

The logo consists of the letters 'GI' in a white, bold, sans-serif font, set against a solid red square background.

INSIGHTS REPORT

ENERGY MARKETS OUTLOOK

Port of Fujairah



Port of Fujairah
United Arab Emirates

A stylized world map with glowing blue nodes and connecting lines, representing a global network or energy grid. The map is centered on the Atlantic Ocean, with North and South America on the left and Europe and Africa on the right.

“You Are Either With Us or Against Us”
– How South Asia Can Navigate a Divided World

BY MEHMET ÖĞÜTÇÜ, OSAMA RIZVI, RAM NARAYANAN & RACHEL ZIEMBA

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The world is not what it used to be. During the 20th-century Cold War, geopolitics was a relatively predictable chessboard: two superpowers — the United States and the Soviet Union — locked in ideological rivalry, drawing the rest of the world into camps of allies, satellites, or non-aligned observers. It was rigid and often tense, but also stable.

Today, that simplicity is gone. The emerging order is multipolar, fragmented, and volatile. Power is dispersed across multiple centres. Alliances shift with circumstances. Even UN Security Council decisions, once the gold standard of legitimacy, are often ignored. Instead of ideology, competition now revolves around technology, trade routes, supply chains, rare earths, data flows, and energy corridors.

Nowhere is this new complexity more evident — or more consequential — than in South Asia, home to nearly two billion people, some of the world’s fastest-growing economies, and critical geopolitical chokepoints.

The Return of a Dangerous Binary

The rhetoric of division is back. “You are either with us or against us” — George W. Bush’s post-9/11 mantra — has returned as a foreign-policy organising principle, revived by Donald Trump

and echoed across Washington. But this time, the battleground is not ideology but power — and the stakes are global dominance over the commanding heights of the 21st century.

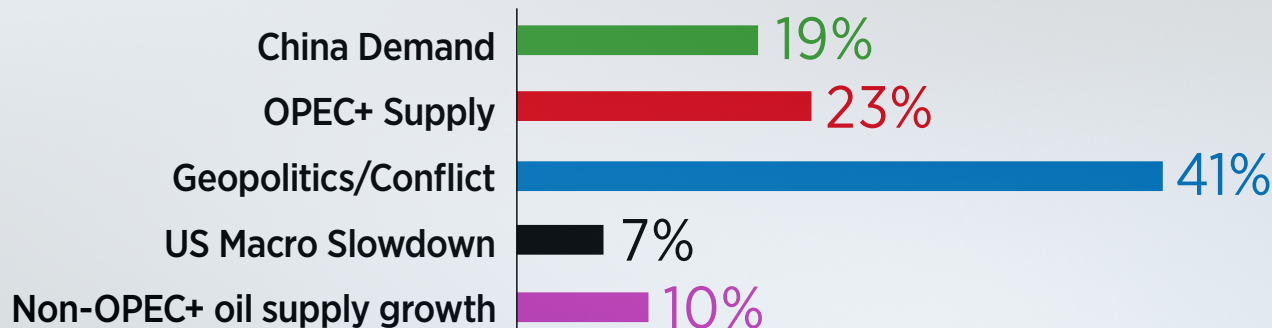
The United States and China remain deeply intertwined — trading over \$600 billion in goods last year — yet their rivalry intensifies. Washington, running a trade deficit of nearly \$300 billion with Beijing, is leveraging its dominance in global finance, maritime chokepoints, technology transfer, and data infrastructure to slow China’s rise, while holding the “Damocles sword” of Taiwan over Beijing’s head.

China, meanwhile, is building alternative power centres through BRICS, the Belt and Road Initiative, and the Shanghai Cooperation Organization, eroding U.S. primacy and offering countries a new geopolitical grammar.

Caught in this struggle, nations are pressured to “choose.” Sanctions, export controls, punitive tariffs, and restrictions on technology transfer are now routine. On 6 September, Trump lamented, “It seems we have lost India and Russia to the deepest and darkest China” — revealing Washington’s increasingly binary worldview.

Yet South Asia refuses to fit neatly into this zero-sum frame.

What will have the Biggest impact on direction of oil prices in 2026?



NB. Survey was conducted with 300 global energy market stakeholders on Oct. 2nd, 2025

India: Too Big to Push, Too Strategic to Ignore

India cannot be coerced into anyone's camp. With a population of 1.4 billion, a dynamic democracy, and the potential to become the world's third-largest economy, New Delhi has the leverage and ambition to pursue strategic autonomy.



It partners with the United States in the Indo-Pacific, even as it sits with China and Russia in BRICS and the SCO. It buys discounted oil from Russia while deepening defence ties with Washington. It clashes with China along the Himalayan border but maintains robust bilateral trade. It courts Gulf sovereign wealth and European tech giants without surrendering sovereignty.

This is not indecision; it is design. Prime Minister Narendra Modi's government seeks to maximise manoeuvring space. Its refusal to halt Russian crude imports despite Western sanctions — while simultaneously strengthening the Quad alliance — reflects a simple principle: India's foreign policy is not anti-American; it is pro-Indian.

Beyond balancing, India is expanding its reach — pursuing Central Asian energy and minerals via Afghanistan and forging ties with African partners like Ghana. "India First," like "America First," is not a slogan but a strategic reality Washington must accept.

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Pakistan: Walking the Tightrope

Pakistan faces a more delicate balancing act. Economic fragility, security imperatives, and dependence on foreign aid constrain its choices. Yet Islamabad cannot afford to become a pawn in someone else's rivalry.

China is Pakistan's largest investor and a strategic partner through the China-Pakistan Economic Corridor (CPEC), the flagship of BRI. At the same time, Pakistan relies on Western financial institutions, trade access, and security cooperation with Washington. Its geography — at the crossroads of South Asia, Central Asia, and the Middle East — is both opportunity and pressure.

Pakistan's best path is to become a bridge, not a battlefield — deepening regional connectivity, diversifying partnerships to include the Gulf and Central Asia, and strengthening domestic resilience. By turning geography from vulnerability into leverage, Islamabad can preserve autonomy in an era of great-power rivalry.

Beyond Binary Choices

Most nations across the Global South reject simplistic binaries of democracy vs. autocracy. They see overlapping interests that demand nuance and hedging. They are unwilling to sacrifice autonomy for someone else's grand strategy.

The combined trade among India, China, Russia, and Pakistan — about \$400 billion — is dwarfed by U.S.-China trade. Yet beneath those numbers lie deeper shifts: non-dollar payment systems, energy deals in local currencies, new transport corridors, and tech partnerships designed to bypass Western choke points. These are not tactical moves but long-term bets on a multipolar future.

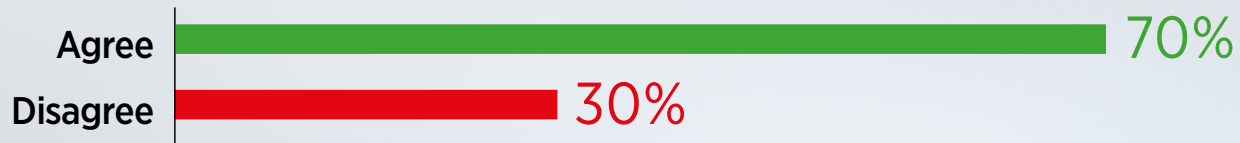
If Washington doubles down on coercion — weaponising tariffs, blacklisting firms, sanctioning governments — it risks alienating not only rivals but also allies. Short-term compliance could turn into long-term isolation.

Policy Takeaways: Navigating a Divided World

For South Asia to thrive amid great-power rivalry, it must pursue a proactive and strategic course:

1. Preserve strategic autonomy: Reject binary choices and prioritise national interests.
2. Invest in regional connectivity: Transform geography into economic and political leverage.
3. Build alternative platforms: Expand payment systems, supply chains, and alliances beyond Western frameworks.
4. Balance power with principle: Engage with all major powers while safeguarding sovereignty.
5. Champion multipolarity: Advocate for an order based on negotiated interdependence, not imposed allegiance.

If the US & China increasingly operate outside the global rules-based system, other countries will follow and do the same, leading to rising uncertainty, drags on productivity and lower overall economic growth?



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The United States must recognise that just as it asserts “America First,” others will do the same: “India First,” “Pakistan First,” “China First,” “Turkey First.”

Conclusion: Neither — and Yet Both

South Asia’s choices will shape the 21st-century order. India’s rise, Pakistan’s geography, and the region’s demographic weight mean neither Washington nor Beijing can dictate terms. The task for both is to offer partnerships that respect agency rather than demand allegiance.

The United States must recognise that just as it asserts “America First,” others will do the same: “India First,” “Pakistan First,” “China First,” “Turkey First.” The era of uncontested dominance is over. The era of negotiated interdependence has begun.

In a world fractured by great-power competition, South Asia’s greatest strength may be the ability to say, “neither — and yet both.” ■



