading partner.

Seen broadly, the UAE operates in the diplomatic world like a sophisticated investor. It maintains core positions in key holdings, taking some high-risk positions that promise outsize returns and hedging against a sharp downturn. It anticipates that conditions will change, and its positions will change correspondingly. The goal is not near-term consistency so much as long-term returns, and it draws confidence in having played the last two decades exceptionally well.

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PART III

POLICY IMPLICATIONS

Jon B. Alterman with Lily McElwee

In a broad sense, the United States faces a conundrum in the Global South. The United States and its closest allies remain the most dominant powers in the world on almost every level: economically, diplomatically, and militarily. Their businesses (and business practices) set the standard to which others aspire. For those who are educationally or professionally ambitious, ties with those states and an understanding of how they operate are a huge boost to economic prospects anywhere in the world. This has been true for centuries, and not only in the West. Powerful states attract clients, and they reward them. In turn, those clients advance the interests of the dominant nation all while pursuing their own. The hope, not always met, is that in so doing they also advance the interests of their own country.

The world is once again in a phase of rapid change. While the United States and its closest allies maintain their absolute lead over others, their relative share of global power is diminishing. In part, this is because China's remarkable rise over the last 50 years has diluted the economic dominance of the United States and its closest allies. But it is not just China. Scores of states have climbed out of poverty, and their incomes continue to rise. These states are also growing increasingly networked, often in ways that do not involve

the United States at all. The United States' centrality to the international system, abetted by the strength of its closest partners and allies, is diminishing, even as it remains strong in absolute terms.

What, then, should the United States and its closest allies do as the rest of the world grows comparatively stronger, and they—the world's traditional powers—grow comparatively weaker? How should they use their remaining absolute power to advance their interests?

A large part of the answer has to do with what have been described here as “hinge states.” Not only are they important, sophisticated, and growing countries in their own right; they are also regional leaders who bring other countries with them. They are the fulcrum on which much of the future will be decided. Successfully engaging these states and encouraging growing policy alignments with them is not only an investment in their future, but a broader play for sustained partnerships in the Global South and the billions who live there. Similarly, deepening ties between the United States and its closest partners and these hinge states frustrates adversaries' efforts to isolate the United States. It hinders efforts to create a world dominated by bilateral relationships or where stronger powers can seek regional dominance by constantly imposing their will on weaker states. While the United States will remain strong enough to protect its immediate interests, a world where these dynamics come to pass is likely to be poorer, more volatile, and more violent.

For China and Russia, engagements with the Global South are in large measure functions of their respective relationships with the United States, either directly or indirectly. While each has its own reason to engage with individual states, the effort to elevate the Global South as a coherent entity and to associate itself with it is an effort to shape geopolitics. Rhetorically, each seeks to exploit the discourse of the Global South for its own narrow benefit. Despite their size and global sway, each vigorously portrays itself to populations

and leaders in the Global South as partners in the struggle against hegemonic capital for a fairer share of economic development. In doing so, they associate themselves with a sort of “natural majority” in world affairs—those striving against wealthy Western governments accused of perpetrating centuries-old, systematic efforts at global exploitation.

The United States and its closest partners should respond to this narrative directly. They should highlight the profound differences between China and Russia, the hinge states described here, and Global South more broadly. While every country seeks economic security, all of these countries have different concerns, ambitions, and attitudes toward the United States and its partners than China and Russia. Of course, these states understand China’s and Russia’s self-interested posturing and their underlying objective of advancing their interests in great power competition. Calling out these dynamics is good policy.

At the same time, it is important to acknowledge that the hinge countries have legitimate reasons to pursue deeper engagement with China and Russia. Many seek to avoid complete reliance on the United States, and ties to China and Russia diversify access to money, weapons, and markets. Pursuing ties with all three major powers simultaneously helps avoid antagonizing China and Russia and promises better terms from both the United States and its competitors. For these countries, diversified relationships increase their leverage in U.S. decisionmaking and help limit U.S. coercion on policy issues where they differ.

Recognizing the situation for what it is, U.S. officials should show some empathy for the positions these countries take. Starting from the point that the leaders of these countries are often rational actors, U.S. officials should seek to understand their perspectives while providing clear evidence of China’s and Russia’s self-interested motivations. This approach will not end these countries’ engagements with

China and Russia, but it will help “right-size” those relationships.

Still, the key to successfully engaging with changing sentiments in the Global South is not principally an issue of messaging. Instead, it is one of action. Part of the answer needs to be finding the proper policy frame to think about those sentiments and then to work to address them.

One promising and useful frame to use is to see the rise of the Global South concept as encompassing many of the features of populism. Such a framing both captures many of the sentiments that drive solidarity across the Global South—with or without Chinese and Russian influence—and also gives the United States and its closest partners a conceptual strategy and practical tools to address it.

Doing so is not without challenges. Populism’s definition is contested, and some use it more as a term of slander or disrespect than as one of description. In fact, it has a history of being used pejoratively for more than 150 years.¹

All populist movements center around the belief that an elite minority is exploiting and dominating a “natural” majority. These movements seek to empower the majority to seize power back from the minority. As the Bulgarian political scientist Ivan Krastev notes, “At heart, the defining feature of populism is the view that society falls into two homogenous and antagonistic groups: ‘the people as such’ and ‘the corrupt elite.’ It proceeds to argue that politics is the expression of the general will of the people and that the social change is possible only via the radical change of the elite.”² Following from this, populist movements tend to promote what they assert are common-sense explanations of the present. They simplify complex phenomena and attribute outcomes to a relatively small number of actions. They highlight the alienness and immorality of those in power, and they promise that returning power to the people will lead to a rapid improvement in conditions for virtually all.

While a major populist theme is economic redistribution, such

movements are more than that. Populism often has a social element as well, as populations see “traditional values” (however defined) being challenged or cast aside by minorities of some stripe—religious, ethnic, national, or economic. They see these minorities as lacking legitimacy, and often morality. In turn, those unsympathetic to these populist movements often see them as the products of misguided mobs that lack the tools and judgment to advance their own conditions. Not surprisingly, elites often see populists’ potential victory as a harbinger of universal ruin, undermining the well-being of elites and the populist masses alike.

Populism arises with times of rapid social and economic change. Historical examples include the Chinese peasants who helped overthrow the Ming Dynasty in 1644, the Russian Narodniks of the 1860s and 1870s who mobilized the peasantry after the end of serfdom, and late nineteenth-century U.S. farmers who feared rising industrialization and banking would combine to destroy them. It is no coincidence that populism has often arisen when new methods of communication and increasing mobility have helped ideas spread quickly and widely. Populist leaders—often highly charismatic—emerged with increasing frequency throughout the twentieth and twenty-first centuries, and Europeans have seen the rise of populists on the continent in the last 30 years. Interestingly, populist movements do not have an inherent ideological tinge; both right- and left-wing variants abound.

Movements only rarely describe themselves as populist. More often, in fact, they describe themselves merely as following common sense. They dwell on the injustice of the status quo, and their efforts seek to arouse majorities to shed constraints on their sovereignty and assert agency over their own destiny. Arguably, this is precisely the case that advocates of the Global South make. As noted in the introduction, these countries, taken together, represent more than just the bulk of the world’s population. Combined, they currently

constitute about half of the world's economic activity—and that percentage will continue to climb. Even so, their per capita incomes often lag far below the world's wealthiest countries. They argue that those countries, and especially the G7, consistently marginalize them in global decisionmaking. Their governments often use populist framing to argue that having a relatively small number of wealthy elites (or wealthy elite countries) rule the world is inherently corrupt. Both justice and the common good require the many to be masters of their own fate.

There is an additional political element to this. It is useful to recall that populism itself is deeply embedded in the domestic politics of many Global South countries. Ironically, it is often elite leaders in these countries who rail against the elitism of wealthier countries. That is, they use populist-inflected Global South rhetoric about the international environment to stave off domestic populist challenges to their own elite status. By associating themselves with their countries' dispossession in the global commons, they deflect criticism away from their own roles in their own countries. In so doing, they deepen identification with their own populations and highlight their country's estrangement from the United States and its allies.

The roots of populist politics are especially deep in Latin America. Among the hinge states explored in this volume, Mexico has a history of left-wing populism, and Brazil has arguably alternated between right- and left-wing populism.³ (Argentina, though not included here, now has a right-wing populist leader.) Populism also fueled the rise of the AKP (or Justice and Development Party) in Turkey.⁴ Indian populism is complicated because the Bharatiya Janata Party (BJP) has sought to blend the public's rejection of the more cosmopolitan Congress Party with a strain of Hindu nationalism. Indonesian populism has historically been a shifting mix of various currents that include Islamist, nationalist, and technocratic movements.⁵ South Africans' growing frustration with the African

National Congress, which led the fight to end apartheid but is now seen as a corrupt elite, has produced both right- and left-wing populist movements that thrive simultaneously.⁶ In many of these hinge states—which are necessarily large, diverse, and economically ambitious, and which have at least semi-competitive electoral systems—populism has become a powerful force in domestic politics.

The Gulf Arab states, of course, are in an entirely different category. Not only are they led by ruling families—perhaps the archetypal definition of an elite—but they have generous public welfare programs that would make left-wing populists anywhere else in the world swoon.⁷ Even so, they have domestic politics to which they pay attention, and an increasingly important part of those politics has been associating their country's rising global role with domestic prosperity. These countries' progress toward playing their "rightful" role in the world, and their growing ability to act as a bridge between the world's wealthiest economies and the rest of the world does more than merely make them important global actors. That progress contributes domestic legitimacy to their leaderships.

The reason for recalling this is that the underlying politics really matter here. Domestic politics in these countries are simultaneously a constraint for their political leaders as well as an opportunity for them and for the United States alike. Leaders seek to build political support as their populations' defenders while deflecting blame for shortcomings. Such political incentives affect systems with robust electoral politics, as well as those that are more closed. Public support is expressed differently in different systems, but the necessity of sustaining it is vital to both. In fact, authoritarian systems often need to be even more careful about monitoring public support because electoral behavior cannot be used as an indicator of public sentiment.

Appreciating the ways in which attitudes toward the Global North (and toward globalization more broadly) feed into domestic politics in the Global South is vital. It positions the United States to engage

governments on terms that reflect their internal realities while simultaneously advancing the interests of the United States and its allies. Fighting against these politics carries the danger of perpetuating them. Understanding these politics and working within their contexts increases the likelihood of finding ways to manage them.

For robust democracies, squarely addressing the political aspects of populism need not be daunting. While populism has sometimes been associated with a slide toward authoritarianism, the United States and its allies have a history of successfully working through populist challenges. They have found ways to accommodate or co-opt populist demands without compromising the very nature of a rules-driven, capitalist, and democratic society.

Seen from another angle, many resilient systems have experienced populism. Rather than succumb, they have been able to use populist objections as fuel for necessary adaptation, reorganization, and redistribution. While populists call for revolutionary change, successful revolutions are rare. Instead, populists often settle for evolutionary change, either because it represents the most they can gain or because the realities of governing force compromise. Arguably, addressing populist objections does more than merely neutralize opposition. Over time, it also makes these systems more resilient, more representative, and more fair.

As the United States and its allies address objections to the global order that arise in the Global South, a similar approach would be appropriate. Their goal should be precisely the same: to find ways to bring states demanding change more closely into the fold by addressing their interests and their objections without abandoning the most important characteristics of existing global systems that have made the largest contributions to global prosperity and stability.

- 1. Build ad hoc coalitions to address common issues.**
Focus on building partnerships that tackle specific

challenges, deliver tangible results, and visibly benefit participating states.

The first step in addressing the populist framing of the Global South is to develop more ad hoc coalitions focused on achieving tangible results.⁸ While large standing bodies have their place, “coalitions of the willing” can be constructed that enlist important regional actors in activities that directly and visibly benefit them.

There have already been efforts to invigorate what might be called “plurilateralism,” in which states set up smaller, more flexible, voluntary, and often temporary arrangements to break down complex cooperation problems and address specific governance challenges. Coalitions vary greatly in size, function, and format, and they address discrete problem sets and issue areas in which parties have a stake. Former Indian national security adviser Shivshankar Menon has called this growing form of internationalism “coalitions of the willing and able,” reflecting the fact that coalition members often have both an interest in addressing the shared challenges at hand and the resources to do so.⁹ When working well, informal arrangements enable swift cooperation on shared challenges—something in increasingly short supply within treaty-based multilateral forums.¹⁰ Smaller groupings mean fewer diverging interests at the negotiating table, which arguably makes it easier (and quicker) to define agendas and set goals in discrete areas of global problem solving.¹¹ And because membership can be tailored to those most invested in the issue at hand, states often come to the table with greater willingness to negotiate solutions.

These ad hoc coalitions build individual relationships, shared interests, and patterns of cooperation that can spill

over into other areas. They create visible records of accomplishment from working together. And as they address smaller problems with lower stakes, the United States and its wealthiest partners can afford to let others lead more. Doing so builds the capacities of rising states and enhances not only these states' sense of greater ownership, but also of greater partnership.

From a political perspective, the prestige of partnerships with major powers on important issues makes Global South governments look desirable to their populations, and the positive results those partnerships produce can make Global South governments look effective. Maintaining a steady focus on ensuring that partnerships garner domestic wins for the local government, while also ensuring that they emphasize the fruits of cooperation between these governments and the United States and its allies, helps blunt narratives of resistance and promote narratives of common purpose.

- 2. Engage more effectively with these countries on their priority issues, including climate loss and damage, health, technology, and connectivity. Part of this effort should be expanding investments in education, training, and sustainable development, where the United States and its closest partners have unique strengths.**

U.S. policy needs to be more active engaging on issues of concern to Global South nations. These include but are not limited to loss and damage from climate change, vaccinations and public health, connectivity, and technological upgrading. Many from wealthy countries see such an appeal either as a form of taxation on wealthy economies or as an effort by inefficient economies to extort money from better-functioning ones. Not only does this discussion quickly

become a zero-sum one, but wealthier states doubt that middle- and low-income states can effectively absorb the large-scale financial transfers they seek.

Yet, a standoff on these terms is unproductive. There are many narratives in the Global South that serve as indictments of wealthy, developed nations. One is that today's climate change is a function of centuries of economic development in now-wealthy countries. Across Europe and North America, individuals and governments spent centuries clearing forests, mining coal, and utterly transforming the natural environment around them in their pursuit of rapid industrialization. At the same time, many of those wealthy countries spent centuries extracting resources from Africa, Asia, and South America. A common complaint is that wealthy countries that already have attained education, built infrastructure, and networked their economies are now insisting that the rest of the world pursue more environmentally friendly, costlier paths.¹²

While some nuance is appropriate—countries such as China and India have had very large carbon footprints for decades—the view also contains a great deal of truth. On a per capita level, most countries' carbon emissions are a mere fraction of those of a place like the United States: Turkey's per capita emissions are half that of the United States, and Brazil's is just one-sixth.¹³ One estimate of cumulative CO₂ emissions since 1750 has the United States leading the world, with 431 billion tons, representing almost a quarter of the global total.¹⁴ While emissions are declining in the wealthiest countries, two things are undeniably true: Developed countries grew their economies for centuries with no regard at all for emissions, and many of the developed countries' carbon footprints today remain larger than developing

countries.

Similarly, countries note that in acquiring everything from medicine to computer technology to advance their own development efforts, they are effectively transferring their own limited resources to already-wealthy countries.¹⁵ This is a complicated interaction. It is certainly true that wealthier countries invested vast time and resources into inventions, innovations in services, and advanced industrial products. It is also true that developing countries can benefit from those investments quickly and at much lower cost. While countries that have made investments deserve to recoup their investment costs, it is also true that recouping such costs entails the transfer of resources from poorer countries to wealthier ones. Some argue that this process of technology transfer is just a new form of colonialism, perpetuating the extraction of resources from poorer countries for the benefit of wealthier countries. Rather than promote development, it effectively sustains the gap between poorer countries and those whose economic advancement they seek to emulate.

This analysis gets to the heart of the populist narrative, aligning with the argument that elite countries use their position of privilege to further enrich themselves while holding down billions of people who merely seek to rise out of poverty. In this context, China's and Russia's positioning as fellow Global South countries creates the image that engaging with them helps redress global inequality, while engaging with the United States and its closest partners merely deepens it.

The United States and its allies need to address this challenge head-on. In part, they need to draw attention to the ways in which they have contributed, and continue to con-

tribute, to economic advancement throughout the world. The contributions have been partly through investment in infrastructure and industry, but the even more important investments have been in education and training. While wealthy states have no monopoly on either wisdom or imparting technical skills, graduates of Western institutions and veterans of Western companies have been important drivers of economic growth in a way that Chinese and Russian graduates have not.¹⁶ This has become even more evident after the Cold War, when rising technocrats (and aspiring revolutionaries), from what was then termed the Third World, pursued education and training in East Bloc institutions.

With the demise of the Soviet Union, Russian investment in educating a new generation in the Global South diminished. While China has stepped up its efforts in this field, numbers remain relatively low. Approximately 6 million students study internationally every year.¹⁷ China had 255,720 full-time international students in 2021, representing about a third of the number in either the United States or the United Kingdom.¹⁸ While some go to China to learn Chinese, it is much more common for students to travel to Anglophone countries to perfect their English. Not only is Chinese a hard language, but China shows little interest in persuading others to live Chinese-style lives (although China has been training tens of thousands of participants from the Global South on domestic security and encouraging patterns of authoritarian governance as part of its Global Security Initiative).¹⁹

By contrast, the broad missionary impulse that drove U.S. policy for centuries remains robust. Educational institutions convey not only language skills but intellectual and

pedagogical methods that are deeply infused with the political premises of the United States and its closest allies. The examples of impact are too numerous to count, as tens of thousands of business and political leaders in the Global South had formative educational experiences in the Global North. An even larger number have worked in institutions led by those men and women, spreading skills and attitudes even more broadly.

Some complain that globalization increases domestic inequality (and leads to exploitation), transmitting the maladies of wealthy societies to poorer ones—such as urban slums, ecological degradation, and social alienation.²⁰ Still, governments and institutions from the Global North are aware of such problems and act to mitigate them, often in ways that countries such as China and Russia do not. In the projects and programs they support, they emphasize inclusive growth and environmental sustainability, often at the expense of either speed or short-term political advantage compared to other donors. China in particular has a strong history of building infrastructure, but recipient countries frequently complain that it is shoddily constructed and fails to heed environmental impacts.²¹ China can often deliver quick results, and the United States and its allies do need to move more swiftly. But they should also re-emphasize the long-term return on joint projects and engagement, where the U.S. value proposition is especially strong in comparison to China.

The advantage the Global North should capitalize on is that it is better equipped to help countries win the long game. The long-term value proposition of engaging with the educational offerings and institutions of the Global North is clear to many in the Global South, and it bears re-emphasiz-

ing. In addition to building talent, it provides a framework for a whole set of cooperative agreements on trade, technology transfer, and loss and damage from climate change, and it carries with it prospects of virtuous circles that boost national well-being. Having people on both sides with the language and cultural skills to bridge differences is vital to the success of this enterprise.

Equally important is that peers (at both the elite and popular levels) can see countries that have succeeded by following this path. The Soviet Union collapsed in part because both it and its clients fell far beyond its ideological competitors; part of China's message is that it succeeded better than most (and better than its peers) while rejecting large parts of the Western development model. The Global North needs to more consciously demonstrate how partnerships through educational and cultural exchange lead to economic growth that enhances chances in the Global South. Too often, development work has focused on the persistent deficits and failures of Global South economies, which draws many to the less critical and more celebratory public tone of Chinese partnerships.

For this approach to be successful, two other things have to happen. One is that the doors to international study need to remain open in both directions. Anti-immigrant sentiment in the Global North is beginning to have a chill on international educational opportunities.²² The impacts of such a chill could be far reaching.

Second, states in the Global North and South alike need to work together to address the concern of "brain drain." In part, countries have a responsibility to provide economic, cultural, and political environments that make it attractive for their most qualified citizens to stay at home and raise

the economic prospects of their home country. Repeatedly pouring tens or hundreds of thousands of dollars into training a doctor, nurse, or engineer only to have the citizen emigrate is a losing proposition, even when remittances often flow back to the host country. A set of immigration policies in the Global North that strongly encourage students to return home after study, and a joint focus on helping promote economic opportunities for students when they do return home, in partnership with international businesses and institutions, can help bridge this gap.

3. **Strengthen partnerships by making rewards and consequences for actions clearer. Transparent categories for closer relationships that offer real benefits, and careful pruning of outdated or underperforming relationships, provide a roadmap for earning enhanced ties.**

The United States and its partners would do well to create more rewards for countries in the Global South that cooperate in more exemplary ways and create more consequences for countries that are more obstructive. Coordination among partners is difficult because each country has its own processes and priorities, but it should remain an important goal, nonetheless.

In the United States, the responsibility for the current state of affairs is shared. In part, the depth, complexity, scale, and number of interstate interactions that the United States has around the world has often meant that the United States is in a constant push to maximize the number of agreements it makes with any potential partners. Every agreement is a “win” for an embassy, whether it brings close allies closer or creates a pathway for adversaries to be less adversarial.

At the same time, decades of legislative mandates to incentivize and punish all kinds of interstate behavior have

established what states are eligible for what kinds of treatment, and bars certain kinds of transactions. Skilled policymakers often can thread the needle between the constraints and opportunities, aligning them to encourage states to act in desirable ways. But for many policymakers, and especially for states the United States is seeking to work with, the process appears opaque. The United States is powerful but lumbering, and its processes inhibit the effectiveness of its policies.

While the United States should remain open to close cooperation with all, it should establish clearer advantages for closer partnerships and clearer consequences for more strained ties. Having more explicit ranking, or establishing “concentric circles” of relations, with more explicit criteria for classification, would incentivize countries to think strategically about their U.S. ties.

China seems to do this better than the United States. Its partnership hierarchy—including qualifiers such as “strategic,” “comprehensive,” and, most effusively, “all-weather”—sends a clear signal.²³ While some of this is pure marketing (and diplomats from countries with such branded relationships with China profess some confusion as to what it all exactly means), having a clear objective to elevate a relationship and clearer consequences for not doing so helps build the relationship. At the same time, it should be possible to reduce the intimacy of a relationship when conditions are no longer being met.

China may have an advantage because the country has narrower and simpler obligations to its partners. Unlike the United States, Chinese foreign policy does not advance alliances, and it does not make a legal obligation for mutual defense. For the United States, the NATO alliance not only

has been at the heart of U.S. security strategy for more than 75 years, but it has supported important economic and trade relationships that have flourished further with the establishment of the European Union.

The closest U.S. analogue to China's enhanced status for ties, other than being part of a formal alliance, is "major non-NATO ally" (MNNA) status. While the term seems clear, the conditions that create such an alliance and the consequences of sustaining it are mysterious. A scan of the list suggests not only a baffling range of countries and conditions, but also intimacy of relations. In fact, the status seems to reflect the tactical decisions of successive administrations regarding bilateral relations rather than a strategic assessment of both the importance of ties or the actions of partners. In addition, for the United States, alliance status (whether under a treaty such as NATO or as an MNNA) is tied under law to defense trade and security cooperation. Sending a clearer signal on alignment in matters of economics and diplomacy—which would be more analogous to the Chinese model—would be a constructive way to signal rewards for closer ties.²⁴

There is an encumbrance here: The United States' agreements with regional organizations rather than individual states would overlap with many of these efforts. Here, putting an emphasis on the hinge states described in this volume, along with other leading regional states, not only helps signal U.S. diplomatic priorities but also helps signal more clearly to regions how to draw more positive U.S. attention.

An awkward part of this enterprise needs to be a pruning of relationships when ties deteriorate. The United States has been intentionally building partnerships around the world for three-quarters of a century, and many partnerships are

no longer at their high-water mark. Frank assessments of where relationships are, where they are heading, and what is required to improve high-priority ones (and equally frank assessments of the consequences of letting lower-priority ones languish) would give policymakers in the Global South greater ability to incentivize closer cooperation, both from states that are in direct danger of losing status, as well as those considering how closely they want to cooperate with the United States.

For populist leaders that want to rail against the United States and its closest partners, such an approach would create more consequences. Equally, it would incentivize countries that are seeking to build more ties with the United States to deepen their patterns of engagement with the assurance that doing so would ease the way toward further partnership.

4. Revitalize international institutions by amplifying Global South voices and leaders. Prioritize reforms that increase representation and buy-in from rising states while maintaining transparency and donor trust.

It is a wonder that so many of the institutions that were created in the immediate post-World War II period, often without precedent, have proven so resilient. They survived both the rise and fall of the Cold War, a world population that has more than tripled, and an almost unimaginable increase in global wealth that was only partly explained by a sharp drop in extreme poverty. The sorts of brutal wars that darkened the history of Europe for hundreds of years, including two world wars in the span of three decades at the beginning of the century, all but ended. The breadth and depth of international cooperation, on matters such as disease, law enforcement, and telecommunications, expanded

profoundly. It brought science, technology, and prosperity to formerly remote areas with startling speed.

Yet, many of those same institutions have been rigid as the world has changed around them. The UN Security Council still grants permanent membership (and vetoes) to the victors of World War II, leaving rising and major powers alike waiting their turn for rotating seats. By custom, the World Bank president is always an American, and the managing director of the International Monetary Fund is always a European. While there is a certain logic to granting power to those who make the greatest financial contributions to these institutions, in many cases the countries most in need of assistance complain that they have little voice in the shape or direction of the assistance they get.

As the whole world becomes wealthier and more populous, and the world's wealthiest countries constitute a diminishing share of global economic activity, international institutions need to find more ways to bring in more voices from the Global South. Doing so would both ensure that the institutions remain representative and that they remain the principal focal point for engagement by states in the Global South. A logical starting point is with many of the hinge states described here, regional powerhouses in their own right and increasingly sophisticated actors on the world stage. Finding more ways to have more leaders from these countries take larger roles in international institutions, but also to make larger roles for these countries in leading such institutions, is a necessary step.

UN Security Council reform has been debated for decades, consistently scuppered by a combination of objections from status quo powers and an inability to rally around an alternative. There is widespread understanding that

other institutions require similar reforms. A senior EU official, exasperated by the United Nations's inability to meaningfully constrain Russia's invasion of Ukraine, told the UN General Assembly in 2023, "The planet is falling. The world is being torn asunder by poverty and injustice. Entire swaths of the world: Africa, South America, the Caribbean, Asia are under or non-represented. We support the comprehensive, massive reform of the Security Council to amplify the voice of these regions."²⁵

Ironically, the Trump administration's skepticism toward international organizations may present a unique opportunity for institutional reform. If others can organize and mobilize for action, the current U.S. administration may be less focused on the details of the reorganization and object less to it. This may play out exactly how many reform advocates hope, creating more space for other voices. However, in the near term it is likely to prompt the United States (as well as some of its closest partners) to contribute less to such organizations. In addition, if reform goes too far, it may be hard to draw the United States and its closest partners back in.

For U.S. policymakers, the imperative here may not be promoting reform as much as not getting in the way. At the same time, they should seek to do two things. First, they should work to ease the resistance of some their closest partners to these reform efforts. Second, they should focus on ensuring that countries that are empowered by reform are those that seek to maintain close relations with the United States, not U.S. adversaries.

If done skillfully, political leaders in the hinge states described in this volume will have a strong win to show to their domestic constituencies. Equally importantly, they will lash themselves more closely to institutions that still

are overwhelmingly sympathetic to and supportive of U.S. institutions, principles, and practices.

Throughout any such reform, donor confidence must be sustained. Voices cannot be diversified at the expense of expertise, and those contributing funds need to believe that processes will be transparent and that adherence to relevant criteria will persist.

5. **Get the messaging right by clearly communicating a renewed U.S. strategy that addresses the past and provides a compelling and actionable path for future growth and cooperation. Ensure that the U.S. government remains focused on empowering—and not obstructing—the Global South’s progress and global integration.**

Calibrating how the United States and its partners talk about countries in the Global South is always difficult. The world’s most powerful states start from the position of representing the past and the status quo, while these rising countries hope to embody the future. One of the reasons China and Russia find the Global South framing so attractive is because it allows them to join rising countries in a full-throated embrace of a future very different from the past, and one that erodes the power of the United States and its closest partners.

The U.S. government needs to approach talking about the future in ways that are inclusive of the rising role of the Global South, and especially the increasingly important role—and responsibilities—of the hinge states described here. Finding more ways to partner with these states, and to notice their accomplishments and give them due credit, is smart diplomacy. Equally important is paying attention to what they want. Generations of American leaders have

sought to inspire the world, but they have not been so good at noticing that others have aspirations of their own. Rising leaders in the Global South too often believe that the United States is either irrelevant or an obstacle to them.

For many countries, this means the United States should step away from a focus on traditional aid relationships (which it has effectively done with the dismantling of USAID). It needs to focus with renewed energy on reconfiguring relationships to build economic partnerships, facilitate investment, and help provide access to U.S. markets for partners.

Without question, the way the Trump administration has shifted U.S. priorities abruptly has been profoundly disruptive for many. Global governments thought they had commitments from the United States, and the sudden disappearance of U.S. support leaves them in many cases with half-built projects and obligations they cannot meet alone.²⁶ These projects and aborted programs are an embarrassment to host governments, and they have every incentive to blame the consequences—real and imagined—on the United States.

In addition, the Trump administration's tariff policy has thrown many countries in the Global South off balance, closed off vital markets, and snarled supply chains. Some see hostility, others see unpredictability, and still others just see indifference. The impulse among many populist leaders in the Global South is to proclaim betrayal by the United States. The obvious response for many, including even those skeptical of populist messaging, is to build stronger alternatives to U.S. engagement, including with China and Russia and through strengthening South-South cooperation and Global South solidarity.

It is vital that the United States rebut those arguments by

clearly articulating a new strategy that restores confidence among state in the Global South in an ongoing economic partnership with the United States that will help them achieve their most important development goals. The United States must demonstrate a pathway for countries to do so in the near and longer term, and persuade anew that working with it is the best way to accomplish what they want.

ENDNOTES

- 1 This usage has been influenced by the work of Richard Hofstadter, who criticized American populism of the 1890s. See Richard Hofstadter, *The Age of Reform: From Bryan to F.D.R.* (New York: Alfred A. Knopf, 1955).
- 2 Ivan Krastev, “The Populist Moment,” *Eurozine*, September 18, 2007, <https://www.eurozine.com/the-populist-moment/>.
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CONCLUSION

Jon B. Alterman with Lily McElwee

Different governments have seized upon the concept of a Global South in different ways and for different reasons to advance their national interests. Fundamentally, Russia and China promote the idea of a Global South to help build solidarity with a wide variety of states and to help create distance between those states and the United States and its closest partners. Russia and China have created a narrative of their countries joining upwardly mobile states to create common cause agitating against the status quo. Their call for change resonates in states eager for better times, and it helps undermine some of the soft power that the United States and its closest allies have in much of the world.

For many other countries, though, the notion of a Global South is intended to be more inclusive. For them, it is principally about their ambitions to broaden ties in all directions. That means simultaneously growing relationships with the United States and China while also deepening relationships with fast-growing economies near and far. They also seek to use the idea of a Global South to build solidarity around the effort to make international institutions more inclusive by uniting the majority of the world's people and economic activity.

But more than theoretical ideas about shared commitments, what really unites many of the countries that see themselves as mem-

bers of the Global South, and certainly the leading states described in this volume, is a deep sense of urgency. All of them feel a sense of precarity. And among the states outlined in this volume, the urgency is accompanied by a rising sense of agency. For some, such as the Gulf states, the energy transition will fundamentally change their sources of revenue, simultaneously forcing governments to revise their relationships with their populations. India feels the urgency of growing its economy so that the world's most populous country can bring tens of millions of people out of poverty. For Brazil and Turkey, so long on the cusp of full acceptance by the world's most powerful states, there is a sense that now is the time they must break through. And the opportunity is especially acute. The world's most powerful countries are often status quo powers, seeking to preserve what they have built over a century or more. Now that the United States has a president with an instinct for disruption, many of these large rising states see an opportunity—although both Brazil and India have, at times, drawn the ire of the White House.

These states and their sense of urgency present an opportunity for the United States. All of them seek a positive relationship with the United States and also see it as their single most important economic and security partner. Further, as they consider their economic ambitions and imperatives, the United States can do more for all of them than any other nation. The United States is not merely the largest market and the largest source of investment; it is also the most successful training ground for leadership and an impressive venue for global networking. In a world in which the most important kind of capital is human capital, the United States soars far above its competitors in its ability to help grow the leaders and skill sets needed for the future.

As the United States looks at a large and complicated world that is eager for engagement, it makes sense to prioritize deepening relationships with the states analyzed in this volume (Brazil, India, Indo-

nesia, Mexico, Saudi Arabia, South Africa, Turkey, and the UAE). In their regions, they are not merely the most powerful, the wealthiest, and the most regionally integrated. They are also regional leaders, and they bring others along. Working with these states can provide the pathway for working with the world.

To engage the hinge states, the United States needs to coordinate closely with its allies and partners. Whether it is the G7, countries such as Australia and South Korea, or members of the European Union, the United States has long-standing economic, cultural, and diplomatic ties with dozens of countries that are fundamentally committed to the idea of a predictable world order. Some of these countries, such as France and the United Kingdom, see the rise of the Global South as a threat to the power and prestige that they have held for centuries. For others, like Germany and Japan, the rise of the Global South creates a political moment that may actually boost their power as post-World War II institutions are reconfigured and these countries' postwar accomplishments are recognized. The United States not only needs to win the support of these countries to make necessary reform a reality; it needs to help coordinate them as it seeks to shape the direction and speed of change.

And finally, the U.S. government needs to prioritize what is truly important as it engages with the Global South. Almost three-quarters of a century ago, the United States was driven by what some derided as "Pactomania," the efforts of Secretary of State John Foster Dulles to build a flurry of alliances that would encircle the Soviet Union. While the effort built on a successful push to defend Europe, it also helped provoke the birth of the Non-Aligned Movement around the world, which confounded many of his efforts' original aims. Running frantically to bind countries around the world as closely to the United States as possible is not a strategy fit for purpose.

Today's Russia presents what is in many ways a traditional challenge to the United States. It poses a military threat to U.S. allies in

Europe. While it no longer poses the ideological challenge that the Soviet Union did, its efforts to build support among right-wing parties in the West echoes the Soviet Union's efforts to build support among left-wing parties in many of those same states. The country makes small-scale investments in conflict areas such as Syria, Libya, and Niger and has built military ties with Iran; all of these efforts seek small-scale returns, and some of the benefit is creating disorder that threatens the United States and its closest partners, saps their energies, and diverts their attention. The United States has little common ground with Russia. Importantly, Russia's attractiveness as a partner to these hinge states is relatively modest. As it engages with the hinge states described in this volume, the United States should continue to highlight the implications of Russia's actions for global order and the comparative value of close ties to the United States versus Russia. It should selectively impose consequences for actions that protect Russian malfeasance.

China, however, presents an untraditional challenge to the United States. The U.S. Department of Defense began calling China the "pacing threat" for the U.S. military after the 2018 National Defense Strategy refocused on great power competition. Yet China is a global force very unlike Russia. China has the second-largest economy in the world, and 70 percent of the world's countries trade more with China than the United States.¹ Between 2013 and 2022, China invested \$679 billion in infrastructure projects in nearly 150 countries through its Belt and Road Initiative, and its outstanding loans to the rest of the world total between \$1.1 and \$1.5 trillion.²

At the same time, China is intimately connected to the U.S. economy, with trade levels rivalling U.S. neighbors Canada and Mexico despite both considerable distance and 30 years of economic integration prompted by the North American Free Trade Agreement. Arguably, this is all as it was intended to be. In the 1970s, the United States' opening to China sought to grow the latter's economy and

promote its economic integration with the world as part of an effort to isolate the Soviet Union. When the Soviet Union fell in 1991, China continued to rise.

The George W. Bush administration was in many ways an inflection point in China's role in the world. In part, U.S. foreign policy in the post-9/11 world became preoccupied with counterterrorism and wars that morphed into insurgencies in Iraq and Afghanistan. That had the effect of leaving much of the rest of the world neglected, just as Chinese economic growth was accelerating. In part, too, the Bush administration tried to use China's admission to the World Trade Organization as an opportunity to draw China into a role as a "responsible stakeholder," working "with us to sustain the international system that has enabled its success."³ China's response was to continue to grow its global role, but to do so largely on Chinese terms. As U.S. foreign policy pulled back from a focus on fighting in the Middle East, it found Chinese interests increasingly embedded in places it had never been before—including in many of the countries described in this volume.

The "responsible stakeholder" goal may have been the wrong framing, but the strategic objective is correct. That is, the United States has an interest in advancing and preserving a global order that is predictable, promotes free trade, and preserves sovereignty. It is one in which states have both rights and obligations and adhere to their commitments.

While China has embraced a variety of phrases that are intended to signal its modest ambitions in global affairs—such as "mutual benefit," "win-win cooperation," and "peaceful coexistence"—in reality Chinese foreign policy has been rooted in an effort to assert Chinese dominance over its near abroad, and more widely to create space for China by loosening the United States' grip on international institutions and multilateral bodies. It does this partly through efforts to drive action to bilateral relationships. In all its bilateral relations

except those with the United States, China is the dominant power, and it acts accordingly.

The United States' approach has been different. The United States also puts an emphasis on bilateral relations, but it has made considerable investments in multilateral frameworks with real capabilities and substantial autonomy. Some see this as ironic, and others see it as foolhardy. After all, the size of the U.S. economy and the "exorbitant privilege" the United States derives from the dollar's role as the world's reserve currency make the United States the world's most pre-eminent economic power; the country's intelligence apparatus, its military strength, and its cultural reach augment that economic power still further. Despite that position of dominance, or perhaps because of the additional security it provides, the United States has invested for many decades in a global order with predictable rules that apply relatively equally to all.

Of course, disputes arise in the international system despite the rules, and sometimes disputes arise over the rules themselves. In addition, the rules are rarely self-enforcing, so it can take considerable effort (and occasional military action) to ensure compliance. The United States' goal has been to create clear expectations about what actions will elicit what sorts of outcomes, so as to minimize both broad experimentation by nation states and reckless risk-taking that would drive conflict, undermine prosperity, and make cooperation on rising transnational threats far more difficult.

For the United States, sustaining the resilience of such a predictable global order must be a key strategic objective. As John Ikenberry notes, "International order can be rigidly hierarchical and governed through coercive domination exercised by the leading state, or it can be relatively open and organized around reciprocal, consensual, and rule-based relations."²⁴ The key ingredient to the latter set of characteristics is legitimacy; the key ingredient to building legitimacy is gaining the support of the hinge states described in

this volume. Doing so would do more than build on their regional leadership to bring along smaller states. It would also help nudge China toward sustaining a reformed international order and deter it from pushing Global South states toward division and regional orders in which China holds more sway.

The path to winning over these hinge states is to take their domestic situations seriously, and to appreciate their histories and their ambitions. It is to appreciate their conditions and to make a connection between their energies and aspirations and the predictable, interconnected world that the United States and its closest allies have been nurturing for three-quarters of a century. Doing so requires an appreciation of their politics, which have much in common with populist political movements throughout history, and appreciating their approaches to diplomacy, which build on many of those same themes. For much of that time, populism has proven itself to be a catalyst for reform more than revolution. As such, it has promoted resilience.

As populist politics are on the rise in many Western countries, the instinct in many states will be to put less attention toward international obligations and to be more skeptical of the promise of any international order. Secretary of State Marco Rubio argued in his confirmation hearing, “The post-war global order is not just obsolete. It is now a weapon being used against us.”⁵ But even so, there is still space to work, both for the Trump administration and its potential partners. After all, Rubio’s objection was not so much to any sort of order, but rather to one where others “took advantage of all of its benefits” and “ignored all of its obligations and responsibilities.”⁶

One of the repeated promises President Trump has made since his first term in office is ending “endless wars.” The first months of his second term have seen military engagements in Yemen, Iran, and the Caribbean, suggesting that he is not turning away from using military force, often unilaterally. At this point in his term, however,

the president has asserted that his greatest international success has been winning the release of Israeli hostages that Hamas held for two years. That was an achievement that involved winning the support not only of Israel, but also of eight Muslim-majority countries (half of them—Indonesia, Saudi Arabia, Turkey, and the UAE—discussed in this volume) that pressured Hamas to accept the agreement. None of them favored a world in which non-state actors can hold states' interests at risk, and they all sought to push states to comply with their obligations.

In so doing, the administration has shown not only a willingness to engage multilaterally, but a sensitivity to the political needs and constraints of potential partners in hinge states. That provides a foundation for further engagement on these lines. It will not look like merely sustaining the order that came out of World War II, but instead reforming it. As the president already has recognized the utility of these rising countries, his goal should be adjusting the global order so it more robustly includes them. The result will be an order that is more resilient and fit for purpose, and which both sustains and expands peace and prosperity.

ENDNOTES

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