

SKRMERIDIAN

CORRIDOR INTELLIGENCE BRIEF NO. 2

Why Middle Powers Are Winning

*How India, Saudi Arabia, the UAE and Singapore are
benefiting from a fragmenting world*

An independent institutional advisory practice operating across India, the Gulf, and Southeast Asia.

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EXECUTIVE SUMMARY

The first Meridian Brief argued that a new capital order is emerging. As geopolitical competition intensifies and economic fragmentation increases, capital is becoming more pragmatic, more selective and increasingly focused on resilience, access and optionality.

If capital is changing its behaviour, an important question follows. Who benefits? The answer is becoming increasingly visible in a small group of countries that occupy strategic positions between the world's major economic centres. India, Saudi Arabia, the UAE and Singapore are emerging as important beneficiaries of a more fragmented global system.

Their success is not primarily a function of military power, ideology or even economic size. It is a function of connectivity. As the global system becomes more divided, the value of trusted connectors increases. Countries capable of linking markets, capital, supply chains and institutions across multiple regions are becoming disproportionately important.

MERIDIAN THESIS

As the world fragments, the ability to provide connectivity becomes a source of influence. The countries that help others maintain optionality may become some of the most valuable strategic assets in the global economy.

1. The Unexpected Winners

Much of today's geopolitical conversation remains focused on the world's largest powers. The United States and China dominate discussions about trade, technology and strategic competition. Europe continues to navigate questions of competitiveness and industrial policy. Regional conflicts command headlines and shape market sentiment.

Yet one of the most significant developments is taking place elsewhere. A group of middle powers is quietly becoming more important.

India is attracting capital across manufacturing, infrastructure, technology and services. Saudi Arabia is repositioning itself as both a major investor and a major destination for investment. The UAE has become a preferred hub for global capital, talent and enterprise. Singapore remains one of the world's most trusted financial and commercial gateways.

These countries differ in scale, history and structure. What they share is something more important. They occupy positions that allow them to connect systems that increasingly struggle to connect themselves.

2. Why Connectivity Creates Leverage

The first Meridian Brief explored how investors increasingly value optionality. This brief examines the other side of that equation. Someone must provide that optionality.

As economic systems fragment, businesses require access to multiple markets. Investors require access to multiple opportunities. Governments seek relationships across multiple regions. The countries that enable those connections become increasingly valuable.

This creates a powerful dynamic. The more fragmented the world becomes, the more important trusted connectors become. And the more important trusted connectors become, the more capital, talent, institutions and relationships they attract. Influence begins to compound.

A financial centre attracts capital. Capital attracts businesses. Businesses attract talent. Talent attracts innovation. Innovation attracts more capital. The result is a reinforcing cycle. Connectivity stops being a convenience and becomes a strategic asset. This may be the most important mechanism shaping the rise of today's middle powers.

3. Four Countries, Four Different Models

Although often grouped together, India, Saudi Arabia, the UAE and Singapore are succeeding through very different models.

India. India's advantage is scale combined with long-term economic potential. It offers investors access to one of the world's largest growth opportunities while simultaneously becoming a significant manufacturing, technology and infrastructure platform.

Saudi Arabia. Saudi Arabia's advantage is transformation. Through ambitious investment programmes and economic diversification initiatives, the Kingdom is attempting to reshape its role within the global economy while deploying significant pools of capital to accelerate that transition.

The UAE. The UAE's advantage is execution. Dubai and Abu Dhabi have spent decades building platforms that allow capital, businesses and professionals to move efficiently across jurisdictions. Their value lies not only in geography but in their ability to facilitate transactions, partnerships and relationships.

Singapore. Singapore's advantage is trust. Institutional credibility, regulatory consistency and financial sophistication have allowed it to become one of the most important gateways between international capital and Asia.

Different strengths. Different strategies. The same outcome. Each has become increasingly difficult for the global economy to ignore.

4. Capital Is Following the Connectors

The behaviour of capital often reveals structural change before political narratives catch up. The evidence is increasingly visible.

Global financial institutions continue to expand in the Gulf. Sovereign wealth funds are becoming more international. Family offices are broadening their geographic exposure. Infrastructure capital is targeting logistics networks, ports, digital infrastructure and energy systems that connect markets rather than serve them in isolation.

This pattern reflects more than a search for growth. It reflects a search for access. Access to markets. Access to relationships. Access to opportunities across multiple regions.

The countries capable of providing that access acquire an advantage that extends beyond traditional measures of economic size. They become platforms. And platforms often prove more valuable than individual destinations.

5. Strategic Influence Without Dominance

Historically, influence was often measured through scale. Larger economies exercised greater power. Larger militaries projected greater reach. Larger markets attracted greater attention. Those measures remain relevant.

But a more connected and complex global economy rewards another capability. The ability to facilitate flows. Flows of capital. Flows of trade. Flows of information. Flows of talent. Countries that become essential junction points within those flows gain strategic significance that exceeds their physical size.

Their influence derives from utility rather than dominance. This distinction matters. Dominance can provoke resistance. Utility creates dependence. The most successful middle powers are increasingly becoming useful to multiple participants simultaneously. That utility is translating into influence.

6. Risks, Frictions and Alternative Outcomes

The rise of middle powers is not guaranteed. Nor is their position unassailable. Connector economies depend upon maintaining trust, credibility and access. Those conditions can change. A bridge only retains value if both sides continue using it.

Escalating geopolitical tensions could force greater alignment pressures on countries that currently benefit from flexibility. Regional instability could disrupt confidence. Policy mistakes could weaken institutional credibility. Execution failures could undermine long-term competitiveness. The very advantages that create influence today require constant maintenance.

This is particularly important because connector status is earned, not granted. History contains many examples of financial centres, trading hubs and intermediary powers that lost relevance when circumstances changed. Middle powers are benefiting from today's environment. Their challenge is ensuring they remain indispensable within tomorrow's.

A MERIDIAN OBSERVATION

The most influential countries of the next decade may not be those that control the largest systems. They may be those that make the largest systems work together.

7. What This Means for Business

The implications extend far beyond governments. Businesses increasingly operate across networks rather than individual markets. Investors increasingly evaluate ecosystems rather than isolated opportunities. Capital increasingly values access alongside growth.

For promoters, institutions and capital providers, understanding connector economies is becoming increasingly important. Opportunities are emerging not merely within countries but between them. The most valuable positions may increasingly sit at the intersection of markets, supply chains, capital pools and strategic relationships.

Connectivity is no longer a supporting advantage. It is becoming a competitive advantage.

Conclusion

The first Meridian Brief examined how capital is becoming increasingly non-aligned and increasingly focused on flexibility. This second Brief examines one consequence of that shift. The countries providing flexibility to others are becoming more important themselves.

India, Saudi Arabia, the UAE and Singapore are not replacing the world's major powers. They are benefiting from their ability to connect them. Their rise illustrates a broader transformation in the nature of influence. In a fragmented world, trusted connectors become more valuable. And as their value increases, so does their ability to attract capital, talent, institutions and opportunity.

The rise of middle powers is not merely a geopolitical story. It is increasingly a capital story. And it may become one of the defining themes of the decade ahead.

SKR Meridian publishes the Corridor Intelligence Brief series to examine the intersection of capital, connectivity, institutions and strategic change across India, the Gulf and the wider international investment landscape.

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