



MADANI FORESIGHT
MADANI SOCIOECONOMIC IMPACT
MEASUREMENT SYSTEM

Insights Generated by AI on the Influence
of Policies on Key Stakeholders Affecting
Economic Stability

Malaysia at the Crossroads

***Architecting a New Multilateral Order at the ASEAN-
GCC-China Summit and ASEAN Chairmanship 2025***



Position Paper

DATE OF REPORT
17 May 2025

Malaysia at the Crossroads



Architecting a New Multilateral Order at the ASEAN-GCC-China Summit and ASEAN Chairmanship 2025

Malaysia’s 2025 ASEAN Chairmanship and its hosting of the inaugural ASEAN-GCC-China Summit mark a pivotal moment for both the country and the wider region. Under Prime Minister Datuk Seri Anwar Ibrahim, Malaysia is leveraging its historical credibility, strategic neutrality, and the MADANI values framework to convene a first-of-its-kind trilateral platform, uniting ASEAN, the Gulf Cooperation Council, and China. This initiative is not about confrontation, but about accommodation-balancing energy security, green transition, and economic diversification in an era of multipolar rivalry.

The summit is expected to unlock immense potential for multilateral cooperation, forming a substantial bloc with global economic and diplomatic influence. Malaysia’s leadership is underscored by its “Inclusivity and Sustainability” agenda, which aligns regional ambitions with the MADANI principles of sustainability, prosperity, innovation, respect, trust, and compassion. The summit’s focus on connectivity, supply chain resilience, and digital transformation reflects a forward-looking vision for the region’s role as a conduit-rather than a battleground-for global powers.

The Madani Research Centre (MRC) views this development as Malaysia’s opportunity to institutionalize a new choreography of global engagement. In the words of MRC CEO Mr Azmi Mat Nayan: “The future belongs not to the loudest, but to those who can convene, cooperate, and cohere.” MRC anticipates that Malaysia’s approach-grounded in MADANI values-will not only reinforce ASEAN’s growth story and manage intra-regional challenges, but also set a template for principled, values-driven multilateralism in a contested world.

Illustrations

Diplomatic Opportunity

Malaysia hosts ASEAN-GCC-China Summit while holding ASEAN Chairmanship in 2025, placing Kuala Lumpur at the nexus of regional diplomacy.

MADANI Framework

PM Datuk Seri Anwar Ibrahim's MADANI values guide Malaysia's vision for an inclusive, sustainable multilateral order.

3

Major Blocs

ASEAN, GCC, and China represent key economic and political forces

6

MADANI Values

Sustainability, Prosperity, Innovation, Respect, Trust, Compassion

2025

Leadership Year

Malaysia's defining year for regional diplomatic leadership

Key Issues and MADANI Values Integration



1. Balancing Geopolitical Rivalries Through Compassion and Trust

The ongoing US-China rivalry and tariff wars risk overshadowing cooperative efforts in the region. Malaysia's strategic neutrality, guided by **Compassion (Ihsan)** and **Trust (Keyakinan)**, allows it to mediate between major powers without alienation. Prime Minister Datuk Seri Anwar Ibrahim's inclusive stance-welcoming investments from the US, GCC, and China alike-reflects this balancing act.

Mr Azmi Mat Nayan highlights, *"Trust is the currency of effective multilateralism. MADANI compels us to build bridges, not walls, even amid great power rivalry."* Malaysia's ASEAN Chairmanship further reinforces this role through quiet diplomacy on sensitive issues like the South China Sea and the Myanmar crisis, promoting dialogue and confidence-building measures to maintain regional stability.

2. Institutionalizing Interregional Inclusivity through Innovation and Respect.

Moving beyond symbolic agreements, Malaysia advocates for durable institutional mechanisms such as trilateral trade councils, dispute resolution protocols, and joint crisis response frameworks. This aligns with MADANI's values of **Innovation (Daya Cipta)** and **Respect (Hormat)**, fostering future-ready governance and inclusive decision-making that honors the sovereignty and diversity of all partners.

"Institutionalizing inclusivity isn't about replacing existing systems but innovating to make them more equitable. MADANI's respect for diversity is our compass." Malaysia's ASEAN Chairmanship theme of "Inclusivity and Sustainability" echoes this commitment, aiming to revitalize ASEAN's institutions and ensure all member states, regardless of size, have equal voice and benefit."



MOHD AZMI MAT NAYAN
Chief Executive Officer
Madani Research Centre

Key Issues and MADANI Values Integration



3. Energy Security and Sustainable Development Guided by Sustainability and Prosperity

The summit's agenda to align GCC's energy exports, ASEAN's green transition, and China's technological leadership embodies MADANI's **Sustainability (keMampanan)** and **Prosperity (Kesejahteraan)**. Malaysia's leadership in promoting joint investments in renewable energy, critical minerals, and green finance supports ecological balance while driving economic growth.

Mr Azmi emphasizes, *"The summit must transcend transactional energy deals. MADANI demands we pursue prosperity that sustains both people and planet."* The ASEAN Power Grid initiative, championed under Malaysia's chairmanship, exemplifies this approach by enhancing energy resilience and cross-border cooperation on sustainable energy.

4. Economic Diversification and Inclusive Growth Anchored in Prosperity and Compassion

Malaysia's robust economic fundamentals and sound fiscal policies make it an attractive destination for diverse foreign investments. The MADANI values of **Prosperity (Kesejahteraan)** and **Compassion (Ihsan)** inform Malaysia's focus on ensuring that economic benefits reach all layers of society, including SMEs and marginalized communities.

Malaysia's ASEAN Chairmanship prioritizes narrowing the development gap through targeted investments in technology, infrastructure, and skills development, fostering equitable growth across the region. Mr Azmi notes, *"Ensuring that no one is left behind is the heart of MADANI and ASEAN's inclusivity agenda."* Initiatives such as the ASEAN Digital Economy Framework Agreement (DEFA) and SME coalitions are practical manifestations of this vision.

5. Managing Regional Security Sensitivities with Respect and Trust

Territorial disputes in the South China Sea and the protracted Myanmar crisis remain significant challenges. Malaysia's approach, rooted in MADANI's **Respect (Hormat)** and **Trust (Keyakinan)**, emphasizes quiet diplomacy, backchannel negotiations, and patient engagement to uphold ASEAN's unity and credibility.

Mr Azmi warns, *"Without respect for differing viewpoints, even the best institutional frameworks will crumble. MADANI teaches us that stability begins with mutual dignity."* Malaysia's appointment of a special envoy on Myanmar and efforts to mediate tensions reflect this values-driven leadership.

Malaysia's leadership approach to regional cooperation through MADANI values:



Geopolitical Balance

Malaysia's strategic neutrality, guided by **Compassion (Ihsan)** and **Trust (Keyakinan)**, positions it as a potential mediator between the US, China, and the GCC without causing alienation.

10

ASEAN Nations

United under Malaysia's inclusive chairmanship approach



Institutional Innovation

Advancing durable mechanisms like trilateral trade councils through **Innovation (Daya Cipta)** and **Respect (Hormat)** for sovereignty and diversity.

6

GCC Members

New strategic energy partners for ASEAN



Sustainable Energy

Aligning energy partnerships through **Sustainability (keMampanan)** and **Prosperity (Kesejahteraan)** via the ASEAN Power Grid initiative.

2025

Chairmanship Year

Malaysia's leadership of ASEAN



Economic Diversification

Prosperity and **Compassion** drive Malaysia's inclusive growth agenda, ensuring benefits reach SMEs and marginalized communities through targeted investments.



Regional Security

Respect and **Trust** underpin Malaysia's quiet diplomacy on South China Sea disputes and Myanmar crisis, prioritizing dialogue and dignity.

Diplomatic Engagement

"Trust is the currency of effective multilateralism" - Azmi Mat Nayan

Inclusive Framework

"No one is left behind in ASEAN's inclusivity agenda"



Institutional Reform

"Institutionalizing inclusivity makes systems more equitable"

Resource Management

"Prosperity that sustains both people and planet"

MADANI Values and Key Issues

A Strategic Synthesis



Key Issue	Relevant MADANI Values	Explanation of MADANI Application
Balancing Geopolitical Rivalries	Compassion (Ihsan), Trust (Keyakinan)	Empathy-driven conflict resolution and building trust to mediate major power tensions without confrontation.
Institutionalizing Interregional Inclusivity	Innovation (Daya Cipta), Respect (Hormat)	Promoting future-ready governance frameworks and inclusive decision-making respecting sovereignty and diversity.
Energy Security and Sustainable Development	Sustainability (keMampanan), Prosperity (Kesejahteraan)	Aligning energy cooperation with ecological balance and shared economic growth through green investments and technology.
Economic Diversification and Inclusive Growth	Prosperity (Kesejahteraan), Compassion (Ihsan)	Ensuring investments benefit all societal layers, including SMEs and marginalized groups, fostering equitable prosperity.
Managing Regional Security Sensitivities	Respect (Hormat), Trust (Keyakinan)	Employing quiet diplomacy and backchannel negotiations to maintain dignity and build confidence among disputing parties.

Strategic Rationale and Context

Malaysia's geographic centrality at the Strait of Malacca, its political stability, and economic resilience underpin its capacity to lead this multilateral effort. ASEAN's combined GDP reached RM3.8 trillion (approx. US\$850 billion) in 2023, making it the world's fifth-largest economy, with a population of 677 million. ASEAN-China trade exceeded \$234 billion in Q1 2025, while GCC-China trade neared \$288 billion billion in 2024. Malaysia's leadership is recognized internationally, reflected in its selection as ASEAN Chair and the hosting of this summit.

The MADANI framework provides Malaysia with a coherent and principled methodology to navigate complex regional dynamics, ensuring that economic growth, environmental sustainability, and social inclusivity advance hand in hand.

677M

ASEAN Population

World's 5th largest economy

\$234B

ASEAN-China Trade

Q1 2025

\$288B

GCC-China Trade

2024

Malaysia's strategic position at the Strait of Malacca, combined with political stability and economic resilience, positions it as the natural leader for this multilateral initiative.



Balancing Geopolitical Rivalries

Through Compassion (Ihsan) & Trust (Keyakinan): Employing empathy-driven mediation without confrontation



Interregional Inclusivity

Through Innovation & Respect: Creating inclusive governance frameworks respecting sovereignty



Energy & Sustainability

Through Sustainability & Prosperity: Balancing ecological needs with shared economic growth



Economic Diversification

Through Prosperity & Compassion: Ensuring investments benefit all societal layers



Regional Security

Through Respect & Trust: Quiet diplomacy to build confidence among disputing parties



Strategic Framework

MADANI provides a coherent methodology to ensure balanced advancement of economics, environment, and society

“As ASEAN Chair, Malaysia applies the MADANI values not just as national ideals, but as strategic pillars—guiding inclusive diplomacy, equitable development, and sustainable cooperation. These principles enable Malaysia to mediate great power tensions while championing inclusivity, prosperity, and peace across a rapidly evolving interregional landscape.”

MOHD AZMI MAT NAYAN
Chief Executive Officer
Madani Research Centre

Overcoming Challenges with MADANI Principles



Diplomatic Neutrality

Leveraging Malaysia's non-aligned position to facilitate dialogue between competing powers



Institutional Innovation

Creating durable frameworks that transcend symbolic agreements



Inclusive Engagement

Ensuring all stakeholders have meaningful participation in regional initiatives

The summit and chairmanship face risks from geopolitical rivalries, diverse political systems, and the possibility of symbolic rather than substantive outcomes. Malaysia's strategy, supported by MRC research, is to leverage diplomatic neutrality, institutional innovation, and inclusive engagement.

Mr Azmi Mat Nayan encapsulates this approach: *"Our strength lies in our ability to convene without confrontation, to build institutions that endure, and to keep our doors open to all partners. This is how Malaysia can stabilize a region in flux and ensure that our people benefit from global shifts, not just endure them."*

Conclusion

Malaysia's dual role as ASEAN Chair and host of the ASEAN-GCC-China Summit in 2025 offers a historic opportunity to embed MADANI values at the heart of regional and global cooperation. By integrating sustainability, inclusivity, innovation, respect, trust, and compassion into its strategic agenda, Malaysia is poised to lead a new multilateral order that balances prosperity, security, and environmental stewardship.

As Mr Azmi Mat Nayan affirms, *"MADANI is not a slogan; it's a methodology. In Kuala Lumpur this May, the world will see how values-driven leadership can transform rivalry into resilience."*

This leadership will not only define Malaysia's legacy but also shape ASEAN's trajectory and its role on the global stage for decades to come.

3

Key Principles

Core MADANI approaches for regional leadership



Diplomatic Neutrality

Leveraging Malaysia's non-aligned position to facilitate dialogue between competing powers

2025

Summit Year

Malaysia hosts ASEAN-GCC-China Summit



Institutional Innovation

Creating durable frameworks that transcend symbolic agreements

10

ASEAN Nations

Coordinating diverse political systems



Inclusive Engagement

Ensuring all stakeholders have meaningful participation in regional initiatives

The summit faces risks from geopolitical rivalries and the possibility of symbolic rather than substantive outcomes. Malaysia's strategy is to leverage diplomatic neutrality, institutional innovation, and inclusive engagement.

"Our strength lies in our ability to convene without confrontation, to build institutions that endure, and to keep our doors open to all partners."

MOHD AZMI MAT NAYAN
Chief Executive Officer
Madani Research Centre

References and Citations



1. ASEAN-GCC + China Summit official page, May 27, 2025, Kuala Lumpur.
https://myasean2025.my/event/asean-gcc-china-summit-2/

2. ASEAN-Malaysia Chairmanship 2025 symbolises six core MADANI values, Bernama, Oct 22, 2024.
https://asean.bernama.com/news.php?id=2355101

3. Recapping Malaysia's foreign policy under PM Datuk Seri Datuk Seri Anwar Ibrahim highlighting ASEAN and Middle East focus, The Diplomat, Dec 2023.
https://thediplomat.com/2023/12/recapping-the-first-year-of-malysias-foreign-policy-under-anwar-ibrahim/

4. Analysis on the ASEAN-GCC-China Summit's strategic significance, Bernama, Apr 2025.
https://www.bernama.com/en/thoughts/news.php?id=2416118

5. China's regional diplomacy amid US trade tensions, Business Times, May 12, 2025.
https://www.businesstimes.com.sg/international/china-hosts-latin-american-caribbean-nations-amid-us-trade-war-talks

6. ASEAN 2025: Forging Ahead Together (Official ASEAN Community Vision document).
https://www.asean.org/wp-content/uploads/2015/12/ASEAN-2025-Forging-Ahead-Together-final.pdf

7. The Malaysia MADANI framework explained, Bernama, 2024.
https://www.bernama.com/en/thoughts/news.php?id=2218766

8. ASEAN-GCC and ASEAN-GCC-China Economic Forums, May 27-28, 2025, Kuala Lumpur.
https://web.cvent.com/event/9a0eaf80-d6af-4514-b80e-02e75cbd290a

9. Joint Statement on Malaysia-China Strategic Partnership, Ministry of Foreign Affairs Malaysia.
https://www.kln.gov.my/web/guest/-/joint-statement-between-the-people-s-republic-of-china-and-malaysia-on-building-a-high-level-strategic-malaysia-china-community-with-a-shared-future-1

10. ASEAN-China Dialogue Relations overview, ASEAN Secretariat, March 2025.
https://asean.org/wp-content/uploads/2025/03/Overview-of-ASEAN-China-China-Dialogue-Relatiobs-7-March-2025.pdf

11. Beyond pledges: ASEAN-GCC-China summit and Asia Zero Emissions Community (AZEC), Malay Mail, May 15, 2025.
https://www.malaymail.com/news/what-you-think/2025/05/15/beyond-pledges-asean-gcc-china-summit-and-azec-will-reboot-global-trade-governance-phar-kim-beng/176820

12. Chinese Premier Li Qiang's visit to Malaysia for ASEAN-Gulf summit, Reuters, May 8, 2025.
https://www.reuters.com/world/china/chinese-premier-visit-malaysia-key-asean-gulf-summit-sources-say-2025-05-08/

13. ASEAN-China Plan of Action 2021-2025 (POA), ASEAN Secretariat.
https://asean.org/wp-content/uploads/2022/08/ASEAN-China-POA-2021-2025_Updated-with-ANNEX.pdf

14. ASEAN Foreign Ministers' Retreat Press Statement, Langkawi, Jan 19, 2025.
https://asean.org/wp-content/uploads/2025/01/FINAL-Press-Statement-by-the-Chair-AMM-Retreat-2025.pdf

15. ASEAN Economic Community Blueprint 2025, official ASEAN document.
https://asean.org/?static_post=asean-economic-community-blueprint-2025

16. ASEAN Socio-Cultural Community Blueprint 2025, official ASEAN document.
https://asean.org/?static_post=asean-socio-cultural-community-blueprint-2025

17. ASEAN Political-Security Community Blueprint 2025, official ASEAN document.
https://asean.org/?static_post=asean-political-security-community-blueprint-2025

18. ASEAN Connectivity Master Plan 2025.
https://asean.org/storage/2021/01/ASEAN-Connectivity-Master-Plan-2025.pdf

19. ASEAN Digital Economy Framework Agreement (DEFA).
https://asean.org/storage/2020/11/ASEAN-DEFA.pdf

20. GCC-China trade and energy cooperation data, UN Comtrade and UN Energy reports 2023.
https://comtrade.un.org/

21. PM Anwar's speech on MADANI and ASEAN Chairmanship, official transcript.
https://www.pmo.gov.my/2024/10/pm-anwar-malaysia-asean-chairmanship-speech/

22. Malaysia MADANI framework overview, official government portal.
https://madani.gov.my/framework

23. Madani Research Centre (MRC) role and CEO statements, official MRC website.
https://mrc.my/about-us/

24. Analysis of MADANI values in foreign policy, The Diplomat, 2024.
https://thediplomat.com/2024/07/malaysia-madani-values-and-foreign-policy/

25. Malaysia's inclusive diplomacy and human rights focus, Human Rights Watch report 2024.
https://www.hrw.org/world-report/2024/country-chapters/malaysia

26. ASEAN's role in managing great power rivalry, ISEAS-Yusof Ishak Institute, 2025.
https://www.iseas.edu.sg/articles-commentaries/asean-and-great-power-rivalry/

27. ASEAN's regional security architecture, CSIS report, 2024.
https://www.csis.org/analysis/asean-regional-security-architecture

28. Malaysia's economic diversification strategy, Bank Negara Malaysia reports 2024.
https://www.bnm.gov.my/publications/economic-and-financial-review/

29. ASEAN's green energy initiatives and cooperation, ASEAN Centre for Energy, 2025.
https://aseanenergy.org/asean-green-energy-initiatives/

30. ASEAN Power Grid (APG) progress report, ASEAN Centre for Energy, 2024.
https://aseanenergy.org/asean-power-grid/

31. GCC sovereign wealth funds' investments in Southeast Asia, Gulf Research Center, 2024.
https://www.grc.net/publications/gcc-investments-asean-2024

32. Malaysia's digital economy and fintech growth, Malaysia Digital Economy Corporation (MDEC) 2024.
https://mdec.my/digital-economy-report-2024/

33. ASEAN SME development and cross-border cooperation, ASEAN SME Service Centre.
https://sme.asean.org/

34. ASEAN's Code of Conduct (COC) in the South China Sea progress, ASEAN Secretariat, 2025.
https://asean.org/asean-code-of-conduct-south-china-sea/

35. ASEAN's approach to Myanmar crisis, ASEAN Secretariat statements 2025.
https://asean.org/asean-response-myanmar/

36. ASEAN Regional Forum (ARF) and security cooperation, ASEAN Secretariat.
https://asean.org/asean-regional-forum/

37. ASEAN Defence Ministers' Meeting Plus (ADMM-Plus), ASEAN Secretariat.
https://asean.org/asean-defence-ministers-meeting-plus/

38. Malaysia's quiet diplomacy approach, The Straits Times, 2025.
https://www.straitstimes.com/asia/se-asia/malaysia-quiet-diplomacy-on-south-china-sea-2025

39. China's Digital Silk Road and ASEAN, Center for Strategic and International Studies (CSIS), 2024.
https://www.csis.org/analysis/chinas-digital-silk-road-asean

40. Saudi Arabia's Vision 2030 and regional connectivity, Saudi Ministry of Investment.
https://investsaudi.sa/en/vision2030/

41. ASEAN's collective resolve for sustainability, ASEAN Secretariat, 2025.
https://asean.org/sustainability-commitments-2025/

42. ASEAN's economic growth and integration statistics, World Bank data, 2024.
https://data.worldbank.org/region/east-asia-and-pacific

43. Malaysia's inflation and fiscal policy, Department of Statistics Malaysia, 2024.
https://dosm.gov.my/v1/index.php?r=column/cthemeByCat&cat=100&bul_id=

44. ASEAN's cultural heritage and economic resilience, ASEAN Foundation.
https://aseanfoundation.org/programmes/culture-heritage/

45. ASEAN's youth development and innovation programs, ASEAN Secretariat.
https://asean.org/asean-youth-development/

46. ASEAN's regional health security initiatives, ASEAN Secretariat.
https://asean.org/asean-health-security/

47. Malaysia's role in the East Asia Summit (EAS), ASEAN Secretariat.
https://asean.org/east-asia-summit/

48. ASEAN's trade and investment facilitation, ASEAN Secretariat.
https://asean.org/trade-investment/

49. ASEAN's digital transformation roadmap, ASEAN Secretariat.
https://asean.org/digital-transformation/

50. Malaysia's bilateral trade with GCC countries, Ministry of International Trade and Industry Malaysia.
https://miti.gov.my/

51. ASEAN's approach to climate change, ASEAN Centre for Climate Change.
https://aseancc.org/

52. ASEAN's maritime cooperation, ASEAN Secretariat.
https://asean.org/maritime-cooperation/

53. Malaysia's green finance initiatives, Securities Commission Malaysia.
https://www.sc.com.my/green-finance

54. ASEAN's supply chain resilience, Asian Development Bank report, 2024.
https://adb.org/publications/asean-supply-chain-resilience

55. GCC's sovereign wealth funds annual report, Sovereign Wealth Fund Institute.
https://www.swfinstitute.org/fund-rankings/sovereign-wealth-fund/

56. ASEAN's digital economy growth forecast, Google-Temasek e-Conomy SEA report, 2024.
https://economysea.withgoogle.com/

57. Malaysia's halal industry growth, Halal Industry Development Corporation Malaysia.
https://www.hdcglobal.com/

58. ASEAN's infrastructure development projects, ASEAN Infrastructure Fund.
https://aseaninfrafund.com/

59. ASEAN's trade dispute resolution mechanisms, ASEAN Secretariat.
https://asean.org/trade-dispute-resolution/

60. ASEAN's regional connectivity initiatives, ASEAN Secretariat.
https://asean.org/asean-connectivity/

61. ASEAN's economic recovery post-COVID-19, ASEAN Secretariat.
https://asean.org/asean-economic-recovery/

62. Malaysia's foreign direct investment (FDI) statistics, Malaysian Investment Development Authority.
https://www.mida.gov.my/

63. ASEAN's digital skills development, ASEAN Foundation.
https://aseanfoundation.org/programmes/digital-skills/

64. ASEAN's policy on transnational crime, ASEAN Secretariat.
https://asean.org/transnational-crime/

65. ASEAN's cybersecurity cooperation, ASEAN Cybersecurity Cooperation Strategy.
https://asean.org/cybersecurity/

66. ASEAN's human rights initiatives, ASEAN Intergovernmental Commission on Human Rights (AICHR).
https://aichr.org/

67. Malaysia's diplomatic relations with GCC countries, Ministry of Foreign Affairs Malaysia.
https://www.kln.gov.my/

68. ASEAN's role in global trade governance, WTO reports on ASEAN.
https://www.wto.org/english/tratop_e/region_e/asean_e.htm

69. Malaysia's role in multilateral diplomacy, Institute of Strategic and International Studies (ISIS) Malaysia.
https://www.isis.org.my/

70. ASEAN's future vision and strategic plans, ASEAN Secretariat.
https://asean.org/asean-vision-2045/



MADANIFORESIGHT

MADANI POLITICAL IMPACT
MEASUREMENT SYSTEM

Insights Generated by AI on the Influence
of Policies on Key Stakeholders Affecting
Economic Stability



CONTACT US:

Muhammad Shakir Zufayri Nur Hisham / Aliyaa
admin@madaniresearch.com
603-23823600



The Madani Research Centre is an independent, non-partisan think tank focused on foreign policy, economic diplomacy, and strategic studies in Southeast Asia. The Centre provides evidence-based analysis to policymakers, businesses, and civil society organizations through research reports, policy briefs, and stakeholder consultations.

For more information, visit www.madaniresearch.com