



Navigating Geopolitical Shifts: Strategies for Businesses in an Uncertain World

The global geopolitical landscape is shifting rapidly. The return of the Trump administration, rising protectionism, supply chain disruptions, and technological decoupling are reshaping business strategies. ASEAN, sitting at the crossroads of these developments, faces both challenges and opportunities.

In this dialogue, IGPI Singapore's leadership examines the most pressing geopolitical risks and how businesses can transform uncertainty into strategic advantage.

Trump 2.0: A Game Changer for ASEAN's Sustainability Sector?

The second Trump administration raises concerns about the future of sustainability investments in ASEAN. Over the past few years, the region has seen significant momentum in areas like hydrogen, carbon capture, and renewable energy, driven by global commitments to climate action. However, if the U.S. shifts its stance, corporations may pause to reassess their exposure, delaying projects and investment decisions.

Yet, the broader trajectory remains clear. Climate change is accelerating, and public pressure for action is growing. While short-term disruptions may occur, long-term sustainability initiatives will continue, supported by multilateral agreements like COP16 and coalitions led by Japan and Singapore. Rather than retreating, businesses should take a calibrated approach—hedging against political shifts while staying committed to the long-term potential of green investments.

The End of Globalization and the Rise of Regionalization

For decades, globalization followed a predictable formula: source raw materials at the lowest cost, manufacture in cost-effective locations, and export to high-margin markets. However, digitalization and shifting geopolitical realities are making this model obsolete.

The new paradigm is regionalization—where companies leverage regional synergies rather than purely global supply chains. ASEAN firms are already adapting – companies like Vietnam's VinFast are not just producing electric vehicles but integrating them into smart city ecosystems, creating value beyond manufacturing. In contrast, many Chinese manufacturers continue to operate under old globalization rules, aggressively exporting amid domestic slowdowns.

This shift presents a strategic imperative for ASEAN, Japanese, and Korean firms: competing solely on cost is no longer viable. The future lies in regional collaboration, digital integration, and problem-solving within ASEAN's unique ecosystem.

Geopolitical Risks That Will Shape ASEAN's Future

The next three to five years will be defined by several key geopolitical risks. The trajectory of U.S. trade policy remains a central concern. A more protectionist America could disrupt trade flows and unsettle markets. Meanwhile, conflicts in Ukraine, the Middle East, and potential tensions in the Taiwan Strait pose risks to supply chains, energy prices, and currency stability.

Beyond military conflicts, the geopolitical landscape is being reshaped by ideological battles. A growing backlash against sustainability policies, particularly in parts of the U.S. and Europe, could slow the green transition. Political instability is another concern, with leadership changes in Indonesia, Japan, and Korea introducing regulatory unpredictability. Resource nationalism is also emerging as a critical factor, as major powers compete for control over strategic minerals and supply chains.

Japanese businesses in ASEAN must prepare for these disruptions, not just by managing risk but by identifying where opportunities may emerge in this shifting landscape.

Industries that Are Poised to Benefit from Geopolitical Uncertainty

Periods of uncertainty often create openings for specific industries. The defense sector, particularly outside the U.S., is set to expand as European and Asian countries ramp up military spending. Infrastructure and housing will benefit from deregulation in key markets like India, Indonesia, and China, creating opportunities for investment. The digital economy, including fintech and e-commerce, will continue to thrive as shifting regulations open new doors for innovation.

Rather than seeing uncertainty as a purely defensive challenge, businesses should approach it as an opportunity to reposition for long-term growth.

How Businesses Can Stay Ahead Without Overreacting

The flood of daily political events makes it easy for companies to fall into a cycle of reaction rather than strategy. But geopolitics should be a tool for shaping long-term vision, not just a series of immediate risks to manage.

Companies must expand their strategic horizons. Instead of focusing solely on domestic markets or short-term disruptions, they need to analyze how resource flows and political alliances will evolve over the next decade. This means thinking five, ten, or even twenty years ahead rather than getting caught up in daily headlines.

Equally important is ensuring that geopolitical strategy is not confined to top management. Mid-to-long-term planning must be embedded across the organization, from leadership down to operational teams. This prevents businesses from being swayed by short-term noise and ensures consistency in strategic execution.

Building a Geopolitical Intelligence Function That Drives Strategy

Many companies recognize the importance of geopolitical intelligence but struggle with making it actionable. The most common mistake is relying on fragmented, news-driven analysis that lacks business relevance.

A well-structured intelligence function requires an **in-house team** that interprets global events through a business-specific lens. Rather than dispersing intelligence efforts across multiple units, companies should establish a centralized function that synthesizes insights across the organization.

However, internal teams cannot do this alone and collaborating with external experts is essential. While external specialists bring deep geopolitical insights, they often lack the granular understanding of how these developments impact specific industries. A hybrid model—combining internal expertise with external analysis—allows companies to build a nuanced, actionable intelligence framework.

At IGPI, we have supported multiple clients in setting up business intelligence teams that do more than just track events. Our approach focuses on turning intelligence into **clear, strategic direction**—ensuring that insights are not just collected but used to drive real decision-making.

Turning Geopolitical Risk into Strategic Advantage

Geopolitical uncertainty is not a passing trend—it is the new reality. Companies that continue to view it as an external risk rather than an integral part of strategy will find themselves constantly reacting rather than leading.

The businesses that succeed in this environment will be those that recognize:

- The era of globalization is over, and regionalization is the future.
- Geopolitical risks are not just threats—they are opportunities for those who anticipate them.
- Intelligence is only valuable if it is structured to drive long-term strategy, not just immediate reactions.

At IGPI, we specialize in helping businesses decode geopolitical complexity and turn risks into competitive advantages. In an era where uncertainty is the only constant, the ability to think ahead will define the winners of tomorrow.

To find out more about how IGPI Group can provide support for businesses, browse through our [insight articles](#) or [get in contact with us](#).

Authors

Kohki Sakata, CEO of IGPI Singapore

After joining Cap Gemini and Coca Cola, Kohki joined Revamp Corporation where he managed projects on global expansion and turnaround in various sectors including F&B, healthcare, retail, IT, etc. After joining IGPI, he has managed projects mainly on global expansion and cross border M&A in various sectors such as logistics, IT, telecom, retail, etc. In addition to his broad experience in implementing solutions that has been developed in Western countries, he has developed multiple methods to turnaround Asian companies with focus on setting clear vision and employee empowerment. Kohki has proven the practicality of these methods by turning around Asian companies not only as an advisor but also as senior management.

He graduated from Waseda University Department of Political Science and Economics and IE Business School.

Shivaji Das, Managing Director of IGPI Singapore

Shivaji has over 20 years of strategy consulting experience, specializing in New Business Models, Innovation Roadmaps, and Sustainability Journeys. He has worked with private and public sector clients across 25 countries in sectors like Technology, Semiconductors, Chemicals, Healthcare, Renewable Energy, and Construction. Previously, Shivaji was a Partner and Managing Director-APAC at Frost & Sullivan. His paper on Artificial Intelligence was presented at CAINE-2000 in Hawaii, USA. He is the author

of seven acclaimed travel, art and business books including *The Visible Invisibles* and *Rebels, Traitors, Peacemakers* (both Penguin Random House), as well as *The Great Lockdown: lessons learned during the pandemic from organizations around the world* (Wiley, USA).

He is an alumnus of IIT Delhi and IIM Calcutta.

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137 Telok Ayer Street #05-01 Singapore 068602

TEL : +65 6226 1524 URL : <http://www.igpi.com.sg>

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