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Beyond the West:
How the Global South is Redefining
Regional Power
By
Lāsma Kokina



16 December 2025

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For information about Rosa&Roubini Associates, please send an email to info@rosa-roubini-associates.com or call +44 (0)20 7101 0718.

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Lāsma Kokina

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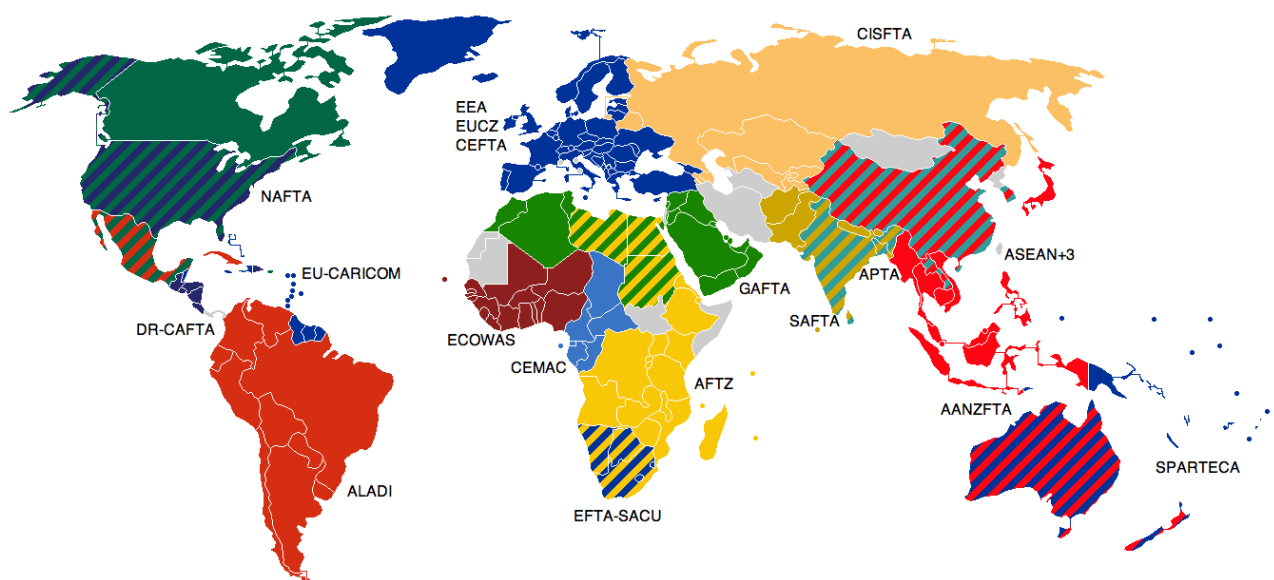
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Executive Summary

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- ✦ Countries in the Global South are increasingly forming regional and inter-regional alliances to pursue cooperation in trade, security, and governance outside Western-led systems.
- ✦ These initiatives reflect a broader shift toward a multipolar world order, with developing and middle-income states seeking greater influence in shaping global norms.
- ✦ Cyprus has proposed a NATO or OSCE-style regional security body for the Middle East, aiming to position itself as a facilitator of cross-regional diplomacy and coordination.
- ✦ The proposed ASEAN–GCC Free Trade Agreement signals growing economic integration between Southeast Asia and the Gulf region, based on mutual diversification and strategic alignment.
- ✦ The 2025 Doha bombing and the US extension of NATO-style protections to Qatar prompted renewed interest in regionally controlled security frameworks.
- ✦ Malaysia is playing a key role in promoting South–South initiatives, including pushing for the ASEAN–GCC FTA to strengthen trade and geopolitical ties.
- ✦ Western-led institutions are increasingly seen as inadequate or misaligned with the priorities of non-Western states, prompting alternative frameworks to emerge.
- ✦ These developments point to the construction of self-directed regional orders in which influence is more evenly distributed, and cooperation is built on shared regional priorities.

Key Picture: Map of the World Trading Blocs



Source: economicshelp.org

1. Introduction

Across 2024–2025, a growing number of developing and middle-income countries have moved beyond traditional reliance on Western-led institutions, instead building South–South and regional governance structures - new frameworks for cooperation on trade, security, diplomacy, climate and development. This trend reflects a shifting global order, in which states of the Global South are increasingly seeking autonomous, collectively-owned arrangements tuned to their own needs.¹

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United Nations Office for South-South Cooperation (UNOSSC) defines South–South cooperation as collaboration among developing or middle-income countries to promote economic, social and political development through shared knowledge, resources, and collective initiatives.² South-South cooperation offers an appealing alternative: a model in which developing nations take control of their own development paths, pool resources, and build resilience together.³

As part of this shift, we are seeing examples of regional cooperation that go beyond traditional geographical or institutional boundaries. For instance, member states of ASEAN (Southeast Asian nations) and the Gulf Cooperation Council (GCC) - representing countries in the Middle East - have taken concrete steps to build deeper economic integration through a proposed Free Trade Agreement.⁴

A catalyst for renewed interest in such regional-governance models was the shock caused by the airstrike on Doha on 9 September 2025, when Israel Defence Forces targeted the political leadership of Hamas inside the Qatari capital.⁵ Thus, the strike exposed the fragility of existing defence and alliance arrangements, even for states previously considered secure.

In response, on 1 October 2025, the US President Donald Trump issued an executive order pledging that any future armed attack on Qatar would be regarded as a direct threat to US security, in effect extending a NATO-style guarantee to a non-member Gulf state.⁶ While that move reassured some, it also highlighted how vulnerable regional stability remained when it depended on shifting external commitments rather than regional mechanisms.

As a result, there is growing momentum among Middle-East and neighbouring states to explore regional security and cooperation structures, driven by a recognition that relying on external powers may no longer ensure reliable protection. For example, Cyprus recently proposed creating a regional organisation, described as a potential “NATO or OSCE of the Middle East”, to foster collective stability, humanitarian coordination and crisis response.⁷

2. Cyprus

In November, Cyprus President Nikos Christodoulides announced that the government is actively working to lay the groundwork for establishing a “regional security and cooperation organisation” in the broader Middle East. Speaking at The Economist’s Annual Cyprus Summit, he acknowledged that the goal may seem ambitious but emphasised that efforts are underway to develop the necessary political conditions to make it a reality. He envisioned the proposed body as similar to entities like the OSCE or NATO, aiming to showcase the advantages of collaboration and enhance regional cooperation. The OSCE is an intergovernmental organisation focused on security, arms control, human rights, and promoting democratic values, with 57 member states, including Cyprus. NATO, by contrast, is a military alliance based on mutual defence among its 32 members; Cyprus is not part of NATO, though its three guarantor powers - Greece, Turkey, and the UK - are.⁸

The initiative is still in its early stages, with political groundwork underway but no confirmed membership, legal framework, or funding yet. President Christodoulides stressed that the focus is on preparation rather than completion.

The proposal arises amid rising tensions and shifting dynamics in the Middle East, including humanitarian crises in Gaza, Lebanon, Israel, and Syria. It reflects Cyprus's ambition to take on a more active regional role and enhance its foreign policy influence, aiming to move beyond the limitations of its small-state status.⁹

Christodoulides presented Cyprus as a possible diplomatic link between Europe and its southern neighbours, emphasising the country's past involvement in civilian evacuations from conflict areas and its role in supporting humanitarian aid to Gaza by sea. The initiative could open the door to stronger regional collaboration.¹⁰ Cyprus has already demonstrated its reliability as a haven for civilian evacuations, managing 2,600 air and sea movements during the 2023 Sudan airlift and serving as a base for several Gaza aid flights this year. The government now aims to formalise this role in hopes of hosting permanent liaison offices, training centres, and multinational logistics operations.¹¹

3. ASEAN-GCC FTA

As part of the broader trend toward South–South cooperation and regional governance, a key example gaining momentum is the proposed ASEAN–Gulf Cooperation Council Free Trade Agreement (ASEAN–GCC FTA). It represents a significant attempt by two major regional blocs in the Global South to build deeper, institutionalised economic ties - independent of Western-led trade frameworks. The ASEAN–GCC FTA is a proposed free trade agreement between the Association of Southeast Asian Nations (ASEAN) - a 10-member bloc including Indonesia, Malaysia, Vietnam, and others¹² - and the Gulf Cooperation Council (GCC), which includes six Gulf states: Bahrain, Kuwait, Oman, Qatar, Saudi Arabia, and the United Arab Emirates¹³. The initiative was formally introduced during a summit in Riyadh in October 2023, where Malaysian Prime Minister Anwar Ibrahim proposed the creation of a trade pact to strengthen economic ties between the two regions.¹⁴

Thus, the ASEAN–GCC FTA proposal illustrates a broader shift toward South–South cooperation and regional governance, where middle-income and developing states increasingly build autonomous regional (or inter-regional) structures for trade, investment and strategic partnership.

By linking Southeast Asia and the Gulf region through a trade accord, both blocs aim to diversify their economic partnerships. For ASEAN states, cooperation with the GCC offers access to energy resources, capital, and Gulf markets. Meanwhile, for Gulf states, ASEAN's manufacturing base, growing consumer markets, and dynamic economies present attractive opportunities.¹⁵

As such, the agreement contributes to the construction of a more multipolar system of economic governance, where influence is shared more evenly across a broader set of regional actors.¹⁶ In this context, the ASEAN–GCC FTA encapsulates the core aims of contemporary South–South and regional governance cooperation - a pragmatic and self-directed effort by developing and emerging economies to redefine the rules and institutions of global trade and collaboration on their own terms.¹⁷ This shift reflects a deliberate move away from dependency on traditional power centres and toward greater autonomy in setting economic priorities and strategic direction. By institutionalising inter-regional cooperation, agreements like the ASEAN–GCC FTA signal a rebalancing of global influence and a growing capacity of the Global South to shape the international order.

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