

Scenarios Shaping the Future World Order in AI, New Energy, and Digital Finance

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Executive Summary

The global operating environment for businesses in Asia has grown more complex, where cost efficiency must be balanced with other key concerns including supply chain resilience amid intensifying geopolitical uncertainties. In this landscape, dominance in three critical strategic domains—artificial intelligence (AI), new energy, and digital finance—are increasingly defining national advantage.

AI is now a race between the U.S. and China across the full value chain—from semiconductors and data centers to open-weight AI models—while the new energy arena faces supply chain constraints spanning electricity systems, renewable hardware, nuclear power, and critical minerals.¹ Meanwhile, the dollar-centric financial system faces growing competition from competing central bank digital currencies, alternative payment systems, and regional settlement rails. Decisions that states make on chips, energy, or money, whether driven by public or private sector, translate directly into the business environment.

This briefing assesses three plausible futures pertaining to these strategic domains: a China-anchored order; renewed U.S. primacy; and a fragmented multipolar environment. In all three scenarios, corporate resilience depends on balancing efficiency with risk mitigation, exiting single-system dependencies, and building the structural agility to adapt as any of these architectures takes hold.

Introduction

National strength today goes beyond military capability, economic might, and traditional political alliances. It is increasingly determined by who controls critical technologies and economic platforms. This briefing focuses on the U.S. and China because their combination of technological capability, capital flows, and global influence enables them to shape rules and standards for the world economy. Even so, the analysis acknowledges that developments in the strategic domains may evolve along multiple pathways, ranging from varying degrees of U.S.-China power concentration to a more diffuse order, in which neither side secures outright dominance and influence is distributed across rising middle powers and regional hubs.

It uses a framework of three strategic domains—AI, new energy, and digital finance—examined across four driving forces for leadership in each domain. These are: policy; talent; capital; and infrastructure. By mapping national strengths across these driving forces, the briefing explores three plausible futures: a China-anchored order; a renewed U.S.-led order; and a multipolar environment.

The goal is to show where real leverage lies across the emerging industries within these domains, and to provide business leaders in Asia with actionable frameworks across different possible future scenarios. By understanding how shifts in policy, talent, capital, and infrastructure reshape leadership in strategic domains, Asia-operating businesses can better manage supply-chain risk, navigate evolving trade and export rules, hedge currency and payment exposures, and adapt their business models.

Part 1: Uncertainty as the New Operating Environment

In the 1990s and 2000s, global production shifted from the developed West into East and Southeast Asia, as the region gradually became the world's primary manufacturing hub. This era was characterized by highly optimized, cross-border value chains built around just-in-time logistics and cost-efficiency. Companies built complex, cross-border supply chains on the assumption that trade routes would stay open, and that access to customers and technology would remain safe, predictable, and largely insulated from geopolitics.

Multinationals and regional firms tended to treat East and Southeast Asia as part of a single, integrated manufacturing base. While technology standards and regulations were not perfectly harmonized, trade rules were relatively predictable, and firms could plan on broadly stable access to global markets.

Corporate strategy in Asia has long centered on scaling export-oriented manufacturing by leveraging low labor costs. At the same time, these Asia-headquartered firms and regional arms of global multinationals have benefited from improving infrastructure, and access to multilateral trade frameworks such as the World Trade Organization (WTO).

Beyond An Era of Shocks

As China's reforms deepened and its accession to the WTO took effect, the country became the anchor of Asian production networks. Neighboring economies tightly integrated through cross-border manufacturing and component trade. While the global financial crisis was primarily a demand shock for many Asian manufacturers, subsequent crises changed some of the fundamental assumptions of global trade. The U.S.-China trade war, COVID-19, disruptions from the Russia-Ukraine war, and prolonged conflict in the Middle East exposed the fragility of linear supply chains, highlighting the strategic importance of chokepoints, energy flows, and critical inputs.

Compounding these disruptions, both Washington and Beijing have leveraged export controls. U.S. restrictions on advanced semiconductors, AI hardware, and manufacturing tools aim to sever high-tech access, while China's retaliatory controls on critical minerals, rare earth processing, and industrial inputs squeeze upstream material supplies. Imposed primarily by these two superpowers on one another and their respective trade partners, these cross-border restrictions mean Asian businesses, even outside traditional tech, can no longer treat supply chains or technology access as purely commercial. In response, manufacturing firms across Asia adopted "China Plus One" and "China Plus Many" strategies, which included diversifying suppliers, expanding regional hubs, and tracking geopolitical risk more closely.

Today, a rising challenge for Asia-operating businesses is to understand how deeper structural tensions are reshaping the global system in which they operate. Competition is increasingly defined by not only cost, quality, or efficiency, but also by control over the critical levers of future economic power—AI compute capacity and semiconductor supply chains; renewables, energy grids, and critical minerals; and financial infrastructure and cross-border digital networks.

Part 2: Driving Forces for Strategic Domain Leadership

The three strategic domains that are the focus of this briefing—AI, new energy, and digital finance—sit at the intersection of economics, technology, and geopolitics, and represent the foundational sectors most likely to shape future productivity, industrial competitiveness, financial influence, and national power.

Unlike many mature industries, national leadership across these frontiers remains contested. No country has yet established a decisive or irreversible advantage. Global rules and standards are still evolving, and governments are investing heavily to shape future outcomes. Developments over the coming decade are therefore likely to determine not only commercial success but also broader geopolitical and geoeconomic influence.

National leadership in each of the three domains of AI, new energy, and digital finance will be shaped by four driving forces:

- **Policy:** Governments are playing a far more active role in shaping strategic industries through subsidies, procurement, export controls, regulation, and long-term industrial planning. National policies are increasingly being used to strengthen domestic capabilities, particularly in critical frontier sectors such as AI, new energy, and digital finance, and to reduce dependence on and exposure to geopolitical competitors.
- **Talent:** Long-term competitiveness depends on the ability of countries to educate, attract, and retain scientists, engineers, entrepreneurs, and skilled workers. Education systems, immigration policies, research institutions, and universities shape the pipeline of talent and ideas. Equally important are strong linkages between government, academia, and industry, which help translate research into innovation, accelerate commercialization, and sustain national leadership in key strategic sectors.
- **Investment and capital:** Countries with deep venture capital markets, targeted public funding, sovereign wealth funds, and supportive financial systems are better positioned to support innovation, commercialize emerging technologies, and scale new industries.
- **Infrastructure:** Digital infrastructure, electricity systems, compute capacity, data centers, manufacturing capabilities, research facilities, and resilient supply chains have become binding constraints on growth and on AI, new energy, and digital finance ambitions in many economies. Access to sufficient, affordable, and reliable infrastructure increasingly determines which countries can translate technological developments into sustained economic and geopolitical advantage.

Artificial Intelligence

Artificial intelligence goes beyond a race to build better models and larger capable systems trained on volumes of data, broadening into competition across the entire AI stack. It starts from the infrastructure and foundations that focus on compute capacity, semiconductor chips, data centers, cloud, and talent, and includes the standards that govern its development, as well as the consumer-facing agents and applications that ultimately create economic value.

China has poured capital into semiconductors and the AI supply chain through its “Big Fund III,” launched in May 2024 to back national chip champions.² In June 2026, Beijing began preparing a new five-year plan to build a nationwide network of interconnected data centers, with at least 80% of the technology—including AI chips—sourced from domestic suppliers.³ This policy push is driving a geographically distributed compute capacity spread across more than 30 cities.⁴ Today, China is home to the world’s second-largest pool of high-end AI-computing capacity.⁵ In addition, private Chinese firms continue to invest heavily in AI compute, highlighted by major stock offerings as well as other fundraising moves—including an August 2026 share placement initiative—to finance large-scale infrastructure projects.⁶

China is mobilizing talent to support this infrastructure build-out. It produces about 2.1 times as many PhD AI researchers as the U.S.⁷ Most of the top universities producing authors for 2025 NeurIPS, a top AI research conference, are also China-based.⁸ Talent retention is being propped up by established tech platforms like Alibaba and Tencent, as well as newer domestic players like DeepSeek, Moonshot AI, Zhipu AI, and MiniMax, offering credible frontier-research careers at home. Driven by a state-backed talent initiative, an increasing number of global STEM academics—including Chinese returnees and international researchers—are relocating to Chinese institutions.⁹

China’s policy is also geared toward scaling AI applications and deployment. The State Council’s August 2025 “AI Plus” action plan aims for AI agents and smart terminals to reach over 90% of the economy by 2030, pushing everyday AI use across industries and services.¹⁰ Chinese open-weight models, such as Qwen, DeepSeek, and Kimi, had overtaken U.S. models in global usage by mid-2026.¹¹ In physical AI, China is the global leader in industrial and hardware robotics, driven by unmatched manufacturing scale and deployment, dominant hardware supply chains, and ambitious state strategies.¹²

Meanwhile, the U.S. is pursuing a strategy focused on controlling critical AI hardware and infrastructure, treating chips, energy, algorithms, and data infrastructure as sources of influence.¹³ Through export controls and the licensing of models on advanced processors, Washington aims to maintain its technological lead. Restricting frontier-scale fabrication tools and compute capacity remains a central policy lever.

In parallel, U.S. tech giants and investors are pouring capital into large-scale compute initiatives. Flagship projects—multi-billion-dollar, campus-style AI facilities backed by firms such as OpenAI, Oracle, SoftBank, Meta, and the major hyperscalers—are now being built across the U.S.¹⁴ Firms including Microsoft, Google, AWS, and Anthropic already command a dominant position, spanning cloud infrastructure, enterprise software, and foundation models.¹⁵

American universities and corporate labs continue to attract top machine-learning and AI systems talent. The U.S. remains a magnet for engineers and researchers seeking frontier-scale work and large budgets, and relatively greater academic and commercial freedom to experiment and publish.¹⁶ Through close coordination with partners such as Japan, the Netherlands, South Korea, and Taiwan, the U.S. also preserves access to specialized semiconductor manufacturing equipment.¹⁷

Beyond China and the U.S., other markets and economic blocs are also competing for influence in AI. Rather than one country dominating, the landscape is fragmenting into localized infrastructure and open-weight models. These ecosystems are reshaping the balance of influence by enabling more actors to use capable models outside closed U.S. and Chinese platforms.

Middle powers are leveraging open-weight architectures from various origins, such as France's Mistral AI, the United Arab Emirates (UAE)'s Falcon series, Meta's Llama, and Alibaba's Qwen as foundational layers to build sovereign AI capabilities.¹⁸ Countries in the European Union (EU), India, the UAE, and Southeast Asian economies then fine-tune these models on domestic data, local languages, and sovereign infrastructure. Doing so gives them AI capability and regulatory compliance at a fraction of the cost, while reducing their dependence on foreign AI monopolies and exposure to trade sanctions.¹⁹

Compute capacity and advanced chips remain crucial, but U.S. export controls and supply-chain concentration are pushing other countries toward alternatives. Open chip design standards such as RISC-V, combined with regional semiconductor design and fabrication initiatives, are opening up space for other countries and regional blocs like the EU and India to pursue independent technology capabilities.^{20,21}

A growing open-source model ecosystem—models whose code or weights are publicly available for inspection, modification, and local deployment—is also narrowing capability gaps with U.S. proprietary models, especially in non-English languages and niche domains.²² Concurrently, countries like Saudi Arabia, the UAE, and South Korea are building sovereign AI ecosystems by pairing domestic compute, national models, and cloud frameworks with tighter control over sensitive data.²³ While Silicon Valley and Shanghai remain the premier centers, hubs such as Singapore, Seoul, Dubai, and Bengaluru are emerging as major AI powerhouses by drawing top-tier researchers and engineers.²⁴

New Energy

Energy has become inseparable from technological and economic competitiveness, as AI data centers, electrified transport, advanced manufacturing, and digital infrastructure all require large volumes of reliable power and secure access to critical minerals. Countries and firms that can secure abundant, affordable, and stable energy will be able to gain an increasingly meaningful strategic edge. Competition in new energy is visible across electricity systems, batteries, critical minerals, nuclear power, hydrogen, renewable technologies, and energy storage.

China commands a significant majority of global solar-manufacturing capacity and a large share of lithium, cobalt, and rare-earth refining. Export licensing on gallium, germanium, and rare-earth elements has further tightened the country's leverage.^{25,26} In Indonesia, Chinese-affiliated firms control 75% of nickel-refining capacity, controlling the upstream of global EV and storage supply chains.²⁷ Beijing is also doubling down on renewables under its July 2026 national energy plan to ramp up wind and solar.²⁸

In EV and battery-linked industries, Chinese brands have captured 55% of EV sales across international markets outside Europe and the U.S.²⁹ Globally, Chinese suppliers dominate the EV battery market, embedding Chinese technical standards in factories abroad.^{30,31} Beijing reinforces its new energy system through financing and industrial policy, from active currency swap lines to Belt and Road-linked energy deals and overseas investments via IPOs by EV and battery firms. This is propped up by China's deep talent base which contributes more STEM doctorates annually than the U.S.—and these skilled workers are retained by leading firms like EV battery manufacturer CATL.^{32,33}

China's heavy financing and policy push is making it difficult for other countries to break from its new energy supply chains. Replicating the infrastructure, research, software, manufacturing, and supply chains currently reliant on China is projected to cost the U.S. \$13.7 trillion, the EU \$9.1 trillion, and the United Kingdom \$800 billion by 2050.³⁴

Over the past decade, the U.S. has rapidly expanded Gulf Coast liquefied natural gas (LNG) capacity, making it the world's leading LNG exporter and a structural backstop for global gas markets.³⁵ At the same time, Wall Street and strategic investors are funding domestic nuclear, especially small modular reactors (SMRs), and next-generation geothermal projects to serve the massive energy needs of AI data centers and advanced manufacturing.³⁶ Rising electricity demand is also pushing utilities and hyperscalers to lock in long-term baseload deals and grid upgrades. This is reinforced by the U.S.'s concentration of energy-system engineers, project finance expertise, and policy talent needed to turn capital into operating infrastructure.³⁷

Industrial policy reinforces this energy and supply-chain strategy. Targeted subsidies and tax credits under the Inflation Reduction Act and the CHIPS and Science Act, though scaled back, have continued to support domestic battery manufacturing, solar component production, and critical mineral processing.³⁸ In parallel, the U.S. leads minilateral initiatives such as the Minerals Security Partnership to secure supplies of lithium, cobalt, nickel, rare earths and copper for clean-energy and high-tech industries.³⁹

In other markets, energy security increasingly depends on webs of local processing hubs and bilateral critical mineral partnerships, rather than a single dominant refining center. To power AI data centers and electrified industrial zones, countries are expanding grid capacity and diversifying fuel mixes.⁴⁰

Grid competition intensifies, as demand from AI infrastructure and industrial electrification forces middle powers to add capacity and mix local renewables with gas and nuclear deployments to maintain stability. Japan is pursuing SMRs and next-generation nuclear alongside reactor restarts.⁴¹ Many states are also blending Western nuclear technology with more cost-competitive Chinese batteries, inverters, and solar equipment to construct hybrid, resilient grids.⁴²

Resource nationalism sharpens as resource-rich nations and regional infrastructure hubs use mining, processing, and connectivity chokepoints to capture more downstream value.⁴³ At the same time, smaller suppliers are pushing for domestic refining rather than just exporting raw materials. Meanwhile, digital hubs are using their critical infrastructure to gain strategic leverage, exemplified by Malaysia, where Johor's rapid data center expansion works in tandem with Singapore's global connectivity network.⁴⁴

Western friend-shoring initiatives, like the EU's Critical Raw Materials Act and the Minerals Security Partnership, operate alongside Chinese-backed infrastructure and resource-investment programs, creating overlapping blocs. This forces multinationals to navigate duplicated supply chains, fragmented talent pools, and competing compliance regimes across multiple geopolitical spheres.^{45,46}

Digital Finance

Digital finance is emerging as another arena of strategic competition, shaping not only how countries trade and invest, but also how they exercise influence and build economic resilience. The contest today involves digital payment networks, central bank digital currencies, stablecoins, cross-border settlement systems, tokenized capital markets, and the evolving architecture of reserve currencies. The U.S., China, and a small group of other economies are each promoting their preferred settlement channels. In the era of sanctions, export controls, and restrictions on capital flows, control over digital finance systems increasingly acts as a tool of economic statecraft.

In China, the People's Bank of China (PBOC)'s digital yuan (e-CNY) has become the world's largest central bank digital currency pilot.⁴⁷ China also co-anchors mBridge with the Hong Kong Monetary Authority, the Bank of Thailand, and the UAE.⁴⁸ This cross-border settlement platform processed around \$55 billion by early 2026, creating a digital corridor for trade and finance between Asia and the Gulf.⁴⁹

China's digital finance system is extending through settlement channels, or rails, that operate beyond its borders. The Cross-Border Interbank Payment System (CIPS) processed \$25.5 trillion in 2025, with 193 direct participants and over 1,500 indirect participants across 124 countries and regions.⁵⁰ In June 2026, the PBOC authorized a continent-wide RMB clearing bank in Africa, offering the continent access to China's financial system without routing through the dollar.⁵¹ RMB settlement has continued to rise in China's trade, across ASEAN, and in Russia-China commerce.^{52,53}

China's fintech ecosystem is further pushing outward through financial centers including Hong Kong and Shenzhen, while platforms such as Alipay, WeChat Pay, and UnionPay continue to gain traction across ASEAN, Africa, and the Middle East, often bundled with merchant tools, credit scoring, and digital identity technology.⁵⁴

The U.S. has managed to preserve and selectively modernize the dominance of the U.S. dollar by linking its traditional capital market strengths with emerging layers of digital finance.⁵⁵ U.S. markets remain the deepest and most liquid in the world, and periods of global uncertainty continue to drive investors toward treasuries, dollar debt, and American private capital.

Rather than replacing the banking system with central bank digital currencies, the U.S. is extending dollar reach through private-sector innovation such as dollar-backed stablecoins, tokenized deposits, and on-chain settlement rails. Driven by world-leading software and financial engineering talent, these tools expand dollar use in digital environments, including in emerging markets, without changing the core monetary framework.⁵⁶

Sanctions have also shown that Washington can inflict real macroeconomic pain by restricting financial access. Combined with control over dollar clearing, Society for Worldwide Interbank Financial Telecommunication (SWIFT) access, and U.S. financial regulation, this gives the U.S. powerful leverage over global capital flows and sanctions enforcement.⁵⁷ The dollar still accounts for roughly 58% of allocated foreign exchange (FX) reserves and around half of global payments, with a similar share of trade finance messaging.⁵⁸

In other economies, control over financial networks is splitting into different camps. The global financial system is drifting toward a model where the U.S. dollar coexists with alternative settlement systems.⁵⁹ The dollar remains influential, but its share in some bilateral energy and commodity trades is declining as countries hedge against sanctions risk by using euros, yuan, and local currencies.⁶⁰

European policymakers have also pushed for greater payment sovereignty, warning that dependence on foreign rails creates strategic vulnerability. In response, Europe is diversifying cross-border payments through the Single Euro Payments Area, Wero wallet, and the planned digital euro by 2029.⁶¹ Meanwhile, links between national payment networks like India's UPI and Brazil's Pix, driven by domestic fintech software talent, are building new cross-border rails.⁶² Cross-border experiments such as Project mBridge show that central banks in Asia and the Middle East can settle trade directly in their local currencies, reducing reliance on corresponding banking and SWIFT.⁶³

Alongside this, dollar-, euro-, and yuan-linked tokens, as well as gold-backed digital instruments, are emerging as regional settlement tools. To insulate their economies from Western economic statecraft, many states are building redundant clearing networks and alternatives to SWIFT.⁶⁴ By establishing these parallel channels, they can settle energy and commodity transactions outside Western oversight, weakening the reach of sanctions, capital controls, and financial monitoring.

Part 3: Critical Uncertainties Underlying Scenarios

While structural tensions have built up over years, immediate catalysts across technology, resources, and finance are now rapidly accelerating systemic change. The global operating environment has fundamentally shifted from one organized around integration and efficiency to one where resilience, ecosystem choice, and geopolitical positioning are core strategic variables. Uncertainty is now a permanent feature shaping long-term investment, trade, and innovation. The bridge between current realities and future strategic scenarios rests on core uncertainties in the three strategic domains.

In the AI domain, the central uncertainty is which combination of cost, capability, infrastructure, and governance will win broad market adoption. A China-anchored path relies on lower-cost chips, bundled infrastructure, and robotics leadership diffusing across Asia and the Global South. U.S. primacy depends on maintaining its frontier AI compute lead alongside allied cloud networks and standards. A multipolar outcome emerges if neither stack dominates, leaving countries and enterprises fragmented across competing technologies and incompatible regional standards.

In new energy, the uncertainty centers on who can secure the power, critical minerals, and industrial capacity required to scale AI data centers and advanced manufacturing. A China-anchored outcome is driven by cost-competitive equipment and state-backed financing that embeds supply chain dependence across developing markets. U.S. primacy requires rapid domestic grid expansion paired with assertive hemispheric mineral partnerships. A multipolar result leaves energy systems, mineral access, and project finance regionalized across competing national blocs.

In digital finance, the structural question is whether the dollar-centered system retains its dominance or alternative rails become the default settlement layer. A China-anchored path accelerates if nations hedge against politically conditional Western channels by adopting e-CNY, multi-digital-currency arrangements like mBridge, and RMB trade rails. U.S. primacy requires preserving institutional trust while expanding the dollar's digital reach via regulated stablecoins and tokenized assets. A multipolar outcome occurs if trust in any single system erodes, forcing regional blocs to operate parallel settlement networks to safeguard their autonomy.

How these critical uncertainties intersect and play out over the coming decade will dictate which global operating environment ultimately takes hold. The following section translates these diverging dynamics into three distinct future scenarios: a China-anchored order; renewed U.S. primacy; and a fragmented multipolar environment. It assumes that today, China and the U.S. stand as credible contenders; these scenarios instead imagine the futures that could emerge once that balance tips, given developments in each domain. It proposes key strategic postures for Asia-operating firms under each scenario.

Part 4: Three Futures

A China-anchored order, renewed U.S. primacy, and a more fragmented multipolar environment would each produce different technology ecosystems, energy networks, and financial architectures, along with their own business opportunities and challenges. This section explores how each of the three plausible scenarios could reshape the strategic choices facing businesses in Asia.

First scenario: China-anchored order

In a scenario where China succeeds in gaining leadership across the strategic domains of AI, new energy, and digital finance, Beijing extends its state-guided model through what this briefing describes as “Silk Road 3.0,” a platform that links technology, infrastructure, and finance into one outward-facing system.

Chinese-origin technology and standards diffuse globally not only because they are cost-efficient, but because they are often the fastest and most readily available route to development. Chinese open-weight AI models allow for easy integration, adoption, modification, and scaling, while its robotics stack also helps offset labor shortages in manufacturing, logistics, eldercare, and services, creating a robot dividend that cushions the effects of an aging population and shrinking workforce domestically and overseas.

China’s new energy base, which underpins its own economy, also shapes global electrification and clean mobility. Chinese EVs are widespread in overseas markets. Many countries depend on Chinese batteries, storage systems, and technical standards across passenger vehicles, low-altitude mobility platforms, and drone logistics. China’s lead in solar and wind, combined with its control over critical minerals and battery manufacturing, has turned its new energy system into a de facto industrial template for much of the world. The most straightforward path is to plug into this China-centric model; the alternative is to accept slower, costlier, and more fragmented options.



AI-generated illustration created with the assistance of Qwen, depicting a hypothetical China-anchored order. This image portrays a conceptual vision of everyday life in an urban Chinese city, enabled by AI, electrification, low-altitude logistics, and payment-enabled wearable devices. It is provided for conceptual visualization only.

Digital finance acts as the layer that locks the wider ecosystem in place. RMB clearing, e-CNY, and mBridge evolve into the systems that allow for trade, commodities, and infrastructure finance to move through China-linked rails, with less dependence on the dollar system. As Chinese technology, energy, and finance are increasingly bundled together, payment and identity platforms are onboarded alongside cloud, telecoms, and AI, embedding Chinese financial and data architectures into everyday transactions. For partner countries across ASEAN and Africa, RMB settlement, CIPS connectivity, and mBridge corridors become operational necessities.

Together, these elements form the backbone of China's "Silk Road 3.0," a shift from hardware exports to soft connectivity that spans AI governance, standards-setting, and integrated packages combining cloud, AI, energy infrastructure, and digital finance. In this scenario, China's ecosystem becomes the default platform for many countries, while the U.S. maintains a more geographically bounded alternative ecosystem and also finds it increasingly difficult to disentangle from Chinese supply chains, technical standards, and industrial capabilities. The result is a China-anchored system in which the U.S. retains competing platforms, but either operates on a narrower scope and scale or remains dependent on Chinese inputs and networks in key sectors. For Asia-operating firms, the practical implication is to engage deeply with Chinese ecosystems where they matter most, but to also preserve funded exit ramps so that strategic flexibility is not lost if the environment changes.

Key Strategic Posture: Engage Deeply, Hedge Continuously

In a China-anchored world, Asia-operating firms cannot afford to remain on the sidelines. China, in this scenario, is too important as a source of demand, technology, capital, and standards. At the same time, excessive dependence on any single ecosystem will create political and operational risk.

- **Participate actively in Chinese ecosystems.** Treat Chinese AI, cloud, robotics platforms, and major frontier-model labs as first-class options and build serious capability around them, particularly for operations serving China and the broader Digital Silk Road.
- **Develop capabilities around Chinese standards, platforms, and financing mechanisms.** Treasury teams should be able to settle in RMB and, over time, use e-CNY and mBridge corridors, while retaining strong dollar liquidity and compliance. CIPS connectivity and RMB clearing relationships should be treated as operational assets, not just back-up lines.
- **Maintain diversification across supply chains, tech stacks, and funding sources.** Diversification across these areas allows volumes to be shifted if geopolitics change. That means multi-location manufacturing, multi-cloud architectures, and back-up suppliers for critical inputs.

Second scenario: Renewed U.S. primacy

The U.S. leverages its structural strengths across the three strategic domains to maintain dominance over the core platforms of the global economy. It exercises technological and financial primacy to push global markets onto U.S.-defined standards, digital architectures, and energy-linked infrastructure.

The U.S. establishes hegemony in AI by shaping the foundational stack—compute infrastructure, frontier models, and key semiconductor IP—as well as the application layer, effectively nudging global industries to build on American-led platforms. Over time, this creates powerful digital path dependencies, as foreign firms find it increasingly difficult to reach the technological frontier without licensing or interoperating with U.S. technology stacks.



AI-generated illustration created with the assistance of ChatGPT, depicting a hypothetical renewed U.S. primacy future. This image portrays a conceptual vision of everyday life in a future American city, where AI, clean electrification, autonomous mobility, drone logistics, and digitally-enabled public spaces support a more connected, human-scale urban environment. It is provided for conceptual visualization only.

Energy becomes a strategic force multiplier. The U.S. combines its hydrocarbons advantage with a reshoring push in clean-tech manufacturing to remain a central supplier across both legacy and transition energy systems. Together with close allies, it dominates fossil fuels, grid infrastructure, and critical mineral refining, reducing exposure to price shocks and resource coercion from rival powers.

Financial primacy is preserved by embedding the U.S. dollar (USD)-centered system into digital rails. Dollar stablecoins, U.S.-backed payment networks, and sanctions compliance become standard features of global trade. Because energy, technology, and commerce remain largely invoiced and financed in dollars, Washington retains exceptional leverage over the world economy while benefiting from lower borrowing costs that reinforce domestic investment.

In this scenario, U.S. primacy is self-reinforcing: Control over standards, capital, and infrastructure deepens dependence of other countries on American systems. China and its closely-aligned partners retain alternative platforms. However, this coalition risks being isolated from cutting-edge Western IP and capital and left operating parallel financial, technology, and energy rails that remain comparatively constrained, technologically lagged, and costly to maintain.

Key Strategic Posture: Align with Innovation Leaders

Competitive advantage increasingly flows from access to American-led ecosystems of technology, talent, capital, and research. Firms that are deeply embedded in these networks gain privileged access to frontier innovation.

- **Build supply chain resilience in U.S.-aligned regions.** Prioritize friend-shored production and sourcing across North America, European, and Indo-Pacific trade corridors to reduce exposure to tariffs, export controls, and strategic supply disruptions. Audit exposure to critical minerals such as lithium, copper, and rare earths, and locate energy-intensive assets like fabs and data centers in jurisdictions with secure nuclear or reliable grid power.

- **Standardize on U.S.-compliant technology platforms.** Standardize corporate IT, cloud, and AI architectures on U.S.-compliant platforms such as Microsoft Azure, AWS, and Google Cloud. Align systems with U.S. data, sanctions, and export-control rules while preserving cross-border operability.
- **Strengthen dollar liquidity and digital settlement capability.** Maintain strong dollar liquidity while adding regulated USD-backed digital settlement tools, such as stablecoins or tokenized deposits, to reduce settlement and FX risk and enable 24/7 cross-border payments.

Third scenario: Multipolar environment

In this scenario, the international systems in AI, new energy, and digital finance move away from a single or dual center, giving rise to a multipolar environment defined by distinct and competing hubs.^{65,66} Rather than a world defined by the U.S. or China, influence consolidates around critical regional poles as multiple hubs of strength emerge across AI, energy, and digital finance. Regional blocs and middle powers such as the EU, India, the Gulf Cooperation Council (GCC) states, and key Global South economies practice selective multialignment to strengthen tech sovereignty, build energy resilience, and experiment with parallel financial rails.

Middle powers in Asia and beyond are also pursuing a “G Minus Two” strategy, deepening lateral security, technological, and defense ties among themselves as a form of geopolitical insurance.



AI-generated illustration created with the assistance of Artlist and Gemini, depicting a hypothetical multipolar future. This image is provided for conceptual visualization only.

For the U.S., fragmentation weakens structural hegemony. As alternative settlement systems expand, sanctions and export controls lose some coercive power, and U.S. multinationals face higher compliance costs. For China, it limits global ambition. Middle powers use Western capital to avoid over-dependence on Chinese supply chains, while local-content mandates across ASEAN and India constrain Beijing’s ability to export its industrial overcapacity.

At the foundational layer, fragmentation splits the AI supply chain into regional clusters and sovereign base models, as middle powers rely on open-weight architectures, localized data centers, and non-U.S. silicon. The application layer then shifts from globally standardized software to modular, locally compliant AI agents tuned to regional rules, such as the EU AI Act and national health-data laws.

Resource-rich states and regional hubs press for greater downstream value capture. Major producers such as Indonesia, Zambia, and several other African economies are imposing export bans, local-processing rules, and tougher investment terms, forcing foreign firms to localize more of the value chain or face higher costs and restricted market access. Global capital markets become more balkanized as non-Western economies deploy multi-currency bridges, like Project mBridge, and local-currency rails to bypass USD-centric chokepoints. Multinational firms are then forced to maintain hybrid treasury operations —handling SWIFT/USD settlement alongside peer-to-peer digital systems—sharply increasing operational complexity and compliance risk.

Key Strategic Posture: Build and Fortify Strategic Agility

In a fragmented environment with multiple centers of power, success depends less on “choosing a side” and more on maintaining the flexibility to operate across multiple systems at once.

- **Build strategic agility across multiple markets.** Maintain flexibility to operate across several systems at once, rather than choosing a single bloc or growth engine.
- **Establish positions in priority regions.** Build meaningful market positions across ASEAN, India, Europe, the Gulf, and selected African markets to diversify growth and reduce dependence on any one geography.
- **Design adaptable global operations.** Design flexible business operations and strong regional partnerships to easily adapt to local laws and avoid over-reliance on any single country or supplier.
- **Track shifts and preserve optionality.** Continuously monitor geopolitical and policy developments and keep expansion and exit options open.

Conclusion

This briefing has mapped how states compete for dominance in three strategic domains—AI, new energy, and digital finance—through policy choices, talent pipelines, capital allocation, and infrastructure decisions. Whether the future tilts toward a China-anchored order, renewed U.S. primacy, or a multipolar environment, each scenario points to different configurations of country dominance in these contested realms and, in turn, different constraints and opportunities for firms operating from Asia.

Rather than prescribing a single corporate playbook in an era of uncertainty, the briefing clarifies where structural leverage is likely to sit in each configuration and how shifts in the driving forces of policy, talent, capital, and infrastructure can reshape the operating environment for Asia-focused businesses. For each scenario, it offers a key posture—not as a one-size-fits-all solution, but to highlight which forms of resilience and optionality are most relevant to that particular future.

Business leaders who factor these patterns of potential country dominance into their scenario work across AI, new energy, and digital finance will be better placed to interpret shocks, anticipate where capabilities and influence may concentrate, and decide which options—across supply chains, technology stacks, financing channels, and talent networks—are worth building as the future takes hold.

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Endnotes

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