

Editorial Introduction

By Estey Chen

At the turn of the century, integration and interdependence seemed to define the global political economy. Yet, two decades later, the US-China trade wars, the resurgence of industrial policy, and the emergence of de-risking discourse have undermined these assumptions. Not only has the US abdicated leadership and flouted the multilateral institutions and norms it upheld, but economic interdependence has also become a stage for inter-state strategic competition in the name of diversified supply chains, economic security, and technological primacy.

Amidst this shift, new opportunities are emerging for countries that were historically confined to the periphery of the global economic order. Global South countries may gain from increased demand for critical raw materials, with countries like the Democratic Republic of the Congo accounting for 74 percent of the world's cobalt production, and Indonesia accounting for 52 percent of mined nickel production in 2023. In times of economic and political fragmentation, Global South governments may be empowered to extract long-sought concessions from industrialised powers in exchange for access to their resources.

However, international economic history urges greater caution. The age of European colonial exploitation suggests that geographical proximity to natural resources does not guarantee economic prosperity nor geopolitical might. Processes of market integration, colonial extraction, and forced labour flows also illustrate that some countries have shouldered an unfair share of the costs of globalisation. This issue's six articles and five essays, which include data from more than 20 Southeast Asian, South American, and African countries, are positioned at this critical juncture. It is still too early to conclusively assess the winners and losers of geoeconomic competition, but this thematic issue attempts to start by analysing the conditions under which geoeconomic relevance can be converted, or not, into strategic agency.

The issue's contributors are, overall, sceptical that Global South countries can convert this moment into sustained economic and political leverage. Most of the geoeconomics literature frames large states as dictating the rules of economic engagement through sanctions, export controls, industrial policies, and supply-chain restrictions imposed on smaller states. While our authors reject this fatalistic view, their findings caution that possessing natural resources or the flexibility to be an early adopter of innovations does not guarantee economic growth. For example, Iluobe's essay on stablecoin adoption in Africa finds that success is limited by the lack of institutional capacity for developing and enforcing new finance frameworks.

A second grouping of contributions examines substantive institutional capacity relative to rhetorical agency. Huang and Shih demonstrate that Southeast Asian countries, which continually reject the binary of "choosing a side" between the US and China, are also becoming "rule-shaping agents" in their approaches to labour policy. Responding to pressure from the US, Malaysia and Vietnam selectively, rather than passively, incorporate US-style forced labour due diligence into their domestic

legal frameworks. By contrast, Rizvi and Hussain distinguish between agency and reactivity, arguing that Pakistan's narratives of strategic choice function to signal autonomy to China, the United States, and the domestic audience but fall short of "genuine policy transformation."

Global South agency also hinges on unified coordination from the state down to sub-national and civil society levels. Cecchi's examination of the European Union's Emergency Trust Fund for Africa illustrates how cooperation and marginalisation can occur simultaneously. The European Union retains its geoeconomic and security leverage over African states by deploying a "root causes" approach, which prevents local governments and NGOs from contributing to the aid negotiation process until after key decisions have been made. Even when local actors appear engaged in decision-making, their agency can be constrained if they are acting within externally imposed governance frameworks. If local governments lack the organisational capacity to set the conditions of their participation, geoeconomic competition may merely reproduce existing power asymmetries or limited agency conditional on terms set by external players.

Conversely, this kind of fragmentation can become "defensive insulation", as argued by Mortin, who notes that lithium extraction in the Sahel is contested across a diverse range of state institutions, armed non-state actors, and informal economies. While state leverage is undermined by fragmented control over the extraction, processing, and transportation of lithium, the fragmentation prevents foreign powers from manipulating the entire supply chain because of the challenges inherent in coercing all the stakeholders simultaneously. Global South agency requires vertical and horizontal coordination, but the absence of one does not guarantee foreign exploitation, either.

The other key insight centred on critical minerals and supply chain vulnerabilities. Capital-intensive hydropower projects are seen as opportunities to transform natural resources into meaningful agency, as indicated in Ezugwu, Apokhume, and Chidozie's article. The authors argue that hydropower megaprojects like the Grand Ethiopian Renaissance Dam can become "negotiation capital" for Africa's collective sustainability and regional politics. Yet, there are persisting concerns with policy follow-through, as Ethiopian interviewees reported the continued lack of electricity transmission infrastructure, which is essential for distributing the dividends of the initial megaproject. Project completion is not a sufficient guarantee of African agency, as resource transmission and redistribution are also necessary for long-term development.

This logic is echoed in Gallage's essay on critical minerals in the Democratic Republic of the Congo (DRC), Visentin's case study of Southeastern Guinea's iron-ore reserves in Simandou, and Jiang and Panourgias's study of Indonesian nickel. Visentin argues that Guinea can convert foreign competition over iron-ore into developmental leverage if the state controls the rules governing the railway and port system that "links extraction to export." Likewise, Jiang and Panourgias's case study of Indonesian "downstreaming" underscores how "infrastructural readiness," which was built into nickel-focused Morowali Industrial Park by its consortium of Chinese and Indonesian investors, is one of the four conditions that helped ensure Indonesia's success in forcing foreign investment and exercising agency. Gallage proves the inverse, finding that the absence of capital, infrastructure, and domestic processing capacity prevents the DRC from becoming an agenda-setter. These papers demonstrate that if countries

effectively manage the final nodes in the supply chain, they are better positioned to move beyond sites of extraction and into actively shaping global trade and investment networks on their own terms.

Finally, the issue engages with conceptual debates around who benefits from geoeconomic strategic competition. Ali's essay takes a step back to consider the implications of geoeconomic competition on non-state actors. She argues that neoliberal trade and debt regimes disproportionately transfer the burdens of economic risk, familial care, and household indebtedness onto women. This is a welcome intervention, not only because it bucks the state-centrism of existing international relations research but also because it affirms that international economic policies must be assessed alongside their effects on everyday communities.

In sum, this issue suggests that the emerging geoeconomic order offers new opportunities for Global South agency, but only when states can build and manage capable institutions, develop short- to long-term strategic roadmaps, and integrate vertical and horizontal stakeholders. Questions also remain around whether the term "Global South", with its connotations of Cold War solidarity, is useful for understanding the agency of historically marginalised states and conceptualising potential multilateral cooperation in the model of Western economic blocs – or whether it merely flattens the diversity among states and societies. However, we believe the findings of this issue help initiate important debates and hope that it informs future research on how marginalised states may reshape the global economic and political order.