



The Iran–Israel Conflagration: Geostrategic Reverberations and Policy Considerations for ASEAN

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The 2025 Iran–Israel military confrontation marks a critical juncture in Middle Eastern geopolitics, characterized by Israel’s preemptive strike on Iran’s nuclear infrastructure and Iran’s retaliatory assault on major urban centers such as Haifa and Tel Aviv. This escalation framed by decades of ideological antagonism, proxy entanglements, and nuclear brinkmanship has triggered a multilayered crisis with implications far beyond the immediate theatre of conflict. The resultant regional volatility threatens the stability of maritime chokepoints, notably the Strait of Hormuz, which remains central to global energy flows. Reactions from global actors ranging from Washington's unequivocal support for Israel to Beijing and Moscow’s cautious calls for restraint have further entrenched geopolitical divisions within a multipolar order. For ASEAN, the crisis serves as a stress test for energy security policies, as well as the bloc's capacity to uphold diplomatic neutrality amidst intensifying great power rivalries. Malaysia, as ASEAN Chair in 2025, holds a unique position to reinforce a non-aligned stance while advocating multilateral de-escalation mechanisms and regional resilience.

Keywords: Iran–Israel conflict, Middle Eastern geopolitics, Energy security, Global power dynamics, ASEAN diplomacy.

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Introduction

The June 2025 military confrontation between Iran and Israel constitutes a pivotal inflection point in the evolving strategic architecture of the Middle East. On 13 June, Israel launched *Operation Rising Lion*, a multidomain preemptive campaign combining aerial bombardment, cyber sabotage, and targeted assassinations. The operation focused on neutralizing Iran’s nuclear infrastructure—specifically the Natanz and Isfahan enrichment facilities—as well as command-and-control nodes of

the Islamic Revolutionary Guard Corps (IRGC), including its Western Air Defense Zone and missile storage depots (Rasanah International Institute for Iranian Studies [Rasanah], 2025; Foreign Affairs Forum, 2025). The Israeli Defense Forces (IDF) reportedly deployed over 200 aircraft and precision-guided munitions, supported by cyber operations that disrupted Iranian radar and communications systems (The Aviationist, 2025; Eliamep, 2025).

In retaliation, Iran initiated *Operation True Promise III*, launching successive waves of over 200 ballistic



missiles and armed drones targeting Israeli urban centers such as Haifa, Tel Aviv, and Rishon LeZion. These strikes resulted in at least 240 civilian deaths and widespread infrastructural devastation, including the temporary shutdown of the Haifa oil refinery and multiple power stations (Bhardwaj, 2025; Al Jazeera, 2025; Ahram Online, 2025). Iranian officials framed the operation as a legitimate act of deterrence under Article 51 of the UN Charter, though the disproportionate targeting of civilian infrastructure drew widespread international condemnation (RAND Corporation, 2025; UN News, 2025). This escalation reflects a deeper systemic breakdown in deterrence norms and the erosion of the tacit “rules of engagement” that had previously governed the Iran–Israel shadow conflict (Lansing Institute, 2025; Trends Research & Advisory, 2024). For nearly two decades, both states had engaged in calibrated hostilities ranging from cyber intrusions and proxy warfare to covert sabotage without crossing the threshold into direct interstate war. The June 2025 confrontation shattered this equilibrium, signaling a transition from strategic ambiguity to overt confrontation.

Israel’s targeted assassinations of senior Iranian figures including IRGC Commander Hossein Salami, Armed Forces Chief Mohammad Bagheri, and nuclear physicist Mohammad Mehdi Tehranchi represent a doctrinal shift toward decapitation strategies aimed at degrading Iran’s nuclear latency and command resilience (Palestine Chronicle, 2025; The Week, 2025; BBC, 2025). These strikes were not merely tactical but symbolic, intended to undermine Iran’s strategic depth and project Israeli resolve in the face of perceived existential threats.

Conversely, Iran’s retaliatory strikes on civilian infrastructure underscore the asymmetry of its strategic calculus. By targeting densely populated areas and critical energy nodes, Tehran sought to impose psychological and economic costs on Israel while signaling its capacity for escalation. This approach reflects a symbolic imperative to demonstrate retaliatory capability and deterrent credibility, even at the expense of international censure and potential legal repercussions under international humanitarian law (RAND Corporation, 2025; Newsweek, 2025). The June 2025

confrontation marks a paradigmatic rupture in the regional security order, with implications that extend beyond the immediate theatre of conflict. It challenges the efficacy of traditional deterrence frameworks, exposes the fragility of normative constraints on warfare, and raises urgent questions about the future of strategic stability in a multipolar and increasingly volatile Middle East.

Historical and Strategic Context

The protracted hostility between Iran and Israel is rooted in a complex interplay of ideological, strategic, and geopolitical antagonisms that have evolved since the 1979 Islamic Revolution. The revolution, led by Ayatollah Ruhollah Khomeini and later institutionalized under Ayatollah Ali Khamenei, redefined Iran’s foreign policy through the doctrine of *moghavemat* (resistance), which categorically rejects the legitimacy of the Israeli state and frames its existence as a colonial imposition and a manifestation of Western imperialism in the Islamic world (Azizi & Barnes-Dacey, 2024). This ideological posture has been operationalized through a transnational network of proxy actors most notably Hezbollah in Lebanon, Shi’a militias in Iraq, the Assad regime in Syria, and Hamas and Palestinian Islamic Jihad in Gaza collectively referred to as the “Axis of Resistance” (Jahanbani, 2020; The Straits Times, 2024). These actors serve as both ideological extensions of Iran’s revolutionary identity and strategic instruments for projecting influence and deterrence across multiple theatres.

Iran’s entrenchment in these arenas serves dual strategic purposes: first, to establish a credible deterrent posture beyond its borders, and second, to complicate Israel’s threat calculus by creating a multi-front security dilemma. Hezbollah, for instance, has amassed an arsenal exceeding 150,000 rockets, including precision-guided munitions, thereby constituting a formidable second-strike capability that can overwhelm Israel’s layered missile defense systems (ECFR, 2024). In Syria, Iran has embedded IRGC-Quds Force operatives and established logistical corridors for the transfer of advanced weaponry to Lebanese and Iraqi fronts, reinforcing its “forward defense” doctrine (ECFR, 2024). Iraq’s Popular Mobilization Forces (PMF),

many of which maintain operational and ideological alignment with Tehran, have conducted kinetic operations against U.S. and Israeli-linked assets, while Gaza-based groups such as Hamas and Palestinian Islamic Jihad function as both ideological allies and tactical proxies in Iran's broader anti-Zionist agenda (Straits Times, 2024; Wilson Center, 2023).

In contrast, Israel has adopted a doctrine of anticipatory self-defense rooted in the "Begin Doctrine," which asserts that no hostile regional actor should be permitted to acquire nuclear weapons. This doctrine was first operationalized in the 1981 airstrike on Iraq's Osirak reactor and reaffirmed in the 2007 bombing of Syria's al-Kibar facility (Chellaney, 2025; Jerusalem Post, 2025). Since the mid-2010s, Israel has expanded this doctrine into a sustained "campaign between wars" (*mabam*), characterized by covert operations, cyber sabotage (e.g., Stuxnet), and targeted assassinations of Iranian nuclear scientists (Sarwar, 2025). The June 2025 *Operation Rising Lion*, a full-spectrum strike on Iranian nuclear and military infrastructure represents the most overt and escalatory application of this doctrine to date, involving over 200 aircraft and coordinated cyberattacks on Iranian air defense systems (WithinNigeria, 2025; RAND Corporation, 2025).

Iran's retaliatory campaign, *Operation True Promise III*, exemplifies its asymmetric warfare doctrine, which prioritizes cost-effective, deniable, and symbolically potent responses. The use of Shahed-series drones and ballistic missiles in saturation waves reflects Tehran's strategy of overwhelming Israeli missile defense systems such as Iron Dome and David's Sling while avoiding direct conventional confrontation (Sarwar, 2025; StudyIQ, 2025). The IRGC's deployment of AI-assisted targeting and decoy saturation tactics further illustrates the convergence of cyber-kinetic capabilities in Iran's evolving military doctrine (InsightsIAS, 2025).

This doctrinal asymmetry is further complicated by the role of nuclear ambiguity. Israel's longstanding policy of nuclear opacity neither confirming nor denying its nuclear arsenal has historically served as

a cornerstone of its deterrence posture, designed to dissuade existential threats without triggering regional arms races (Beres, 2023). However, the June 2025 conflict has exposed the limitations of this approach. Iran's attainment of threshold nuclear status defined by its capacity to enrich uranium to near-weapons-grade levels and its demonstrated missile delivery systems—has introduced a new form of instability: the "threshold war" (Jan, 2025; The Conversation, 2025). In such a scenario, a nuclear-armed state seeks to prevent a near-nuclear adversary from crossing the final threshold, thereby collapsing traditional deterrence frameworks and increasing the risk of strategic miscalculation, escalation, and inadvertent war.

This evolving dynamic not only destabilizes the Middle East but also sets a dangerous precedent for global nuclear governance. The erosion of normative constraints on preventive warfare, coupled with the normalization of strikes on nuclear infrastructure, threatens to undermine the credibility of the Nuclear Non-Proliferation Treaty (NPT) and embolden other regional powers to pursue similar doctrines of anticipatory force. As such, the Iran-Israel rivalry has transcended its bilateral contours to become a crucible for testing the resilience of international security norms in an increasingly multipolar and fragmented world order.

Immediate Military and Humanitarian Impact

The June 2025 confrontation between Israel and Iran marked by *Operation Rising Lion* and *Operation True Promise III* constitutes a paradigmatic shift in the conduct of interstate warfare in the Middle East, both in scale and doctrinal complexity. Israel's preemptive campaign, launched on 13 June, targeted Iran's nuclear infrastructure and military command nodes, including the Natanz and Isfahan enrichment facilities, the Islamic Revolutionary Guard Corps (IRGC) headquarters in Tehran, and missile depots in Kermanshah and Tabriz (Drishti IAS, 2025; BBC, 2025). The operation resulted in the deaths of several high-ranking Iranian officials, including IRGC Commander Hossein Salami and Armed Forces Chief Mohammad Bagheri, signaling a deliberate decapitation strategy aimed at crippling Iran's

command-and-control architecture (NBC News, 2025; Al Jazeera, 2025).

Iran's retaliatory response, *Operation True Promise III*, involved the launch of over 200 ballistic missiles and drones targeting Israeli urban centers such as Tel Aviv, Haifa, and Jerusalem. Despite Israel's multi-layered air defense systems including Iron Dome, David's Sling, and Arrow 3 multiple projectiles penetrated these defenses, causing significant civilian casualties and infrastructural damage (StudyIQ, 2025; The Week, 2025). Notably, a 10-storey residential block in Bat Yam was destroyed, and the Haifa oil refinery was temporarily shut due to direct hits, underscoring the vulnerability of critical infrastructure even in technologically advanced states (BBC, 2025; Al Mayadeen, 2025).

The humanitarian toll has been severe on both sides. Iranian sources report over 240 fatalities and more than 1,200 injuries from Israeli strikes, including children and medical personnel, with Farabi Hospital in Kermanshah sustaining direct damage (Ahran Online, 2025; Telesur, 2025). In Israel, at least 24 civilians were killed, with hundreds wounded, particularly in Tel Aviv and Rishon LeZion (NBC News, 2025). The deliberate or incidental targeting of hospitals and residential zones reflects a troubling erosion of the principle of distinction under international humanitarian law, raising potential legal implications under the Geneva Conventions (Al Mayadeen, 2025).

Cyber operations have emerged as a critical and increasingly integrated domain in this conflict. Israel reportedly launched a "massive cyber war" targeting Iran's digital infrastructure, prompting Tehran to restrict internet access and activate its national intranet, the so-called "halal net" (Times of Israel, 2025). Iranian cyber retaliation has included attempted disruptions of Israeli water systems and critical infrastructure, consistent with its historical cyber doctrine of asymmetric disruption and psychological warfare (Siman-Tov & Even, 2020; SecAlliance, 2025). These developments illustrate the convergence of kinetic and cyber domains in modern conflict, where digital sabotage complements physical strikes to degrade adversarial resilience.

The risk of regional escalation remains acute and multifaceted. Iran has reportedly positioned ballistic missiles to target U.S. military installations in Qatar, the United Arab Emirates, and Iraq, and has threatened to mine the Strait of Hormuz a maritime chokepoint through which nearly 20% of global oil flows (NewsX, 2025; EIA, 2025). Hezbollah and other Iranian-aligned militias in Syria and Iraq have been placed on high alert, raising the specter of a multi-front conflict that could engulf the Levant and the Gulf (Lansing Institute, 2025; Foreign Affairs, 2025). In response, the United States has deployed additional naval assets to the Gulf while maintaining a publicly defensive posture, signaling deterrence without direct engagement (Ahran Online, 2025; Firstpost, 2025).

Geoeconomic Implications

The Strait of Hormuz remains the most critical maritime chokepoint in the global oil trade, with an estimated 20–21 million barrels of crude oil and petroleum products equivalent to approximately one-fifth of global petroleum consumption—transiting the narrow waterway daily (U.S. Energy Information Administration [EIA], 2025; *Straits Times*, 2025). This strategic corridor, situated between Iran and Oman, serves as the principal conduit for hydrocarbon exports from key Gulf producers, including Saudi Arabia, the United Arab Emirates (UAE), Kuwait, Iraq, and Iran itself. The June 2025 escalation between Iran and Israel has reignited longstanding fears of a potential blockade, a scenario that would severely disrupt global energy logistics and trigger systemic price volatility. Iran's repeated threats to close the strait amplified by naval posturing, electronic interference, and sabotage incidents in the Gulf of Oman underscore the structural fragility of this corridor and its susceptibility to geopolitical coercion (Singh, 2025; *Firstpost*, 2025).

The immediate market response to the conflict has been acute and indicative of a reintroduced geopolitical risk premium. Brent crude prices surged by over 6% within 48 hours of the initial Israeli strikes, while West Texas Intermediate (WTI) rose by more than 5%, reflecting both supply anxieties and anticipatory hedging by market participants

(Vespignani, 2025; *Al Jazeera*, 2025). Analysts at Goldman Sachs have projected that Brent could breach the \$90–100 per barrel threshold should the Strait of Hormuz face sustained disruption, with broader implications for global inflation and monetary policy (FXEmpire, 2025). Beyond spot price volatility, the conflict has catalyzed a sharp increase in maritime insurance premiums. Insurers have reclassified the Strait of Hormuz as a high-risk zone, prompting elevated war risk surcharges and the rerouting of tankers via longer, costlier maritime paths such as the Cape of Good Hope (Rabobank, 2024; ShipUniverse, 2025). War-risk premiums in the region have reportedly surged by up to 200%, with some insurers withdrawing coverage altogether, thereby compounding operational costs for energy exporters and importers alike (Economist Intelligence Unit, 2024).

These disruptions have cascading macroeconomic effects, particularly through inflationary transmission channels. Empirical studies suggest that shipping cost shocks—especially those driven by geopolitical crises—exert a more persistent and lagged impact on headline inflation than oil or food price shocks, with effects peaking approximately 12 months after the initial disruption (Carrière-Swallow et al., 2022). The inflationary burden is especially acute in economies with high import dependence, limited strategic petroleum reserves, and constrained fiscal space to absorb external shocks. Moreover, elevated freight and insurance costs are likely to be passed downstream to consumers, exacerbating cost-of-living pressures and potentially triggering monetary tightening in vulnerable economies.

Asian energy-importing economies are disproportionately exposed to these dynamics. China, which imports over 70% of its crude oil, receives nearly half of its supply via the Strait of Hormuz, primarily from Iran, Saudi Arabia, and the UAE (S&P Global, 2024; *DW*, 2025). Although Beijing maintains substantial strategic reserves and has diversified its supplier base including through Russian and Central Asian pipelines sustained instability in the Gulf would elevate freight and insurance costs, eroding refinery margins and pressuring domestic fuel prices. Japan and India, both heavily reliant on Middle Eastern oil, face

similar vulnerabilities. While Japan's strategic reserves offer temporary insulation, its refining sector remains sensitive to price shocks and maritime disruptions. India, which previously imported up to 600,000 barrels per day from Iran, now sources primarily from Iraq and Saudi Arabia, rendering it susceptible to chokepoint disruptions in Hormuz (Singh, 2025; *Times of India*, 2025). According to tanker tracking data, nearly 47% of India's crude oil imports in May 2025 were transported via the Strait of Hormuz, underscoring the corridor's centrality to its energy security architecture (*Indian Express*, 2025).

Responses of Global and Regional Powers

The June 2025 escalation between Iran and Israel has elicited sharply divergent responses from global powers, regional organizations, and international legal institutions, revealing the deepening fragmentation of the post-1945 multilateral order. This fragmentation is not merely procedural but normative, reflecting the erosion of consensus on the use of force, the role of international law, and the legitimacy of global governance institutions. The United States has maintained unequivocal support for Israel, framing its actions as a legitimate exercise of self-defense under Article 51 of the United Nations Charter. The second Trump administration has reiterated its longstanding position that Israel has an inherent right to preempt existential threats, particularly those emanating from Iran's nuclear program. However, this posture has drawn widespread criticism for undermining the credibility and impartiality of international legal institutions. The administration's broader disengagement from multilateral frameworks—including its withdrawal from the UN Human Rights Council, imposition of sanctions on the International Criminal Court (ICC), and suspension of funding to UN agencies such as UNRWA—has further weakened the enforcement capacity of international law and emboldened unilateral military actions (MSN News, 2025). Critics argue that this transactional approach to multilateralism has normalized impunity and eroded the normative authority of the UN system.

In contrast, Russia and China have adopted more restrained yet strategically calculated postures.

Russia condemned Israel's strikes as a "gross violation" of the UN Charter and warned of the risk of a "large-scale nuclear catastrophe," invoking the specter of radiological fallout from attacks on nuclear infrastructure (UN News, 2025). Moscow has leveraged the crisis to critique what it perceives as Western double standards, particularly the selective invocation of international law, and to reassert its normative role as a defender of state sovereignty and non-intervention. China, while calling for de-escalation, has used the conflict to highlight perceived Western hypocrisy, especially in relation to the use of force and human rights (The Media Line, 2024). Both powers have signaled interest in backchannel diplomacy and multilateral mediation, though their capacity to act as neutral arbiters is constrained by their strategic alignments with Tehran and their broader geopolitical contestation with the United States (Papageorgiou et al., 2023).

Regional organizations have also responded with calibrated diplomacy. The Organization of Islamic Cooperation (OIC), convening an emergency session in Jeddah, condemned Israel's actions as violations of Iranian sovereignty and called for collective Islamic solidarity (The Week, 2024). However, internal divisions within the OIC particularly between Iran and key Gulf Cooperation Council (GCC) states—have limited the bloc's ability to articulate a unified position. While Iran has urged punitive measures against Israel, GCC states such as Saudi Arabia, Qatar, and the UAE have prioritized de-escalation and diplomatic engagement, wary of being drawn into a broader regional war (Stimson Center, 2024; GCC Club, 2024). These states have reiterated their refusal to allow U.S. or Israeli military operations from their territories, reflecting a strategic hedging posture that seeks to balance regional stability with geopolitical alignment.

The United Nations Security Council (UNSC) convened an emergency session on 13 June 2025, during which UN Under-Secretary-General for Political Affairs Rosemary DiCarlo and IAEA Director General Rafael Grossi warned of the grave risks to regional stability and nuclear safety (UN News, 2025). Grossi emphasized that nuclear facilities must never be targeted under any

circumstances, citing the potential for catastrophic radiological consequences. Despite these warnings, the UNSC has remained paralyzed by veto politics, with the United States blocking resolutions critical of Israel. Iran's UN envoy, Amir Saeid Irvani, called on the Council to condemn Israel's actions and uphold the UN Charter, framing the strikes as a "blatant act of aggression" and a "serious violation of international law" (Anadolu Agency, 2025). Legal scholars and UN experts have echoed these concerns.

The International Commission of Jurists (ICJ) condemned Israel's actions as a grave breach of the UN Charter and international humanitarian law, particularly the targeting of nuclear facilities and civilian infrastructure (ICJ, 2025). UN Special Rapporteurs have further argued that both Israeli and Iranian strikes may constitute violations of the prohibition on the use of force under Article 2(4) of the Charter and could amount to crimes of aggression under customary international law (OHCHR, 2024). These assessments underscore the normative incoherence and institutional paralysis of the international system, wherein legal principles are subordinated to geopolitical expediency. The Iran–Israel conflict has exposed the structural limitations of the current international order. While global powers pursue divergent strategic interests, regional actors oscillate between restraint and alignment, and legal institutions struggle to assert authority. This fragmentation underscores the urgent need for renewed multilateralism—one grounded not merely in procedural consensus but in substantive legal accountability, normative coherence, and strategic restraint.

Strategic Implications for Southeast Asia

The Iran–Israel conflict of June 2025 has reignited longstanding concerns over the structural fragility of global energy supply chains, particularly for energy-importing states in Southeast Asia. The Strait of Hormuz through which nearly 20% of global crude oil and 25% of liquefied natural gas (LNG) transit daily remains the world's most critical maritime chokepoint, both in volumetric terms and strategic vulnerability (U.S. Energy Information Administration [EIA], 2025; *Straits Times*, 2025). Iran's threats to mine the strait, coupled with its

seizure of commercial tankers and electronic interference with vessel navigation systems, have amplified the risk of supply interruptions and catalyzed renewed scrutiny of maritime dependencies across the Indo-Pacific (Khajuria, 2025; DW, 2025). The conflict has also disrupted shipping signals from over 900 vessels in the Persian Gulf, further complicating navigation and insurance underwriting in the region (Bloomberg, 2025).

For ASEAN member states particularly Malaysia, Indonesia, Thailand, and the Philippines—this crisis underscores the structural dilemma of overreliance on Middle Eastern hydrocarbons. The Malacca–Hormuz nexus, which channels Gulf energy exports through the Strait of Malacca en route to East Asia, constitutes a dual chokepoint system that magnifies strategic exposure and heightens vulnerability to geopolitical coercion (BCG, 2024). Approximately 80% of China’s and 60% of Japan’s oil imports pass through this corridor, while Malaysia’s own refining and petrochemical sectors remain tethered to Gulf-origin crude (S&P Global, 2024). The compounded risk of simultaneous disruption at both chokepoints whether through kinetic conflict, cyber sabotage, or insurance withdrawal poses a systemic threat to regional energy security and economic stability?

In response, Malaysia has intensified efforts to diversify its energy portfolio and reduce dependence on imported fossil fuels. The Malaysia Renewable Energy Roadmap (MyRER) targets a 31% renewable energy share in the national installed capacity mix by 2025 and 40% by 2035, with solar photovoltaics, biomass, and small-scale hydropower as key pillars (The Star, 2025; SEDA Malaysia, 2025). Complementary initiatives such as the ASEAN Power Grid (APG) and the Corporate Renewable Energy Supply Scheme (CRESS) aim to decentralize energy generation, enhance cross-border electricity trade, and foster regional energy resilience (Asia CarbonXChange, 2025; ASEAN Centre for Energy, 2025). However, these efforts remain constrained by technological intermittency, regulatory fragmentation, and financing gaps—particularly in the absence of a unified regional energy regulator or harmonized grid standards (The Malaysian Reserve, 2025).

Simultaneously, Malaysia’s diplomatic posture has evolved to reinforce ASEAN centrality and uphold a principled non-alignment strategy. As ASEAN Chair in 2025, Malaysia has positioned itself as a middle power committed to multilateralism, regional resilience, and strategic neutrality amidst intensifying U.S.–China rivalry (Khoo, 2025; ISEAS, 2025). Prime Minister Anwar Ibrahim’s engagements with both BRICS and Western partners reflect a calibrated hedging strategy that seeks to expand economic partnerships while preserving ASEAN cohesion and autonomy (Bernama, 2025). Malaysia’s leadership in promoting the ASEAN Outlook on the Indo-Pacific (AOIP) further affirms its commitment to a rules-based regional order, inclusive dialogue, and maritime security cooperation (ASEAN Secretariat, 2023).

Operationally, the Malacca Strait Patrols jointly conducted with Indonesia and Singapore serve as a model for chokepoint security and cooperative maritime governance (Permal & Moorthy, 2024). Malaysia’s advocacy for a structured ASEAN–BRICS dialogue and its convening of the ASEAN–GCC–China Summit reflect its ambition to bridge North–South divides and foster inclusive multilateralism without succumbing to bloc politics (The Diplomat, 2025; ISIS Malaysia, 2025). In this context, the Iran–Israel conflict has exposed not only the geopolitical and geoeconomic vulnerabilities of ASEAN’s energy architecture but also the imperative for strategic foresight, institutional innovation, and diplomatic agility. Malaysia’s response anchored in diversification, regional cooperation, and diplomatic equidistance offers a pragmatic blueprint for navigating systemic uncertainty while reinforcing ASEAN’s strategic autonomy and normative relevance in an increasingly contested Indo-Pacific.

Policy Recommendations

The Iran–Israel conflict of June 2025 has underscored the acute vulnerability of Southeast Asia to exogenous geopolitical shocks, particularly in the domains of energy security, maritime stability, and multilateral governance. For ASEAN, the crisis serves as a clarion call to enhance its strategic foresight and institutional preparedness in navigating

systemic disruptions. The region's exposure to external volatility ranging from chokepoint disruptions in the Strait of Hormuz to the normative erosion of international law necessitates a recalibration of policy frameworks grounded in anticipatory governance, regional solidarity, and strategic autonomy.

First, enhancing regional strategic foresight requires the institutionalization of scenario-based planning, horizon scanning, and cross-sectoral risk assessments across ASEAN's political-security and economic pillars. The ASEAN Centre for Strategic Foresight (ACSF), established under the ASEAN Secretariat, must be operationalized as a core analytical node capable of integrating geopolitical, environmental, and technological variables into regional contingency planning (ASEAN Secretariat, 2023). This includes the development of early warning systems, stress-testing of regional supply chains, and simulation exercises for conflict spillovers. Malaysia's 2025 chairmanship presents a timely opportunity to mainstream foresight into ASEAN's decision-making architecture, particularly through the ASEAN Community Vision 2045 and its four strategic plans—political-security, economic, socio-cultural, and connectivity (ISEAS, 2025; ASEAN, 2025). The Kuala Lumpur Declaration on ASEAN 2045 explicitly calls for “resilience and innovation” as foundational principles for future community-building, reinforcing the imperative for institutional agility and forward-looking governance.

Second, deepening energy resilience is imperative in light of the Strait of Hormuz's renewed fragility and the inflationary ripple effects of oil price volatility. The ASEAN Plan of Action for Energy Cooperation (APAEC) 2021–2025 and its successor blueprint (2026–2030) emphasize diversification of energy sources, regional interconnectivity, and strategic stockpiling as key pillars of energy security (ASEAN Centre for Energy, 2025). Malaysia's Renewable Energy Roadmap (MyRER) targets a 31% renewable energy share by 2025 and 40% by 2035, aligning with ASEAN's broader decarbonization and energy transition goals (SEDA Malaysia, 2025). Strategic partnerships such as the ASEAN–Japan Energy Transition Partnership, the ASEAN–EU Green Deal Dialogue, and the Asia Zero Emission Community

(AZEC) should be leveraged to mobilize blended financing, facilitate technology transfer, and build institutional capacity for grid integration and carbon market development (Business Today, 2025; Bernama, 2025). Malaysia's leadership in tabling the ASEAN Power Grid Roadmap by end-2025 further reinforces its commitment to regional energy integration and cross-border electricity trade (The Malaysian Reserve, 2025).

Third, promoting ASEAN unity in international fora demands a principled commitment to neutrality, multilateralism, and adherence to international law. The ASEAN Outlook on the Indo-Pacific (AOIP), adopted in 2019 and reaffirmed in 2025, articulates a vision of inclusivity, openness, and rules-based order as the normative foundation for regional engagement (ASEAN Secretariat, 2023; World Insight, 2024). In the context of intensifying U.S.–China rivalry and the normative fragmentation exposed by the Iran–Israel conflict, ASEAN's credibility hinges on its ability to maintain equidistance while articulating a coherent and values-based regional voice. Malaysia's diplomatic engagements with both BRICS and Western partners reflect a calibrated hedging strategy that reinforces ASEAN's strategic autonomy and avoids entrapment in great power competition (The Malaysian Reserve, 2025; Modern Diplomacy, 2025).

Finally, Malaysia's 2025 ASEAN chairmanship offers a critical platform for diplomatic mediation, regional norm-setting, and multilateral innovation. Under the theme “Inclusivity and Sustainability,” Malaysia has prioritized conflict prevention, humanitarian diplomacy, and institutional reform as core deliverables (ISEAS, 2025). The convening of the ASEAN–GCC–China Summit and the ASEAN Future Forum 2025 exemplifies Malaysia's ambition to position ASEAN as a constructive interlocutor in global affairs and a bridge-builder between the Global North and South (MSN News, 2025; New Straits Times, 2025). By leveraging its historical commitment to non-alignment and its strategic geography at the confluence of the Indian and Pacific Oceans, Malaysia can facilitate backchannel diplomacy, promote de-escalation frameworks, and advance ASEAN's role as a stabilizing force in volatile theatres such as the Middle East and the

South China Sea. ASEAN's resilience in an era of geopolitical turbulence depends on its capacity to anticipate risks, diversify strategic dependencies, and project unity through principled diplomacy. Malaysia's leadership in 2025 provides a timely and strategic opportunity to institutionalize these imperatives and reaffirm ASEAN's relevance in shaping a stable, inclusive, and rules-based regional order.

Conclusion

The Iran–Israel conflict of June 2025 represents more than a regional flashpoint; it is a systemic shock that has laid bare the interdependencies and vulnerabilities of global security and energy governance. Its reverberations felt through disrupted maritime corridors, inflated energy markets, paralyzed legal mechanisms, and fractured diplomatic alignments underscore the imperative for resilient, forward-looking regional frameworks. For ASEAN, this crisis is both a warning and a window of opportunity. It calls for the urgent institutionalization of strategic foresight, greater investment in energy diversification, and the articulation of a principled, cohesive diplomatic posture amid intensifying geopolitical polarity. Malaysia's chairmanship comes at a pivotal juncture, offering the strategic latitude to recalibrate ASEAN's multilateral engagement, reinforce the region's strategic autonomy, and reaffirm Southeast Asia's commitment to a rules-based, inclusive international order. The test ahead is not only one of institutional agility but of political will to shape a more stable and adaptive regional future.

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