



# The Role and Practical Path of Small and Medium-Sized Countries in Global Governance: A Case Study of the Participation Practices of the Lancang-Mekong Countries

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**Abstract.** In the traditional Western-dominated global governance system, small and medium-sized countries (SMEs) have long been positioned as "rule takers" and "beneficiaries of governance," relegated to the periphery of the international system. With profound changes in the global governance landscape and the rise of regional multilateral cooperation, SMEs, represented by the Lancang-Mekong Cooperation countries, are achieving a systematic leap in their roles through sub-regional cooperation. This paper, based on the theoretical evolution of SME participation in global governance and using the Lancang-Mekong Cooperation mechanism as a core case study, demonstrates that SMEs are undergoing four major role transformations: from "rule takers" to "co-rule makers," from "passive beneficiaries" to "providers of public goods," from "dependents in great power games" to "strategic balancers," and from "ideological followers" to "pioneers in the practice of a community with a shared future for mankind." The study finds that SMEs can enhance their discourse power and strategic autonomy through regional cooperation, providing a replicable path for the democratization of global governance and opening a new paradigm for the participation of Global Southern countries in global governance.

**Keywords:** Small and Medium-Sized Countries; Global Governance; Lancang-Mekong Cooperation; Regional Multilateralism; Strategic Autonomy.

## 1 Introduction

The world today is undergoing profound changes unseen in a century. The Western-dominated global governance system is showing signs of supply failure and insufficient representation. Anti-globalization, great power rivalry, and non-traditional security challenges are driving accelerated reform of the global governance system. For a long time, mainstream international relations theory has focused on major powers, viewing small and medium-sized countries as "marginal actors," believing they can only passively depend on major powers and accept established rules.

However, small and medium-sized countries, which constitute the vast majority of countries globally, have become a significant force in global governance reform [1].

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The Lancang-Mekong Cooperation, as the first sub-regional mechanism jointly discussed, built, and shared by the Lancang-Mekong River basin countries, provides an excellent example for observing the changing role of small and medium-sized countries [2]. Among the six Lancang-Mekong countries, Cambodia, Laos, Myanmar, Thailand, and Vietnam are typical small and medium-sized countries. Since the mechanism's launch in 2016, these five countries have deepened cooperation in 5 priority areas and over 17 collaborative fields through this platform, with over 300 flagship livelihood projects implemented and total trade volume among LMC countries surging by 112% from 2016 to 2025, achieving a fundamental transformation in their global governance roles.

This paper, based on the theoretical evolution of small and medium-sized countries' participation in global governance and combined with the Lancang-Mekong Cooperation practice, systematically analyzes the role reconstruction and realization path of small and medium-sized countries, filling the gaps in existing theories and providing practical references for the participation of Global South countries in global governance [3].

## **2 From Rule Takers to Co-Rulers: The Systemic Reshaping of Governance Discourse in the Lancang-Mekong Countries**

### **2.1 Historical Dilemma: Passive Rule Recipients under a Western-Dominated System**

Globally, rules formulated by Western-dominated institutions such as the WTO and the World Bank served the interests of developed countries, neglecting the development needs of LMC countries. Some projects also attached political conditions such as marketization and privatization. Regionally, the Mekong River Commission (MRC), established in 1995, was heavily influenced by the West. Its rule-making was centered on Western standards, leaving the small and medium-sized LMC countries with little say in core issues such as water resource allocation, and their demands difficult to guarantee [4].

### **2.2 Practical Breakthrough: Joint Rule-Making under the LMC Mechanism**

Launched in 2016, the LMC, based on the principles of "consultation, joint construction, and shared benefits," provided a platform for small and medium-sized countries to participate equally in rule-making. It established a four-tiered governance structure and 17 joint working groups in cooperation areas, achieving full coverage of rule-making [5].

In the area of water resource governance, the six countries jointly formulated the "Lancang-Mekong Water Resources Cooperation Five-Year Action Plan," establishing year-round hydrological information sharing mechanisms and 12 emergency water replenishment operations during the dry season from 2020 to 2025, taking into account the diverse needs of each country, and completely changing the situation of passively

accepting Western standards. In the area of production capacity and trade, they jointly formulated unified rules for production capacity cooperation and cross-border economic cooperation zones, with 22 cross-border industrial parks built by 2025, circumventing unreasonable clauses in Western trade rules and providing institutional protection for the region's industrial chain upgrading and development. In the area of people's livelihood, they formulated unified cooperation rules for poverty reduction and public health, implementing more than 300 livelihood and poverty reduction projects benefiting over 20 million people by 2025, abandoning the political conditions attached to Western aid and providing feasible practical paths.

### **2.3 Role Shift: From the Periphery to the "Semi-Center" of Global Governance**

The regional rule-making practices of the Lancang-Mekong countries have propelled their role in global governance to new heights. On the one hand, they have promoted their river basin governance experience globally, collectively speaking out on platforms such as the UN Water Conference to encourage global rules to better accommodate the demands of developing countries. On the other hand, they have broken the Western rule monopoly, forming an equal governance paradigm that coexists with Western-dominated rules, transforming small and medium-sized countries from passive recipients of rules to co-shapers of global rules, thus entering a "semi-central" position in global governance [6].

## **3 From Beneficiaries to Public Goods Providers: The Proactive Assumption of Governance Responsibility by Small and Medium-Sized Countries**

### **3.1 Breakthrough in Traditional Understanding: The Public Goods Supply Capacity of Small and Medium-Sized Countries**

Global public goods theory posits that large countries, due to their strength advantage, become the primary suppliers. However, at the sub-regional level, the collective supply by small and medium-sized countries can effectively fill regional public goods gaps. The Lancang-Mekong Cooperation has established a new model for the joint supply of public goods by small and medium-sized countries. Centered on common interests and tailored to regional needs, it avoids the politically attached conditions of Western supply models. Small and medium-sized countries actively participate in planning, construction, and operation, becoming joint suppliers.

### **3.2 Core Practices of Public Goods Supply in the Lancang-Mekong Countries**

The Lancang-Mekong countries have achieved joint supply of public goods in three major areas, demonstrating governance responsibility. First, in cross-border infrastructure, the six countries jointly promote the construction of interconnectivity projects

such as highways and railways, completing 23 key connectivity projects by 2025. In landmark projects such as the China-Laos Railway (which generated over 22 billion yuan in cross-border cargo revenue by the end of 2025) and the Thai cross-border highway, each country actively assumes responsibility, forming a stable supply synergy. Second, in the field of non-traditional security, mechanisms for joint prevention and control of public health and disaster emergency response have been established. During the COVID-19 pandemic, the five LMC medium and small countries shared over 45 million doses of vaccines and 1200 tons of medical supplies with each other, and carried out 18 joint drought and flood emergency response operations from 2020 to 2025, strengthening the regional security defense line. Third, in the area of knowledge and technology sharing, Thailand and Vietnam have promoted 37 advanced agricultural technology projects to Cambodia, Laos and Myanmar, and the six countries have jointly built 12 poverty reduction demonstration centers and 28 vocational education cooperation bases by 2025, providing systematic capacity support to underdeveloped countries in the region.

## **4 Balancers in Great Power Competition: Strategic Autonomy and Multilateralism of SMEs**

### **4.1 The Strategic Dilemma of SMEs in the Context of Great Power Competition**

The US is courting Southeast Asian countries through the "Indo-Pacific Strategy" and the "Lower Mekong Initiative," while China is deepening cooperation through the "Belt and Road Initiative" and the Lancang-Mekong Cooperation. SMEs in the Lancang-Mekong region are dependent on both China and the US in the economic and security spheres. Choosing sides would mean losing development opportunities or strategic autonomy, plunging them into a dilemma.

### **4.2 The Strategic Balancing Practices of the Lancang-Mekong Countries**

The Lancang-Mekong countries achieve strategic balance through three main strategies: First, upholding ASEAN centrality, incorporating Lancang-Mekong cooperation into the ASEAN-led framework, relying on ASEAN's collective strength to guarantee strategic autonomy, and refusing to join exclusive geopolitical alliances; second, utilizing multiple cooperation mechanisms, participating in Lancang-Mekong cooperation, RCEP, and the Indo-Pacific economic framework, achieving a balance of interests among major powers and maximizing development opportunities; third, adhering to the principles of non-alignment and non-taking sides. Thailand pursues a "balance with major powers" diplomacy, Vietnam adheres to the "four no's" principle, and all countries maintain strategic flexibility and maintain initiative in development.

## **5 A Pioneer in the Practice of a Community with a Shared Future for Mankind: The Demonstrative Value of the Lancang-Mekong Cooperation in the Global South**

### **5.1 The Pioneering Implementation of the Lancang-Mekong Community with a Shared Future**

When the Lancang-Mekong Cooperation was launched in 2016, the six countries proposed building a "Lancang-Mekong Community with a Shared Future," becoming the first sub-regional mechanism to incorporate this concept into official documents. The five-year action plan released in 2020 promoted the transformation of this concept from top-level design to concrete practice. Its cooperation model adheres to equality, mutual benefit, openness, and inclusiveness, abandoning the Western "center-periphery" dependency structure and aligning with the core connotations of a community with a shared future for mankind.

### **5.2 The Practical Path of the Lancang-Mekong Community of Shared Future**

The Lancang-Mekong countries have built a community of shared future through three main paths: First, with poverty reduction as the core, they have established poverty reduction cooperation centers, implemented over 300 livelihood projects, helped millions of people escape poverty, and provided sustainable poverty reduction experience; second, based on connectivity, they have promoted comprehensive infrastructure integration, with total trade among the six countries reaching US\$420 billion in 2025, a 112% increase from 2016, and China's non-financial direct investment in the five Lancang-Mekong medium and small countries exceeding US\$42 billion by the end of 2025, achieving sustained mutual benefit and win-win results; third, supported by ecological governance, they have formulated environmental cooperation strategies, carried out projects such as biodiversity conservation and ecological restoration, and protected their shared home.

### **5.3 The Demonstrative Value for the Global South**

The Lancang-Mekong Cooperation breaks away from the Western-centric regional cooperation paradigm, focusing on the common interests of developing countries and adhering to equal and unconditional cooperation, providing replicable experience for African and Latin American river basin countries. At the same time, it demonstrates that small and medium-sized countries can achieve independent development and actively participate in global governance through regional cooperation, injecting momentum into the Global South's efforts to break free from dependent development and promote the democratization of global governance.

## 6 Conclusion

Against the backdrop of global governance reform, small and medium-sized countries, represented by the Lancang-Mekong countries, have achieved a four-fold role restructuring: from "rule takers" to "co-rule makers," from "beneficiaries" to "providers of public goods," from "dependents of major powers" to "strategic balancers," and from "ideological followers" to "pioneers in building a community with a shared future for mankind." The Lancang-Mekong Cooperation has broken the paradigm of "major powers dominating global governance," proving that small and medium-sized countries can overcome power limitations through regional solidarity, gain governance agency, and become a core force in global governance reform, providing practical support for building a community with a shared future for mankind. In the future, Lancang-Mekong countries should uphold multilateralism, deepen regional cooperation, and enhance collective governance capabilities to provide more experience for small and medium-sized countries to participate in global governance.

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