



Post-Cold War Primacy of Geo-Economics: A Raison D'état of Geopolitical Dilemma

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Abstract:

Many scholars of the international relations prophesied the post-cold war arena as a period of geo-economic preeminence, superseding the geopolitically inspired contests and increasing role of global institutions for maintaining international order. The presumptions of a decisive transition in the global dynamics, amid rising primacy of economic statecrafts, has raised new queries regarding the prospective strategic ambiance in the 21st century. Would there be culmination of geopolitical clashes and emergence of a global order entirely dominated by various strands of geo-economics? Would geo-economic means substitute geopolitical instruments or both the phenomenon are likely to complement each other? And finally, during the interplay of geopolitics and geo-economics, how would strategic rivalries evolve between the nation states? More than three decades after the triumph of neo-liberal order, world is far from peace and the economic coercion from powerful actors has apparently led to a state of geopolitical dilemma for the targeted states.

Keywords: Global institutions, geopolitics, geo-economics, coercion, sanctions, geopolitical dilemma, international order

INTRODUCTION

Analogous to the historical precedence of recurring transformations in the strategic environments, the post-cold war global arena has also been significantly influenced by the evolving strategic twists and turns, resulting in a perceptible transition of international dynamics. Prior to the end of cold war, geopolitical objectives of a state were mostly estimated in the kinetic domain and assumed to be linked with its military potential. This equation was projected by few to have altered after cold war, when the option of large scale conventional wars appeared redundant and thought to have been preceded by the geo-economics. Thus, the era reflecting ascendancy of strategies such as balance of power, alliances, large scale global wars, unprecedented innovation in the weapon technologies and arms race has gradually receded by the last decade of 20th century. The emerging arena has viewed the primacy of concepts such as interdependence, economic integration, regionalism and ever-expanding globalization, resulting in the enlarged as well as uninterrupted human connectivity all over the globe. It has led to the debate as if the introduction of geo-economics replaces geopolitics or both are mutually interchangeable means of modern day statecrafts. Notwithstanding this discussion, the rising primacy of geo-economics and the

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preference of economic coercion has resulted in a geopolitical dilemma for the financially dependent or targeted states. The geopolitical dilemma for these states occurs when they are financially intimidated by dominant global actors for conceding at times their vital interests. This paper seeks to dilate upon the interplay of geo-economics and geopolitics in the contemporary arena and as to how this linkage causes a geopolitical dilemma for the potentially targeted nations.

The strategic dynamics of the 21st century have been evolving, with the narratives of globalization, mutual interdependence, as well as information revolution, influencing the interactions among the nations. The post-cold war arena was anticipated to promote a global order with a natural primacy of interdependence through economic integration, hence leading towards a greater focus on geo-economics that was anticipated to replace the dominance of geopolitics. There were projections by many experts that the newly found global arena, duly influenced by all these factors, would decisively alter the global strategic environments, showing the way towards a least confrontational and increasingly interdependent world. Geo-economic considerations were predicted to not only take precedence over nations' conventional geopolitical aspirations but in the process replace the later. However, the optimism was soon evaporated with events reflecting that geography still mattered; that the states would continue to struggle for power as well as territory; that military power would still undermine economics even if for the time being; that the world is not nearing 'the end of history,' contrary to what Francis Fukuyama claimed regarding the post-cold war triumph of neo-liberal order (Sempa 2002, 3). Consequently, it would not be imprudent to suggest that much hyped geo-economics is definitely not substituting the geopolitics but instead quickly emerging as a factor that is accentuating geopolitical dilemma of the states, especially those targeted by the powerful players for strategically inspired motives. What essentially could be this 'geopolitical dilemma' being confronted by the underdeveloped nations in the era of so called geo-economic primacy? Moreover, this paper would also seek to explore the interlinkage of both these concepts, and dilate upon as to how coercion of the target states is managed through economic statecraft for pursuing geopolitical objectives.

LITERATURE REVIEW

Geopolitics as well as geo-economics and their interlinkage has been among the frequently debated concepts with numerous publications appearing all over the world. Sempa (2002), Grygiel (2006), Flint (2006), Black (2015), Kelly (2016) and Buszynski (2019) have highlighted various attributes of geopolitics and suggested it to be a human factor within the geography, which explores the influence of geographic dynamics on the evolutionary process of states. The introduction of term geo-economics is largely attributed to Edward Luttwak (1990), while Nye (1990, 2004), Sølén (2012), Baru (2012) and Munoz (2017) has elaborated the term further, linking it with the material power, strategic aspects of resources, changes in national power and as an instrument of coercion. The interplay of geopolitics and geo-economics has also received huge scholarly attention in the post-cold war era with Wigell & Vihma (2016), Blackwill & Harris (2016), Ágnes (2015), Klement (2021) and Kurecic (2015) identifying inextricable connection between the two by claiming geo-economics as a sub-variant of geopolitics and a preferred form of geopolitical combat. The employment of geo-economics for geopolitical interests in the contemporary world in the form of economic warfare is also highlighted by Csurgai (2018), Baracuhy (2018) as well as Schneider & Weber (2019). Greenhill & Krause (2017) and Haun (2015) discuss coercion and working of its two

basic forms, deterrence as well as compellence. Hafiz (2015) stresses the importance of fairness during coercion while Doxey (1980), Alexander (2009), Drury (2005) and Eyster (2007) underline the evolution of sanctions as a means of war strategy.

RESEARCH METHODOLOGY

This paper has used the descriptive research for studying the geopolitics and rising primacy of geo-economics in the international statecrafts and its impact. Descriptive research has helped in evaluating as to how the preeminence of economic statecrafts is resulting in a geopolitical dilemma for the targeted states. The descriptive technique is resorted to, when various dimensions of a prevailing issue at a specific stage is investigated for drawing certain inferences that shape a particular phenomenon. Thus, the research seeks to analyze the relevance of geopolitics in the era of geo-economic preeminence and how it would result in a geopolitical dilemma for the target states when they are economically coerced for conceding even their legitimate interests. For evaluating the geopolitical exploitation of the influence of economic coercion in the era of geo-economic primacy, the input from sources like books, research papers, biographies and newspaper reports has been consulted.

AN APPRAISAL OF THE CONCEPT OF GEOPOLITICS

Geopolitics, an extensively debated concept that would only be touched upon here briefly, is regarded to be a highly permutated term, which has been conceptualized differently in various periods of history and offered numerous connotations, primarily according to the dictates of prevalent strategic environments. It was linked with power, legitimizing state's expansion when first introduced in the 19th century, associated with maritime supremacy and great power politics of 20th century, focused thereafter on the statecrafts especially the security realm, and formed an inevitable part of deliberations on grand strategy. Geopolitics is thus defined in several ways, lacking any universally accepted definition, but overwhelming focus of each description is on the connection between politics and geographical influences, even though that relationship has also been deliberated and presented with different connotations (Black 2015, 3). In simplest possible explanation, geopolitics is termed as 'the study of how the political views and aims of nations are affected by their geographical position (Cassell's English Dictionary 1962, 485).' Widely accepted as the interaction of geographic setting and political considerations, geopolitics was meant to expound the challenges of statecrafts being faced by a nation state in the international system. Essentially, it has been the understanding of the attributes that were deemed fundamentally vital, inevitable and inextricably linked with the very survival of a state in a self-help based global structure. Geopolitics can also be regarded as the interaction between states and specific geographical environs that helps statesmen in identifying and outlining their national interests and assists in distinguishing between the enduring or permanent as well as transient interests (Sempa 2002, 5-6).

According to Grygiel (2006), geopolitics is simply the world being faced by each state; broadly what is existing 'outside' a state, implying that the environment within which, as well as in response to which, any state is required to act (24). Thus, in its essence, geopolitical interests of a state would highlight its posture towards the developments in the external world or pursuits of other international actors, which reflect their potential orientation, inclinations and interests that may be converging or diverging. Moreover, for majority of the leading scholars of geopolitics, it is

geography which has always been consensually accepted as its most vital element, influencing all other variables of the concept being the only constant factor. Hence, geopolitics outlines the policy and the study regarding the employment of geography as well as the factors attendant upon it, reflects human factor within the geography, and evaluates the influence of geographic dynamics on the state's life and evolution (Black 2015, 18; Grygiel 2006, 22; Kelly 2016, 24). For Cohen (2014), the modern geopolitics is: "... a scholarly analysis of the geographical factors underlying international relations and guiding political interactions ... the analysis of the interaction between, on the one hand, geographical settings and perspectives and, on the other, political processes" (p. 11). In a comprehensive description, Kelly (2016) defines geopolitics as: "... the study of the impact or influence of certain geographic features, positions and locations of regions, states, and resources, plus topography, climate, distance, states' size and shape, demography, and the like, upon states' foreign policies and actions as an aid to statecraft" (p. 23).

In essence, geopolitics has been underlining a state's quest for survival while taking into account influence of various factors, including constant like geography and variables such as international politico-strategic environments. As a result, the geopolitical ambitions of a nation state have predominantly been reliant on its capacity of influencing and shaping strategic environments favorably, especially by the employment of hard power. For Buszynski (2019), the geopolitics was initially assumed to be the 'power politics', or alternatively, 'the struggle for power', therefore, an association that retains its embrace with the concept even today (p. 15). In conventional geopolitical analogy, military or hard power assumes a dominant role, as during the era of Cold War, the deliberations on 'power' were dominated by focusing on a state's ability of waging war against others (Flint 2006, 28). Whereas, a state had to rely on numerous factors during its quest for survival as well as relevance in the international arena, power was regarded to be a crucial element that determined the resilience, viability, endurance and influence of a nation. Presently, the focus of geopolitics has been shifting from power as well as its aggrandizement, to gaining security and its stimulation, thus the emphasis is more towards promoting security of the state within a peculiar geographic context, and the aspects shaping responses to that context (Buszynski 2019, 25). With security becoming a complexed phenomenon in the contemporary world where evolution of a state has solely been reliant on the classic notion of 'space', the rising influence of economy has presumably started taking precedence over all other attributes.

The Emergence of the Concept of Geo-Economics

It is largely accepted that the term geo-economics has surfaced in the post-cold war arena, although the interplay of economy and politics, shaping the strategic orientation of the states had been a persistent phenomenon since the ancient times. Managing control over trade routes, securing access to the natural resources as well as influencing the market activities have always assumed significant importance in the international economic relations (Csurgai, 2018, 2). However, Edward Luttwak is credited for introducing the concept of geo-economics in its present manifestation after the triumph of neo-liberal world over the Marxist challenge, and increasing perception that the era of large scale wars was now replaced with other means of statecraft. Sjøilen (2012) while elaborating the linkage of geo-economics with statecraft, termed it as 'the study of spatial, cultural and strategic aspects of resources, with the aim of gaining a sustainable competitive advantage (p. 8).' This competitive advantage may not be limited to the rivals alone; a state would rather seek

ascendancy over the entire global community, without essentially excluding the allies even. While introducing the term of geo-economics, Luttwak (1990) suggested:

Everyone, it appears, now agrees that the methods of commerce are displacing military methods ... 'geo-economics' is the best term I can think of to describe the admixture of the logic of conflict with the methods of commerce (p. 18). Baru (2012) has very comprehensively defined the geo-economics as: "... the relationship between economic policy and changes in national power and geopolitics (in other words, the geopolitical consequences of economic phenomena); or as the economic consequences of trends in geopolitics and national power" (p. 47).

The present day taxonomy of geo-economics may be novel, at least with regard to the introduction of a new terminology, however, the influence of economy on statecrafts has been ever existent. Historically, economic means have always been used by the belligerents against each other, mainly targeting the financial resources for undermining the combat potential of opponents. The core notion of geo-economics is thus existent since antiquity and can be traced back to the contentions of Sun-Tzu on the strategies of non-military victories, wherein the highest excellence has been regraded to be subduing adversary without fighting at all (Søilen 2010, 3). In essence, the subjugation of the enemy without employing kinetic means can only be possible when a nation state succeeds in influencing its opponents in a way that the policies of targeted countries are shaped favorably. Hence, in the contemporary global strategic dynamics, geo-economics has emerged as an approach towards political balance, instrument of coercion and a goal per se, since nations always strive to grow or at least maintain financial dominance globally or regionally (Munoz 2017, 211). For many scholars, geo-economics is, therefore, believed to illustrate the strategic interactions among various stakeholders of the state and different economic sectors with the aim of enhancing the power status of a country in the contemporary global order (Csurgai 2018, 4). The goal of 'increasing the power status of a state' is reminiscent of classical geopolitical aspirations of nations during the era of both world wars, inter-war period and cold war arena.

The correlation of a state's 'power status' with the geo-economics and its practical manifestation in the post-cold war arena, appears to be a thought-provoking phenomenon. Realistically, the present statecraft dynamics, as has been the precedence during all phases of history since the ancient times, is far from being ideal with power intrigues continuing as a persistent feature. The global strategic dynamics continue to be largely dominated by the employment of various modes of 'power' for constructively influencing the policies of targeted entities. The taxonomy of power has also been evolving in conjunction with the ever-changing dictates of strategic environments, necessitating adaptations as well as adjustments from time to time. Consequently, there has always been debate on the utility of preferring coercive strategy of statecraft or alternatively, employing persuasive means for achieving the foreign policy objectives. Whereas coercion through hard power was in practice over the years, there has been suggestions for employing 'indirect way' for getting desirables, that was termed as 'the second face of power', essentially without threatening from 'military force or economic sanctions' (Nye 2004, 5). This concept is called soft power and attributed to Nye (1990), who related it with the non-material power resources 'such as culture, ideology, and institutions,' differentiating it from material power, which is generally associated with the tangible resources in the form of military and financial strength (p. 32). Ironically, the much

vouched geo-economics is also categorized among the 'material' or tangible power which has the potential of coercing the intended target, somehow analogous to the employment of military.

The application of hard power is an established means of influencing others through the use of, or the threat of the use of military and economic might, a strategy that primarily relies on inducements 'carrots' or the threats 'sticks' (Nye 2004, 5). However, there is a general propensity of ignoring some of the glaring diversities between the power projection made through either military means or economic instruments, particularly in terms of the impact as well as responses. The geopolitical power projection, which is categorized as an aggressive or offensive foreign policy maneuver, is typically overt, and conducted by military means, with an operational logic of confrontation (Wigell & Vihma 2016, 605). Contrarily, geo-economic power projection is assumed to be more covert, and conducted by economic means, with an operational logic of pursuing selective accommodation (Wigell & Vihma 2016, 605). Notwithstanding these variances, it essentially suggests that the use of either military means or the economic instrument, primarily reflects the power projection to pursue or compel the target for conceding and therefore, classified as hard power. In present day world, economic coercion achieved through imposing sanctions regimes or activating global monitoring institutions such as Financial Action Task Force (FATF), has been a viable instrument of influencing policies of targeted states. It would not be imprudent to suggest that the employment of economic instruments for seeking compliance by coercing the target entities, epitomize the use of hard power. Another aspect warranting little explanation is the claim about the covert nature of power projection through geo-economics; in the hindsight the real motive may be concealed, however, the employment of various instruments of economic statecrafts are generally explicit.

In sum, geo-economics is regarded to be merely an economic interpretation about the interconnection of politics and space, or alternatively, geo-strategies with economic means; focusing on the shift via global world market system that is through transnational corporations as well as international capital flow (Ágnes 2015, 9-10). Apparently, this interpretation of the relationship between 'politics and space' is nothing more than geopolitics, thus the exploitation of the international market system serves the strategic interests of the powerful states accordingly. It is because the capacity of influencing global world market system only rests with financially dominant players, leaving very little space of maneuver for economically fragile and dependent states. Thus, the initial optimism that the end of cold war era would result in increasing cooperation among global actors, paving the way for greater interdependence and quest for shared gains, has somewhat evaporated. Contrarily, the geo-economics has now been broadly identified as a means of achieving strategic geopolitical interests; an endeavor towards the expansion of global market integration; and finally, the reconfiguration of a state's power in the multi-polarized world (Munoz 2017, 211). It implies that increasing economic interaction in the international arena after the cold war polarization is unlikely to contribute much towards collective good. There has been a common perception that the geopolitical contest often leads towards the exploitation of economic statecrafts; contrarily though, it has often been economic rivalries that mostly fueled geopolitical competition, thus instigating diversified type of conflicts including armed clashes (Csurgai 2018, 3).

Interplay of Geopolitics and Geo-Economics: A Source of Geopolitical Dilemma

Geo-economics is usually assumed to be a sub-variant of geopolitics, with a broad contention that it is one of the instruments available in the geostrategic toolbox, which is employed in addition to

other more conventional means of geopolitical realm (Wigell & Vihma 2016, 605). The use of prefix geo with economics primarily highlights the influence of geographical features on the financial power of a state; conversely, it may also reflect 'a sphere of influence,' maintained by a hegemon through keeping its bordering countries economically dependent (Scholvin & Wigell 2018, 9). The contention that geo-economics is just about an instrument of pursuing geopolitical objectives has been validated by contemporary scholars Blackwill and Harris (2016) as well in their famous work, 'War by other means: Geo-economics and statecraft'. They have claimed that the geo-economics is 'reemerging as a favored form of geopolitical combat for some of the world's most powerful states and shaping the outcomes of some of the world's most important strategic challenges' (Blackwill & Harris 2016, 18). It has further been suggested by Ágnes (2015) that the impending 'grand strategies' of twenty first century geopolitics are expected to be pursued largely through economic means, which would naturally enhance the significance of economy (p. 9). Thus, much akin to geopolitics, the geo-economics is accepted as a foreign policy strategy, which basically manifests the use of economic instrument of power by the states for attaining the coveted strategic objectives (Wigell 2018, 4).

The post-Cold War assertion regarding the culmination of conflict over political ideologies led to new paradigm, and accorded far greater emphasis on economics, although without totally negating the influence or significance of politics as well as military power (Munoz 2017, 124). While the debate on geopolitics typically reflects the linkage between political ambitions and the means of achieving these goals in a peculiar geographic setting, focusing primarily on the hard power, however, the ensuing strategy also assumes greater significance. The convergence or overlap between the two phenomena can be explained with the fact that geopolitical interests are linked with the need of directly or indirectly controlling resource rich territories, while the geo-economic interests seek management of resource (Kurecic 2015, 531). It would imply that the geopolitics has not been rendered irrelevant, but all these factors enumerated above and others would continue to shape the policies of nations, albeit within a broader geopolitical framework (Sempa 2002, 7). Hence, any strategy aimed at achieving certain geopolitical objectives, would essentially seek to influence and/or gain control over the policies of other states as well as the flows of resources (Vihma 2018, 4). The complex linkage between geopolitics and geo-economics and influence of one on the other is reflected by Kennedy (1990): "... the process of rise and fall among the Great Powers – of differentials in growth rates and technological change, leading to shifts in the global economic balances, which in turn gradually impinge upon the political and military balances..." (p. xxii).

Whereas geopolitics is deemed as the study regarding the influence of geography on international policies of nation states, the geo-economics explores as to how geopolitics and economics interrelate as well as interact in international relations (Klement 2021, xv-xix). The correlation between these two in the statecraft and one being an instrument of complementing the other, defies the projections made by the exponents of an interdependent world after cold war era. In the hindsight, geo-economics would have helped in overcoming the global frictions caused by the geopolitical contests during conflict ridden phases of nation state history, leading towards comparatively a peaceful era of shared gains. Contrarily, the post-cold war global environments validated the common perception that the geo-economic conflicts, primarily termed as the 'resource wars,' occur on the question of who controls and manages the natural resources in various parts of the world. Thus, the conflicts on the premise of 'resource wars' and contest for

acquiring greater sway over 'resource rich territories' essentially reflect the geopolitical rivalries among various actors on the pretext of geo-economics. Presumably therefore, the global competitions instigated on the basis of 'resource wars,' often significantly as well as sometimes even crucially, outline the geo-economics and geopolitical dealings in the resources rich areas of the world (Kurecic 2015, 527). It may be contended that besides conventional geopolitical means, the 'influence over other states' and 'control on flow of resources' would definitely entail exploitation of financial instrument also, thus bringing in the phenomenon of geo-economics.

The post-cold war era led to the emergence of a global order where economic statecraft had assumed preeminence as reflected by the growing institutionalism that helped implementation of neo-liberal policies. Herein, it appears that the employment of economic power also seeks certain geo-strategic ambitions, but in a subtle way by offering an alternate option that fill in for military power or the kinetic approach. It is usually claimed that the International Financial Institutions (IFIs - International Monetary Fund, World Bank, and World Trade Organization) were designed according to the American economic preferences, and these mechanisms have been influencing the global trade and finance since last seven decades now (Klement 2021, xix). We all are well-conversant with the fact that being the superpower or global hegemon, the US economic preferences are mainly envisioned to promote the geopolitical agenda of Washington through economic strangulation of its rivals and intended targets. Hence, at international realm, each financial institution established and functional in the contemporary world, generally pursues some kind of geopolitical agenda on the behest of those players who created such mechanisms. The employment of geo-economics as the instrument of seeking political interests by the dominant nations leads to a situation where it has become a 'geopolitical dilemma' for the developing states. What essentially is a 'dilemma'; according to dictionary meanings, it is "a situation in which a difficult choice has to be made between two or more alternatives, especially ones that are equally undesirable."

'Geopolitical dilemma' can be assumed as a strategic quandary that compels a developing, weak or a fragile state to compromise on many of its national interests under the duress of economic manipulation, which is aimed at influencing its policies. It implies that a target state may have to even compromise on the standards of its sovereignty for maintaining economic viability in the face of financial constrictions. Imposition of many of these economic constraints for seeking compliance of such states, is usually facilitated by the international financial institutions through sanction regimes or the recommendations of certain task forces like the FATF. With rising primacy of geo-economics and declining tendency of large scale armed conflicts among dominant players, the era of bandwagoning or alliances, which promised some geopolitical space to developing states, is also diminishing. There is a little room for maneuver now for underdeveloped states as compared to cold war era polarized world, since the shared economic interests keep the geopolitical rivalry among powerful countries largely at bay. The changing modes of conflict at global level from kinetic to now predominantly non-kinetic, have introduced highly innovative and least costly means of shaping the policies of targeted states. Consequently, with exacerbating geopolitical dilemma of the targeted nations amid least prospects of bandwagoning or alliances in the post-cold war world, these states are increasingly vulnerable to economic strangulation. Economic statecrafts are than employed by powerful actors for geopolitical goals by exploiting the financial vulnerability of the target countries.

GEO-ECONOMICS AS AN INSTRUMENT OF GEOPOLITICS: HOW IT WORKS?

Economic warfare is perceived to be a rational instrument of statecraft for damaging the political, financial and military potential of the adversaries during the peace as well as at the time of war. The objective of the economic strangulation has not only been aimed at diluting the financial potential of the targeted states but eventually, influencing the policies of these nations as well. Few of the instruments employed for economic warfare can include trade embargoes, boycotts, economic sanctions, capital asset freezing, suspending aid flow, ban on investments and hindering access or exploration of natural resources (Csurgai 2018, 3). All these economic warfare means are designed at seeking strategic compliance of the target state by financially coercing it and limiting its decision making options. The real motive of employing economic coercion for seeking geopolitical gains in the international arena is not lost to a predominant majority of the scholars and often highlighted in their works. Hence, in the contemporary world, kinetic strategies are deemed least preferable options for seeking geopolitical objectives and employment of economic coercion against intended targets is gaining currency. Baracuhy (2018) declares geo-economics and geopolitics as the two sides of same coin, which are expressions of the geostrategic contest between great powers (14-15). It has been explicitly suggested in another well-researched work by underlining that the governments as well as international organizations such as the European Union (EU) and the United Nations (UN), regularly employ coercive means for seeking concessions from intended targets that are deemed working against the principle values of Western powers (Schneider & Weber 2019, 9).

The strategy of economic coercion incorporates a very interesting methodology and primarily relies on exploiting the customary attributes of behavioral sciences, wherein reward and retribution go side by side. Conventionally, the coercion is exercised in two basic forms, one being the deterrence and the other compellence - both selected and employed according to the dictates of prevailing situation (Greenhill & Krause 2017, 5). There is an interesting interplay of both these coercive strategies as despite being utilized for the similar end state, entirely divergent techniques are adopted. The deterrent demands expect the target to continue with the actions in hand while dissuading any potential change by conveying simply "don't", whereas compellence demands want changing of behavior by conveying to "stop," "go back," "give back," or "give up (Haun 2015, 23)." In this context, deterrence is aimed at preventing an intended target from altering its behavior, whereas compellence seeks a change in its behavior (Greenhill & Krause 2017, 5). Likewise, the coercive threats also take two forms: one is punishment and the other denial of something (Haun 2015, 24). The coercion through punishment or denial would only be regarded credible by the intended targets, if the intimidating coercer has the potential of exercising these threats. The punishment threat is executed by "threat of damage, or prospects of potentially greater damage in case of non-compliance (Haun 2015, 24). The coerced is anticipated to concede to avoid future pain, if the punishment threat has been deemed sufficiently credible - predominantly an approach that helps in aiming at influencing intended target's cost-benefit analysis (Haun 2015, 24).

In sum, deterrence threatens retaliation to mitigate prospects of change in the behavior of an intended target, while compellence is sought by punishing or threatening to punish in order to force a change in the behavior (Greenhill & Krause 2017, 5). Thus, it is the strategy of pressurizing the targets for doing a thing, which they otherwise would not have done - a compliance under duress or

a 'geopolitical dilemma' that comes in to play during the primacy of geo-economics. According to the widely accepted understanding, coercion has to be exercised through the utilization of force or threat of use of forceful means and essentially implies to be an arms twisting strategy for intended objectives. While predominantly, coercive strategies are assumed to be threatening or intimidating to force the target in to some action or compelling it to refrain from undertaking a specific action or adopting a certain posture, few have contended to combine softer power as well. Consequently, coercive action may also employ positive inducements that can potentially enhance the prospects of success, but than it would not be coercion, if reliance is merely on inducements (Greenhill & Krause 2017, 5). Nevertheless, despite wider acceptance of coercive strategies being resorted to against the targets through application of force or power, yet due cognizance of norms and legitimacy is anticipated during the entire process. So, ethically, the coercive strategy shall not be oblivious of certain "principles, or standard[s] ... not because [they] will advance or secure an economic, political, or social situation deemed desirable, but because it is a requirement of justice or fairness (Hafiz 2015, 1086)."

The use of economic sanctions as a geopolitical instrument has been multifarious, well-articulated and more than often helped in accomplishing certain strategic goals with or without resorting to violent or the kinetic means. Owing to a perceived higher rate of success, especially against economically fragile developing nations, the imposing of sanctions has always been considered as a vital element of national strategy. Given that the warfare has been an ever-expanding phenomenon, the modes, means as well as goals of the combat also correspondingly evolve, and from a conflict involving military forces alone, it is advancing in to the concept of total wars. During almost the entire nineteenth century, scope of the wars expanded well beyond the conventional theatres of combat to embroil whole nations in the process, affecting every aspect of human life including the economic domain as well (Doxey 1980, 11). The experience of economic warfare during the world wars helped the western powers to institutionalize the strategy and thus many of such financial control measures were kept intact. After the emergence of Bretton Woods economic order, these control measures were extended into a comprehensive mechanism of financial restrictions by the US against Communist countries as well as other non-compliant states and non-state actors (Alexander 2009, 9). The scope of the economic sanctions has also, meanwhile, not only enlarged but diversified to great extent with the inclusion of numerous non-state actors besides the states.

Like the economic sanctions, use of FATF recommendations for coercing the intended targets has also emerged as a viable strategy since the creation of this taskforce in 1989 by the Group of Seven (G7) countries, primarily for examining and developing measures to combat money laundering. The taskforce was initially created for a limited mandate, but given its effective output and potential in helping implement strict financial control measures globally, the reach, membership as well as scope of this mechanism has enhanced manifold. Notwithstanding the projection of the taskforce as only a mechanism for curbing financial irregularities, the FATF is viewed with lot much anxieties from most of the affected states for its exclusivity as well as selective operations. The arrangement could have achieved not only the 'universal participation, but the 'universal acceptance' also, had it not been viewed by the victims as a geopolitical instrument for pursuing the vested interests of some players. The membership criteria of the FATF also seems to be quite intriguing as the aspirant seeking to join is required to be strategically important, (large population, large GDP, developed banking and insurance sector, etc.), abides by the internationally accepted financial standards, and

has involvement in other key international organizations (Chohan 2019, 5). The policy of coercing the non-members through IFIs was apparently a key decision by the FATF since compliance of financially dependent countries of the Global South was most probable with involvement of these institutions. Like most of the global intuitions in the post-cold war era, the US enjoys significant power over functioning of the FATF despite the working of organization designed to be managed though consensus (Wessel 2006, 21).

As suggested during preceding paragraphs, there is little to differentiate between the employment of either geopolitical or geo-economic means, as essentially both aim at strategic goals, whether individually or while complementing each other. Various geo-economic means including imposing of sanction regimes or financial arms twisting through international mechanisms like FATF, largely carry the similar connotations for targeted states. Since the early 1990s, dominant states have relied more on the use of economic sanctions in the form of broader multilateral or even regional sanctions programs by involving either the United Nations Security Council, or some other regional bodies (Alexander 2009, 11). Whereas, the economic statecrafts, can be categorized in several domains, however, coercion through economic sanctions has been a preferred strategy followed by the use of taskforces such as the FATF. Economic sanctions can be termed as kind of coercive diplomacy; the financial constriction serves in the form of economic pressure that helps in weakening adversary's potential, and seeks to revise or deter some of its policies (Drury 2005, 13). The policy of economic sanctions is mostly favored by the coercer compared to other coercive means for being easy to implement, as it would not require too hectic process of developing international consensus. It is suggested that even in case of a stalemate at the UN Security Council, the possibility of imposing sanctions either by a coalition of the nations or a state at its own, which are being pursued within the framework of regional mechanisms, cannot be precluded.

CONCLUSION

The discourse on the rising primacy of geo-economics in the contemporary world does not undermine the significance as well as relevance of either the employment of geopolitical means through conventional power politics or the viability of financial instruments of statecraft. Hence, any such contention that seeks to downgrade the significance of any of the two phenomena, or declares geo-economics something only linked with the contemporary dynamics, would certainly be absurd. The use of economic means in any form to achieve ascendancy over the opponent can be categorized as a state of conflict, albeit in a seemingly non-violent realm. Economic means of coercion for geopolitical goals can, therefore, be a part of military strategy, may help in enforcing peace among belligerents and can also be an instrument of executing containment or initiating the dialogue process. Additionally, the taxonomy of economic coercion reveal that the strategy is mostly employed by the great or dominant powers either singlehandedly, or in collaboration with likeminded states for geopolitical objectives, however, its use looks well beyond the capacity of weaker nations. While economic coercion has always been a vital instrument of statecraft, the strategy received wider proclivity in the post-cold era with the US emerging as the sole global hegemon and using it as its foreign policy apparatus. The US has either been imposing sanctions unilaterally on targeted nations/ entities, or managed to coerce the UN Security Council for stipulating mandatory sanctions, with nearly two-thirds of global population subject of these.

It would be prudent to suggest that economic coercion appears to be a viable and rational strategy in the post-cold war arena, where options of large scale kinetic actions are deemed least preferable or convincing. While economic coercion through imposing sanctions on the adversary or non-compliant actors has been a familiar strategy since antiquity, the use of mechanisms such as the FATF, is a post-cold war phenomenon. Does it mean that the geo-economics replaces or serves as the substitute of military instrument in the contemporary world, when the large scale armed conflicts are being less preferred. The response would obviously be in negative as both these instruments of statecraft seek shared goals and essentially complement each other in the grand strategy. Conventional geopolitical pursuits usually result in centripetal forces, higher threat perception, and response in the form of activities like counterbalancing or bandwagoning; on the other hand, geo-economics produces centrifugal forces, comparatively lower or medium threat perception, leading to under balancing behavior. It may lead to the inference that geopolitics as well as geo-economics are both vital components of statecraft with the potential to equally help in pursuing the geostrategic objective, albeit through diverging methodologies. The primacy of geo-economics tends to constrict the strategic space of economically fragile or aid dependent nations, since institutionally pursued economic coercion of such states results in a geopolitical dilemma for them. The states facing economic coercion are thus, compelled to concede some of their vital national interests as surviving such economic onslaught becomes challenging and threatens even the financial viability of these nations.

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