



Multilateral Reform and Minilateral Cooperation

By Garima Mohan and Rachel Tausendfreund

The end of the Cold War was the golden age of multilateralism. The cessation of great-power rivalry and the emergence of unipolarity created conditions conducive for greater regional integration in Europe and Asia. But the unipolar moment is over. China's rise, its turn as an assertive and aggressive actor in the Indo-Pacific, and its coordination with Russia to influence existing multilateral institutions while creating new ones—at regional and global levels—have generated unprecedented challenges.

Generalized conflict between China and Russia, on one hand, and the United States, on the other, has largely disabled the UN Security Council. Permanent-member veto power has left the body unable to affect Russia's war in Ukraine or the war in Gaza, despite numerous General Assembly resolutions.

As a result of these and other new challenges, the inability of existing institutions to solve them, and a perceived imbalance in the international system, middle powers are proliferating their own regional organizations and more flexible arrangements in the form of minilaterals. As Dino Patti Djalal, former Indonesian vice foreign minister writes, "while Western nations are beginning to de-risk from China and Russia, and as the space for dialogue between them shrinks, middle powers of the Global South are forming unprecedented economic, diplomatic and strategic links with one another."²

This chapter examines Brazil, India, Indonesia, and South Africa as pivotal powers on issues of governance. All are influential regional powers and leading diplomatic players. Brazil, India, and South Africa are original BRICS members and centrally engaged in questions of multilateral reform. Indonesia is a growing power³ and a leader in the Association of Southeast Asian Nations (ASEAN). All four are agenda shapers in the G20, with Indonesia, India, and Brazil, sequentially hosting the 2022-2024 summits, and South Africa to host in 2025 (the African Union was given permanent membership during the New Delhi summit). Clearly, there are other countries that could have made the cut, especially Türkiye, which, according to the Lowy Institute's Global Diplomacy Index, now has the world's third-largest diplomatic presence.⁴ But given China's centrality in the evolving international system, Indonesia was included instead.

Brazil

Brazil has a long history of diplomatic engagement and is a prominent voice for reform of the UN and Bretton Woods institutions, and for a more equitable global system in general. As a sign of its influence, Brazil set reforming global governance institutions as one of the three priorities of its G20 presidency in 2024. As President Luiz Inácio Lula da Silva said at the September opening session of the meeting of G20 foreign ministers in New York, it is Brazil's "core belief that [the] United Nations are and must continue to be the heart of the multilateral system."⁵

At the same time, Brazil is an engaged BRICS member and active in many other minilaterals, both global (e.g., the Community of Portuguese Language Countries; South Atlantic Peace and Cooperation Zone; and the India, Brazil, South Africa Dialogue Forum) and regional (e.g., the Southern Common Market (MERCOSUR); the Community of Latin American and Caribbean States; and the Union of South American Nations). From a Brazilian perspective, minilaterals serve a triple purpose. First, they push forward agendas that are blocked in multilateral institutions so that they may then kickstart action. As one Brazilian analyst put it, “reforming global governance is the glue that put BRICS together.” The G20 “Call to Action” on UN reform is an example of this. Second, minilaterals provide a challenge to or compensation for the inequities of existing multilateral arrangements and provide regime-shopping opportunities. The BRICS financing mechanism, the Contingent Reserve Arrangement and New Development Bank, for example, is meant to compensate for the reform gridlock at the International Monetary Fund and the World Bank. Third, minilaterals provide avenues for enhanced regional or South-South cooperation, in and of itself a Brazilian priority.

In general, with the partial exception of the Jair Bolsonaro years, Brazil has been committed to promoting sustainable development, addressing global inequities, and supporting human rights and social justice on the global stage. Global cooperation on climate change is a priority, but one that must be paired with “the right to development”. Brazil also has a strong tradition of nonintervention and promoting conflict resolution. Brasilia’s unwillingness to support sanctions against Russia or contribute militarily to supporting Ukraine is consistent with its policies to adopt only sanctions authorized by the UN Security Council and to refrain from selling weapons to countries engaged in conflict.

India

India has a two-fold approach to the global order. The country aims to reform existing global governance institutions to make them more representative through greater engagement. As Professor Harsh V. Pant argues, “from being a persistent naysayer to a nation willing to share responsibility for global governance has been one of the most striking trends in Indian foreign policy”.⁶ While demanding UN Security Council reform, India has also underlined its role as a global stakeholder on issues such as climate change, sustainable development, health, and pandemic response, “demonstrating its commitment to collaborative and inclusive global governance”.⁷

New Delhi believes, however, that global governance reform is a slow process while current Indo-Pacific challenges demand fast solutions. Many in the Indian capital believe that “post-Cold War multilateralism is past its peak”⁸ and that the old multilateral order is in crisis. New Delhi’s priority is to shape, with other middle powers, regional and global orders through newer institutions and minilaterals.

India is deeply invested in the Quad, which brings it together with Australia, Japan, and the United States; trilaterals, such as those with France and Australia, and with Australia and Japan; and the I2U2 (India, Israel, United Arab Emirates (UAE), United States) format, which is gaining traction in the Middle East. India believes that these flexible arrangements allow for greater impact and collaboration among partners than in established formal institutions.

While aligning with other middle powers, yet aware of China's increasing influence in them, India is also keen to play the role of a leading "Global South" power. India's G20 presidency focused on including "Global South" voices and on advocating for a "balanced" globalization that would help all countries. India positioned itself as a bridge between developed and developing countries and used the platform to highlight issues faced by the latter, particularly the economic impact of the pandemic and the global repercussions of the Ukraine war.

Rising tensions with China have led to many significant shifts in Indian foreign policy. This is evident in New Delhi's view of its membership in the BRICS and Shanghai Cooperation Organization. India initially joined these groups to find a voice in a unipolar world by working with other "rising powers". Today, New Delhi's roles in these formats is substantially different as India's biggest challenge is now Beijing's push for a unipolar Asia. The United States has also emerged as one of India's closest partners given the two countries' broad alignment on China and the utility of flexible formats, particularly the Quad. India and Europe are also moving closer, but the latter's impetus to export its own model of integration and institutions prevent it from fully understanding and participating in regional and minilateral arrangements.

Indonesia

The focal point of Indonesia's foreign policy has always been the UN and the multilateral system, which Jakarta still considers the "key avenue" for international relations. At the same time, the country has promoted South-South cooperation since the Asia-Africa Bandung Conference of 1955. Indonesia increasingly focuses today on regional diplomacy and cooperation, primarily through ASEAN. The new Indonesian president, Prabowo Subianto, said in his October inauguration address that his country chooses a "free and active, nonaligned" approach to international relations, but one "based on the principle of anticolonialism". Unlike the other pivotal powers examined here, Indonesia is not a BRICS member (though some sources say that it is contemplating membership) and is not a prominent challenger of Western-dominated multilateral systems, though it "has never stopped striving for reform of the UN, especially the UN Security Council".⁹

Jakarta's priority minilaterals are, for global issues, the G20 and, for regional issues, ASEAN, but it is involved in others, including the Indonesia-Africa Forum (IAF) and the Forum for East Asia-Latin America Cooperation. Beyond minilaterals, Jakarta is increasingly looking at middle power cooperation as a foreign policy pillar. Australia and Japan are key partners, and relations with India are improving, though slowly. Cooperation with the United Arab Emirates has improved significantly. The Emirates (alongside the United States, Japan, and China) have put money into the Indonesia Investment Authority, a sovereign wealth fund meant to attract foreign co-investors and finance economic development. Masdar, the Emirati renewable energy firm, has partnered with Indonesia's state-owned electric utility PLN to launch Cirata, the largest floating solar farm in Southeast Asia.

Sustainable development, climate change, and peaceful conflict resolution are Indonesia's priority issues. Reform of the multilateral system, especially that of the UN and World Trade Organization, are also top priorities, and they remain forums preferable to minilateral alternatives as the country sees no substitute for a global rules-based order.

However, Jakarta sees great potential for regional middle powers to collaborate on resolving conflicts and building trust and cooperation along the ASEAN model.

South Africa

South Africa also envisions a multipolar world order and, like the aforementioned countries, seeks to reform multilateral institutions through engagement. On economic justice, climate change, a just energy transition, and human rights, South Africa is a vocal advocate in these institutions. Its regional leadership may be contested,¹⁰ but global diplomacy comes naturally to South Africa.

The country's foreign policy is rooted in the idea of "progressive internationalism", which has been defined as "the shared opposition to imperialism perpetuated through imbalances between countries of the global North and South".¹¹ This lends itself to Pan-Africanism, supporting the rights of post-colonial countries, and speaking for subjugated powers, as South Africa has done during the current Middle East crisis with its case against Israel before the International Court of Justice.¹² The country will also highlight its solidarity with the "Global South" as a key theme of its upcoming G20 presidency, which is to focus on fairness and "just" globalization.

Yet, there is a tension in South African foreign policy given the country's close ties with Russia and China. Even though South Africa views its relationship with the two countries as part of its policy of solidarity and engagement with post-colonial nations, this framing no longer applies given China's political and economic rise and Russia's violating the sovereignty of its neighbors.

And yet, for today's South African leadership, "Beijing provides a more compelling view of the world"¹³ while the Biden administration's democracies-versus-autocracies framing does not. South Africa did not condemn Russia's war against Ukraine, and official African National Congress policy describes it as a conflict between "US-led NATO" and Russia.¹⁴ Pretoria strongly supported the China-led expansion of BRICS, which India and Brazil opposed.

South Africa's closest economic partners remain the United States and Europe, and it chose to use Western-made vaccines during the pandemic, but its strategic ties with Russia and China are growing.

Recommendations for the Transatlantic Partnership

Given strategic competition with China, Beijing's push for its own world view, and its expanding political and economic influence in the "Global South", the United States and the EU should support reform of the multilateral system. If the Trump administration abandons this position, collective and firm EU support for it should persist.

The pivotal powers covered here do not share a common world view or even foreign policy priorities. They pursue different versions of nonalignment. South Africa has become more closely aligned with Beijing and Moscow, while India has diversified its ties and forged close partnerships with the West amid clear strategic competition with China. On Ukraine, too, pivotal powers' differences are visible. Brazil supported UN votes condemning Russia's invasion, a conflict that South Africa views as one between NATO and Moscow. India's position on the fighting reflects an effort to balance relations with Russia on the one hand and Europe and the United States on the other.

Pivotal powers, however, agree that their relationships to the United States and China, and the competition between those two countries, are increasingly shaping foreign policy choices. But pivotal powers resist demands for binary alliances. They are also united in trying to assert their own influence to shape the global order.

With this in mind, the United States and Europe should:

- **push for multilateral reform and agenda coordination:** While differently engaged on these issues, the four pivotal powers support the G20 Call to Action for UN reform, including its commitment to increasing Security Council representation. Ideally, the West should put its collective weight behind suggestions for reform (e.g., from the G4 and Uniting for Consensus). Individual EU states could also partner with one or more pivotal powers to shape their own proposal. Liechtenstein's success with its "veto initiative" shows that (at least some) movement is possible.

In addition, the EU and its member states should signal their commitment to UN peacekeeping, which remains crucial, by increasing funding for it and pressuring pivotal powers seeking a larger global role to do the same.

- **join multilateral and minilateral agenda cooperation efforts:** While structural reforms are stalled, improving inclusive agenda-setting can advance. Indonesia, India, and Brazil have improved cooperation on agenda-setting at recent G20 summits, ensuring that (some) previous priorities are promoted by subsequent presidencies. The United States and Europe should continue the tradition when they assume leadership roles. Under Trump, however, the United States is likely to withdraw from multilaterals and emphasize minilaterals. His first administration, after all, focused on reviving the Quad. Europe should continue to focus on multilateral reform and use this as an opportunity to strengthen its ties with pivotal powers.

The United States and some EU member states work constructively in formats such as the Quad and Indo-Pacific trilaterals. The EU should consider project-based cooperation that uses these formats. The bloc's

maritime domain awareness initiatives, for example, could be linked to similar projects run by the Quad in the Indian Ocean. The same holds true for connectivity projects under the Global Gateway initiative.

- **provide credible alternatives to China:** Through its Belt and Road Initiative (BRI), China provides funding for critical sectors in many pivotal powers. Japan is among other actors, however, that are important partners in developing infrastructure in Southeast Asia and Africa. But each acts in different ways, as the UAE-Indonesian partnership on the Cirata solar energy farm and the US-Japanese-European Just Energy Transition Partnership (JETP) demonstrate. While the Emirates successfully partnered with PLN, most powerful player in Indonesia's electricity sector, the JETP excluded the company in an effort to push regulatory reform.¹⁵ The JETP partners need to decide whether a green transition or a market transition is the more important goal.
- **offer tender support:** Projects, such as those the JETP finances, need to be accompanied by implementation-capacity support, especially for the tender process. Stakeholders, including lawyers, bankers, and engineers, should have input into the process. Developing countries would also benefit from assistance with identifying, planning, and executing projects that align with investors' interests. Smaller EU countries could focus on such targeted niche support.
- **understand that EU priorities are not global priorities:** The EU's consistent leadership on climate matters is welcome, but unilateral EU measures such as the EU Deforestation Regulation and the Carbon Border Adjustment Mechanism are seen as discriminatory and protectionist. Those who carry the greatest historical responsibility for climate change should bear the heaviest burdens for correcting it. In addition, processes for formulating and adopting relevant policies should include consultation with pivotal powers. Short of that, assistance in meeting standards should accompany discriminatory climate-related measures. This includes technology transfer and green investment support.
- **use trade policy instruments strategically:** EU trade policy is an opportunity; all welcome more investment and trade. However, the bloc's process for free trade agreements (FTAs) is bureaucratic. It is not nimble enough to handle today's most pressing challenges, including supply chain security and a search for new targets of investment and manufacturing to reduce dependencies on China. The incoming EU Commission's decision to broaden its trade commissioner's remit to include economic security is welcome. It will provide Brussels with more instruments to work with countries such as India, with which FTA negotiations are slow and complex. Elsewhere, the EU must finally conclude an agreement with MERCOSUR and further operationalize its Strategy for Cooperation in the Indo-Pacific.