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Multilateralism in a Turbulent World

The Future of International Cooperation and Law

As the world moves towards a multipolar order, competition and conflict between major powers United States and China are becoming increasingly influential. This paper examines the future of international relations as well as challenges for international law, multilateral institutions and cooperation on issues like climate change amidst a new bloc confrontation. It also argues that regional organizations such as ASEAN must remain independent and rally around common interests.

The world is gradually transitioning to a multipolar order, defined by a so-called dual-superpower, multipower structure. The United States and China are the two superpowers, while the multipower component includes nations such as India, Germany, Japan, the EU, and Russia. The power gap between the superpowers and the other major powers is expanding. Many forecasts predict that, by 2030, China's economy will grow at about 5 per cent annually, while the US will grow at around 2 per cent. As a result, China's economy is expected to surpass that of the US by 2035 at the latest. Some projections suggest that, by 2030, China will overtake the US in total GDP, representing roughly one-quarter of global GDP. However, it will take several more decades for China to match the US

in GDP per capita. In terms of market value, the GDP of the US and China combined will likely be around three times that of the third-largest economy. On the military front, China's defense budget is expected to reach around USD 550 billion by 2030¹, while Washington's budget will surpass USD 1 trillion. India's military budget is projected to be around USD 183 billion, and Russia's around USD 123 billion.

Two Blocs with Fluid Boundaries

When factoring in alliances and networks of military bases as part of a nation's strength, the US is considered to have a significant advantage over China, Russia, and other major powers. In terms of soft power, the US is projected to remain the most influential country by

2030, fueled by its innovative development theories, robust higher education system, and global media networks. While China and other nations are investing heavily to strengthen their soft power, it will be difficult for them to match the level of influence held by the United States.

In the relations among major powers, the US-China relationship remains the most prominent, shaping other global dynamics. Tensions between the US and Russia and between the EU and Russia are expected to persist, while China and Russia will maintain close cooperation on numerous issues. The relationship between China and the EU will fluctuate between cooperation and competition, depending on the issue at hand. The world may split into two broad alignments, with the US and the West on one side, and China and Russia on the other.

However, unlike the rigid blocs of the Cold War, these alignments will have more fluid boundaries, and countries within each alignment will continue engaging with those on the opposing side. The US-China relationship will involve both cooperation and conflict, with tensions likely to dominate. Regardless of whether Democrats or Republicans are in power, US policy toward China will remain consistent: "cooperate when possible, compete when necessary, and confront when unavoidable".² The US is expected to continue its trade and technology wars with China. In response, China will aim to reduce its reliance on the US and will heavily invest in advancing its technology sector.

Globalization and Growing Divide

The scientific and technological revolution is progressing at an accelerating rate, with a multitude of breakthrough technologies emerging.

Various research institutes forecast transformative developments in more than ten technological fields, including the Internet of Things, cloud computing, robotics, autonomous vehicles, biotechnology, fuel cells, 3D printing, new materials, and, most significantly, artificial intelligence (AI).³

The Fourth Industrial Revolution (Industry 4.0) will accelerate even further as scientific and technological advancements continue. In international relations, Industry 4.0 is set to shift the balance of power between nations, particularly among major powers, amplifying competition and rivalry while deepening the gap between rich and poor countries. Industry 4.0, combined with geopolitical tensions between the US and China, as well as between the US, the West, China, and Russia, will fuel fragmentation and division, especially in terms of the growing digital divide between countries and regional blocs.

Globalization will continue, but it will evolve in terms of speed, methods, and areas of focus. Until 2030, globalization will be strongly shaped by conflicts among major powers, the aftermath of the COVID-19 pandemic, the Russia-Ukraine and Hamas-Israel conflicts, Industry 4.0, and climate change, all of which will lead to changes in the methods and sectors driving globalization. International trade is expected to grow, with a 2021 forecast by Standard Chartered Bank predicting that, by 2030, global trade will increase by over 70 per cent, surpassing USD 30 trillion.⁴

The democratization of international relations will continue to advance, but it will encounter increasing challenges from power politics. Medium and small countries will face greater "push" and "pull" pressures from major powers, particularly on issues where these powers seek to mobilize forces for competition or confrontation. Advances

in science and technology, along with the developments of Industry 4.0, are reshaping the position and role of medium and small countries in international relations, including in their interactions with major powers.

Population dynamics and labor force trends are reshaping the position and role of countries and regions. By 2030, South Asia (including India) will have the largest population, followed by Africa, East Asia (including China), and Southeast Asia. Europe will fall to sixth place.⁵ China, India, and other Asian countries (excluding Japan) will account for half of global purchasing power. The middle class in emerging markets is expected to outnumber that of the US, Europe, and Japan combined by a factor of five.⁶ Aging and declining populations and shrinking labor forces will hinder growth in many countries. After 2030, the number of people over 65 in China will exceed the number of those aged 0-14, making China one of the fastest-aging countries globally. While China, Russia, and all developed industrial nations (OECD) will face challenges due to aging and population decline, the US will be an exception. Immigrants, particularly skilled ones, will continue to contribute significantly to the US labor force, enhancing its quality.

Challenges for Peace and Cooperation

Peace, cooperation, and development face greater challenges than before but remain key global trends. Peace should be understood as the absence of war between major powers, though wars and armed conflicts are unlikely to be fully eradicated. The fact that major powers possess weapons of mass destruction, to varying degrees, makes direct wars between them highly unlikely. Current conflicts involving smaller countries, or between major and smaller countries, are not expected to end soon. New

conflicts may arise, but it is highly improbable that they will escalate into a world war. Ongoing competition among major powers, such as the Russia-Ukraine conflict, contributes to increasing militarization and, in some cases, an arms race among certain countries or groups of nations.

Despite this, nations continue to make substantial investments in development to address both immediate and long-term challenges related to the economy, society, and the environment.⁷ Green, clean, and sustainable development will emerge as a leading trend due to countries' inherent needs to respond to climate change risks and the environmental protection standards set by developed countries, particularly the EU, through trade-related regulations.⁸

Advantages of Multilateral Institutions

Multilateral institutions, with the United Nations (UN) being the largest and most comprehensive, are seeing a decline in influence when it comes to issues where major powers and their allies prefer unilateral actions or where there is conflict among major powers. However, in humanitarian matters, the role of multilateral institutions, particularly the UN, will continue to grow and strengthen. As global conflicts and crises increase, the demand for humanitarian aid rises, and multilateral institutions are the most effective channels for countries to provide and implement such aid due to their organizational infrastructure, personnel, experience, and – crucially – the trust they hold with humanitarian donors.

Similarly, in the fields of development and human rights protection, multilateral institutions will remain vital. This is evident not only in their efforts to promote sustainable development goals and support impoverished nations but also in their

ability to address global challenges, especially in combating pandemics and tackling climate change.⁹

International law and customs will continue to play a significant role in relations between countries. However, major powers are likely to increasingly disregard and manipulate international law, particularly those rules they view as limiting their freedom or conflicting with their interests. Additionally, many areas of international law will need to be expanded and developed to address emerging challenges, such as climate change and AI. However, implementing these changes will be challenging due to the lack of necessary cooperation among major powers.¹⁰

The current system of multilateral institutions faces numerous challenges, prompting the emergence of new organizations and mechanisms. Amid ongoing conflicts and competition among major powers, along with the new challenges posed by scientific and technological advancements and the impacts of climate change, existing multilateral institutions will continue to evolve, and new ones will emerge. Organizations within the UN system, such as the World Bank and the International Monetary Fund (IMF), are under growing pressure to reform, particularly from China, Russia, and emerging nations.

Strategic Competition in the Indo-Pacific

Meanwhile, group-based multilateral mechanisms, such as NATO and BRICS, will continue to be strengthened. It is likely that similar mechanisms will emerge as a result of the fragmentation and division in relations among major powers. Most of these mechanisms will tend to oppose one another to serve the strategic goals of the major powers. Multilateral mechanisms for smaller countries, such as the Non-Aligned

Movement and the Group of 77, are increasingly weakened due to internal issues, divisions among major powers, and the shifting international context since the Cold War, when these mechanisms were first established.

The region referred to here is the Indo-Pacific region or India-Asia-Pacific (IAP) area, which will remain the most dynamic development zone in the world. Some forecasts predict that, by 2030, the IAP region – home to three of the world's largest economies including China, India (the third-largest), and Japan (the fourth-largest) – will account for 52.5 per cent of global GDP.¹¹ The IAP will continue to serve as the main arena for strategic competition between the U.S. and China. While potential flashpoints in the region will persist, they are less likely to escalate into major conflicts. A key reason for this is that the primary stakeholders involved in these potential flashpoints possess the capacity to significantly disrupt the strategic calculations of their adversaries. ASEAN faces several challenges in its process of building a community, yet it continues to attract attention from major powers. Between now and 2030, Myanmar is unlikely to hold elections, the South China Sea will remain a potential source of instability, and localized conflicts may arise. ASEAN countries will continue to experience both push and pull pressures from major powers and their alliances. By 2030, ASEAN is expected to become the fourth-largest economy in the world and emerge as the most successful community among regional groupings of developing countries.¹²

Multilateralism and International Law

By 2030, multilateral institutions and international law will be profoundly influenced by current global developments. This includes (i) increasing conflicts and competition

among major powers, rather than cooperation on many issues; (ii) the division of smaller countries, with some aligning with China and Russia, while others align with the US and Western nations, and; (iii) the emergence of new challenges arising from rapid scientific and technological advancements, particularly in AI, and the pressing issue of climate change.

However, the impact on each issue and institution will differ, leading to varying trends in the evolving roles of these bodies.

- For smaller and medium-sized countries, international law remains a key "tool" to safeguard their interests in dealings with major powers and navigate the competition between these powers. However, these countries will face divisions as a result of the "push/pull" pressures exerted by major powers. This will complicate their efforts to maintain unity on issues where these major powers are in conflict or competition with one another.
- Major powers tend to respect international law only when it serves their own interests. Conversely, they are often willing to disregard or reinterpret international law to suit their own agendas, regardless of the broader interests of the international community. When it comes to legal norms addressing common challenges like AI regulation or cybersecurity, there is generally more cooperation among major powers. However, in areas related to traditional security, competition and conflicts between them are likely to diminish the effectiveness of these legal norms or even render them ineffective.
- For institutions involving both groups of countries – the first led by China and Russia, and the second by the U.S. and the West – such as the

United Nations and its associated organizations (the World Bank, IMF, and World Trade Organization), APEC, and EAS, their role is likely to decrease due to ongoing conflicts and competition between the two groups. However, these institutions will continue to play a key role in areas where both sides share cooperative interests, such as combating climate change, addressing non-traditional security challenges, and resolving common development issues.

- The role of institutions led by either the U.S. and the West or China and Russia – such as BRICS, SCO, NATO, the QUAD, etc. – is likely to grow as each side aims to use these institutions to advance their interests and intensify their competition with the other. The role of regional institutions is under pressure but may still grow. Even robust institutions, like the EU, face challenges due to competition between the U.S. and China, as well as the dynamics between the U.S., China, and Russia. Other regional organizations will be shaped by their strategic significance in the competition strategies of major powers.

Accordingly, ASEAN will play a larger role if it preserves unity, retains independence, and enhances its internal capacity through efforts in connectivity and community-building. On the other hand, ASEAN's influence will diminish if it fails to navigate the "pull and push" pressures from major powers and cannot sustain unity and solidarity on issues that align with the common interests of the Association.

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Footnotes

- ¹ See: “Countries with the highest military spending worldwide in 2022”, *Statista*, 2023, <https://www.statista.com/statistics/262742/countries-with-the-highest-military-spending/>
- ² Cheng Li: “Biden’s China Strategy: Coalition-driven competition or Cold War-style confrontation?”, *Brookings*, tháng 5-2021, <https://www.brookings.edu/research/bidens-china-strategy-coalition-driven-competition-or-cold-war-style-confrontation/>
- ³ Technology in 2030: Top 20 Big Tech Prediction, <https://www.pluralsight.com/resources/blog/it-ops/tech-in-2030>
- ⁴ “Future of Trade 2030: Trends and markets to watch”, *Standard Chartered*, 2023, <https://av.sc.com/corp-en/content/docs/Future-of-Trade-2021.pdf>
- ⁵ Mauro F. Guillen, 2030: *Key trends will shape the future of the world*, NXB 2021, pp.24-25
- ⁶ See pp. 100, 127
- ⁷ See “Welcome to 2030”, <https://ec.europa.eu/assets/epsc/pages/espas/chapter1.html>
- ⁸ For instance, on April 19, 2023, the European Parliament (EP) approved new legislation prohibiting the import of goods associated with deforestation activities.
- ⁹ See “Transforming our world: The 2030 Agenda for Sustainable Development”, <https://sdgs.un.org/2030agenda>
- ¹⁰ See: “AI Governance in the Age of Uncertainty: International Law as a Starting Point”, <https://www.justsecurity.org/90903/ai-governance-in-the-age-of-uncertainty-international-law-as-a-starting-point/>
- ¹¹ See: “Transform Your Investment Decisions With Better Data”, *World Economics*, 2023, <https://www.worldeconomics.com/World%20Markets%20of%20Tomorrow/Year-2030.aspx>
- ¹² See: “ASEAN 2030: Toward a Borderless Economic Community”; <https://www.adb.org/sites/default/files/publication/159312/adb-asean-2030-borderless-economic-community.pdf>

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