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ABCDE 2025

Tuesday, July 22nd 2025
Washington, DC

REVIVING MULTILATERALISM

Karolina Oordon: Please silence your phones. Our first thematic session is titled "Reviving Multilateralism." Our distinguished panelists will explore real-world examples of multilateralism in action, the challenges of coordination, and the lessons learned from both successes and setbacks. The session's chair is Mr. Matteo Bugamelli, Executive Director and Dean of the World Bank Board of Executive Directors. He'll introduce our panelists and chair the session. Thank you.

Matteo Bugamelli: Thank you. Okay. Good morning, all. Welcome to the World Bank Group and to this ABCDE Conference. As I said, my name is Matteo Bugamelli. I'm the Executive Director in the Board of the World Bank Group representing Albania, Greece, Italy, my own country, Malta, Portugal, San Marino, and Timor-Leste. Today, I'm very glad and honored to share an interesting session on reviving multilateralism, challenges and opportunity in a changing world.

Let me introduce our speakers today. We start from Danny Quah. Danny Quah is Li Ka Shing Professor in Economics at the School of Public Policy at the National University of Singapore. Danny, welcome. Then we have Masood Ahmed. Masood is the President Emeritus of the Center for Global Development. Masood, welcome. Then, Selina Ho is the Vice-Dean, Dean's Chair and Associate Professor in International Affairs at the School of Public Policy at the National University of Singapore. Welcome, Selina. And last but not least, Xinquan Tu, Dean and Professor at the China Institute for WTO Studies at the University of International Business and Economics, where he has worked since 1996, I understand. So welcome, Xinquan.

So as I said, very glad and honored to chair this very interesting session. I would say there is no better place than the World Bank to talk about multilateralism. This is, as we all know, is the biggest multilateral development bank with 189 shareholders every day, every week, in my capacity as Executive Director at the Board of the World Bank Group, 25 board members representing those 189 shareholders are called to discuss strategies, policies, and projects that have an impact on the poorest and the most vulnerable in over 100 client countries. What we leave every day within this building is, in my view, one of the highest expressions of multilateralism, one where different political views and perspectives must be managed, must be overcome to reach a compromise, to reach a consensual solution. But we cannot deny that today, as we gather in an era marked by profound global interdependence, but also rising geopolitical tension, we are all facing a difficult situation, one where I would say multilateralism is more important than ever, but at the same time is also more difficult than ever. This session aims at exploring the current state and future state of multilateralism with perspectives from global, regional, viewpoints, as you will see.

We will do it with our four excellent guests. We will start with a keynote address by Danny, and then three paper presentations by the other guests. Then after that, it will be a roundtable that I will share with some questions for our guests, and then we will open for Q&A from you. Let me just say a few words on our guest, Danny. Danny research interests lie in income inequality, economic growth, international economic relations with many publications on top economic journals. When looking at the complex topics like world order, Danny brings an interesting economic approach to it, focusing on global power shift and the rise of the East and an alternative model of the global power relation. As he will explain, but he already talked about it this morning, he analyzed the supply and demand of international systems, contrasting the goal of the great powers and the needs of the global community. We could not have a better keynote speaker today. Then our three panelists, Masood, President Emeritus, as I said, of the Center for Global Development. He joined the CGD after capping a 35-year career, driving economic development policy initiatives relating to debt, aid effectiveness, trade, and global economic prospects at major international institutions, including the IMF, the World Bank, and DFID. As a leading expert on international development finance, Masood has served on a number of international committees and forums. Currently, he's a Policy Advisor to the G20 high-level independent expert group on strengthening multilateral development banks and Co-Chair of the World Economic Forum, Global Future Council on the Future of Growth. Selina. Selina

works on Chinese politics and foreign policy, specifically, she's interested in how China will power and influence via infrastructure and water disputes in Southeast Asia and South Asia. Her work stands at the intersection of comparative politics and international relations. Xinquan, as I said, Dean and Professor at the China Institute for WTO Studies, is a researcher and teaches focus on WTO, Chinese trade policy, US trade policy, and Chinese-US trade relations and government procurement. He is an expert on Asia-Pacific economic integration and international trade.

With no further ado, let me now move to our keynote speaker, Danny. Thanks again for being with us today. Over to you. You have 15 minutes. I can help you with the time. Thank you.

Danny Quah: Thank you very much, Matteo. It is with great pleasure that I get to address you again. I can think of no audience better for me to take these points, too. At the Lee Kuan Yew School of Public Policy, we are an interdisciplinary institution. So although I'm an economist, I'm deeply embedded in the group of people who study geopolitics. And while we sometimes get carried away with studying geopolitics as a thing in and of itself, multilateralism being a thing in and of itself, I'm here today because I want to convince you that the mission of the Bank and institutions like the Bank for fostering economic development hinges critically on the way in which we now move forward, constructing a new multilateral system. I want to make that argument to you with three points.

The first point is to say that both demand and supply matter. What I mean by this is that the multilateral rules-based order under which we have been lucky enough to live for the last eight decades, produced not just a rules-based system for all nations, small and large, to deal with each other on equal terms. It also produced globalization, open markets, and free exchange. That provided elastic demand invisibly so that your work and my work on economic development could concentrate on just strengthening supply. In other words, what we did in terms of economic development was to advance supply in the expectation that the demand would be elastic and forthcoming. If you believe that model, and I want to say a few words that suggest to you why that's true, then the decline of the rules-based multilateral order means that in our jobs to advance economic development, the focus on simply raising supply is no longer sufficient. What do I mean by raising supply? I mean, all the things that we do in terms of capacity building, improving the health of populations, raising skills and education, building connectivity and transportation infrastructure, shifting the workforce from low productivity activities to high productivity industry. All of that is about advancing supply. We did that in the confidence that at the end of this process, demand would be there for us. So this morning, we discussed populism. Populism, an angry population within our societies, can disrupt our supply. It disrupts the work that we do. It can disrupt Bill Gates's efforts to eradicate measles. Movements within emerging nations that take up grievance against the establishment will disrupt supply. But populism is about anger, not just in populations, but an anger across countries. Populism can disrupt demand through protectionism in advanced economies, withdrawal of America's benevolent hegemony in supporting the multilateral system. We now are in a situation where our jobs as development professionals, we need to go beyond what we have historically done.

Let me move to my second point. To revive multilateralism, we need to unpack the causes for its rise and fall. I want to argue here that there's a paradox in that how successful we have been as development professionals has also brought within it the seeds of an emergence of a kind of multipolarity that threatens certain parts of the multilateral system, that angers them, that creates a populism across nations.

I will come back to this point because I want to mention to you my third point, which is, what do we do going forward? If the supply of multilateralism has fallen, what can the demand side do? What tools are available now to those of us who continue to see benefit from the rules-based, multilateral, globalized order that we have enjoyed these past 80 years? What can we do to reconstruct that? We got a little bit into that a few minutes ago in the previous session, but I wanted to flag for you that is where I'm going to land. Sorry, I'm just checking the time. Let me now take a few minutes,

because I know the rest of the panel want to get up here as well, to talk about those two points that I ended up with.

We need to understand the reasons for the rise and fall of the multilateral rules-based order, and we need to think in acknowledgement of those causes, what we can do to repair it. One of the key points in understanding the fall of the rules-based multilateral order is that this is a situation where economics and geopolitics have aligned. As economists, we are often used to making an argument where our models say such and such an outcome is optimal. Such and such an outcome is the right policy. But then we say, geopolitics messes this up. It's as if we think geopolitics is irrational. It's as if we think, as I said a few minutes ago, that geopolitics is the dust bin of bad economic ideas. It is not. In the current situation, we need to understand why economics and geopolitics have aligned so ruthlessly to try and bring down the globalized rules-based multilateral order.

Multilateralism is a system that provides a level playing field that includes open trade. Multilateralism is a commitment to peace and to the principle of dispute resolution by consultation, not by might makes right. Multilateralism is the understanding that collaboration is the default mode of how nations engage with each other. Let me make it plain. I live in a country that's 720 square kilometers in land area. It is a population of under 5 million people. Security for small states like mine, the ability to engage in economic exchange with the rest of the world hinges critically on the rules-based multilateral order. Singapore and states like Singapore continue to believe in the principles of free trade, open markets, and comparative advantage. We understand that we need to take care of our population, and Singapore takes that seriously. But this is a resolution that needs to take in not just states like Singapore, but everybody else.

Now, the world after World War II, the international system after World War II, was obviously architected by the United States. It did that on the basis of good economic thinking. That was important for the development of small states like Singapore. But the United States did what it did, also for geopolitical reasons. After the Second World War, America was embroiled in the Cold War with the Soviet Union. The Soviet Union was against free markets and open trade. It was convenient for the United States to be for free markets and open trade. The United States was the engine that drove the development of GATT, and then subsequently, the WTO. Today, the economic situation is different. The rival, as it were, is not someone that denies free markets and open trade. The rival is someone who believes ruthlessly in open markets after a period where you initiate new industries through industrial policy. It is a very different economic world. And unless we, in the rest of the world, Singapore, Southeast Asia, the European Union, and America, figure out how to deal with this world, which is ruthless in open markets and free trade, which, huge to the ideals that we had had for the belief in the economic principles of globalization, we will not be able to navigate this going forward. Trade dislocation as a result of the China shock is real. America legitimately worries about China stealing its jobs, hollowing out its industry, turning into ghost towns of what were once-thriving middle-class American communities. All nations in the world are worried about the economic prowess of China. But we need to engage with this in a way that raises ourselves, raises our productivity, allows us to compete with a ruthless economic rival. We cannot close in against open markets and attempt to undertake actions that do down that rival. We need to rise to the competition.

Let me end. Let me conclude. America and all other nations feel threatened by an economic force that we had not seen previously. We need to be able to figure out how to deal with that. We need to work out a bargain where we don't feel insecure from competition, but China and other large emerging nations are allowed to continue to grow. We have not worked out that bargain, but we need to do so. If I may, Chair, let me take 15 seconds, if I may, to say three noes and two yeses on how we can navigate this.

Small nations, those nations who are now outside of the front lines of this competition need to think about how we build back the best of the rules-based multilateral order, even if the universal rules-

based multilateral order is no longer available to us. What that means is that we shouldn't be thinking about competition as standing across from a great power on a nuclear battlefield. That does not do us any good. Do not go into building a rules-based order by frustrating a great power. You've got to figure out a smarter way to do that. At the same time, don't fall into Thucydides' fallacy thinking. Thucydides said, "The great powers do what they will, the rest of us suffer what we must." The rest of us must, at this point in global history, stand together, not just as price-takers, but to exercise agency. My colleague from the Lee Kuan Yew School, Selina Ho, will tell us in a few minutes about Asian centrality and regionalism as a manifestation of this. My final no, do not give in to bullies. Do not appease a bully because the lesson they take from that is that they can come back and bully you once again.

My two yeses, and this is where I conclude, let's think about building systems of pathfinder multilateralism. Multilateralism that keeps to WTO-like rules, but where we do not get disrupted by objectives, we are able to find a way forwards. And again, regionalism and other similar models that we're trying to build in East Asia and Southeast Asia can provide examples of this. Finally, my second yes, look for models of inadvertent cooperation. A fallacy in thinking is that the rules-based multilateral order is an orgy of collaboration and cooperation. If it does look that way, it is because it is in the incentive for every agent to behave that way. But we can look for ways to elicit that kind of cooperation, even if nations don't agree with each other. The example that I told you about America building the globalized multilateral rules-based order was exactly such an example. America did not agree with everyone else in the world, but inadvertently, all of us cooperated in building a system that worked. Look for ways in which to modify that, but again, to elicit inadvertent cooperation, where nations will end up doing the right thing, even if it's for the wrong reason. We need to revive multilateralism. Thank you all very much.

Matteo Bugamelli: Thank you. Thank you very much, Danny. Very, very insightful reflection. Let's now move to the three papers presentation. We start with Masood, that I'm sure has carefully listened to Danny as a strong opinion on the state of multilateralism on the main challenges, opportunities, and alternatives. Masood's paper title is "Multilateralism: Whenever We Can or Only When We Must?" Masood, over to you. Fifteen minutes for you.

Masood Ahmed: Thank you very much, Matteo. Thank you, Danny. I want to make a couple of points in reaction, partly to what Danny said, and partly picking up on the earlier exchange between the Chief Economist and chief intellectual thought-keeper of the World Bank here in the mid '80s. My point, the first point I want to make is that, 20, 25 years ago, whenever we faced a problem, a new issue came up. Our first go-to thought was to think of a multilateral approach to dealing with that problem. Often that meant setting up a new institution to deal with that problem. If you wanted to deal with the problem of HIV, malaria, TB? Set up the Global Fund. Wanted to deal with accelerating educational attainment? Set up GPE. Wanted to deal with immunization, vaccination? Set up Gavi. If you wanted to come up with a bilateral, a unilateral solution, you had to make a case as to why that was better than the default option of going collective.

Today, I think we've turned that on its head. So today, if you want to give me a solution, if I'm a politician and you're a civil servant, and so I've got this problem I want to deal with, then why don't we set up our own national development bank to do this, let's say? You come along and say, "Well, yes, Minister, but before we set up a national development bank, there are all these regional banks," and I'm like, "Why do I want to join these regional banks? Then I won't be able to do what I want." Now we have to make the case for a multilateral or collective approach rather than take it for given. It doesn't mean that we won't be doing multilateral or collective approaches. It just means that we shouldn't start from the presumption that the answer will be collective. That was a little bit the title that I had for this talk. Now, also, collective used to mean the more the merrier. The global system was better than regional, regional was better than sub-regional. Now, collective will be whatever works best for the problem that we are trying to address. For some things, it will mean global. It's

very hard to think of some problem being solved without almost everybody being on board. For others, it may mean regional, it may mean minilateral, plurilateral, regional. There's a list of names in recent... If you look at, just go through articles on the new multilateralism and Google that, and you find more new terms on this than issues-based coalitions, value-based coalitions, coalitions of the willing, coalitions of the unwilling. There's a whole group now. My view is they'll all have their place in different ways, but the function will be different.

Which brings me to the second and somewhat larger point. And that is that we keep thinking. There's a little bit of a disconnect I see in our thinking. We say the current system, global system, rules-based order, has a hegemon that was an anchor. And then they created global public goods, which included security, financial, clearance system, safety net. Mohamed El-Erian talked a bit about it this morning. Then in the exchange between Danny and Indermit [Gill], it came up. We're saying, well, that rules-based global order is now not so effective, both because the hegemon is no longer as interested in playing that role, wants to have a different kind of relationship, wants to have a relationship with the rest of the world of being a large and strong player in the system rather than the umpire and keeper of the system. What should that lead to? There's one track which is, Danny, the way I interpret your clarion call for, well, let's get everybody to come together and build a better system. That'd be great if we could. I have a somewhat more, shall we say, not pessimistic, but down-to-earth sense that I think that if we go forward, there's one set of views, which is, let's have a global system without the US. Let's define a set of rules in which the US doesn't want to be the hegemon. Let's the rest of us get together and create a set of rules that we all can live with. And they'll be, may not be perfect, but it'll get us through the system. Now, I think there is no doubt that on things, countries will come together and find ways to work together. Mostly, it will be subgroups of countries, in my view, not the whole world. But it won't be a global order that challenges the existing global order. Because the existing global order is not disappearing overnight. The US is not going to be happy to sit outside some alternative global order that everybody else will create. The other countries who all want to maintain reasonably good relationships with the US, which is still the largest, most powerful economy in the world, are not going to be so happy to create some alternative global order, the definition of which is this is the global order that excludes the US. I don't think this is a feasible approach to think of how to do it. Then there's a view which is, well, maybe we will end up with two zones, a division of the world into a Chinese-led global order, and then a US-based or some other Western order. You see, if you talk to any emerging market, they're not that interested in being part of either zone. They would not be enthusiastic supporters of being in one zone or the other. They want to be able to trade with both because it's important for them to have relationships with China as a major economy and with the Europeans and with the US.

The only way I personally see this moving forward is that we should stop using the word "order" in the singular. We should basically be moving to a series of overlapping sets of rules, networks, which will govern relationships across groups of countries. Each country can be part of more than one of these networks at any given time. Sometimes those networks will actually appear to have competitive objectives, but individual countries will be able to be part of them regardless. If you look at a country like India, it's part of Quad and it's part BRICS at the same time. I think that will be the way in which people will begin to function and operate. That model of multiple overlapping, somewhat messier sets of rules is one that will require adaptation for individual countries to work with. Some countries are actually pretty comfortable working with multiple rules and orders. In fact, if you think about it, the degree to which we mourn the demise of the existing rules-based order is partly a function of how central we were in that order, the Europeans and the US, US less so now, but the Europeans particularly worry about the loss of the global order because it's central to it. But the further away you get towards the periphery of the countries that are covered by that order, the less of an emotional attachment there is to the order. It's a very useful thing to have, but it does not have the same sense of ownership of the order. There's also a greater degree of comfort of living in a world of disorder because your daily life, if you live in an emerging market of developing

countries, you don't have a rules-based order governing your internal operations as much. The rules don't quite operate so well. The courts and judiciary are not as reliable in interpreting and sustaining rules. So you learn to navigate without rules. If I tried to cross the street in Paris, I wait for a sign that says "walk" and "don't walk" before I cross the street. It's a set of rules. If I wait for the "don't walk" sign to change to "walk" when I'm walking the streets in Cairo, I'll be waiting a long time. If I cross just because the sign says "walk," there's a very high risk I'll get run over. Basically, I've got to navigate my way across the street. Therefore, I'm a little bit more comfortable with navigating my way internationally also and living with multiple orders and rules.

I guess my point, Danny, is that it would be great if we could all come together and form this global order, which would be the better, more just, equitable, taking more account of domestic inequalities as well. But I think for the next decade, we're going to live in a world of messy, multiple overlapping orders, and we will have to navigate our way through that.

Therefore, just to end on it, this is very difficult world for international institutions to operate in. Because we basically operate by having a set of norms, rules that tend to be the ones that historically have been global and historically all our shareholders have signed up to. Now, if we start walking to a world where trading rules are different across different places and across different groupings, how are we going to give the best advice to individual countries? How are we going to take a view on whether or not those policies are effective? It's going to become much more challenging. I do feel that we, international institutions, also need to think about how to operate in a messier world while we do all the good work that will lead us to the point where we can go from being messy to being reunited again, but in a better global framework. Thank you.

Matteo Bugamelli: Thank you. Thank you very much, Masood. We have heading meet to our discussion. Let's move now to Selina. Masood talked about various alternatives to multilateralism. One of those is regionalism. We are now glad to hear your perspective from the South Asia region. Actually, your paper is exactly on regionalism, multilateralism, and the experience of South Asia. Selina, over to you.

Selina Ho: Thank you very much, Matteo, and thank you very much for the Bank and Indermit for the chance to be here. Actually, I'm going to skip the slides because I'm going to speak from here. But okay, I'll do the slides from here. I have to say that this is an unusual company for me because I'm a political scientist and an IRO theory person. This is a group of economists I'm in the midst of, a little fearful, but I'll try my best. I'm also sitting right in the middle of Danny and Masood having their debates. But I'm actually not... I don't see their viewpoints as completely different. I'm advocating here for a messier world, but advancing towards some form of order. I don't think that there is a fundamental difference between the two of you. But let me say that my central proposition in my presentation is really about devolving authority and resources to regions to uphold multilateralism, and why we should do that, and how we can do that.

Now, let me begin by explaining why are regions important, and why do we need them to uphold multilateralism. Now, we all know, and as Masood, and Danny were already talking about, we are in a transition. This is not just a power transition, but an order transition. We have moved from a bipolar world during the Cold War to a unipolar moment with the United States, undergirding the structure that we know. We are now in a different transition. And this transition is a very, very uncomfortable one for most of us who have lived through the 20th century. If you're born in 2000s and after, this is not new to you. But for us who are older, this is very uncomfortable. Now, this transition is going to be a protracted one. Okay? Masood said 10 years, I will say 20 years or more. This is going to be a very protracted transition, and that final shape of the order will likely be, in my opinion, multipolar. This is not just my view, but a view is quite prevalent in Asia and Europe, people that I've spoken to. What does it mean to be multipolar? It means that you will be [in] a time and order that's less dominated by great powers. There will be more agency for medium and smaller states, primarily because the nature of power is much more diffused, and there is no single

hegemonic state or even two states that are likely to undergird this order in the future. There will be multiple poles. There is no single hegemonic state, nor even two states that are going to undergird this order.

With power that's more diffused and responsibilities that are more dispersed, what does this mean? It actually means that regions are going to play an important role because if you're not talking about great powers, we're talking about major powers, middle powers, smaller states. Regions are going to rise in importance, and it will continue to grow in importance in the future. Multilateralism, most important at the global level, therefore needs to be regionalized. It is regionalized as it is, but moving forward, we might have to lean more on regionalism as an answer to our problems. We know why multilateralism matters, as John Ruggie has told us. Ruggie told us, and I quote, "Defining and stabilizing international property rights, solving coordination problems, and resolving collaboration problems." Those are the reasons why multilateralism matters. But why are regions and regionalism important? And how does regionalism uphold multilateralism?

Regionalism, in my opinion, is multilateralism at the regional level. The focus is really on regional integration and regional institutions. What is the role of regions in upholding global institutions and global governance, for instance? Well, regional institutions can complement and support the work of global institutions at a time when global institutions are plagued by great power rivalry and institutional paralysis and fragmentation. Strengthening regionalism and regional institutions will help rebuild support for multilateral institutions and solutions. Now, moreover, regional institutions have certain advantages over global institutions. The obstacles to collective action are reduced as countries can organize themselves more quickly and efficiently at the regional level than at the global level. Regional institutions also have the advantage of proximity to the source of global problems. They are closer to the ground. They can diagnose, mitigate, treat, and prevent future occurrences more accurately and rapidly. Now, regional institutions are also closer to non-state actors, and we know that non-state actors have become important on the international system. Regional institutions are more capable of representing these social actors. But critically, among all these reasons, and this is what I'm going to be focusing on for the last few minutes of my presentation, is that we need to rely more on regions to hub whole multiculturalism as the incubators of innovation. We are prolific in producing novel situations and at the same time providing a testing site for them.

Now, this [term], incubators of innovation, is what Danny is referring to as pathfinders. He calls it pathfinders; I call it incubators of innovation. With a lesser number of veto actors and veto points at the regional level, regional institutions can also more quickly course-correct when needed compared to global institutions. Now, there are in particular three challenges in which regions have been advancing and moving forward. I'm going to draw some examples from Southeast Asia for this presentation. They have been very innovative, very forward-looking, creative. Three areas in upholding free trade and a global trading system. Number two, in the governance of new technologies and new forms of economy, and also, thirdly, in upholding a rules-based order.

The first is a free trade and global trading system. Countries at the regional level can work together to ensure that the global economic system remains open to cross-border flows of trade investment. The WTO cannot perform this role as it has been under siege since the late 1990s, failing to make advancements towards trade liberalization. Regions by contrast, are particularly effective in producing forward working multilateral free trade agreements, and South Asia is the vanguard of these KIND OF agreements. It is a driver of the RCEP, which builds on existing Asian free trade agreements with its trading partners, China, Japan, South Korea, Australia, and New Zealand. Bangladesh, Chile, and Sri Lanka have applied to join the RCEP. There is also the possibility of the United Kingdom joining the block. Their membership will enhance and expand the scope and influence of the RCEP. Now, regional states, particularly four ASEAN states, and three Latin American countries make up more than half of the 12 member CPTPP. And the CPTPP is regarded as the gold standard for trade liberalization and market liberalization. Now, these multilateral trading regimes

are the antithesis of protectionism and tariffs. We must leverage them to uphold free trade and promote cross-regional integration. The RCEP and CPTPP, can act as stabilizing forces in the ongoing tariff wars, reciprocal tariff wars, or whatever you want to call it. Now, collective action through these platforms should be a priority, even as individual countries go around negotiating with the Trump administration. These platforms should push towards connecting with Europe, with the Middle East, with Africa, and other regional trade initiatives, expand global supply chains, and advance trade. The convergence of trading rules and standards across regions is necessary so that we can avoid fragmenting the global trading system. Once these rules are tested and established, they can be brought back to the WTO for negotiations and as evidence of success.

Now, the second area that regions have been particularly good at is in governance of emerging technologies and new forms of economy. Now, these new forms of economy, emerging technologies, they are posing significant risk to human civilization. Setting standards and ethical principles on how you deal with AI, biotechnology, and rules and regulations for the protection of personal data are falling behind the development of these technologies. Now, regional groupings have really been in the forefront of efforts to set standards for the digital economy, for instance. In 2020, Chile, New Zealand, and Singapore signed the Digital Economic Partnership Agreement. ASEAN itself, the Association of Southeast Asian Nations, also launched negotiations for the world's first region-wide Digital Economy Framework Agreement in 2023. This is aimed at strengthening in regional digital integration and transformation in Southeast Asia. Now, for ASEAN, this is a game changer. It will be a game changer for economies in the region, for the region to advance and deliver seamless goods and services across borders, and also data underpinned by rules and regulations. We believe that this will be a game changer. Now, these initiatives will help mitigate regulatory fragmentation resulting from tariff wars and technological derisking.

Now, for the last area that I think that regions can do very well in drawing, again, from Southeast Asia and from ASEAN, is to uphold the rules-based order. Now, I think most of us can agree that the part of the current international order, or the international order that's passing, is that we like the rules. I mean, we are a multilateral organization right now. We like rules. Rules cut transaction costs, ensure predictability, protect small states against the rule of the jungle, mitigate the effects of raw power and coercion to ensure that there is a more equitable and just world. Now, regions can be incubators of these innovative mechanisms for ensuring a rules-based order. In South East Asia, we have a set of informal and consensus building norms known as the ASEAN Way. The ASEAN Way has prevented disputes among states were interrupting and destroying regional peace. Now, this is notwithstanding the situation in Myanmar or the more recent clashes between Cambodia and Thailand over Preah Vihear. Those have a lot to do with internal politics, but region-wide, we did not see a situation of wars and open conflict since the end of the Cold War.

Now, drawing from ASEAN's experience, we need to rethink the concept of law and what it means to have a rules-based order. The ASEAN Way is non-legalistic. We have what we know as soft laws. So ASEAN has gained a reputation for soft laws. I asked ChatGPT what ASEAN soft law is, and defined for me, "ASEAN 'soft law' refers to non-legally binding agreements, principles and declarations used within ASEAN to guide cooperation and integration among its member states. These instruments, while not imposing strict legal obligations, play a crucial role in shaping norms, promoting consensus, and fostering regional collaboration." That is the definition produced by ChatGPT on ASEAN soft law. But I think that one of my colleagues at the National University of Singapore, and I have to credit her with this, because she's the one who came up with all this work on ASEAN soft law. Her name is Hsien-Li Tan. She's a colleague in the Law School at NUS. I think she gave a much better version of what Asian soft law is. She sees soft law as having an aspirational remit, and it does have a transitional status towards hard law. But more importantly, she noted that there has been a change in the international legal order. Basically, soft law usage has become much more widespread, has gained credibility, has become an increasingly recognized area in managing emerging issues: climate change, health, global health, as well as new and emerging technologies.

Now, why is it important to use soft laws in this context? It's because these things have been changing so fast that if you put in hard laws, they're not going to work. You need soft laws to allow these new areas to advance. Then the soft law modifies itself in treaties, in agreements, in memorandums of understanding to advance the ethics and setting the standards on these emerging issues. Soft laws have also made it possible to facilitate cooperation when there is so much great power, rivalry, and geopolitical uncertainties. This is one of the pieces that she has written, but she's a scholar. She has written much more scholarly pieces as well.

Now, let me end with a call to reintegrate regionalism and multilateralism. Let me say that regions play a very significant role in ensuring multilateralism and the continued provision of public goods at a time when the work of global institutions is scinded by great power, rivalry, and collective action problems. Now, I'm not saying that we should do away with global institutions. I'm in one now. I will not say that. I think the World Bank, IMF, and international organizations continue to play a very important role. But why not let regional institutions advance when they can, and then pull everyone along when the time is right? I think that Article 52 of the UN Charter actually recognizes that regional organizations may be in a better position to deal with region-specific disruptions, problems, disputes. Now, the uncertainties when the Cold War ended with the fall of the Soviet Union led to a reintegration of regionalism and multilateralism and regional institutions. The world now stands in another precipice. The current transition will be long and protracted and unstable, and I was saying just now, 20 years, not 10, Masood. It's going to be messy while we transit to this order that we did like, that Danny was imagining. Now, to deal with these challenges of the future, regions are really well placed. They are incubators of innovation in the three areas that I talked about. Regions are, again, at the forefront run of experiments to tackle global challenges. It is necessary; and therefore, timely to disburse greater resources and authority to regions and regional institutions. Thank you.

Matteo Bugamelli: Thank you. Thank you very much. Now we have a very strong view on regionalism. Let's continue with the experience of Asia-Pacific, a very dynamic region that has gone through a big financial crisis, as you know, and reinvented itself as a fast-growing production hub. Now, Xinquan will present, who will talk about this paper. Its title is exactly "Asia-Pacific Growth and the Changing International System." Over to you. Thank you.

Xinquan Tu: Thank you. Thank you for having me here. Actually, I'm aware that the term of Asia-Pacific is considered outdated in this town, but the topic was assigned to me, so sorry for being old fashioned. Actually, I think Asia-Pacific, or maybe more specifically, East Asia, is very much integrated into the US-led international system, especially the international trading system. Actually, a number of East Asian countries have been benefiting from the US-led international trading system after the Second World War, starting from Japan and followed by South Korea, Chinese Hong Kong, Taiwan, and also China, and also some South Asian countries. Actually, the whole area, the whole region has, as I said, has been integrated into the US multilateral trading system very much. Under this international trading system, all the East Asian countries have taken advantage a bit of their comparative advantage in manufacturing. They have been involved in the US led trade circle, so they have developed their manufacturing basis for decades. Of course, Japan and South Korea were the earliest successful countries and also some other small economies. But of course, actually, it was maybe earlier, China started its opening up in 1979 when its diplomatic relationship with the United States was established. I think this is not a coincidence. It's actually related with each other. Of course, China joined the WTO in the year of 2001. After that, the other South Asian countries, especially Vietnam, that also joined the WTO in 2007, becoming the latest group to join the multilateral trading system.

You can see all these East Asian economies have been very actively participating in the multilateral trading system or the US-led international trading system, and they have successfully developed their manufacturing industries. Of course, the US market is their major export destination. You can see from 1950s, 1960s, almost all of them have witnessed a rapid growth of exports. Of course,

they have a little bit different patterns, but basically in the early years, they have a very rapid rising trade GDP ratio for almost all these economies. As I said, the US actually has been their largest export destination. They have been, as I said, benefiting from the US-led system. But in terms of the international financial system, maybe it is more complicated. Actually, as you know, in the year of 1997, many of them had suffered from the financial crisis. Many of them actually were suffering from the binding relationship between their currencies with the US dollar. Actually, many of them were in a declining trade surplus and worsening current account balance. This actually exposed their vulnerability to the international financial system. They also had overdependence on short-term foreign debt nominated in US dollar. Actually, as I said, they benefited a lot from the trading system, but they suffered a lot from the financial system. Also, maybe the over concentration of their exports on the US market also reduced their resilience in trade performance. In turn, they tried to stimulate, tried to reach more regional integration. Actually, after the ASEAN was established, but in 2002, after China joined the WTO, China also started to establish closer regional integration with its East Asian neighbors. The China-ASEAN FTA was started in the year of 2002. This is also China's contribution to stabilize the East Asian economy and also the relationship between China and its neighbors. You can see in the financial crises, there was a faster depreciation of many Asian currencies against the US dollar. But of course, we all know that right now the US has very different trade attitude toward the multilateral trading system, but it's actually not new.

Even in 1970s, as I said, Japan was, at that time, was the biggest beneficiary of the GATT system. But in 1970 and 1980s, face facing Japan's significant challenge, the US already adopted a bilateral oppressive policy against Japan, which actually obviously violated the GATT rules. At that time, the US was already breaking the rules-based system. But after winning the Cold War in early 1990s, the US fully resumed and strengthened this, actually, support to the multilateral justice system by establishing the WTO with a powerful and independent judicial mechanism, the so-called "dispute settlement mechanism." Also, the US gave up its unilateralism in 1980s. We turned back, returned to the multilateralism. Right now, of course, we are seeing the US is adopting the unilateralism again. But of course, we don't know after 10 years or maybe 20 years whether the US will become a regular member of the multilateralism. Also, at the same time, the US promoted regional initiatives such as APEC in 1993 and NAFTA in 1994. So across the Asia-Pacific region, actually, there was a closer relationship among all these members. Actually, at that time, both the US and China advocated regional economic integration. But I would say the turning point was 2008 when the global financial crisis happened, starting in the United States. or the WTO, for the multilateral trading system, also a bad event happened in 2008. Actually, there was a big meeting in in Geneva. It almost took eight or nine days, but it finally failed to reach an agreement. That actually was the last hope for the so-called Doha Round or Doha Development agenda. Then after that, actually, at that time, the Obama administration basically gave up on the WTO, on the multilateral trading negotiations, and turned to the so-called mega-regionals like TPP and TTIP. Also under the Obama administration, the US started to question the fairness or the feasibility of the WTO dispute assessment mechanism by blocking some members' reappointment of the appellate body. Actually, as I said, starting from 2008, the US has started to change its attitude towards the multilateral trading system. It's actually not new. It's largely reflecting the declining position of the US in world trade shown by its growing trade deficit.

Right now, of course, especially after 2017, I would say this is a kind of revolution which was launched by President Trump. Starting from Trump administration, even Trump 1.0, the US position on global trade policy or global governance has changed dramatically. Basically, President Trump believes that US leadership in global affairs is not worthwhile, and giving others an opportunity to take advantage of the US, no matter they are friends or foes, and especially the international trading system with the purpose of free trade is especially harmful to the US and beneficial to the others. Basically, it is actually because the US has been losing its comparative advantage in manufacturing industries one by one. Then, actually this has brought some threats to the US military hegemony.

Then, this Trump administration intends to return to the 19th century when the US was adopting a high tariff isolationist or trade protectionist international policy, and at the same time, achieving successful industrial development. Of course, that was also an interesting history. Right now, the US government is trying to build up a new deals-based bilateral trading system, to replace the rules-based both regional and multilateral system, which was sponsored by the US administration in the last eight decades. Actually, right now, the US government is not only against the multilateral trading system, but also the regional system. Like the USMCA has basically given up. It's basically abandoned.

Interestingly, of course, just recently, the US government has announced it will impose reciprocal tariffs on selected trading partners. You can see basically many East Asian countries have higher tariffs. With the exclusion of Brazil. Brazil is exceptional. But like Laos, Myanmar, Thailand, Cambodia, Bangladesh, and Sri Lanka, all these countries in Asia-Pacific area, they will face even higher tariffs because they have closer trade relations with China, basically.

Also, along with this changing US trade policy, right now, actually, in Asian regional integration, China has become even more important. Well, of course, it's not only because of policy changes, but it's also because of economic principles. For China, it has strong motivation to strengthen its economic relationship with its neighbors, also a political relationship. China also has been very active and constructive in Asian economic integration arrangements, including RCEP and FTA with ASEAN, AIIB and the Chiangmai Initiative, both trade and economic financial arrangements. Especially, China as a manufacturing powerhouse, sorry, I'll try to finish, has a high demand for resources, materials, and intermediate goods which its Asian neighbors are rich of. We are trying to develop this relationship. Right now, of course, there are some concerns about China's industry policy and trade practice. But basically, especially in comparison to the US, China's trade policy is more stable and predictable. You can see from the global value chains, China now has a larger role in this network.

Okay, maybe I should jump to my conclusions. Okay, sorry. Maybe at one point. Right now, of course, China has become the largest manufacturing country in the world. My point is that I think China is very lucky to happen to have all these factors necessary for the development of the manufacturing industry right now. But actually, good times don't last long. Actually, we are losing some of our advantages in manufacturing, gradually. Look at the changing population of China and the declining share of young people. Right now, actually, China has started to move its supply chains overseas. But I mean, especially in the last two decades, China really had all these necessary factors for developing manufacturing. Of course, right now, the share of China in the wood manufacturing output is really huge.

In conclusion, I have some points to share with you. First, as I said, Asia-Pacific benefits a lot from US-led globalization and appreciates US leadership and contribution. But the reversal of US policy toward international system or trading system is harmful and hurtful for East Asian countries. We are really, including China, but also other East Asian countries, are concerned about US policy change. But in terms of trading and investment, a regional economic integration in Asia-Pacific has great potential to mitigate the damages caused by US isolationism. As Danny argued, actually, especially the RCEP region has very great potential to develop regional internal circulation. We have all, at least most of them, necessary factors to develop our economies. For China, I think China has yet to replace US leadership in the international system. We still have limited power and appeal in terms of the world leadership, not yet for China. Still, we very much appreciate the centrality of ASEAN in the regional integration. We always say that, especially, ASEAN is led by Asia rather than China. But of course, China is a major advocate for regional integration in Asia-Pacific. Thank you. I'm sorry for taking a moment. Thank you.

Matteo Bugamelli: Thank you very much, Xinquan. Thank you all. Very, very interesting discussion with different views, but very much connected. Let me take the opportunity. I will use the next 10, 15 minutes to ask further questions to our guests, and then I will open for a Q&A from the audience.

I want to start again from Danny. Danny, you are the author of a recent paper that argues that because of great power, rivalry, the world is increasingly heading toward what you call epic fail outcomes, specifically a situation where everyone ends up worse off. We are here at the World Bank. The World Bank works with a lot of developing countries. The question is, what is in your view, how can developing countries to advance their own prosperity under this condition? Can they play a stronger, larger role in rebuilding international cooperation?

Danny Quah: Thank you, Matteo, for that question. Implicit in the idea that a number of us up here are trying to advance is that desirable, that the extent rules way this multilateral globalized order has been, if it's no longer available to us because of great power rivalry or other ways in which nations are showing a deviation away from the situation where we all supported that system and all of us benefited from it, how can smaller nations, how can developing economies, how can those nations that are not themselves great powers continue to take action that will help support the system? If we take the view that the current international economic order was built by the United States and holds together because of the United States, and the United States decides to either withdraw or adjust that position away from a system that all of us appreciate, benefits us, how do we respond?

The way in which I and others have tried to argue about this is that we need to break away from the idea that it is only great powers that can build international systems. One way in which my colleague, Selina, describes this is that we can think about smaller scale international economic systems, region-based ones, where the role of a great power is then altered to some identification of nations within that system.

I want to suggest another way, which is trying to steer the actions of great powers away from an epic fail outcome, an outcome where everyone is worse off. I do that by just giving an example. One of the ways in which we're familiar with outcomes where everyone is worse off is something that in game theory, we think of as a prisoner's dilemma situation, where each player, by acting in their own self-interest, inflicts an externality on the other player, and all of us then lead to mutually destructive actions. How do countries that are small help change the minds of great powers that are bent on taking such mutually destructive action? Let me show you that principle by looking at an example. Take the EV industry, the global electric vehicles industry, and associated with that, electric batteries. In addition to the great danger of the fraying multilateral system, is the fact that the only way in which we have figured out how to generate economic prosperity for the last 250 years is also a way that's burning our planet to a crisp. We use hydrocarbons. The solution to that is to pivot towards cleaner, greener sources. The best hope that we've got right now is EVs and related technologies. But EVs and related technologies are caught in the throes of great power rivalry because America and other parts of the world have decided that this technology is a dual technology and it can be easily weaponized. We're caught in a system where America has decided its response to China's EV industry is to tariff and sanction. By doing that, it reduces the supply of EVs in the world, both from China and until it builds its own capacity from itself. The supply of EVs to the world and to the Global South has fallen, worsening the situation for the global environment. This is an epic fail. This is mutually destructive. Suppose developing nations articulated a demand that then said to America, "Yes, China has broken WTO rules by subsidizing its EV industry. Instead of sanctioning them, why don't you subsidize your own EV industry? Because, yes, you're breaking the rules, but you're responding to someone else who's broken the rules." When you do that, when you subsidize your own industry and allow the other rival to also subsidize their own industry, you're also expressing anger and disappointment at them. But the end result of both of you taking these actions is actually an increased supply of EVs and associated technologies in the world, which ends up benefiting the Global South and everyone else in the world who's looking for prosperity through clean energy. By being able to pivot or twist policies of the great powers, we can nudge them away from epic fail outcomes towards instead win-win outcomes that are at the same time consistent with

great power rivalry. This is an example of inadvertent cooperation, where the two great powers have ended up providing greater supply of EVs for the wrong reason.

It's by manipulating examples like this, Matteo, that we can build a succession of case studies and successes where we can pivot the world away from these epic fail outcomes.

Matteo Bugamelli: Thank you. Thank you very much. Very interesting. Let me go to Masood. In your presentation, but also subsequent discussion, clearly, you are all pointing to a different system in which regionalism is a sort of solution to the current situation. But let me try to push you again back to the multilateralism. What is the value proposition of multilateralism in the current context? Can we see regionalism not as an alternative, but as a complement to multilateralism?

Masood Ahmed: Thank you very much.

Matteo Bugamelli: Keep speaking. It should be working.

Masood Ahmed: Thank you very much, Matteo. I would say that... Good. It's good now. Thank you. I think that the key is to make multilateralism at the global level a way of networking the various attempts for cooperation across groups of countries that are less than global. It could be regional. I think the regional example was a very nice one. But if you looked at that regional example that you put up, it was an East Asia regional example of the UK as a member. I think that's a good illustration. I think...

Matteo Bugamelli: It's too much.

Masood Ahmed: It's me, obviously. Yes.

Matteo Bugamelli: We don't like what you're saying [laughs].

Masood Ahmed: I think it's a good example of how we have to be flexible and open. I would think of it as open groupings is one important principle, so that countries can be members of more than one group in that. Then the global networks, their value-added brings from trying to bring common learnings, networking these together. For example, the IMF, across the street, has a relationship of sorts with various regional reserve pooling arrangements. But in my mind, going forward, that could become a much stronger relationship. You could actually see the regional reserve pooling arrangements as being much more integrally linked into a global financial safety net, where the IMF comes in as a supplement to the regional pooling arrangement.

Now, I use the word regional, but it could actually be any subgrouping. There are some regions of the world that lend themselves more easily to the geographic regional configuration for cooperation. There are other parts of the world where the geographic neighborhood is not necessarily the right grouping, but there may be groupings that run across. Let's call it regional for the moment, but I would see those as building blocks of the multilateral relationships.

Same thing applies for the World Bank. If you think about it, you've got regional banks now in everywhere. If you look at their portfolio of the World Bank in Latin America and the portfolio of the IDB, or the portfolio of the World Bank in East Asia and the ADB, there's quite a lot of overlap. A good question to ask is, 10 years from now, do we want the World Bank to be identical in terms of, or more or less identical, in terms of what the regional banks are doing in that region, or does it become more of a network bringing together not just the regional banks, but a lot of sub-regional and a lot of national public development banks?

I think the last thing I would say on this, which is a bit linked to your point, is that up to now, when we think of groupings, we think primarily of countries, sovereign states. Our basic design for collaboration is around sovereign states. But increasingly, I think you said this, increasingly, non-state actors are also becoming big players in terms of international cooperation. Indermit mentioned this morning, quite rightly, the enormous role played by United States' corporations globally. I think the philanthropies, Gates Foundation has an annual spend that is roughly... That is a good middle-

sized donor country spend, it's likely to go up. Gavi is a place where, for example, we have tried to bring in some of the philanthropies into the structure, but we are very resistant to the notion of having non-state actors play a role in the governance of multilateral organizations of any kind. Maybe regional or sub-regional or whatever the form of subgroupings will be, will be a place we will innovate and try to see if we can bring in non-state actors into the network. Because the advances in development and cooperation increasingly will not just come from state-to-state interaction. They will come from the interaction between states and private sector states and society, states and philanthropies. We have to find a better way also of opening ourselves to them much more so than we have been willing to do so far.

Matteo Bugamelli: Thank you. Thank you, Masood. Let me continue with Selina and let me try again to push you from regionalism to multilateralism again. But from you, given your South East Asia experience, now the point is, is there any lesson from the region that you know very well from other regions? In the sense that one obvious thing would be, okay, but the regions are different, so there are very strong specificities, but at the same time, we can find common factors or necessary conditions that are needed to do in other regions, to realize in other regions what happened in the South Asia region.

Selina Ho: Thank you, Matteo. Before I answer your question, I have to say that I very much agree with Masood. Regionalism should not be seen as an alternative to multilateralism. Regionalism is one of the strongest supporters of multilateralism. Regions uphold rules-based order a lot better than great powers. We are advocates of these things, of human rights, of human security, because these are the things that affect the ground where we lived in and we see it day to day. We experience it day to day. So regionalism should not be seen as trying to supplant multilateralism. Regionalism is multilateralism at the regional level, and they are building blocks. Exactly that. Building blocks of the multilateral system of global institutions. So I would say, don't think of it as an enemy or an alternative, but rather as a building block. It does complement, it does support global institutions, global governance.

Now, turning to your question, Matteo, I think that, yes, regions have very specific characteristics, but it does not mean that there are no lessons that we can learn by diffusion. States learn by diffusion. We learned this in political science in IRO, that states learn from each other. Regions do learn from each other. I think that especially in the area of things like soft laws that I was talking about, ASEAN soft laws. I think this is one area where I think that if you are in a region where making laws, formality, legality and those kinds of hard laws and rules are difficult to establish because of differences like the way that Southeast Asia is. It is very diverse. It is not like Europe. Europe can go legalistic, it can go hard laws, primarily because they have similarities. Not that all of them are similar, just this is about relativity. But there are certain principles that can be agreed across the entire region. But in Southeast Asia, it's extremely diverse. Historically, culturally, linguistically, racially, extremely diverse. Having to deal with having to establish hard laws, consensus is hard. It's hard. You have to go informal, you have to go soft laws, you have to go consensus building. I think this is a lesson that other regions can take, especially if you're in a conflict area where there's great diversity and disagreements. I think that's a lesson that other regions can learn from.

Now, the other thing that I want to point out is that one of the things that I said in my presentation was that there's a need for cross-regional for integration. So regions should not just learn from each other. They need to integrate across. Actually, as Masood is saying, that's why I love what you're saying, because you spend a lot of time in Southeast Asia, do you? Because that's how we think. The idea that we are open and inclusive, that is a fundamental principle of Southeast Asia and East Asia in general. Openness, inclusivity. So we are willing to reach out to players that are countries that are far across the other end of the Earth. Singapore has trade relations with Chile on the other side of the Earth for food purposes, for instance. But we are promoters of cross-regional integration.

Let me explain why. We work very closely with Latin American countries. ASEAN has a ministerial meeting with the Pacific Alliance, which is made up of a select group of Latin American countries. We recently at the ASEAN Summit that's held in Kuala Lumpur, Prime Minister Anwar Ibrahim, mooted this brilliant idea of a China-ASEAN GCC, Gulf Countries Corporation, and summit. This is cutting across, building on the existing linkages that we have and building blocks to bigger things, cross-regional integrations. I think this is something that we can all do as building blocks, as bottom-up strategies at a time when other things cannot move.

We're not saying that we supplant global institutions. We're not saying that, neither are we saying the regional institutions are stop-gap measures, but that they are complementary. They are building blocks of global governance and global institutions.

Matteo Bugamelli: Thank you. Thank you very much. Let's now go to Xinquan, having you here with your experience at the WTO, being one of the multilateral institutions that probably now is suffering the most. What is your view? What does the WTO need to do to reform himself, to adapt to the new situation?

Xinquan Tu: Okay, thank you. Yes, the WTO is in a very difficult time. The WTO is actually short on budget right now because the US refused to pay their money to the WTO. But just echoing what Masood and Selina said, actually in the WTO, there is also a concept of open pluralism. It's very similar to open grouping, as you said.

I think for the WTO right now, maybe the biggest issue is also the decision-making mechanism. Right now, the WTO has to make every decision on the basis of consensus. Right now, it's very, very difficult to reach consensus amongst so diversified members, especially against the background of geopolitical rivalry. But actually, in the multilateral trading system, this kind of plurilateral approach is not new at all. Even in the GATT period, all those rounds of negotiations actually were implemented plurilaterally, which means that only a part of the members joined the negotiations. A lot of, especially, developing countries were not involved in the negotiations about tariff reductions. So it's not new at all. When we talk about the success of the GATT, especially the Euro Round, the Euro Round is actually an exceptional practice.

When all members reach a single undertaking package which, as I said, it was exceptional, even for the GATT. Practically, it is more feasible to reach a consensus or reach agreements among selected members, not all members. Right now, as I said, it's impossible. The Euro Round was successful because of a number of reasons at that time, at that period. This is what I think, the WTO should be doing. Basically, members have reached an agreement on this point, but the problem right now is the US is blocking everything with the consensus decision-making mechanism. That's a big trouble. Also, sometimes India does this to the WTO.

Another thing I think, as Selina said, ASEAN has a soft law approach, but for the WTO, it's always been a hard law approach. The dispute settlement mechanism is still critical because if there's no such a mechanism, members don't respect their obligations and commitments, then the WTO is worthless. Right now, of course, some members have established so-called MPIA to replace the current dispute mechanism. One way, at least for members other than the US, is to join MPIA more actively. If the membership of MPIA could be expanded to cover more and more WTO members. Then members will believe in the bindingness of WTO rules. For the WTO, these two things are very important. Thank you.

Matteo Bugamelli: Thank you. Thank you all very much. I was just told by the organizer that, unfortunately, we don't have time for the Q&A session. We need to close because it's lunchtime, but I'm sure that you can approach the speakers during lunchtime and ask questions.

Just to conclude, let me really thank you again. You really played as an orchestra here, and it was fantastic because actually, you all started with the recognition that we have a problem. The multilateralism that we all know and we all like is not there anymore, but at the same time, you

could offer us solutions. Obviously, you use many different perspectives, but maybe the regionalism is the keyword that we can use here in our concluding remarks. But you were very good in arguing that regionalism can be prodromic to a new multilateralism. You provided many examples there. Obviously, as Selina said, also regionalism, and then cross-region, and then you get to multilateralism again.

I know Indermit concluded in the previous section talking about Europe. I'm lucky that you don't have the mic, so I can say something here. But Europe is another example of a regional agreement. Obviously, now what we expect from Europe is not only improving itself, but also to be another breach toward other regions. I'm thinking about Africa, mostly because it's very close, but it applies to many other regions. Thank you all again. Thank you for your participation. Thank you for your contribution. Very interesting discussion, and I look forward to the next.

[END OF TRANSCRIPT]