

The EU and India: Inevitable Partners for a Rules-Based International Order

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Introduction

During most of the past 80 years, the world has witnessed an unparalleled period of structural stability. Multilateral institutions—economic, political, and military—have been relatively successful in preventing the world from becoming anarchic in the post-war decades. However, a key characteristic of the post-1945 order was that it was not fully just or liberal. In recent years, the pendulum has clearly swung toward favoring power as the most defining feature of global order. The last decade, in particular, has seen great strain on the norms and institutions of multilateralism.

For Europe and India, the development of an order where might trumps right is disastrous. Both are too weak to thrive in a world that is increasingly shaped by the loudest, the shrillest, and the most unpredictable. Europe and India thrive in a world of rules and principles that hold every nation equally accountable. Yet there is insufficient appreciation of each side's history and sources of support for multilateralism.

Key Takeaways

Shared principles as public goods: Both India and Europe view multilateralism as essential for maintaining predictability, legitimacy, and stability in a world increasingly dominated by great-power rivalry. For both, global principles function as public goods that create shared responsibility and safeguard fair, orderly, and transparent access to critical resources and markets.

Shared reform hunger: Both actors recognize that the multilateral system is under stress; from the weaponization of trade and finance, great-power unilateralism to emerging digital challenges. Reform rather than replacement is the shared objective, with issue-specific, technically achievable improvements prioritized over broad systemic overhauls.

Norms as foundation for strategic coordination: India and Europe can leverage their alignment to push practical reforms in global governance—ranging from United Nations Security Council representation and and safeguarding the World Trade Organization (WTO) to green transition financing and physical and digital standards—without waiting on US or Chinese leadership.

Policy Implications

By translating shared commitments into structured platforms for reform, Europe and India can shape a multilateral order that is both principled and practical. Linking bilateral engagement with broader multilateral objectives allows both nations to protect institutions like the WTO, advance climate targets and the energy transition, and set emerging standards for physical and digital governance. A focused, pragmatic agenda of this kind can transcend historical misalignments, driven by the shared threats of today, into a forward-looking partnership capable of shaping a rules-based international order in the age of great-power rivalry.

Greater understanding of each other's multilateral priorities and concerns will reinforce their efforts to build international cooperation today.

The 2025 New EU-India Strategic Agenda reiterated both parties' commitment to cooperating on sustaining global governance amidst geopolitical headwinds. It underscores the core motivation driving collaboration, describing the European Union (EU) and India as "like-minded and trusted partners, (who) support a rules-based international order anchored in respect for sovereignty, effective multilateralism, and open, predictable cooperation." At a time when multilateralism is under immense stress, questions persist around the continuing motivations of players like India, and even the EU, in their commitment to the rules-based order. A pragmatic and realistic readjustment has long been underway in EU-India cooperation.

This policy brief explores the long-standing divergences in Europe and India's approach to multilateral governance—rooted in historical experience and interest-based considerations—to better understand the current moment and identify arenas of promise.

Shaping Approaches to Multilateralism: The European and Indian Experience

The EU's Coming to Terms with Multilateralism

Among the 51 founding members of the United Nations (UN) in 1945, 14 were European countries. Italy and Germany, who at that point had not regained their sovereignty, were not part of this group, joining in 1956 and 1973 respectively. For the European states, who had fought two wars with disastrous

consequences within only 30 years, peace and stability in Europe and the world were the highest priorities. Three elements were formative in developing a shared set of ideas with which most Western European countries subsequently identified.

Firstly, the United States (US) emerged as the dominant power in Western Europe and extended its influence through development cooperation (the Marshall Plan), deeper transatlantic economic integration, and security cooperation through the North Atlantic Treaty Organization (NATO). Given the US' crucial role in defining the outcomes of the Second World War, and its role in post war economic development and security cooperation, it was widely accepted as a necessary and benevolent actor for peace and prosperity in Europe. The transatlantic partnership strengthened over the decades with countries like the United Kingdom (UK), Germany, and the Netherlands developing a particular fondness of international US-leadership. With France and the UK, two European US allies in the new UN Security Council as permanent members, the trans-Atlantic cooperation acquired a global dimension and institutionalized international political collaboration between the so-called "P-3".

Secondly, Western European countries agreed that the age of political and ideological extremes on their own continent had to end; so too must their imperial economic rivalries abroad. Strong democratic institutions, regional integration, and export-led growth were seen as guarantors for stability, peace, and prosperity in Europe. Yet, this conception was highly Eurocentric. Winston Churchill epitomized this contradiction: he coined the idea of the "United States of Europe"², thereby emphasizing that continental European countries should charter a new course of peaceful co-existence and shared principles. At the same time, he strongly

¹ High Representative of the Union for Foreign Affairs & European Commission. (2025). Joint communication on a new strategic EU-India agenda (JOIN(2025) 50 final). European External Action Service.

https://www.eeas.europa.eu/sites/default/files/2025/documents/JOIN_2025_50_1_EN_ACT_part1_v9.pdf

² Churchill, W. S. (1946, September 19). United States of Europe [Speech at the University of Zurich]. The International Churchill Society. https://winstonchurchill.org/resources/speeches/1946-1963-elder-statesman/united-states-of-europe/

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supported the notion that the principles such as freedom and self-determinations outlined in the Atlantic Charter don't apply to the colonies. Europe hence started imagining a normatively desirable future entailing shared sovereignty and inalienable human rights while on the other hand holding on to its empires held down by force amid rising nationalist sentiment across colonies. Therefore, an early European multilateral agenda, that included the opposition to decolonization, carried significant internal contradictions.

Thirdly, early imaginations of international order remained focused on reconciliation within Europe, with special focus on integrating Germany into a larger regional architecture, and thereby limiting the prospects of a renewed German quest for regional domination. Equally important was the imperative to fend off the communist threat to Europe within and the Soviet challenge without. NATO provided the security platform, whose implicit objective was to "keep Germany down, Russia out, and America in". Economically, the European Coal and Steel Community, the European Atomic Energy Community, and the European Economic Community became early manifestations of a new regional economic order.

This focus on European security through a military alliance and the Cold War with the Soviet Union inevitably undermined the UN Security Council, originally designed as a vehicle of cooperative security among the victorious Allies, including Moscow. But post-war economic multilateralism worked much better. With Russia out of the Bretton Woods system and much of the world adapting capitalist models, the International Monetary Fund (IMF), the World Bank, and the General Agreement on Tariffs and Trade (GATT) led by the West presided over an economic

order that facilitated reconstruction and global prosperity.

The end of the Cold War, marked by the end of great power rivalry, reinforced multilateralism—both politically and economically. The 1990s saw the revival of the UN Security Council as a major force in dealing with international security challenges. The new consensus on globalization, marked by the entry of China and Russia into the World Trade Organization (WTO), the modified version of GATT, promised deeper economic integration of the entire world under very liberal rules. But the turn of the century brought renewed contestation between the West and Russia/China. While Europe remained committed to multilateralism, the US, China, and Russia grew less so, weakening collective institutions.

India's Legacy of Multilateral Thinking

India, also among the 51 founding UN members, was one of the few colonized states to participate fully. The Government of India had a semi-legal international personality long before independence, holding membership in organizations such as the International Labour Organization (ILO) and participating in the League of Nations.

Early Indian delegations at the UN were known for their fierce engagement on all major global issues in the collective bargain for multilateral processes. This activism—led by towering personalities like the diplomat Hansa Mehta and India's first Prime Minister Jawaharlal Nehru himself—echoed the importance it attached to multilateral norms and being a part of its creation. For Indian lawyers, who led the Indian national movement and were inspired by internationalism in the inter-war period, it was natural to enshrine

³ German Federal Foreign Office. (2015, June 30). Press statement on NATO and European security. https://www.auswaertiges-amt.de/en/newsroom/news/150630-nato-273040

⁴ LiveMint. (2019, June 11). The Bretton Woods Conference: The Indian story [Opinion column]. https://www.livemint.com/opinion/columns/opinion-the-bretton-woods-conference-the-indian-story/amp-1560254374554.html

⁵ United Nations. (n.d.). Women who shaped the Universal Declaration of Human Rights. https://www.un.org/en/observances/human-rights-day/women-who-shaped-the-universal-declaration

respect for international law in the directive principles of the Indian constitution. Beyond the UN, India also became a founding member of the Bretton Woods institutions.

Nehru's engagement with multilateralism in the early years after independence was suffused with the spirit of internationalism and a rejection of power politics that had produced two world wars. India's idealism stands in stark contrast to its modern interest-driven approach. However, India's activism at the UN—on apartheid, decolonization, and nuclear disarmament—was not merely moralpolitik, but a realistic political imperative. "Nehruvian idealism" also has a strong interest-based core that helped India project credibility and relevance in global forums that was often disproportionate to its limited material power at the time as a newly independent state.

The UN's handling of the Kashmir dispute following the 1947–48 war marked the beginning of India's gradual disillusionment with global multilateralism on security issues. The UN's inability to mediate a swift resolution undermined Indian belief in its ability to effectively mediate the vagaries of the Cold War. The episode continues to cast a long shadow, shaping domestic sensitivities around multilateral engagement, where any Indian flexibility to international mediation is often viewed as compromising national sovereignty. But India did not throw away its commitment to larger internationalist goals.

The inevitable collapse of colonial empires and the rollback of apartheid underline the righteousness of independent India's international goals in the immediate aftermath of independence. And India's goals on arms control and disarmament retain their relevance today. However, economically, its inward orientation domestically and its quest for a new international economic order crashed against the logic of capitalism. India had to yield ground on both when its economic model collapsed in 1991.

After 1991, economic liberalization accelerated the realist dimension of its multilateral engagement. Long having framed its foreign policy in the language of norms, especially at global multilateral platforms, India increasingly combined ideals with explicit material and strategic goals. Beyond norm-setting, engagement with multilateral structures—like the UN and its climate initiatives and the international nuclear regime—eventually became imperative to shape the international system in line with India's own rising ambitions. Subsequent disruptions like the 1997 Asian financial crisis further underscored the limits of a rules-based order dominated by established powers. India joined major European countries and other emerging economies in advocating for more representative and flexible forums, ultimately contributing to the formation of the G20. India remained committed to multilateralism, but on its own terms, platforming its socio-economic interests, while combining moral rhetoric and strategic self-interest.

Multilateralism Under Stress

Today's multilateralism is challenged from at least three directions simultaneously. First, the US under President Donald Trump has largely turned against the system it helped create by deliberately weakening its political and economic foundations. Second, forcible territorial conquest—by China, Russia and Israel—exposed the weaknesses of the international order to uphold one of its essential principles. Third, the backlash against liberal economic and political values, especially in developed countries in recent years, undercut the claims of universalism of the post-1991 unilateral order. Coming to terms with these three trends has become an urgent challenge for both India and Europe that continue to swear by their commitments to multilateralism.

India's Multilateralism Today

India continues to profess strong support for a multilateral order and a UN system, viewing them as imperfect but useful instruments for sustaining

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legitimacy and a measure of systemic stability. None-theless, this support is centered around calibrated self-interest and rooted in an understanding that multilateral institutions designed in the mid-20th century often constrain, rather than enable, the aspirations of emerging powers. Its emphasis therefore is on "reformed multilateralism" that gives greater representation for India. India has also sought to position itself as a bridge between the Global South and the developed North. We see this in the effort to reinforce the "voice of the Global South" during its presidency of the G20 in 2023 and its promotion of the African Union's membership of the forum.

At the same time, India often finds itself at loggerheads with the multilateral order on economic governance. Its staunch defense of agricultural and industrial protections within the WTO illustrates its challenges of nation building and its position as a latecomer to global capitalism. Beyond core economic interests, India has demonstrated leadership with new multilateral initiatives like the International Solar Alliance (ISA) in partnership with France. But the effectiveness of these initiatives remains to be proven as China dominates solar technologies and their supply chains. A quest for leadership without significant competences underlines an enduring problem for Indian multilateralism. Thus, even on the broader question of climate change, India's calls for balancing development with mitigation leave it in an uncomfortable position amid the growing 'greenlash' in the US and Europe against climate-friendly policies, as well as rising dependencies on China.

India's approach to multilateralism is not revolutionary or revisionist. It seeks to update the existing architecture. Given India's early disillusionments with multilateralism, the contemporary crisis of global institutions registers less acutely in New Delhi than in Europe, which has historically been more deeply anchored to, and reliant upon, the multilateral order. The political limitations of the UN Security Council to mediate conflict, and the influence of power plays in the processes, is something that feels familiar to India. Its motivations for reforming, and thus propping up, the declining fortunes of the rules-based international order are decidedly issue-specific. In the UN system, this translates into its long-standing demand for Security Council reform to reflect contemporary power realities. The expansion of the UN Security Council is not exactly in the realm of possibility. Hence, India needs to find other ways to influence and shape multilateralism.

Europe's Multilateralism Today

The EU retains a strong commitment towards the multilateral UN system, yet its agenda is characterized by several conflicting goals. European states' criticism of multilateralism comes from different political viewpoints and is directed at different policies and institutions. With stagnating economic growth and rising domestic inequality, many Europeans have become more skeptical of supporting the multilateral developmental agenda. There is a drift towards a greater nationalist approach to international issues. In terms of international security, Russia's war in Ukraine has further undermined Europeans' trust in the UN Security Council as a possible platform to resolve conflict. The realization across EU capitals that Europeans have to lead the efforts in protecting European security is hence not only indicative of the changing transatlantic relationship but also of waning hopes in the current shape of multilateralism.

In contrast to India, the EU finds itself as a status quo power in many domains. Whether we think of the 2015 Paris Agreement or the 2030 Sustainable Development Goals (SDGs), the EU and its member states

⁶ Jain-Grégoire, P. (2024). Exploring India's multilateralism: From non-alignment to strategic autonomy (Asia Centre Report). Asia Centre. https://asiacentre.eu/wp-content/uploads/2024/06/Exploring-Indias-multilateralism-copy.pdf

have left a strong imprint on global norms processes. With great powers increasingly pursuing exceptionalist foreign policies, enforceability of a rules-based world is becoming more difficult to achieve.

Concurrently, the EU and India encounter the possibility of two worlds. One is a place without a functional multilateralism, where instead the most powerful countries make decisions for everyone else. The other is a world in which national interests are mediated by an embrace of equal and fair rules among states. As China, the US, and Russia all currently follow their own respective strategy of "divide and rule", with stark consequences for everyone else, it is urgent for the rest to prevent such an order where might makes right.

Ultimately, India and Europe share the understanding that, to be a fully sovereign actor, the multilateral order needs to be reformed and strong. Both understand that the legitimacy of multilateralism now also rests on demonstrable performance.

The Path Forward: Global Principles as a Public Good

For both India and Europe, universal principles have often served as the currency of legitimacy in international politics.

If material resources such as oceans, orbital space, or medical products can be considered global public goods, then principles serve as their normative counterparts. The Indian emphasis on equity and the European emphasis on standards share the common and pragmatic denominator that shared rules are what make globalization fair and sustainable. In today's climate of great-power rivalry, India and Europe—alongside much of the world—view rules-based cooperation as essential to global stability and maintaining access to resources, rendering shared principles as a public good in itself. India's pandemic

diplomacy, and Europe's leadership for digital sovereignty reflect such an approach. India and Europe need to think about where such a normative alignment can reinforce their shared interests to be "rule-makers" together. Such coordination would be most important for the green transition, the strive for greater supply chain resilience, artificial intelligence (AI) and digital sovereignty norms, as well as in areas of territorial integrity and national sovereignty.

In this sense, India and Europe are motivated reformers for the next chapter of a rules-based system.

Looking ahead, a recast G4 framework linking the EU, India, Japan, and Brazil could provide a platform for reforming multilateral governance less dependent on a great power and well suited to outlive the transition to today's "age of interests". Building a rules-based future together, Europe and India must respect each other as equal partners that can only come to conclusions by joint deliberation and mutual awareness.

Building on the same, a handful of areas stand out as potential areas for concrete cooperation that leverages momentum from the bilateral partnership:

1. Elevate a practical "Reformist G-4" platform

Germany and India could supplement their existing coordination with Brazil and Japan to include the EU for a focused working platform aimed at incremental and achievable reforms of global governance. Rather than focusing solely on UN Security Council expansion, this coalition should develop joint proposals on voting reform and representation in Bretton Woods institutions, global climate finance, and safeguarding the WTO against the weaponization of economic dependencies to resist trade fragmentation.

It can function as the nucleus of a coalition of influential non-bloc middle powers: independent of the US-China tango. Its value lies in technical reforms that keep the multilateral system functional, predictable, and open for mid-sized economies.

2. Globalize bilateral climate cooperation

The EU and India should scale up their bilateral climate cooperation into a practical platform that links technology, finance, and supply-chain governance—building on existing forums such as the Global Energy Transitions Forum and the Global Biofuels Alliance that were mentioned in the 2025 Strategic Agenda. Mutual steps could include:

- Joint proposals on new predictable green financing frameworks within the IMF and the World Bank.
- A structured initiative on global green-hydrogen supply chains, including standards and certification, and involving Global South countries.

By internationalizing their climate partnership, the EU and India can counter a directionless climate financing debate and offer a collaborative path to reconciling the priorities of developed and developing economies.

3. Using the India Middle East Europe Economic Corridor (IMEC) as a joint learning platform to foster subsequent multilateral cooperation

While the project is largely still in a conceptual phase, it appears indicative that the EU and India have decided that IMEC is their key strategic initiative. Both partners view IMEC as a platform to find solutions for major political goals, such as the realization of the green transition, strategic autonomy, and economic

growth. The EU and India should see the coordinative process as a starting point for multilateral cooperation:

- Bilateral discussions on green hydrogen, digital infrastructures, supply chains and logistics could serve as testbeds for global compromises in these areas. This might apply to areas such as norms, standards, as well as for rules of adequate behavior.
- Development of open, safe, secure, and interoperable technical standards to enhance physical and digital connectivity.

The aim is not to design a full global regime but to set baseline expectations that translate broad UN principles into usable public goods—especially for governments that lack regulatory and technical capacity.

Conclusions

Issue-based collaboration in multilateral governance is a likely feature of any EU-India cooperation of tomorrow. That said, both parties are well-placed to drive norm-setting on pressing issues of tomorrow, bolstered by momentum in bilateral cooperation and by the simple but core priority of ensuring a predictable, fair, and representative world order. In an era marked by great-power rivalry, the threat of unilateral disruptions and the re-emergence of "spheres of influence", global principles themselves function as public goods for small and middle powers.

This publication was prepared with the support of the Heinrich Böll Stiftung. The views and analysis contained in the publication are those of the author(s) and do not necessarily represent the views of the foundation.

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Publisher: Heinrich-Böll-Stiftung New Delhi

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Place of publication: in.boell.org Publication date: November 2025

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