

FROM GEOPOLITICS TO GEOECONOMICS: THE CHANGING WORLD ORDER

Outline

A. Introduction

B. An Overview of the Geopolitical World Order

C. Transition of World Order from Geopolitics to Geoeconomics:

i. Formation of new economic blocs and multilateral ^{economic} institutions illustrate a clear shift from geopolitical goals to geoeconomic output.

(BRICS, ASEAN)

ii. Trade and investment are key players in the expansion of international relations, alliances and exerting influence.

(OBOR, INSTC)

iii. Race of taking lead in AI, digitalisation and robotics depends ^{more} upon economic resources than on geopolitical dominance.

(Deep seek of China)

iv. Tariffs and reciprocal tariffs are being weaponised to cripple the economies of rival states and win over the new geo-economical war.

(^{US} Tariffs and notion of 'Make America Great')

v. New forms of currency and modes of trade among countries demonstrate a dynamic transformation in traditional mode of balancing the geopolitical relations.

(Barter Trade and weakening power of sanction)

vi. Debt trap and economic dependency have been leveraged to maintain supremacy and influence on weak states.

(IMF conditionalities and exploitation of African resources)

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vii. Capacity of states to dismantle non-state hostile factions and safeguard the pillars of nation-state relies on economic strength.

(Cost of military operations in Pakistan)

viii. Space-warfare which is an advanced and sophisticated mode of warfare is crucially associated with geo economic efficiency.

(US, China and Russia's ^{space} competition)

ix. Destabilisation of states by food crisis, brain-drain and other means stems from disturbed economic proportions.

(Case study of Brain-drain in Pakistan)

x. War and ^{spread of} propagandist ideology in a transitioning geopolitical world encompasses the ^{possibility} of intense ^{economic} ability and economic outreach.

(Nexus of Zionism, expansionism of Israel and western ^{economic} support)

xi. Economic powers ^{are} used as a vehicle by economic giants to manipulate international

law and working of international organisations.

(UN Funding and ^{its} impacts on ^{making} decisions)

xii. Climate change and politics on environment - new threats to territorial sovereignty and traditional dominion can be managed or mismanaged by economic motives and monetary interests.

(Land D fund, Carbon market)

xiii. Soft power and image building for the pursuit of national interests are correlated with wealth and economic capabilities.

(Rise of Gulf countries by materialising wealth)

D. Conclusion

Once upon a time, all the animals in a jungle would compete for hegemony, survival and invading the nearby forests. In order to fulfill their survival needs, they would hunt, kill and destroy

one another. One day, they discovered a magical cave full of resources and food. However, the passage to cave was ^{and dangerous} narrow and they could not surpass it without methodical planning and cooperation.

For this, they devised plans to cooperate which worked well for some times and a period of relative peace followed.

Soon, new forms of rivalries, alliances and hostilities developed between

different groups of animals. Thus, war over cave's resources unfolded which kept the jungle uncertain, hyperactivated and dangerous.

The story of jungle can be applied to the shifting world order from geopolitics to geoeconomics owing to multiple causes. First of all, establishment of economic blocs and multilateral institutions demonstrate a geoeconomic trend. Similarly, world politics is determined by trade monetary policies and investment. Moreover, digital advancement for hegemonic designs relies on economic

strength. Additionally, weaponisation of tariffs encapsulate an underlying desire to dominate over other states.

Furthermore, emergence of new forms of currencies and modes of trade are indicative of ripples in the geopolitical world order and transition to geoeconomics. Likewise, debt trap is a new vehicle to maintain dominance over small states. Alongside, intertwining of national security and economic power; space-warfare and economic capacity and bankruptcy of states and dollar depletion manifest the overbearing influence of economy. Therefore, the world order is in state of flux from geo-politics to geo-economics pertaining to ~~overriding~~ influence of economy in shaping alliances, cooperation, real-politics and fundamentals of nation-state system.

The geopolitical world

order is determined by dynamics of power, alliances, military strength and hegemony by hard-power means. Before WWI and WWII, the geo-political world order dominated the global stage. From Alexander, the Great to Hitler and Mussolini, events were shaped by geopolitics. Kingdoms, empires and states shifted alliances, forged relationships and waged wars by calculating political advantages and attainment of power. Moreover, nature of pacts and treaties was determined by political tangents. Case in point is book

"World Politics: Trends and Transformation"

in which ^{the} author has outlined the prevalence of geopolitical world order till 20th C.E. Later on, multiple factors shifted the trends of geopolitics and transformed it to geo-economics.

First of all, the foundation of economic blocs and multilateral economic institutions encapsulate a transition to geoeconomical system. Emerging powers are attempting to shape the global order by strengthening their economies. Similarly, small states are looking up to economic prospects while joining trade blocs and multilateral organisations. Together, a competition in the economic domain can be analysed through monetary policies, cooperation and trade within the newly formed economic institutions. Case in view is **BRICS and ASEAN**. **BRICS** has ambitious goals to lead Global South and pursue **dedollarisation**. Therefore, shift in global order to geoeconomics is crystal clear.

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In the similar manner, trade and economic investment are pivotal to establish relations with other states. Political allies and foes are carefully chosen by states by weighing economic trends. Moreover, technology has assisted in economic outreach to remote areas which started a new race among powerful countries to exploit the economic resources of other states. Subsequently, winning parties are better able to exert influence and maintain ^{economic} domination.

China's One Belt One Road involves more than 150 countries with an investment of 64 billion dollars. It gives China

an opportunity to expand and progress.

Another example is **International North South Trade Corridor** to promote trade and investment. Clearly, world order

is transitioning to geoeconomics.

Moreover, a new race in Artificial Intelligence and digitalisation depends upon economic resources. Technology is a central element in determining the present and future of global politics. However, technological capacity and tech warfare of states is directly linked to stable economy and diverse economic opportunities. Global leaders are pushing hard to make their respective states advanced, digitally updated and ahead of others in robotics. Furthermore, traditional tech giants have been challenged by emerging powers, pertaining to ^{their} economic efficiency and high GDP. Case in view is Deep Seek of China, which is not only advanced in

functions but also economically
cost effective. To beat it,
GPT-5 by Open-AI was
launched in 2025. Therefore,
digital competition of states
is greatly influenced by economics.

Furthermore, frequent
trade wars and mercantilist
policies of super-powers illustrate
a setback to free world
economy and ^{existing} global order.

Tariffs and reciprocal tariffs
are being weaponised by
states to reduce trade deficit
with other states and hurt
their economies. They not
only cause disturbance in the
affected states but also in
the global economic growth.
However, states are desperate to
pursue the new adventurism of
trade barriers and tariffs. These

steps are indicative of leveraging economy for geopolitical gains. Case in view is Trump's tariff war of the US on the states to fulfill the agenda of 'Make America Great'. On the other hand, China, India, Brazil, Mexico and many other countries have been badly hit by Trump's tariff war. It is inevitable, that trade wars and tariffs are new tools of expanding power on a global stage.

Likewise, introduction of new modes of currency and trade among states demonstrate a transformation in traditional mode of balancing the geopolitical relations. In geopolitical model, balancing was done to procure hard power and geostrategic interests. Currently, geoeconomics lies at the core of

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power accumulation. Currency and trade are paramount to the new geoeconomic world order. Powerful states are attempting to balance their trade with currency swap agreements and barter trade.

Moreover, ^{implications of} sanctions can be minimised by barter trade and utilisation of domestic currencies. For instance, the economy of Russia continued to grow despite the crippling sanctions by the US and EU because Russia's balancing act manifested in barter trade with North Korea and Iran kept its economy growing. Therefore, economy is a new balancing strategy in maintaining power.

Furthermore, debt trap and economic dependency consolidate the supremacy and hegemony of powerful states over

weak nations. The system of aids and debt by monetary funds not only induces dependency but also compromises the sovereignty of small states. In the end, they are left with few options to exert their political independence. Big states not only gain economic advantages from vulnerable states but also intervene in their domestic affairs. Case in view is the conditionalities of IMF which are the source of interference in internal matters along with economic exploitation. Many poor African countries are prone to giving up on their resources accruing to debt trap. Hence, economic dependency and intervention corroborate the fact that world order is transforming to geoeconomics.

Additionally, the potential of state to dismantle non-state terrorist groups in order to safeguard the pillars of nation-state relies on economic strength. Non-state groups are serious non-traditional security threats in 21st C.E. To mitigate them, states need high GDP, sophisticated weaponry and expensive surveillance networks. States with minimum economic capacity remain vulnerable to the attacks of terrorist groups. To wage sweeping operations against them put them in precarious condition of compromising development over security. Case in view is the resurgence of terrorism in Pakistan and economic downturn for kinetic and kinetic operations against it. Hence, the ^{looming} threat of non-state actors cannot be neutralised.

without economic capacity.

Similarly, space warfare is closely associated with economic capacity. Space warfare marks a new geopolitical competition to deploy arms on extra-territorial space. Powerful states are sending advanced space-shuttles to weaponise space and boost their military preparedness. All of these attempts cannot be made without strong economic statistics. Therefore, economic warfare on planet earth gives ^{big} states the strategic advantages in competing over space. The space rivalry among Russia, United States and China is significant of their economic potentialities. Therefore, economy lies at the core of space-war.

Moreover, disturbance in economic proportions send shockwaves

in countries as multifarious challenges in the form of food crisis and brain drain arise. Brain drain which is fatal for the development of a ^{weak} country is badly exploited by strong countries.

Consequently, skill gap and paucity of manpower further deteriorate an affected country. Similarly, food crisis is instilled by economic deprivation and it impairs the efficiency of population to contribute in the progress of state. Resultantly, states are pushed back in all respective domains.

Case in view in brain drain in Pakistan which is a new challenge and hindrance in its development.

Therefore, economy and its associated dysfunctions destabilise countries and affect global order.

Furthermore, war and spread of propagandist ideologies ^{which determine the nature} are the keys to a transitioning world order depend upon economy. Earlier, war

was solely based on military power. In modern times, among multiple factors, economic capacity is a single most important factor which shapes the outcomes of war. Advanced artillery and drone warfare can be sustained by economic giants till they completely vanquish their opponents. Similarly, ideological propaganda can be waged and won by forging economic alliances with global companies. Moreover, war has become a new business for powerful states to run their weaponary factories and economic engines. Israel's war against neighbouring states represents a nexus of Zionism, Western ideological inclination and economic gains. UN Special Rapporteur Francesca Albanese has recently issued a report depicting the complicity of economic companies of US in Israel's war crimes. Hence, economics is central to war capacity and

ideological clashes.

Likewise, economic power determines the working of international law and international organisations. The decision making at international forums can be manipulated by strong economies. Similarly, funding of UN by super-powers make it vulnerable to perform duties with impartiality and in accordance with international law. Decisions made against them are not implemented in letter and spirit. Moreover, big-wigs extend coercive means against the organs of international organisations which involve curtailing their funding and limiting the sphere of their working. Case in view is the funding to UN by the US, China and other economic powers. Any move against them invites repellent actions like cutting off funds

of UN. Therefore, international law and organisations are liable to the blackmailing of strong economic states.

Additionally, climate change which is another threat to territorial sovereignty of states is mixed in economic entanglements. Mitigation strategies are dependent upon the will of states and their economic gains.

Many powerful countries are reluctant to shift to renewables because it hurts their economy. Actions by few become a model for others to not halt their emissions and keep their economy running. Consequently, planet earth suffers heavily and climate change catastrophes continue to wreak havoc in poor countries. Case in view is carbon trading which seriously blightens the actions to reduce carbon emissions.

Similarly, **Loss and Damage Fund**

is caught in geopolitical rivalries, delaying response against disasters.

Hence, climate politics and geoeconomics share a complex relationship.

Lastly, soft power and image building in a globalised world are interlinked with economic capabilities. Competent states with functional economies leverage cultural exchanges, sports washing and other means to divert the attention of world from dictatorial norms to modernisation.

They paint a impactful image of their countries to attract investments, tourism and form alliances. On

the other hand, states with flawed economies lack soft power and diplomatic advantages. It also downgrades their global perception and weakens their international lobbying. **Case in view is emergence of Gulf states from oil economies to**

modern centres of investment and profit. It makes them reliable and effective for international partners.

Hence, economic model is a reality of today's convoluted world.

In conclusion, world order is transitioning from geopolitics to geoeconomics as economy determines international relations and its trends.

Pertaining to shift in world order, ^{new} economic and trade blocs have been created. Moreover, trade war, new forms of currency and cycle of debt traps for the maintenance of hegemony illustrate the significance of economy. Space, tech and digital warfare also depend upon economic conditions of states. In the similar fashion, destabilisation by non-state entities and other means is an outcome of mishandling ^{the} economy. Likewise, war

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and politics of propaganda allude to geoeconomic efficiency. Additionally, the working of international law is affected by economy and monetary parameters. Furthermore, climate-change and economic competition are inter-related to one-another. Lastly, soft power and image building are crucially contingent on economic strength. Aforementioned dynamics of world politics distinctively depict that, world order is changing from geopolitics to geoeconomics. Therefore, states need to boost their economic capacity ^{their} for survival and ^{excellent} pursuit of national interests.