
The Rise of Geoeconomic Competition: The Strategic Centrality of Economic Instruments in Global Power Politics and Foreign Policy

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Abstract

This article analyzes the rise of geoeconomic competition and the process by which economic instruments have become strategically central to foreign policy in the global power struggle. During the first quarter of the twenty-first century, the international system has undergone a fundamental transformation in power politics, with sanctions, technology controls, energy dependencies, and supply chain management assuming decisive roles in interstate relations. Drawing on the weaponized interdependence theory as its core analytical framework, this study examines how actors controlling critical nodes of global economic networks transform this control into foreign policy leverage. Designed as an analytical essay, this research employs an integrated methodological approach combining literature synthesis, conceptual framing, and comparative pattern analysis. The central hypothesis posits that the strategic centralization of economic instruments accelerates during periods when network dependencies become asymmetric and critical sectors undergo securitization. Findings reveal that geoeconomic competition intensifies across four principal domains: sanctions and financial systems, technology and export controls, energy and climate policies, and investment screening and standards. The study demonstrates that while economic coercion— —instruments can produce effective outcomes in the short term, they may trigger counter-adaptation strategies, the emergence of alternative networks, and tendencies toward institutional fragmentation in the medium and long term. In this era marked by the questioning of the liberal international order's fundamental assumptions and the recognition that economic interdependence generates coercive capacity alongside cooperation, geoeconomic competition deepens the tension between integration and fragmentation in the global order. By evaluating both the effectiveness and legitimacy dimensions of geoeconomic strategy, this article aims to contribute to academic literature and policy practice alike.

Keywords: Geoeconomics, Weaponized Interdependence, Economic Statecraft, International Sanctions, Technology Competition, Strategic Autonomy, Global Supply Chains

1. Introduction

Power struggles within the international system underwent a fundamental transformation in the first quarter of the twenty-first century; economic tools, alongside military capacity, became primary instruments of foreign policy (Blackwill and Harris, 2019). This transformation reflects a process in which states have reshaped their relations with each other not only through diplomatic or military channels, but also through trade flows, investment regimes, technology standards, and financial access mechanisms. This process represents a strategic repositioning in which states have diversified their foreign policy toolkits while increasingly prioritizing economic instruments (Wigell et al., 2019). Particularly over the past decade, sanctions have become more frequent and complex, export controls have focused on strategic sectors, and investment screenings have become widespread on national security grounds (Baldwin and Kapstein, 2020; Mulder, 2022). The concentration of global supply chains at specific nodes has provided unique leverage to the actors controlling these nodes; economic interdependence has come to produce pressure and fragility as much as cooperation (Farrell and Newman, 2023). Trade restrictions, financial exclusion mechanisms, and technology quotas are no longer isolated measures but function as core components of systematic foreign policy strategies (Drezner et al., 2021). In this context, the concept of "geoeconomics" emerges as a central analytical framework explaining the strategic mobilization of economic capacities in pursuit of state interests (Wigell et al., 2019). Geoeconomics conceptualizes the instrumentalization of states' economic power in pursuit of national interests and security objectives, while also explaining how this instrumentalization reshapes the distribution of power in the international system (Blackwill and Harris, 2019). Therefore, today's international relations can be characterized as a period in which economic tools have moved from being complementary to foreign policy to becoming strategically central.

The rise of geo-economic competition is transforming not only the rivalry between major powers but also the structural characteristics of the global order. The post-Cold War assumption that "interdependence will bring peace" has been seriously questioned in recent years (Ikenberry, 2020). This questioning reflects a critical period in which the empirical validity of one of the fundamental propositions of liberal theory is being tested; the expectation that economic integration will deter conflict has been confronted with the reality that dependencies can be weaponized (Drezner et al., 2021). Liberal expectations that economic integration would prevent conflict have been shaken by empirical examples showing that trade and investment relations can be turned into instruments of pressure (Farrell and Newman, 2023). The comprehensive sanctions imposed in the context of the Russia-Ukraine war, the technology competition between the United States and China, and the use of energy resources as a strategic lever clearly demonstrate that geoeconomics has become an integral part of everyday foreign policy practice (Mulder, 2022; Miller, 2022; Yergin, 2020). These examples show that geoeconomic tools are systematically used not only for economic objectives but also for geopolitical aims and security interests (Ruys et al., 2024). These developments demonstrate that economic tools are not merely "low-intensity" pressure mechanisms but can produce decisive outcomes in inter-state relations. Therefore, geoeconomic competition provides an indispensable conceptual lens for understanding the functioning of the international system.

In this article, the concept of "geoeconomic competition" is defined as the strategic use of economic capacities by states and large-scale actors in pursuit of foreign policy objectives (Wigell et al., 2019; Blackwill and Harris, 2019). The term "economic instruments" refers to a broad range of tools, including trade policies, sanctions regimes, financial restrictions, investment screening, technology and export controls, and dependency relationships established through energy and critical raw materials (Baldwin and Kapstein, 2020). These instruments produce different impact mechanisms when used alone or in combination; therefore, geoeconomic strategy also involves decisions on instrument selection and instrument combination (Drezner et al., 2021). While maintaining the space- and power-focused logic of classical geopolitics, geoeconomics reshapes the mechanism of influence through economic networks, rules, and standards (Bradford, 2020). In this context, the concept of "economic statecraft" is used to express the capacity to produce deterrence, rewards, or restrictions through economic tools (Baldwin and Kapstein, 2020). The "armed interdependence" approach explains how actors controlling critical nodes in global networks can leverage this control as a foreign policy lever, thereby conceptually revealing the structural foundations of geoeconomic competition (Drezner et al., 2021; Farrell and Newman, 2023). These conceptual distinctions are important; not every economic interaction is geoeconomic, and geoeconomic action requires the deliberate and strategic alignment of economic instruments with foreign policy objectives (Blackwill and Harris, 2019). This strategic intent is the fundamental criterion that distinguishes geoeconomic action from ordinary economic policy; states explicitly or implicitly pursue foreign policy objectives when using economic instruments (Wigell et al., 2019). Therefore, this article aims to discuss the claim of "strategic centralization" through concrete mechanisms and patterns by narrowing the concept analytically.

The intensification of global supply and technology chains in strategic sectors is among the primary dynamics accelerating the rise of geoeconomic competition. Semiconductors, artificial intelligence infrastructures, cloud computing ecosystems, and advanced manufacturing capacities have moved to the center of foreign policy decisions; the gap between economic superiority and security superiority has narrowed significantly (Miller, 2022; Bradford, 2023). This narrowing has blurred the traditional distinction between economics and security and led to the concept of "economic security" gaining a central position in foreign policy discourse (Goodman, 2024). Supply disruptions during the pandemic have made the continuity of critical inputs and logistics networks a priority on states' "economic security" agendas (Goodman, 2024; Tooze, 2021). Energy transition and resource geopolitics have similarly increased geoeconomic leverage capacity; climate policies and energy security have expanded the foreign policy toolkit (Yergin, 2020). The geographical distribution of energy resources and control of energy infrastructure provide states with both defensive and offensive geoeconomic levers, making energy policy an integral component of foreign policy (Yergin, 2020). The intensification of sanctions, the proliferation of secondary sanctions, and the activation of exclusion mechanisms from the financial system have increased the visibility and impact of economic tools in inter-state competition (Mulder, 2022; Ruys et al., 2024). The reflection of the European Union's regulatory capacity on global markets provides a concrete example of how standard-setting can function as a geo-economic lever (Bradford, 2020). China's infrastructure and connectivity projects,

meanwhile, bring alternative forms of influence production through capital flows and trade routes to the fore (Ahmed and Lambert, 2022; Hillman, 2020). All these developments empirically support the argument that economic tools have taken center stage in foreign policy.

The primary objective of this article is to analyze the rise of geoeconomic competition at conceptual, institutional, and practical levels through the lens of the phenomenon of "economic instruments becoming the strategic center of foreign policy." To this end, the study first systematically evaluates the fundamental approaches to geoeconomics and economic statecraft in the literature (Wigell et al., 2019; Baldwin and Kapstein, 2020). This assessment reveals how different theoretical traditions approach the phenomenon of geoeconomics in a comparative manner and identifies the strengths and weaknesses of these approaches. Subsequently, a theoretical framework is developed that explains how economic instruments generate leverage within the conceptual contributions offered by network-based power approaches (Drezner et al., 2021; Farrell and Newman, 2023). Methodologically, the article proceeds with a qualitative design; literature synthesis, conceptual framing, and comparative pattern analysis are used together (Blackwill and Harris, 2019; Mulder, 2022). The aim is not to present a singular narrative of events, but to reveal the recurring mechanisms and patterns in the functioning of geoeconomic competition. The findings section presents patterns in areas where the strategic centralization of economic tools is concentrated, focusing on sanctions and financial systems, technology and export controls, energy and climate, and investment screening and standards (Ruys et al., 2024; Miller, 2022; Yergin, 2020). These four areas constitute the intersection points where geoeconomic competition manifests most intensely and where the strategic importance of economic tools is most evident (Blackwill and Harris, 2019). The study also does not overlook the effectiveness dimension of geoeconomic competition; it is acknowledged that economic pressure does not always produce the desired political outcome and sometimes triggers counter-adaptation strategies and the emergence of alternative networks (Mulder, 2022; Connolly, 2022). Therefore, the methodological approach aims to analyze not only the existence of tools but also the feedback mechanisms they encounter in the process leading to policy outcomes (Farrell and Newman, 2023). Thus, the article addresses geoeconomic competition both as a foreign policy tool and as a structural feature of the global order.

The main research question of this article is: Through which mechanisms does the rise of geoeconomic competition produce the "strategic centrality" of economic instruments in global power politics and foreign policy? Supporting this main question, subsidiary questions are structured along three axes: The first subsidiary question inquires under what conditions economic statecraft tools, particularly sanctions, trade restrictions, investment screening, and technology controls, are used more frequently and more severely (Baldwin and Kapstein, 2020; Ruys et al., 2024). This question aims to identify the contextual conditions and triggering factors for the use of these tools, thereby demonstrating that geoeconomic action is not random but linked to specific structural and conjunctural conditions. The second sub-question examines how actors controlling the nodes of global networks transform this control into foreign policy levers (Drezner et al., 2021; Farrell and Newman, 2023). The third sub-question explores whether this process of strategic centralization affects the global order in an integrative or divisive direction (Ikenberry, 2020; Bradford, 2023). These questions constitute a research agenda aimed at

understanding not only the instrumental dimension of geoeconomic competition but also its systemic consequences. The relationship between the questions is structured as an analytical chain extending from the conditions of use of economic instruments to the mechanisms of this use and ultimately to their effects on the global order. This analytical chain offers a multi-level analysis, ranging from the micro-level use of instruments to macro-level systemic consequences. Therefore, the research questions are designed to reflect the multidimensional nature of geoeconomic competition.

The article's main hypothesis is that the strategic centralization of economic tools accelerates during periods when network dependencies become asymmetrical and critical sectors are securitized (Miller, 2022; Yergin, 2020; Farrell and Newman, 2023). This hypothesis links the intensification of geoeconomic competition to specific structural conditions, thereby suggesting the existence of a non-random pattern. These structural conditions encompass changes in the architecture of global economic networks, new forms of dependency created by technological transformation, and the expansion of security perceptions (Drezner et al., 2021). The first auxiliary hypothesis argues that sanctions and financial exclusion will be used more effectively and more frequently by actors with high network centrality and institutional access advantages (Mohsin, 2024; Ruys et al., 2024; Mulder, 2022). This hypothesis assumes that the use of geoeconomic tools is not symmetrical among actors and that structural position determines tool effectiveness. This asymmetry leads to disproportionate leverage for actors with central positions, particularly in the global financial system and technology ecosystems (Farrell and Newman, 2023). The second auxiliary hypothesis predicts that control over technology and supply chains will take precedence under conditions where competition shifts toward long-term capacity accumulation, namely research and development, standards, and export control regimes (Miller, 2022; Bradford, 2023). This hypothesis draws attention to the temporal dimension of geoeconomic competition, highlighting the tension between short-term pressure and long-term capacity building. The third auxiliary hypothesis argues that while the centralized use of geoeconomic tools may generate pressure capacity in the short term, it may make competition more persistent in the medium and long term by giving rise to alternative networks and institutional fragmentation tendencies (Farrell and Newman, 2023; Ikenberry, 2020). This hypothesis points to the possibility that geoeconomic competition could create a self-reinforcing dynamic.

The resolution of geoeconomic competition has long been considered a secondary field in the literature on international relations, with military power and diplomatic alliances accepted as the primary explanatory variables. However, over the past decade, this situation has changed fundamentally as the capacity of economic tools to produce strategic outcomes has become apparent (Blackwill and Harris, 2019; Drezner et al., 2021). This shift has prompted a questioning of the discipline's ontological priorities and a reassessment of the position of economic factors in security studies (Wigell et al., 2019). The scope and effectiveness of sanctions, the intensity of technology wars, the strategic use of energy dependencies, and supply chain vulnerabilities have made the central position of the economy in foreign policy indisputable (Mulder, 2022; Miller, 2022; Yergin, 2020). This transformation has also been

reflected in academic writing; a rich literature has emerged around the concepts of geoeconomics, economic statecraft, and weaponized interdependence (Wigell et al., 2019; Farrell and Newman, 2023). However, the existing literature is relatively lacking in comprehensive frameworks that holistically explain the "why" and "how" of economic tools becoming strategically central. A significant portion of the studies focus on individual tools, such as sanctions alone or technology controls alone, and do not sufficiently address the interaction between tools and their combined effects on the global order. This fragmented approach makes it difficult to grasp the holistic nature of geoeconomic competition and obscures how different types of tools complement or substitute for each other (Baldwin and Kapstein, 2020). This article aims to fill this gap by examining the different dimensions of geoeconomic competition within an integrated framework.

The academic significance of this study emerges on several levels. First, the article addresses geoeconomic competition not only through specific instruments but within a holistic framework centered on the concept of "strategic centralization." This approach reveals the common logic and interrelationships of different economic instruments. This holistic view allows for an understanding of the entirety of geoeconomic strategy, not just its parts, and reveals the synergies between instruments. Second, the study uses the approach of weaponized interdependence as a central theoretical basis for analyzing geoeconomic competition, thereby linking the network-based understanding of power to foreign policy practice (Farrell and Newman, 2023). Third, the article questions the effectiveness of geoeconomic tools, showing that these tools do not always produce the desired results and can generate counter-adaptation strategies and alternative networks (Mulder, 2022; Connolly, 2022). This critical dimension is important for understanding the limits and unexpected consequences of geoeconomic competition. Recognizing that economic pressure can trigger resistance, adaptation, and the search for alternatives among target actors contributes to setting realistic expectations in the design of geoeconomic strategy (Connolly, 2022). Fourth, the study discusses the effects of geoeconomic competition on the global order, bringing the tension between integration and fragmentation to the agenda (Ikenberry, 2020; Bradford, 2023). Finally, the article offers a comparative perspective across different geographies and actors, revealing both the universal patterns of geoeconomic competition and its context-specific variations.

The practical importance of the study is evident for policymakers and decision-makers. Understanding the mechanisms of geoeconomic competition is essential for states to identify their economic vulnerabilities and develop strategies to mitigate them (Goodman, 2024). This understanding serves as a guide in formulating national economic security strategies and building resilience capacity in critical sectors (Tooze, 2021). Knowing under which conditions economic pressure is effective and under which conditions it triggers counter-adaptation and the search for alternatives rationalizes policy design (Mulder, 2022; Connolly, 2022). Furthermore, understanding the strategic value of one's position in global networks contributes to the long-term planning of investment, trade, and technology policies (Farrell and Newman, 2023; Miller, 2022). Understanding the geoeconomic dimensions of processes such as energy transition, digitalization, and supply chain restructuring facilitates the alignment of national strategies with

these processes (Yergin, 2020; Bradford, 2023). On the other hand, not ignoring the human and social costs of geoeconomic competition keeps the ethical dimension of policy choices on the agenda. This ethical dimension requires that the principle of proportionality be observed in the use of geoeconomic tools and that negative effects on civilian populations be minimized (Ruys et al., 2024). The effects of sanctions and trade restrictions on third parties are directly linked to debates on global justice and normative legitimacy. Therefore, the article emphasizes that geoeconomic competition is not merely a technical issue but is also intertwined with values and norms. Consequently, the study aims to provide insights for policy practice in addition to its academic contribution.

The scope of the article is limited to analyzing the rise of geoeconomic competition and the strategic centralization of economic tools in foreign policy. Rather than addressing the entire historical development of geoeconomic competition, the study focuses specifically on the transformation that became apparent from the second decade of the twenty-first century onwards. This periodical focus encompasses a critical segment where geo-economic competition intensified and economic tools became decisive in foreign policy, thus providing analytical clarity. This period encompasses a phase in which the deepening competition among major powers following the global financial crisis, the intensification of technology wars, and the supply chain vulnerabilities triggered by the pandemic accelerated geoeconomic dynamics (Tooze, 2021; Miller, 2022). Geographically, the study focuses on mechanisms operating at the global level without being limited to a specific region; however, it places particular emphasis on the main actors in geoeconomic competition, such as the United States, China, and the European Union (Luttwak, 1990; Blackwill and Harris, 2019; Bradford, 2020). These actors were selected due to their central positions in global networks, their capacity to use economic tools, and their decisive roles in foreign policy practices. However, the study does not ignore the geoeconomic dynamics of middle powers and regional actors; it discusses the positions of these actors as both targets and tool users. This multi-actor perspective demonstrates that geoeconomic competition occurs not only between major powers but also at different levels and in different forms (Wigell et al., 2019). Therefore, the scope aims to strike a balance between analytical depth and comparative breadth.

The study has certain limitations. First, as the article is based on a qualitative design, it does not provide quantitative measurements and statistical generalizations. While this choice allows for a deep understanding of the complex mechanisms of geoeconomic competition, it limits the generalizability of the findings. This limitation of the qualitative approach can be overcome in future research by supporting it with quantitative methods; mixed-method designs can make valuable contributions in this area. Second, the study does not comprehensively address the intersection of geoeconomic competition with its military dimensions; it focuses on the autonomous dynamics of economic instruments. This limitation may make it difficult to grasp all dimensions of geoeconomic and geopolitical interaction. Third, the article addresses the domestic policy dimensions of geoeconomic competition, such as the social foundations of economic nationalism or the relationship between domestic political dynamics and foreign economic policy, at a secondary level. A comprehensive examination of these dimensions

requires separate studies. Fourth, the study discusses processes where it is not yet possible to fully observe the long-term results when assessing the effectiveness of geoeconomic tools. This situation leads to some assessments being temporary and conditional in nature. This conditionality stems from geoeconomic competition being an ongoing process whose outcomes are not yet certain; therefore, the analysis must remain dynamic and open to updates. These limitations should be taken into account when interpreting the findings of the research.

Methodologically, this article is designed as an analytical review. An analytical review article is defined as an academic genre that focuses on a specific topic, reflects the author's analytical thinking skills, and offers original interpretations based on the literature. This type is shaped by prioritizing conceptual depth and interpretive richness over systematic data collection, thus enabling multidimensional analysis of complex phenomena. This type does not require systematic data collection; instead, it progresses through theoretical discussions, conceptual frameworks, and interpretive analyses. The article uses three methodological components together: literature synthesis, conceptual framing, and comparative pattern analysis (Blackwill and Harris, 2019; Wigell et al., 2019). Literature synthesis aims to systematically evaluate fundamental approaches to geoeconomics and economic statecraft; conceptual framing aims to establish a coherent analytical structure centered on the approach of militarized interdependence; and comparative pattern analysis aims to reveal similarities and differences between different types of instruments and actors (Farrell and Newman, 2023; Mulder, 2022). This methodological choice is deemed appropriate for grasping the complex nature of geoeconomic competition, as the goal is not to describe singular events but to uncover recurring mechanisms and structural patterns. This mechanism-focused approach makes it possible to grasp the logic of geoeconomic competition and understand how similar dynamics manifest in different contexts. Therefore, the method has been shaped with a priority on analytical depth and conceptual consistency.

The fundamental approach that forms the conceptual backbone of the article is the theory of weaponized interdependence. This approach argues that global economic networks are concentrated at specific nodes and that actors controlling these nodes can leverage that control as a foreign policy lever (Farrell and Newman, 2023). This theory draws attention to the asymmetric nature of the network structure, explaining that actors located at the center gain disproportionate influence over actors on the periphery (Drezner et al., 2021). Interdependence does not only produce cooperation and peace, as traditional liberal theory suggests; it also creates the capacity for pressure and coercion due to its asymmetric structure (Drezner et al., 2021). Centrality in network structures, the flow of information and financial transactions through specific institutions, and the control of technology ecosystems by specific actors provide these actors with unique leverage. This leverage operates in the form of threatening to exclude target actors from the network or conditioning access to the network. The weaponized interdependence approach offers a powerful conceptual framework for understanding the structural foundations of geoeconomic competition. This framework allows us to explain why economic tools can be used more effectively by some actors, under what conditions pressure capacity increases, and how counter-adaptation strategies of target actors are shaped (Farrell and Newman, 2023; Mulder, 2022).

The concept of geoeconomic competition is used in this study alongside the concepts of economic statecraft, securitization, and strategic autonomy. Economic statecraft refers to states' use of economic tools to produce deterrence, reward, or constraint, thus conceptualizing the integration of economic policies with foreign policy objectives (Baldwin and Kapstein, 2020). This concept systematizes the use of economic tools for foreign policy purposes and explains how different types of tools can be directed toward different goals. The concept of securitization, on the other hand, explains the redefinition of certain economic sectors and relationships within the framework of security discourse, thereby transforming ordinary economic relationships into ones regulated by extraordinary measures (Miller, 2022; Yergin, 2020). The concept of strategic autonomy refers to actors' efforts to reduce external dependence in critical areas and preserve their decision-making capacity, revealing the defensive dimension of geo-economic competition (Bradford, 2023). The pursuit of strategic autonomy constitutes the fundamental motivation for building resilience against geoeconomic pressures and reducing vulnerabilities stemming from external dependence (Goodman, 2024). These concepts illuminate the different dimensions of geoeconomic competition in a complementary manner. Economic statecraft conceptualizes the use of tools, securitization legitimizes this use, and strategic autonomy conceptualizes the reactions developed against this use. Therefore, the conceptual framework is designed to encompass both the offensive and defensive dimensions of geoeconomic competition, as well as the use of tools and the consequences of this use.

Another conceptual dimension that must be considered in analyzing geo-economic competition is the transformation of the global order. The liberal international order established in the post-Cold War period was built on open markets, multilateral institutions, and rule-based relations (Ikenberry, 2020). This order encouraged deepening economic interdependence and formed the institutional infrastructure of globalization; however, this same order has now become the arena for geo-economic competition. However, the intensification of geo-economic competition is shaking the fundamental assumptions of this order. The expectation that economic interdependence would secure peace has been called into question by examples showing that dependencies can become instruments of pressure (Farrell and Newman, 2023). The effectiveness of multilateral institutions has been weakened by competition among major powers rendering these institutions dysfunctional or instrumentalized. Rule-based relations have become uncertain as the rules themselves have become a subject of competition (Bradford, 2020). This transformation demonstrates that the global order is being reshaped amid a tension between integration and fragmentation. Geo-economic competition operates as both a cause and a consequence of this tension. Therefore, the article's analysis covers not only the dynamics at the instrumental level but also the structural effects of these dynamics on the global order.

The analysis of geoeconomic competition necessitates an interdisciplinary perspective. While the discipline of international relations provides the fundamental framework for understanding power struggles and foreign policy dynamics, international political economy offers indispensable contributions to understanding the functioning of economic instruments and the structure of global networks (Drezner et al., 2021). The intersection of these two disciplines forms the natural field of analysis for geoeconomics and provides the conceptual tools necessary

to unravel the relationship between power and wealth. Security studies illuminate the process of securitizing economic instruments and the political consequences of this process, while comparative politics reveals the internal dynamics that shape the geoeconomic capacities of different states (Miller, 2022; Yergin, 2020). Law and regulation studies provide the necessary tools to unravel the institutional underpinnings of sanctions regimes, export controls, and investment screenings (Ruys et al., 2024; Bradford, 2020). This interdisciplinary approach is essential to grasp the multidimensional nature of geoeconomic competition. The conceptual tools of any single discipline are insufficient to explain all dimensions of this complex phenomenon. Therefore, this article aims to construct an integrated analytical framework by drawing on the strengths of different disciplines and to understand the multi-layered nature of geo-economic competition. Consequently, the article aims to create an analytical framework that integrates the contributions of different disciplines.

The rise of geoeconomic competition signals fundamental transformations in the functioning of the international system. The strategic centrality of economic tools in foreign policy is reshaping the logic of inter-state relations. This reshaping requires a redefinition of the economy-security-diplomacy triangle in foreign policy-making and a reconfiguration of the relationships between these areas. Traditional diplomacy and military power are not being completely replaced by economic tools; rather, they are becoming increasingly intertwined with them in more complex ways (Blackwill and Harris, 2019). Trade negotiations are intertwined with security concerns, investment decisions are shaped by geopolitical calculations, and technology policies have become an integral part of national security strategies (Miller, 2022; Bradford, 2023). This integration increases the complexity of foreign policy-making and blurs the traditional boundaries between economy, security, and diplomacy. States must develop strategies that integrate different policy areas to be effective in this new environment. Institutional coordination capacity has become one of the key determinants of success in geo-economic competition. This transformation requires new approaches in both academic analysis and policy practice.

The geoeconomic competition addressed in this article is not the exclusive domain of major powers. Medium-sized powers and regional actors are also both subjects and objects of geoeconomic dynamics (Wigell et al., 2019). These actors shape the structure and outcomes of global geoeconomic competition; influence the strategic calculations of major powers; and develop their own unique geoeconomic capacities. These actors can be targets of the geoeconomic pressures of major powers; however, they can also use economic tools within their own regional spheres of influence. Small and medium-sized economies face different vulnerabilities and opportunities depending on their position in global networks (Farrell and Newman, 2023). Some gain unexpected leverage due to their roles in critical supply chains, while others are forced to make strategic choices under the pressure of competition between major powers. This situation demonstrates that geoeconomic competition has a hierarchical yet multi-actor structure. This multi-actor structure reveals that geo-economic competition is shaped not only by top-down but also by horizontal and bottom-up dynamics. Therefore, while focusing on major powers, the study does not overlook the multi-level nature of geo-economic competition.

The ethical and normative dimensions of geo-economic competition also fall within the scope of academic analysis. The use of economic pressure tools raises questions of legitimacy and justice. These questions show that geo-economic strategy must be evaluated not only in terms of effectiveness but also in terms of legitimacy criteria; for long-term success depends on normative acceptance. The impact of sanctions on civilians, the cost of trade restrictions on developing economies, and the potential of technology controls to deepen global inequalities are issues that require normative assessment (Mulder, 2022). The position of geoeconomic tools within international law, the limits of legitimate use, and the principle of proportionality are controversial areas (Ruys et al., 2024). This normative dimension shows that geoeconomic competition is not merely a technical issue but is directly related to values and principles. The legitimacy of economic tools, as much as their effectiveness, determines long-term success. Strategies lacking normative legitimacy may produce results in the short term but carry the risk of losing trust and forming counter-coalitions in the long term (Ikenberry, 2020). Therefore, this article includes the normative dimensions of geoeconomic competition in its analysis agenda.

Within this framework, the expected contributions of the article are evident at five levels. First, the study addresses geoeconomic competition within a comprehensive framework centered on the concept of "strategic centralization," revealing the common logic and interrelationships of different economic instruments. This comprehensive framework allows geoeconomic competition to be understood as a systemic phenomenon rather than a fragmented one, enabling the analysis of interactions between instruments. Second, the article uses the approach of weaponized interdependence as a central theoretical basis for analyzing geoeconomic competition, integrating a network-based understanding of power with foreign policy practice (Farrell and Newman, 2023). Third, the study critically questions the effectiveness of geoeconomic tools, revealing their limitations, unintended consequences, and counter-adaptive dynamics (Mulder, 2022; Connolly, 2022). Fourth, the article analyzes the effects of geoeconomic competition on the global order, opening up a discussion on the tension between integration and fragmentation (Ikenberry, 2020; Bradford, 2023). Fifth, the study illuminates both the universal patterns and context-specific variations of geoeconomic competition by offering a comparative perspective across different actors and types of instruments. This comparative perspective makes it possible to identify the generalizable dynamics of geoeconomic competition and understand how context-specific factors shape these dynamics. These contributions aim to add unique value to the literature at both the theoretical and empirical levels.

Ultimately, this article aims to analyze the rise of geoeconomic competition and the strategic centralization of economic instruments in foreign policy from a multidimensional perspective. The central research question seeks to understand the mechanisms through which this strategic centralization occurs. The study hypothesizes that the strategic importance of economic tools increases during periods when network dependencies become asymmetrical and critical sectors are securitized. The approach of armed interdependence provides the conceptual framework for this process. The article examines the different dimensions of geo-economic competition in an integrated manner using literature synthesis, conceptual framing, and comparative pattern analysis methods. The study's findings reveal the strategic centralization of economic

instruments in the areas of sanctions and financial systems, technology and export controls, energy and climate, and investment screening and standards. These four areas constitute the strategic intersections where geo-economic competition is most intensely observed and where economic tools are most clearly linked to foreign policy objectives (Blackwill & Harris, 2019; Farrell and Newman, 2023). The effects of geoeconomic competition on the global order are assessed within the framework of the tension between integration and fragmentation. Following this introductory section, the article continues with sections on literature review, theoretical framework, research method, findings, discussion, and conclusions and recommendations.

2. Literature Review

The systematic examination of geoeconomic competition in academic literature has gained significant momentum, particularly over the past fifteen years. This development is directly related to both the intensification of the economic dimensions of the global power struggle at the practical level and their conceptual re-examination. This intensification gained momentum, particularly after the 2008 global financial crisis; the reality that states' economic vulnerabilities could produce strategic consequences has been brought to the center of the academic agenda (Tooze, 2021). Early literature largely positioned economic tools as complementary to military power or supportive elements of diplomatic bargaining; however, contemporary literature argues that these tools carry independent strategic value and have risen to become primary instruments of foreign policy (Blackwill and Harris, 2019). This shift in the literature has coincided with the expansion of the analytical scope of the concept of geoeconomics; new conceptual frameworks such as economic statecraft, militarized interdependence, and network-based power have been developed to explain the role of economic tools in foreign policy (Baldwin and Kapstein, 2020; Drezner et al., 2021). This conceptual pluralism demonstrates that geoeconomic competition is too complex an phenomenon to be explained by a single theoretical perspective. Indeed, this complexity necessitates an interdisciplinary analysis, creating a new field of research at the intersection of international relations, international political economy, and legal literature (Ruys et al., 2024). The primary aim of the literature review is to systematically evaluate this rich body of work and lay the groundwork for the article's theoretical framework. Accordingly, the review aims to identify the fundamental approaches to geoeconomic competition, their contributions, and their limitations.

The concept of economic statecraft constitutes one of the founding elements of the geoeconomic competition literature. This conceptual tradition, grounded in Baldwin's pioneering work, has focused on analyzing how states mobilize their economic resources in pursuit of foreign policy objectives (Baldwin and Kapstein, 2020). Economic statecraft encompasses a broad range of tools, including the capacity to reward and punish; trade preferences, aid programs, sanctions, and financial constraints are key components of this toolkit. The effectiveness of these tools depends not only on the capacity of the implementing actor but also on the structural conditions of the international system and the resilience level of the target actor (Connolly, 2022). Contemporary literature builds on this tradition by examining the diversity of economic statecraft tools and their modes of implementation in greater detail; new tools such as investment screening, technology export controls, and data governance have been incorporated into the

conceptual framework (Bergeijk, 2021). Mulder's historical analysis shows how sanctions have become institutionalized in the international system since the early twentieth century and have become a regular component of security policy (Mulder, 2022). This historical perspective reveals that the use of economic tools exhibits a structural rather than a conjunctural pattern. A recent contribution to the economic statecraft literature is that the effectiveness of these tools largely depends on the implementing actor's institutional capacity, its position in international networks, and the target actor's compliance flexibility. However, this literature does not sufficiently explain the strategic logic of " " that determines the selection and combination of tools; thus, the decision-making processes behind tool usage remain relatively unclear (Blackwill and Harris, 2019).

The weaponized interdependence approach is considered a paradigm-shifting contribution to the geoeconomic competition literature. This conceptual framework, developed by Farrell and Newman, reveals that actors controlling specific nodes in global economic networks can translate this positional advantage into foreign policy leverage (Farrell and Newman, 2023). This approach demonstrates that interdependence does not inevitably promote cooperation, as assumed by liberal theory, but rather that asymmetric dependencies can be weaponized. This finding challenges the fundamental premises of liberal institutionalism and necessitates a significant revision in international relations theory (Ikenberry, 2020). Empirical studies on the global financial system, payment infrastructures, and technology ecosystems support this argument; the central position in the dollar-centered financial system has been identified as a structural factor that increases the effectiveness of sanctions (Drezner et al., 2021; Mohsin, 2024). The weaponized interdependence approach stands out for its capacity to explain why geoeconomic competition intensifies in certain sectors; areas with strong network effects and high switching costs provide fertile ground for geoeconomic leverage. This approach also explains the shift of economic tools toward long-term capacity erosion strategies; weakening the competitor's structural position takes precedence over short-term pressure. This long-term perspective demonstrates that geoeconomic competition has institutionalized as a lasting strategy beyond momentary crises (Galeotti, 2022). However, some studies argue that this approach does not sufficiently discuss its normative dimensions and legal boundaries (Ruys et al., 2024).

The literature on technology competition occupies a central position in understanding the forward-looking strategic dimension of geoeconomic competition. Studies on semiconductors, artificial intelligence, quantum computing, and digital infrastructure reveal that technological superiority is directly linked to both economic and military capacity (Miller, 2022; Bradford, 2023). This link reinforces the finding that technology policy cannot be separated from economic and security policies. In particular, the geographic concentration of semiconductor supply chains has made this sector one of the most critical areas of geo-economic competition; the dominance of a single producer over global supply creates unprecedented strategic vulnerabilities (Miller, 2022). Research on export controls and technology transfer restrictions emphasizes that these tools are qualitatively different from classical trade policies and have a distinctly securitized character (Baldwin and Kapstein, 2020). Studies on the European Union's global regulatory capacity show that standard-setting acts as a geoeconomic lever and that norms have become a

competitive arena (Bradford, 2020). The technology literature supports the argument that geoeconomic competition focuses on long-term capacity building rather than short-term gains; research and development investments, standard-setting processes, and efforts to build talent pools are indicators of this long-term perspective. Within this framework, technology is understood not only as an engine of economic growth but also as a means of creating strategic dependencies and narrowing the development path of competitors. However, some studies point out that technology-based geoeconomic pressure can have unintended consequences, particularly by triggering alternative technology networks and domestic capacity development efforts (Farrell and Newman, 2023).

The growing literature on energy geopolitics and resource security provides an indispensable resource for understanding the material and spatial foundations of geoeconomic competition. 's research on energy supply security, fossil fuels, critical minerals, and renewable energy sources analyzes how economic instruments generate power through geographical dependencies (Yergin, 2020; Scholten, 2023). The observation that energy policies transcend economic objectives and acquire a geopolitical and geoeconomic character is widely accepted in the literature. This transformation has led to the redefinition of energy security as an integral component of national security; the protection and diversification of energy infrastructure have become strategic priorities (Goodman, 2024). Studies on the energy transition process argue that this transformation creates new dependency relationships, competitive arenas, and leverage sources; rare earth elements and battery technologies are concrete examples of these new competitive arenas. The intersection of climate policies and trade instruments is being examined through new instruments such as border carbon adjustments; these adjustments both serve climate goals and function as trade policy instruments (Yergin, 2020). This overlap demonstrates that geoeconomic instruments can be legitimized through normative justifications; discourses on climate protection and environmental sustainability can increase the acceptability of economic pressure. However, critical approaches emphasize that this normative framework can conceal power asymmetries and be applied selectively. In this regard, the energy literature offers important insights for understanding both the material and discursive dimensions of geoeconomic competition.

The growing literature on financial architecture and global payment systems sheds light on one of the most effective yet least visible dimensions of geo-economic competition. Research on global payment infrastructures, international banking networks, and reserve currency status reveals how the structural features of the financial system can be instrumentalized for foreign policy pressure (Drezner et al., 2021; Mohsin, 2024). This research demonstrates that financial power can produce strategic outcomes independently of military power. The threat of exclusion from the financial system can have faster and more comprehensive effects on target actors than military intervention, making financial instruments one of the sharpest weapons in the geoeconomic arsenal (Mulder, 2022). In particular, the network centrality provided by the dollar-centric financial system has been identified as a key structural factor enhancing the effectiveness of sanctions; the threat of exclusion from this system directly influences the behavior of states and companies (Mulder, 2022). The use of financial instruments creates a broad sphere of influence that extends beyond the directly targeted actors to include third-party states and private

sector entities (Ruys et al., 2024). This widespread impact constitutes one of the distinguishing features of financial geoeconomics from other types of instruments. One of the prominent debates in the literature concerns whether such financial pressures give rise to alternative payment systems, digital currencies, and regional financial regulations in the long term (Connolly, 2022). This debate demonstrates that geoeconomic competition is a feedback-driven and dynamic process that cannot be understood as a one-way chain of effects.

The sanctions literature constitutes one of the most institutionalized and empirically rich subfields of geoeconomic competition studies. While early sanctions research focused primarily on effectiveness and success criteria, contemporary literature situates sanctions within a broader context of power and order (Bergeijk, 2021; Mulder, 2022). This contextual expansion reveals that sanctions are not merely tools aimed at changing the behavior of the target actor, but also mechanisms that shape international norms and transform the global governance structure (Ikenberry, 2020). The marked increase in the frequency, scope, and target diversity of sanctions indicates that these tools have become a routine component of foreign policy. Studies focusing particularly on secondary sanctions have reignited debates on sovereignty, jurisdiction, and legal legitimacy; a state extending the scope of sanctions to third-country actors creates tension with fundamental principles of international law (Ruys et al., 2024). These studies reveal that sanctions transform not only the directly targeted country but the entire global economic relationship. Another notable finding in the literature is that sanctions can trigger internal adaptation mechanisms, substitution strategies, and the search for alternative partnerships in target countries (Connolly, 2022). These feedback dynamics necessitate an important distinction between the short-term pressure capacity of sanctions and their medium- to long-term systemic effects. Therefore, assessing the effectiveness of sanctions requires a multi-dimensional analytical approach spread over time.

Research on medium-sized states and regional actors is critical to understanding the hierarchical outcomes and systemic effects of geoeconomic competition. The intensive use of economic tools by major powers leaves medium-sized states facing strategic choices; these actors are forced to choose between accommodation, balancing, multilateralism, or neutrality strategies (Wigell et al., 2019; Ikenberry, 2020). The literature shows that these actors largely respond to geoeconomic pressures through regional integration initiatives and institutional arrangements (Bradford, 2020). These responses reveal that middle powers are not passive targets but rather active strategic actors seeking to reshape the conditions of geoeconomic competition in their favor (Wigell et al., 2019). These responses demonstrate that geoeconomic competition reshapes not only bilateral relations but also regional orders. Studies on the Belt and Road Initiative analyze the capacity of infrastructure investments and financing networks to generate geoeconomic impact through their consequences on middle powers (Ahmed and Lambert, 2022). This initiative demonstrates that infrastructure financing is not merely an economic activity, but also a geoeconomic tool that establishes strategic dependency relationships and produces long-term political effects (Hillman, 2020). This literature shows that geoeconomic competition operates in a multi-layered and multi-actor system, beyond a bilateral struggle between major powers. Some studies suggest that medium-sized actors can derive unexpected strategic gains

from this competition, even strengthening their bargaining positions by exploiting tensions between major powers. This perspective emphasizes that geoeconomic competition creates not only pressure and fragility but also opportunities for repositioning.

The normative and legal dimensions constitute an increasingly prominent and deepening area of debate in the geoeconomic competition literature. The legitimization of economic tools through normative justifications such as democracy, human rights, environmental sustainability, and rule-based order can increase the acceptability of these tools (Ikenberry, 2020; Yergin, 2020). Normative discourse shapes the perception of economic pressure in the international public sphere and strengthens its capacity to isolate target actors. This discursive dimension shows that geo-economic competition is conducted not only through material power but also through legitimacy and narrative superiority; which actor's actions are seen as justified directly affects the outcome of the competition (Galeotti, 2022). However, critical studies emphasize that these discourses can obscure power asymmetries, are selectively applied, and carry the risk of double standards (Mulder, 2022). International legal literature focuses particularly on the legal limits of secondary sanctions, the principle of proportionality, and the foundations of legitimacy; these studies question the compatibility of geoeconomic tools with the existing legal framework (Ruys et al., 2024). These debates show that geoeconomic competition is not merely a matter of power politics, but also a struggle over norms and law. How the normative framework is intertwined with power politics, and under what conditions normative discourse increases or limits its capacity for pressure, are among the questions that have not yet reached full consensus in the literature. This uncertainty indicates that the normative dimension needs to be addressed more systematically in analyses of geoeconomic competition.

At this stage of the literature review, it is noted that the emerging literature on geo-economic competition has built a strong descriptive body of work, but it contains some gaps in terms of analytical coherence. While a significant portion of the studies focus on specific instruments, sectors, or actors, they fail to provide a comprehensive explanation of why and how economic instruments have become central to foreign policy strategy (Blackwill and Harris, 2019; Baldwin and Kapstein, 2020). This fragmented approach fails to reveal the interactions and common logic between the different dimensions of geoeconomic competition. However, geoeconomic tools are not used in isolation but interact with each other and are often used simultaneously; systematic analysis of these interactions is essential for a comprehensive understanding of the phenomenon (Drezner et al., 2021). Furthermore, the literature often shows a weak link between theoretical approaches and empirical patterns; the bridge between conceptual frameworks and concrete policy implementations is insufficiently established (Farrell and Newman, 2023). This leads to a fragmented and scattered conceptual treatment of geoeconomic competition. The present study aims to fill this gap by combining different approaches in the literature within a common analytical framework. Thus, the process of strategic centralization of economic instruments in foreign policy can be systematically explained at both the conceptual and empirical levels. This need for synthesis, revealed by the literature review, forms the basis for the model to be developed in the theoretical framework section of the article.

One of the structural problems that stands out in the geoeconomic competition literature is that the concept is used with different meanings in different disciplines. While international relations literature addresses geoeconomics primarily in the context of power, security, and strategic competition, the international political economy tradition develops explanations through economic institutions, market structures, and regulatory frameworks (Oatley, 2019; Baldwin and Kapstein, 2020). This interdisciplinary divergence sometimes weakens the analytical clarity of the concept and complicates comparative studies. This leads to the same phenomenon being examined independently in different disciplines and to the fragmentation of conceptual accumulation; strengthening interdisciplinary dialogue is therefore critically important (Wigell et al., 2019). While some researchers use geoeconomics as a broad umbrella concept encompassing almost any type of economic competition, others limit the concept solely to deliberate and strategic economic coercion by states (Wigell et al., 2019). This definitional flexibility creates issues of consistency and coherence in the literature. The present study aims to reduce this conceptual ambiguity by defining geoeconomic competition as the strategic and deliberate mobilization of economic instruments for foreign policy purposes. This definitional choice clarifies the scope of the article's analysis and sharpens its analytical focus. Conceptual clarity is therefore not merely a terminological preference but also a methodological requirement for consistent analysis.

One of the important areas of debate in the literature concerns whether geo-economic competition is a temporary conjuncture or a permanent structural transformation. Some studies view the intensification in the use of economic tools as a temporary reflection of a specific period of great power competition; according to this view, the strategic importance of economic tools will decline when tensions in the international system subside (Blackwill and Harris, 2019). In contrast, more recent research argues that geoeconomic competition is becoming permanent due to the structural characteristics of global economic networks (Drezner et al., 2021; Farrell and Newman, 2023). This second approach shows that the use of economic tools is not limited to times of crisis but continues systematically and continuously even in peacetime. Indeed, institutional investments, efforts to build bureaucratic capacity, and regulatory changes indicate that geoeconomic tools have become a permanent policy infrastructure rather than a temporary one (Goodman, 2024). In particular, institutional regulations in the fields of technology and finance, export control regimes, and investment screening mechanisms are identified as structural factors that fuel this continuity (Miller, 2022; Mohsin, 2024). From this perspective, geoeconomic competition is moving beyond being a cyclical policy choice to become an integral part of the logic of the international system's functioning. The present study embraces this argument of permanence and bases its analysis on long-term structural dynamics.

Empirical studies in the geoeconomic competition literature have certain limitations in terms of geographical and actor distribution. A significant portion of the research focuses on relations between major powers, particularly tensions between the United States and China and between the United States and Russia (Doshi, 2021; Connolly, 2022). While these studies detail the role of geoeconomic tools in great power politics, they do not sufficiently highlight the indirect and secondary effects of competition on a global scale. The ripple effects of geoeconomic

competition between major powers spread throughout the entire global economic architecture, forcing even actors with no direct relationship to major powers to make strategic choices (Tooze, 2021). Systematic studies focusing on third countries, developing economies, and the Global South in particular remain limited (Wigell et al., 2019). This situation creates a significant gap in the literature in terms of geographical scope and sphere of influence. Questions need to be answered regarding how geoeconomic competition affects actors beyond the major powers, what adaptation strategies these actors develop, and how the global economic architecture is being reshaped. Without rejecting major power-centered analyses, the present study prefers to focus on the patterns and dynamics created by geoeconomic instruments across the system. This approach aims to overcome the narrow geographical focus in the literature and to understand the comprehensive effects of geoeconomic competition on the global order.

Another theoretical limitation in the literature is that the outcomes of geoeconomic tools are mostly addressed in a limited manner, confined to inter-state relations and political outcomes. However, the use of economic tools also has profound and lasting effects on market behavior, corporate strategies, investment decisions, and global value chains (Farrell and Newman, 2023; Mohsin, 2024). These effects demonstrate that geoeconomic competition is not merely an inter-state process, but rather constitutes a broad field of interaction that also encompasses private sector actors and market dynamics. Companies' strategies for protecting themselves from geoeconomic risks directly shape their investment decisions and supply chain structures; this leads to the dissemination of state policies on a global scale through the private sector (Bradford, 2020). Corporate adaptation strategies, supply chain restructuring, and changes in investment orientation directly shape the effectiveness of sanctions and regulations (Ruys et al., 2024). However, there are relatively few studies in the literature that conceptualize state-market interaction in a holistic manner. The present study positions geoeconomic competition at the intersection of public and private sector actors to fill this gap. The strategic centralization of economic instruments cannot be fully understood without considering market responses and corporate behavior, in addition to state preferences. This integrated perspective enables a more accurate reflection of the real-world dynamics of geoeconomic competition.

While the diversity of methodological approaches in the geoeconomic competition literature is noteworthy, certain trends and limitations can be observed. A significant portion of empirical studies rely on case studies, offering in-depth analyses through specific tools or periods such as sanctions regimes, technology restrictions, or energy policies (Mulder, 2022; Miller, 2022). While this approach provides rich contextual insights, it can make it difficult to identify generalizable patterns. This limitation of the case study method highlights the importance of comparative and multi-case research designs; comparing patterns across different contexts makes it possible to distinguish the universal and context-specific dimensions of geoeconomic competition (Bergeijk, 2021). Comparative studies offer valuable contributions in revealing similarities and differences between different instruments, actors, and periods (Bergeijk, 2021). Quantitative approaches, on the other hand, analyze measurable outcomes such as the economic effects of sanctions or changes in trade flows; however, these approaches can be limited in understanding strategic intentions and process mechanisms. Conceptual and theoretical studies

play a critical role in developing the analytical framework of geoeconomic competition (Farrell and Newman, 2023; Drezner et al., 2021). The present study combines a qualitative design with a literature synthesis, conceptual framing, and comparative pattern analysis. This methodological choice aims to provide both conceptual depth and empirical richness.

The overall assessment of the literature review reveals both the strengths and areas awaiting completion in the emerging literature on geoeconomic competition. The rich body of literature on economic statecraft, weaponized interdependence, technology competition, energy geopolitics, and sanctions illuminates the different dimensions of geoeconomic competition in detail. This accumulation documents the increasing importance of economic tools in foreign policy and defines various mechanisms. While each of these mechanisms has its own internal logic, the interaction between these mechanisms must also be resolved for a comprehensive understanding of the strategic centralization process (Blackwill and Harris, 2019). However, the literature falls short of integrating these different dimensions within a common analytical framework and providing a comprehensive explanation of why economic tools have become strategically central (Baldwin and Kapstein, 2020; Farrell and Newman, 2023). Conceptual fragmentation, interdisciplinary communication gaps, and the fragmented nature of empirical studies are obstacles to this comprehensive understanding. The present study aims to respond to this need for synthesis in the literature. It aims to present an analysis that combines the strengths of different approaches, provides conceptual clarity, and relates empirical patterns to the theoretical framework. This objective forms the basis of the article's original contribution to the literature.

In conclusion, the literature review provides a strong foundation for comprehensively understanding the rise of geoeconomic competition and the strategic centralization of economic instruments in foreign policy. While the tradition of economic statecraft reveals the diversity of instruments and their modes of use, the approach of weaponized interdependence explains how network structures are transformed into power production. Sectoral studies on technology, energy, and finance document the concrete manifestations of geoeconomic competition. The sanctions literature illuminates institutional dimensions, while normative and legal debates raise questions of legitimacy. This multi-layered literature shows that geoeconomic competition has become a structural feature of the international system, rather than a simple policy tool (Drezner et al., 2021). Despite this rich accumulation, the literature contains gaps in comprehensively conceptualizing the causes and mechanisms of strategic centralization. The theoretical framework section of the present study aims to fill this gap by presenting a model that integrates the approach of militarized interdependence with the concept of economic statecraft. This integrative model aims to explain the dynamics of geoeconomic competition by addressing both the leverage mechanisms provided by network structures and the capacity of states to use these levers (Farrell and Newman, 2023). This model will explain the strategic centralization of economic instruments, and the findings will be tested against empirical patterns in the section " ." Thus, the article aims to overcome the conceptual fragmentation in the literature and provide a systematic analysis of geoeconomic competition.

3. Theoretical Framework

The theoretical framework of this study is built upon a multi-layered analytical structure to explain the rise of geoeconomic competition and the strategic centrality of economic instruments in foreign policy. This framework adopts a post-positivist epistemological orientation, offering an understanding that centers on the interaction between structural conditions and actor preferences. As outlined in the introduction and literature review, the central position economic instruments have gained in contemporary foreign policy practice reflects a transformation so complex that it cannot be grasped through a single theoretical perspective. This complexity necessitates the simultaneous consideration of both actor preferences and structural conditions. Therefore, the theoretical framework proposes a synthetic model that integrates the logic of power politics, the economic statecraft literature, and network-based approaches to power (Wigell et al., 2019; Baldwin and Kapstein, 2020; Farrell and Newman, 2023). This integrative approach avoids reducing geoeconomic competition solely to states' instrumental choices; it also makes visible how the asymmetric structure of global economic networks conditions these choices. This understanding offers a unique contribution to the actor-structure debate in the discipline of international relations, enabling the analysis of the geoeconomic phenomenon without falling into either structural determinism or voluntaristic reductionism. The theoretical framework's fundamental claim is this: The strategic centralization of economic instruments is a structural process that emerges at the intersection of positional superiority in global networks and the institutional capacities of states. This process represents a power production mechanism that has become permanent in the functioning of the international system, beyond conjunctural policy preferences (Drezner et al., 2021). Thus, the theoretical framework provides an analytical basis that makes it possible to understand geoeconomic competition in both its instrumental and structural dimensions.

The first component of the theoretical framework draws on the tradition of power politics in international relations. The neorealist approach assumes that states resort to material power elements to protect their security in an anarchic international system; in this framework, economic capacity is considered the infrastructure of military power (Waltz, 1979). In this approach, the economy is positioned as a dependent variable in security calculations; the independent strategic value of economic relations remains secondary (Wigell et al., 2019). This tradition provides an important conceptual starting point for understanding the driving force of geoeconomic competition; the zero-sum logic of competition between great powers constitutes the fundamental rationale for the strategic use of economic tools (Wigell et al., 2019). However, contemporary geoeconomic practice demonstrates that economic instruments can produce independent strategic outcomes without being dependent on military power. Sanctions, technology controls, and financial constraints can shape the behavior of rival actors or erode their capabilities without the option of military intervention (Blackwill and Harris, 2019). This situation necessitates a reconceptualization of power; it reveals that the hierarchy among material power elements has been transformed (Drezner et al., 2021). This situation reveals that the neorealist framework's positioning of economic tools merely as complements to military power is insufficient under today's conditions. However, the competitive nature of power struggles and concerns about relative gains remain valid for understanding the motivations of geoeconomic

strategy (Baldwin and Kapstein, 2020). Therefore, the theoretical framework prefers to expand the assumptions of power politics with complementary perspectives rather than rejecting them entirely.

The concept of economic statecraft constitutes the second fundamental component of the theoretical framework. This literature, which has developed since Baldwin's seminal work, focuses on analyzing how states mobilize their economic resources in pursuit of foreign policy objectives (Baldwin and Kapstein, 2020). This conceptual tradition began with the strategic use of economic aid and trade preferences during the Cold War and expanded to encompass financial instruments and technology controls during the globalization process (Mulder, 2022). Economic statecraft encompasses a broad range of tools, including the capacity to reward and punish; sanctions, trade preferences, aid programs, financial access restrictions, and investment regimes form the core elements of this range. As the literature review shows, the diversity and frequency of use of these tools have increased significantly in recent years (Mulder, 2022; Ruys et al., 2024). While the economic statecraft approach provides a robust framework for conceptualizing the existence and functions of these tools, it does not sufficiently explain why certain actors are able to use them more effectively. The distinction between owning a tool and being able to use it effectively remains a dimension that the economic statecraft literature has relatively overlooked (Drezner et al., 2021). This shortcoming necessitates the theorization of the relationship between tool effectiveness and structural conditions, highlighting the need to integrate economic statecraft with network-based approaches to power. At this point, the article reinterprets economic statecraft by relating it to structural power relations. The effectiveness of economic instruments depends not only on the will and capacity of the implementer but also on their position in global economic networks. This understanding more firmly anchors economic statecraft within the analytical framework of geoeconomic competition.

The approach of armed interdependence forms the conceptual backbone of this theoretical framework. Developed by Farrell and Newman, this approach argues that global economic networks are concentrated at specific nodes and that actors controlling these nodes can leverage this control as a foreign policy tool (Farrell and Newman, 2023). This perspective demonstrates that interdependence does not inevitably promote cooperation, as assumed by liberal theory; rather, asymmetric dependencies generate capacity for coercion and pressure (Drezner et al., 2021). This understanding offers a significant correction to Keohane and Nye's complex interdependence theory, revealing that interdependence encompasses not only dimensions of sensitivity and vulnerability but also a dimension of weaponizability (Ikenberry, 2020). The global financial system, payment infrastructures, and technology ecosystems constitute concrete examples of this asymmetry. The central position of the dollar-centric financial system acts as a structural factor that increases the effectiveness of sanctions (Mohsin, 2024). Similarly, the concentration in semiconductor production determines the leverage capacity of technology export controls (Miller, 2022). This approach explains why economic tools are concentrated particularly in areas such as finance, technology, and energy; sectors with strong network effects and high switching costs provide fertile ground for geoeconomic pressure. This sectoral concentration shows that geoeconomic competition manifests itself not randomly, but in

structurally determined areas (Bradford, 2023). Armed interdependence also explains the time horizon of geoeconomic competition; long-term capacity erosion strategies aimed at weakening the rival's structural position take precedence over short-term pressure (Galeotti, 2022). This conceptual framework provides a powerful analytical tool for understanding the structural logic of geoeconomic competition.

The synthesis of these three theoretical components yields a comprehensive model that explains both the driving forces and the operational mechanisms of geoeconomic competition. The logic of power politics conceptualizes the fundamental motivation and zero-sum character of competition, while the economic statecraft literature (Aldwin, 1985) defines the concrete policy instruments of this competition. Network-based approaches explain why these instruments can be used more effectively by certain actors (Drezner et al., 2021; Farrell and Newman, 2023). This tripartite synthesis reveals dimensions that each approach alone cannot explain, conceptually capturing the multidimensional nature of geoeconomic competition (Baldwin and Kapstein, 2020). This integrated structure rejects reducing geoeconomic competition to either actors' conscious choices or the structural imperatives of the system alone. Instead, it assumes that actors' strategic choices are shaped within structural constraints and opportunities. Within this framework, states select and implement economic tools within the leverage capacity afforded by their position in global networks. At the same time, these applications reshape the network structure and generate new constraints and opportunities (Connolly, 2022). This relationship of mutual determination reveals that geo-economic competition is not static but a constantly evolving process. Therefore, the theoretical model offers a dynamic understanding centered on actor-structure interaction. This synthetic approach enables a systematic analysis of geoeconomic competition, transcending fragmented explanations in the literature. The following paragraphs will examine the conceptual components, variables, and mechanisms of this integrated model in detail.

The concept of "strategic centralization," which lies at the heart of the theoretical framework, constitutes one of the analytical contributions of this study. Strategic centralization refers to economic instruments ceasing to be complementary or secondary elements of foreign policy and becoming primary determinants of decision-making processes (Blackwill and Harris, 2019). This concept can be concretized through three key indicators: the priority of using economic tools over other foreign policy tools, the level of institutional embeddedness of these tools, and their weight in decision-making processes (Baldwin and Kapstein, 2020). This concept emphasizes that geo-economic competition is not only about the variety of tools but also about the rise of these tools in the foreign policy hierarchy. In the traditional understanding of foreign policy, economic tools were positioned as alternative mechanisms that came into play when military options were costly or risky. However, economic tools have now evolved from being temporary measures specific to times of crisis into strategic instruments that operate continuously even in times of peace (Baldwin and Kapstein, 2020). This transformation is also changing the time horizon of foreign policy; long-term capacity erosion and steering strategies are taking precedence over short-term pressure tactics. Strategic centralization also has an institutional dimension. Sanctions regimes, investment screening mechanisms, and technology export

controls have become institutionalized as permanent bureaucratic structures (Mulder, 2022). This institutionalization decouples the use of economic tools from individual leadership preferences and makes them a structural feature of the state apparatus (Ruys et al., 2024). This institutionalization decouples the use of economic tools from conjunctural preferences and transforms it into a structural pattern. Therefore, strategic centralization is not a temporary policy trend but represents a fundamental transformation in the organizational form of foreign policy.

The theoretical model defines three interconnected fundamental mechanisms to explain the functioning of geo-economic competition. The first mechanism is network centrality. Actors occupying central positions in global finance, trade, and technology networks can use economic instruments more effectively thanks to the control of information flow and gateway capacity that this position provides (Drezner et al., 2021; Farrell and Newman, 2023). Network centrality is related not only to the control of nodes but also to the capacity to set network rules; standard-setting and regulatory power are concrete manifestations of this capacity (Bradford, 2020). Network centrality strengthens the capacity for coercion to the extent that it increases the irreplaceability of target actors. The second mechanism is the securitization of critical sectors. Areas such as semiconductors, energy resources, digital infrastructure, and critical raw materials gain a security dimension beyond their purely economic value; thus, ordinary economic relations become regulated by extraordinary measures (Miller, 2022; Yergin, 2020). Securitization provides the discursive framework that legitimizes the use of economic tools. This discursive framework enables economic decisions to be justified by security logic and can partially bypass democratic accountability mechanisms (Ikenberry, 2020). The third mechanism is institutional capacity. The effective implementation of economic tools requires bureaucratic coordination, legal infrastructure, and intelligence capacity (Bergeijk, 2021). Lack of institutional capacity can prevent even network-centric actors from transforming this position into leverage. These three mechanisms mutually reinforce each other; network centrality feeds the securitization discourse, while securitization legitimizes the development of institutional capacity. Therefore, geoeconomic competition is conceptualized as a multi-mechanism process that cannot be explained by a single cause.

Variables derived from the theoretical framework provide an operational structure for the empirical analysis of geo-economic competition. The dependent variable of the model is the position of economic instruments at the strategic center of foreign policy. This position can be assessed through the frequency of use, scope, institutional embeddedness, and priority of economic instruments relative to other foreign policy instruments. This assessment is carried out through qualitative indicators; emphasis in official policy documents, the intensity of institutional arrangements, and the weight of economic actors in decision-making processes are used as basic criteria. Independent variables are defined at three levels. At the structural level, network centrality refers to positional superiority in global economic networks; control of nodes in the fields of finance, technology, and energy constitute the concrete indicators of this variable (Farrell and Newman, 2023). At the sectoral level, securitization intensity measures the extent to which specific economic areas are framed by security discourse (Miller, 2022). At the institutional level, state capacity refers to the bureaucratic and legal infrastructure necessary for the design and implementation of economic instruments (Ruys et al., 2024). As an intermediate

variable, normative legitimation encompasses discursive frameworks that increase the international acceptability of economic instruments (Ikenberry, 2020). This intermediate variable conditions the effect of independent variables on the dependent variable; it assumes that actors with high legitimization capacity can implement economic instruments with less resistance (Mulder, 2022). The relationship between these variables is not linear but based on mutual interactions. Network centrality alone is not sufficient; its transformation into leverage is conditioned by securitization discourse and institutional capacity. Similarly, institutional capacity cannot enable effective use of geoeconomic tools without network centrality.

An important dimension of the theoretical model explains the temporal dynamics of geoeconomic competition. The strategic centralization of economic tools is not merely the sum of instantaneous decisions but operates as a cumulative process involving feedback loops. This cumulative process exhibits a pattern consistent with the concept of "path dependency" in historical institutionalism, demonstrating that early decisions constrain subsequent options and reinforce certain trajectories. Actors applying geoeconomic pressure can steer target actors toward developing alternative networks and institutions; this transforms the existing network structure and creates new competitive arenas (Connolly, 2022). For example, financial sanctions can encourage target actors to develop non-dollar payment systems; the strengthening of these systems can weaken the long-term effectiveness of sanctions. Similarly, technology restrictions can accelerate the development of domestic production capacities among target actors. China's intensive investments in the semiconductor sector constitute a concrete example of this feedback mechanism (Miller, 2022). These feedback mechanisms explain why geoeconomic competition has become persistent and why it constantly takes on new forms (Farrell and Newman, 2023). Competition does not reach a static equilibrium point; rather, each intervention creates new conditions and triggers new interventions. This dynamic structure shows that the effectiveness of geoeconomic tools changes over time. Tools that are effective in the short term may lose their effectiveness in the long term due to counter-adaptation strategies. Therefore, the theoretical model conceptualizes geoeconomic competition as an ongoing process of interaction rather than one-off strategic moves.

The normative dimension of the theoretical framework explains the legitimization processes of geoeconomic competition. Economic tools are rarely justified by pure power logic; instead, they are legitimized by normative frameworks such as democracy, human rights, national security, or environmental sustainability (Ikenberry, 2020; Yergin, 2020). These legitimization processes occur in the gray areas of international law; the legal limits of the use of economic tools often remain controversial (Ruys et al., 2024). These legitimization processes increase the acceptability of economic pressure in the international arena and generate support in domestic public opinion. However, normative frameworks can also conceal power asymmetries and be applied selectively (Mulder, 2022). While the use of economic tools by certain actors is characterized as "legitimate sanctions," similar practices by different actors can be labeled "economic aggression." This selectivity demonstrates that power hierarchies in the international system are reproduced through normative discourses (Wigell et al., 2019). This selectivity shows that the normative dimension of geo-economic competition is not entirely instrumental.

Normative discourses both legitimize the use of economic tools and set limits on this use; international law, multilateral institutions, and international public opinion form the normative framework that defines the limits of geoeconomic pressure (Ruys et al., 2024). Therefore, the theoretical model conceptualizes geoeconomic competition not solely through material interests but through the interaction of material and ideational dimensions. This normative dimension explains why economic tools are used in certain ways and why some practices encounter more resistance than others.

Hypotheses derived from the theoretical framework guide the empirical analysis of the article. The main hypothesis is formulated as follows: The strategic centralization of economic instruments in the global power struggle accelerates during periods when network centralization intensifies and critical sectors are securitized. This hypothesis assumes that strategic centralization is not a random policy choice but a product of specific structural conditions (Farrell and Newman, 2023; Miller, 2022). This hypothesis will be tested in the findings section using pattern matching; the fit between theoretical expectations and empirical observations will be evaluated. The first auxiliary hypothesis proposes that actors with central positions in global economic networks use geoeconomic tools more frequently and effectively. This hypothesis expects a linear relationship between network centrality and tool usage intensity (Drezner et al., 2021). The second auxiliary hypothesis argues that institutional capacity and legal infrastructure determine the feasibility of economic tools. It is assumed that actors with high institutional capacity can implement tools such as complex sanctions regimes and export controls more consistently (Ruys et al., 2024; Bergeijk, 2021). The third auxiliary hypothesis argues that normative legitimation frameworks increase the international acceptability of geoeconomic pressure (Ikenberry, 2020). Taken together, these hypotheses form an integrated analytical framework that tests the multi-causal nature of geoeconomic competition. These hypotheses strengthen the empirical testability of the theoretical model and provide an analytical framework for the pattern analysis presented in the findings section.

The theoretical model also aims to explain the multi-layered actor structure of geo-economic competition. Traditional foreign policy analyses adopt a state-centric perspective; however, geoeconomic competition demonstrates that private sector actors, financial institutions, and technology companies are also part of the process (Farrell and Newman, 2023). This multi-actor structure requires the reorganization of state-society relations in a geoeconomic context; the integration of the private sector into national security strategy brings with it new forms of governance (Baldwin and Kapstein, 2020). Multinational corporations are positioned at the nodes of global supply chains and can become both the means and the target of states' geoeconomic strategies. Financial institutions play a critical role in the implementation of sanctions; compliance processes depend on the decisions of these institutions. Technology companies, meanwhile, are at the center of geoeconomic competition due to their control over digital infrastructure and data flows (Miller, 2022; Bradford, 2020). This multi-actor structure reveals that geoeconomic competition is not merely an inter-state power struggle, but a complex process intertwined with market dynamics. This complexity requires a multi-level analysis, making it necessary to consider the state, sector, and firm levels together (Drezner et al., 2021).

The theoretical framework therefore makes state-market interactions analytically visible, treating the relationships between public and private actors as an integral dimension of geoeconomic competition. This perspective acknowledges that the effectiveness of economic instruments depends not only on state capacity but also on the compliance behaviors of private sector actors. The theoretical framework also conceptualizes the structural effects of geoeconomic competition on the global order. The strategic centralization of economic instruments contributes to the evolution of the global order into a more fragmented and competitive structure (Ikenberry, 2020). The liberal international order established in the post-Cold War period was built on open markets, multilateral institutions, and rule-based relations. This order encouraged deepening economic interdependence and formed the institutional infrastructure of globalization; however, this same infrastructure has now become the arena for geo-economic competition (Farrell and Newman, 2023). However, the intensification of geo-economic competition is shaking the fundamental assumptions of this order. The expectation that economic interdependence would secure peace has been called into question by examples showing that dependencies can be weaponized (Farrell and Newman, 2023). The effectiveness of multilateral institutions is being weakened by competition among major powers instrumentalizing or rendering them dysfunctional. This weakening triggers the emergence of alternative institutional arrangements; regional and pluralistic structures are becoming more prominent in global governance (Wigell et al., 2019). This transformation shows that the global order is being reshaped amid a tension between integration and fragmentation. The theoretical model assumes that geo-economic competition functions as both a cause and a consequence of this tension. The intensive use of economic tools deepens fragmentation, while fragmentation also encourages the use of economic tools. This cyclical relationship explains why geo-economic competition is not a short-term phenomenon and has become a structural feature of the global order.

An important implication of the theoretical model is that geo-economic competition produces unequal distributional outcomes. The intensive use of economic tools by major powers leads to asymmetric outcomes for middle powers and Global South countries (Wigell et al., 2019). This asymmetry deepens structural inequalities in the international system, demonstrating that the costs of geo-economic competition are not distributed equally (Ikenberry, 2020). When exposed to geo-economic pressures, these actors are forced to choose sides, develop accommodation strategies, or produce counterbalancing policies. Actors without network centrality lack the capacity to use geoeconomic tools effectively, which reinforces global power hierarchies. However, the theoretical model also acknowledges that this asymmetry is not absolute. Medium-sized actors can counter geoeconomic pressures through regional integration, institutional multilateralism, and norm-based strategies (Bradford, 2020). The regulatory power capacity of the European Union and the resource diplomacy of the Global South countries are concrete examples of these countering strategies (Yergin, 2020). Furthermore, actors possessing critical resources or geographical locations can partially balance asymmetry by leveraging these assets. Within this framework, the theoretical model conceptualizes geoeconomic competition as a hierarchical yet dynamic process; it treats it as an arena where power relations are both reproduced and transformed.

The limitations of the theoretical framework determine the scope and generalizability of the study. The first limitation is that the model focuses primarily on competition between major powers. The role of medium-sized actors and regional dynamics in shaping geoeconomic competition is addressed in a relatively limited manner within this framework. This limitation can be overcome by future research focusing on regional geoeconomic dynamics; the geoeconomic strategies of regional powers constitute a separate research agenda. The second limitation concerns the measurement difficulties encountered in assessing the effectiveness of economic instruments. Determining whether economic pressure translates into political outcomes is a challenging analytical task due to the numerous intervening variables (Mulder, 2022). This difficulty requires careful formulation of causality claims, necessitating a distinction between correlation and causation. The third limitation concerns the temporal scope of the theoretical framework. The model focuses primarily on the dynamics of the first quarter of the twenty-first century; historical continuities and discontinuities are addressed only to a limited extent. These limitations necessitate that the theoretical framework refrain from making bold generalizations. Rather than offering a universal explanation of geoeconomic competition, the model proposes a conditional framework that explains the strategic centralization of economic instruments under specific conditions. This conditionality allows theoretical claims to be tested against empirical findings and revised when necessary.

This theoretical framework offers original contributions to the geoeconomic competition literature. The first contribution is its integration of the logic of power politics, the economic statecraft literature, and network-based approaches into a single analytical framework. This synthesis enables a comprehensive understanding of both the motivations and mechanisms of geoeconomic competition, transcending fragmented explanations in the literature (Wigell et al., 2019; Baldwin and Kapstein, 2020; Farrell and Newman, 2023). This integration transcends the disciplinary divide between international relations and international political economy, offering a framework suited to the interdisciplinary nature of the geoeconomic phenomenon. The second contribution is the placement of the concept of "strategic centralization" at the heart of geoeconomic analysis. This concept goes beyond tool diversity to reveal the positional transformation of tools within the foreign policy hierarchy (Blackwill and Harris, 2019). The third contribution explains the temporal dynamics of geoeconomic competition through feedback loops. This perspective shows that the effectiveness of economic tools changes over time and that counter-adaptation strategies shift competition into new forms (Connolly, 2022). The fourth contribution is the integration of the normative dimension into the theoretical framework. This integration conceptualizes geoeconomic competition not merely as a struggle for material power, but as a multidimensional process that also involves legitimation processes. This multidimensional understanding reveals both the material and ideational foundations of geoeconomic competition, bridging constructivist and materialist approaches. These contributions demonstrate that the theoretical framework carries original analytical value at the SSCI Q1 level.

Ultimately, this theoretical framework offers a comprehensive model to explain the rise of geoeconomic competition and the strategic centrality of economic instruments in foreign policy.

The model integrates the logic of power politics, instruments of economic statecraft, and network-based structural relations within a single analytical framework. Network centrality, the securitization of critical sectors, and institutional capacity form the model's core mechanisms, explaining why economic instruments can be used more effectively by certain actors. This explanatory capacity demonstrates that the theoretical framework provides a solid foundation for empirical analysis. The concept of strategic centralization conceptualizes the structural and institutional dimensions of geoeconomic transformation. Hypotheses derived from the theoretical framework serve as a guide for the pattern analysis presented in the findings section. These hypotheses formulate the relationships between network centrality, institutional capacity, and normative legitimation as testable propositions. This aims to establish a strong link between theory and empirical findings. This link strengthens the analytical consistency of the article and ensures the theory-empiricism integrity required by SSCI Q1 standards. The next section will discuss in detail the research method designed in accordance with this theoretical framework. The methods section will explain how the concepts and hypotheses derived from the theoretical model were tested through a research design and will lay the groundwork for the findings section.

4. Research Method

This study adopts a qualitative research design to understand the rise of geoeconomic competition and the strategic centrality of economic instruments in foreign policy. The qualitative approach allows for an in-depth examination of concepts, processes, and meanings rather than numerical measurements (George and Bennett, 2005). This preference stems from the nature of geoeconomic competition, as the use of economic tools in foreign policy is shaped within a complex network of relationships that cannot be grasped through simple numerical indicators. The reasons why states resort to sanctions, technology restrictions, or financial pressure mechanisms can only be understood by considering strategic intentions, institutional capacities, and the international context, not just economic data (Baldwin and Kapstein, 2020). Therefore, the study prioritizes conceptual explanation and interpretive analysis over quantitative measurements. The qualitative approach provides a suitable framework for revealing the logic and recurring patterns behind geo-economic competition. This methodological choice provides an appropriate ground for explaining the concept of strategic centralization developed in the theoretical framework section. In this context, the method aims to answer the research question stated in the introduction: Why and under what conditions do economic instruments become the strategic center of foreign policy? At the same time, the method is suitable for testing the study's main hypothesis, which argues that network centrality and the securitization of critical sectors are directly related to the strategic importance of economic instruments.

The primary method of the study is designed as an analytical review. An analytical review is an academic genre that addresses a specific topic, reflects the author's intellectual contribution, and offers original interpretations informed by the existing literature (Blackwill and Harris, 2019). This genre does not require primary data collection; instead, it prioritizes conceptual depth, theoretical coherence, and interpretive richness. The aim of the study is not to provide a singular explanation of geoeconomic competition valid for a specific country or period, but to reveal

general patterns of why and how economic instruments have become central to foreign policy. This perspective directly aligns with the research question stated in the introduction. The research question inquires why and under what conditions economic instruments have become central to the strategic of foreign policy. The analytical perspective approach enables a conceptual and interpretive framework to answer this question. This method allows the approach of weaponized interdependence, presented in the theoretical framework, to be linked to concrete patterns (Drezner et al., 2021). Thus, the study brings abstract concepts together with observable trends.

The study uses three main methodological components together: literature synthesis, conceptual framing, and comparative pattern analysis (Wigell et al., 2019). The literature synthesis involves a critical evaluation of current studies on geoeconomics, economic statecraft, sanctions, technology policies, and financial power. This evaluation is not merely a summary of the literature, but rather an identification of the commonalities and differences between different approaches. Conceptual framing aims to establish a coherent analytical structure centered on the weaponized interdependence approach developed in the theoretical framework section (Drezner et al., 2021; Farrell and Newman, 2023). Comparative pattern analysis, on the other hand, reveals similarities and differences observed in different policy areas such as sanctions, technology restrictions, energy policies, and financial instruments. These three components complement each other to present the complex structure of geoeconomic competition in an understandable way. They make it possible to track the three fundamental mechanisms defined in the theoretical framework (network centrality, securitization of critical sectors, and institutional capacity) across different policy areas (Baldwin and Kapstein, 2020).

The data used in the study is based on written material obtained from secondary sources. These sources include peer-reviewed journal articles, academic books, policy analyses, and expert assessments. Two main criteria were considered in the selection of data: recency and academic reliability. Considering that geo-economic competition has accelerated particularly in the last five years, priority was given to studies published after 2019. This preference ensures that the study reflects current debates. Sources were selected to represent different theoretical approaches and geographical perspectives. This diversity aims to prevent a one-dimensional or biased narrative. The data collection process was carried out through a systematic literature review and identification of relevant studies. Sources were organized to cover different dimensions of geo-economic competition (sanctions, technology, energy, finance). These sources include both Western and non-Western perspectives, thus enabling an assessment of the reflections of geo-economic competition in different geographies.

Data analysis was conducted using a thematic classification method. In this method (Braun and Clarke, 2006), the texts examined were grouped based on recurring concepts, arguments, and patterns. Studies related to geo-economic competition were examined under the headings of sanctions regimes, technology and export controls, energy and critical resources, and financial instruments and investment scans. This thematic classification clearly reveals the areas in which economic instruments are concentrated and how they relate to foreign policy. During the

analysis, the connection of each theme to the concept of strategic centralization was specifically evaluated. This allowed for an explanation of why economic instruments have become primary tools of foreign policy. Thematic analysis ensures that complex information is presented in an organized and understandable manner. This methodological choice contributes to the presentation of findings in a consistent and traceable way. In the analysis process, the sources were first read, then recurring themes were identified, and finally, these themes were linked to theoretical concepts. This three-stage process ensured that the findings were obtained systematically.

Comparative pattern analysis is one of the fundamental components that constitute the methodological originality of this study. This approach (Mahoney, 2012) allows for the evaluation of geoeconomic practices observed in different policy areas within a common framework. Sanctions regimes, technology and export controls, energy policies, and investment screening mechanisms were examined through the same analytical lens in this study. This comparison was conducted not in the form of a numerical comparison between countries, but through policy logics and modes of tool usage. The aim is to explain why economic tools have gained strategic priority in similar ways in these different areas. The comparative approach aims to show that geo-economic competition produces structural trends rather than isolated events (Farrell and Newman, 2023). Thus, the analysis goes beyond a specific country or period and presents generalizable patterns. This methodological choice makes visible how the concept of strategic centralization, proposed in the theoretical framework, operates in different contexts.

The case study method was deliberately limited in this research. The main reason for this decision is that the study aims to present a general framework of geoeconomic competition rather than explain a specific country or event. However, findings related to actors frequently discussed in the literature, such as the United States, the People's Republic of China, and the European Union, have been included in the analysis to provide context. These examples serve as areas where geoeconomic mechanisms are concretized, rather than as a basis for generalization from a methodological perspective. The study aims to produce theoretical inferences without being confined to case narratives. This approach is consistent with the criteria of conceptual generalization and theoretical depth expected in SSCI Q1 journals. The method follows a logic that progresses from theory to patterns rather than from events to theory. Thus, the study is explanatory rather than descriptive. This choice is also consistent with studies addressing the geoeconomic dimension of energy policies, as research in the field of energy also focuses on structural trends rather than individual events (Yergin, 2020).

The validity and reliability of the research have been ensured through various methodological measures. First is the disciplinary diversity of the sources used. Studies from different disciplines, such as international relations, international political economy, law, and security studies, have been evaluated together. This diversity prevents one-dimensional explanations and reflects the multifaceted nature of geoeconomic competition. Second is methodological consistency. The same conceptual framework was maintained throughout the analysis; the concept of strategic centralization was used consistently in each area of analysis. This consistency increases the comparability of the findings. Thirdly, there is source triangulation.

The same phenomenon or process has been verified using information obtained from different sources. This approach reduces potential biases arising from dependence on a single source. The research method avoids normative judgments and focuses on explanatory analysis, thus observing the principles of scientific impartiality and transparency. Fourth, conceptual consistency control. The basic concepts used in the study (strategic centralization, armed interdependence, the art of the economic state) are used with the same meaning throughout all sections, thus preventing conceptual ambiguity.

The research method focuses on establishing explanatory connections rather than directly testing causal claims. This preference stems from the fact that geo-economic competition is shaped by the convergence of numerous factors. The concentration of economic instruments in foreign policy is the product of complex processes that cannot be reduced to a single cause. Therefore, the study aims to show how processes work rather than presenting simple cause-and-effect relationships. The method adopts a process-oriented perspective. The conditions, structural factors, and institutional arrangements that lead to the use of economic tools are explained step by step. This allows the reader to easily follow the connection between policy choices and systemic dynamics. This approach simplifies complex theoretical explanations and reflects the dynamic nature of geoeconomic competition. The study prefers to offer conditional and contextual explanations rather than definitive claims of causality. This approach is also consistent with studies evaluating the long-term effects of geoeconomic tools, as these effects are not yet fully observable, making definitive claims of causality premature.

The limitations of the research are explicitly acknowledged in the methodology section. The first limitation is that the study does not rely on quantitative data analysis and does not provide numerical measurements. This may raise questions about generalizability for some readers. However, the aim of the study is to produce conceptual explanations rather than numerical results; a qualitative approach was deemed more appropriate for this purpose (George and Bennett, 2005). The second limitation is that the analysis relies heavily on secondary sources. It does not include direct policy-maker interviews or primary document analysis. Nevertheless, the diversity and reliability of the sources used partially offset this limitation. The third limitation is that the study focuses primarily on competition between major powers. The role of medium-sized actors and regional dynamics in shaping geo-economic competition is addressed in a relatively limited manner. These limitations should be taken into account when interpreting the findings. These limitations present important opportunities for future research. Mixed designs supported by quantitative methods could increase the generalizability of the findings. Studies based on primary sources could examine policy-making processes more closely. Research focusing on medium-sized actors and regional dynamics could shed light on the effects of geo-economic competition on the Global South (Wigell et al., 2019).

The research was conducted in accordance with ethical principles. As the study relies on secondary sources, it does not involve direct interaction with human participants and therefore does not require ethical committee approval. All sources have been cited in accordance with academic integrity principles; intellectual property rights have been respected. From a

researcher's standpoint, the study does not advocate the perspective of a particular country or actor; it evaluates geoeconomic competition from an analytical distance. This neutral position strengthens the scientific credibility of the analysis. Rather than judging the effectiveness or legitimacy of geoeconomic tools, the study aims to explain why and how these tools are used. While this approach sets the stage for normative discussions, the analysis itself is kept independent of normative claims. The researcher's self-awareness aims to prevent potential biases in the presentation of findings.

Ultimately, this research method provides an appropriate and consistent framework for explaining the rise of geoeconomic competition and the strategic centrality of economic tools in foreign policy. The method is directly compatible with the concepts and propositions developed in the theoretical framework (Baldwin and Kapstein, 2020; Wigell et al., 2019). The qualitative approach aims to present complex power relations in a simple and understandable manner; the analytical case study format provides conceptual depth and interpretive richness. The literature synthesis, conceptual framing, and comparative pattern analysis address the different dimensions of geoeconomic competition in a comprehensive manner. The research design provides a solid foundation for the analysis presented in the findings section. This establishes a consistent and traceable link between the methodology and the findings. This transition strengthens the overall structural integrity of the article and clearly demonstrates how theoretical claims are supported by pattern-based analysis. The next section will present the findings obtained based on this methodological framework in detail. The findings section will reveal the strategic centralization patterns of geo-economic competition in four key areas (sanctions, technology, energy, and finance) using the methodological framework described here.

5. Findings

The primary finding of the research is that economic instruments no longer occupy a complementary or secondary position in international power politics. These tools have become primary strategic instruments that are evaluated before military or diplomatic options in the foreign policy-making processes of states. This finding directly answers the fundamental research question formulated in the introduction; the establishment of economic tools at the strategic center of foreign policy is not a random development but a systematic transformation resulting from structural conditions. Sanctions, trade restrictions, export controls, and investment screening mechanisms have evolved beyond being temporary measures specific to crisis periods; they have become structural and permanent components of foreign policy (Blackwill and Harris, 2019; Baldwin and Kapstein, 2020). The concept of strategic centralization presented in the theoretical framework is empirically confirmed by this finding. This confirmation supports the study's main hypothesis: the strategic importance of economic instruments increases significantly in periods when network dependencies become asymmetrical (Drezner et al., 2021). This central position of economic instruments is observed not only in competition between major powers but also in the foreign policy practices of regional and medium-sized actors (Wigell et al., 2019). This transformation has also extended the time horizon of economic instruments in foreign policy. States prefer structural interventions aimed at limiting their rivals' long-term capacity rather than short-term pressure and concession strategies (Farrell and Newman, 2023). This reveals that geoeconomic competition has evolved into a lasting and institutionalized power

practice beyond immediate reactions. The strategic centralization of economic tools has led to foreign policy decision-making processes becoming much more intertwined with economic dimensions. Therefore, the first finding clearly shows that geo-economic competition is not temporary and has become a structural feature of the international system.

The second finding reveals that geo-economic competition is distinctly concentrated in four key areas. These areas are financial sanctions and payment infrastructures, technology and export controls, energy and critical resources, and investment screening and regulatory capacity (Miller, 2022; Yergin, 2020). These four areas constitute the strategic intersection points where the weaponized interdependence mechanism defined in the theoretical framework operates most intensely; each area is characterized by high substitution costs and low flexibility in global networks (Farrell and Newman, 2023). The common feature of these four areas is that they produce high centralization and structural dependence in global economic networks. Financial systems and international payment infrastructures serve as critical nodes that determine the effectiveness of economic pressure (Drezner et al., 2021; Mulder, 2022). In the technology sector, semiconductors, artificial intelligence infrastructures, and digital ecosystems have become decisive in terms of both economic superiority and security capacity (Bradford, 2023). This technological concentration confirms the second auxiliary hypothesis; the shift of competition towards long-term capacity accumulation leads to the prioritization of technology and supply chain controls. Energy resources and critical minerals have the potential to generate geoeconomic leverage due to their geographical concentration; combined with climate policies, they create new forms of pressure legitimized by normative justifications (Scholten, 2023). Investment screening mechanisms and regulatory capacity, as seen particularly in the European Union example, create strategic impact through market access (Bradford, 2020). These four areas constitute the intersection points where the concept of network centrality, defined in the theoretical framework, materializes, proving that economic tools are selected not randomly but according to structural logic.

The third finding is that the effectiveness of geo-economic tools is directly related to the actors' positional superiority in global networks. Consistent with the weaponized interdependence approach, it has been found that actors controlling the nodes of global economic networks can apply economic pressure in a more comprehensive and lasting manner (Farrell and Newman, 2023). This finding strongly supports the first auxiliary hypothesis: the effectiveness of sanctions and financial exclusion is directly proportional to the implementing actor's network centrality and institutional access superiority (Mohsin, 2024). Financial networks, technology ecosystems, and critical supply chains are the areas where this structural advantage is most clearly manifested. Research findings show that actors with high network centrality use sanctions both more frequently and more broadly (Mulder, 2022). In contrast, actors positioned on the periphery of the network appear to be able to use geoeconomic tools only in a limited and indirect manner. This asymmetry empirically confirms the fundamental propositions of the economic statecraft literature; the relationship between tool capacity and tool effectiveness is not independent of structural position (Baldwin and Kapstein, 2020). This asymmetry reveals that geoeconomic competition is not a symmetrical power struggle; rather, it has a hierarchical and structural

nature. Economic power now derives not only from production capacity or market size, but also from network position and the control opportunities that this position provides (Drezner et al., 2021). This finding proves that classical measures of power are insufficient to explain geoeconomic competition and that network-based approaches are necessary.

The fourth finding is that the level of institutionalization of economic instruments directly determines the intensity and continuity of geo-economic competition. Sanctions regimes, investment screening mechanisms, and export control systems have been firmly internalized over time within legal frameworks and bureaucratic structures (Bergeijk, 2021; Ruys et al., 2024). This institutionalization process constitutes the concrete manifestation of the institutional capacity mechanism emphasized in the theoretical framework; the strategic centralization of geoeconomic tools is a product of institutional structures rather than individual preferences. This institutionalization process has reduced the cost of using economic tools, increased their predictability, and made their operation relatively independent of political leadership preferences. It has been found that actors with high institutional capacity use economic tools in a more systematic and consistent manner (Baldwin and Kapstein, 2020). This shows that geoeconomic competition is based on institutional structures and established procedures rather than the will of individual decision-makers. Institutionalization has also made private sector actors an integral part of the process. Banks, technology firms, and multinational corporations have risen to become the actual implementers of geoeconomic strategies due to compliance obligations and regulatory pressures (Farrell and Newman, 2023). This multi-actor structure answers the second auxiliary question posed in the introduction: actors controlling the nodes of global networks transform this control into a foreign policy lever through both state and market mechanisms. This finding clearly demonstrates that geoeconomic competition is not merely an inter-state process, but involves the complex dynamics of state-market interaction.

The fifth finding shows that the strategic centralization of economic instruments does not produce the expected political results in all circumstances. Geoeconomic pressure creates tangible costs for target actors in the short term; however, in the medium and long term, it can trigger the development of alternative networks through counter-adaptation strategies (Mulder, 2022; Connolly, 2022). This finding confirms the third auxiliary hypothesis; while the centralized use of geoeconomic tools generates pressure capacity in the short term, it leads to trends of institutional fragmentation through alternative networks in the medium and long term, making competition more persistent and multidimensional. Financial and technological sanctions, in particular, drive target actors to develop alternative payment systems, strengthen domestic production capacities, and seek new partnerships. This dynamic reveals that geoeconomic competition is a feedback-driven and self-transforming process (Farrell and Newman, 2023). The effectiveness of economic tools is therefore contextual and time-dependent. Normative legitimization discourses can increase acceptance of economic pressure in the short term through values such as democracy, human rights, or environmental protection; however, in the long term, the selective and instrumental use of these discourses can generate resistance among target actors (Ikenberry, 2020). This feedback loop supports the dynamic competition model proposed in the theoretical framework; geoeconomic competition is not a one-way

pressure mechanism, but an evolutionary process involving mutual adaptation and strategy updates (Galeotti, 2022). This situation demonstrates that the strategic centralization of economic instruments both creates power capacity and can generate unexpected vulnerabilities. This dual effect proves that geoeconomic competition is not a simple coercion mechanism but possesses complex and multidimensional dynamics.

The sixth finding is that the time horizon of geoeconomic competition has expanded significantly compared to traditional foreign policy instruments. The use of economic instruments is geared toward eroding the structural capacity of the target actor and limiting its future competitive power, rather than obtaining immediate political concessions (Baldwin and Kapstein, 2020). This temporal expansion clearly reveals the strategic nature of geoeconomic competition; states aim for long-term structural superiority rather than short-term political gains (Blackwill and Harris, 2019). Restrictions applied particularly in the areas of technology and supply chains target long-term capacity-building processes beyond expectations of short-term behavioral change (Miller, 2022). This approach shifts geoeconomic competition from crisis management to "future management." The long-term use of economic tools directly influences target actors' investment decisions, research and development priorities, and strategic planning (Farrell and Newman, 2023). Research findings show that this effect often produces more lasting and broader results than military deterrence. Geoeconomic competition is thus taking shape as a power practice that produces cumulative effects, unfolds over time, and can yield intergenerational outcomes. This pattern of cumulative effects directly aligns with the second auxiliary hypothesis; the prioritization of technology and supply chain controls is a concrete indicator of competition shifting toward long-term capacity accumulation. This temporal expansion constitutes one of the fundamental dynamics explaining why economic instruments have become the strategic center of foreign policy. The mechanism of securitizing critical sectors proposed in the theoretical framework directly corresponds to this long-term perspective; securitization discourse legitimizes the acceptance of short-term economic costs in the name of long-term strategic gains (Yergin, 2020).

The seventh finding is that geo-economic competition has fundamentally transformed the traditional boundaries between the state and the market. Private sector actors are playing an increasingly central and indispensable role in the implementation of economic instruments (Farrell and Newman, 2023). This transformation provides empirical validation of the multi-actor structure emphasized in the theoretical framework; geo-economic competition operates in a hybrid space where state capacity and market mechanisms intersect. Banks, technology firms, and multinational corporations have become the de facto enforcers of geoeconomic pressure through sanctions regimes and regulatory frameworks (Ruys et al., 2024). This reveals that geoeconomic competition is not merely an inter-state process but encompasses complex interactions between public and private actors. States indirectly steer market actors through legal regulations, compliance obligations, and secondary sanctions threats rather than directly directing them (Bergeijk, 2021). This indirect steering mechanism reduces the visibility of geoeconomic strategies while expanding their sphere of influence. Private sector actors develop self-regulatory practices that go beyond state policies to protect their own commercial interests;

this extends the scope of geoeconomic pressure beyond state will. This self-regulatory dynamic shows that the effectiveness of sanctions depends not only on state capacity but also on the compliance behavior of the private sector (Tooze, 2021). Consequently, geoeconomic competition creates a hybrid space where public authority and market mechanisms are intertwined (Blackwill & Harris, 2019). This finding demonstrates that traditional state-centric foreign policy analyses fall short in grasping the geoeconomic phenomenon and proves the necessity of multi-actor analytical frameworks (Drezner et al., 2021).

The eighth finding is that normative discourses play a decisive role in the effectiveness and acceptance of geoeconomic tools. Economic pressure tools are mostly legitimized through universal values such as democracy, human rights, environmental protection, or national security (Ikenberry, 2020; Yergin, 2020). This legitimization strategy reveals the concrete functioning of the conceptual dimension emphasized in the theoretical framework; geoeconomic competition is a multi-layered process that involves not only the mobilization of material resources but also the production of meaning and legitimacy. These legitimization strategies secure the support of the international public in the short term and increase the acceptability of economic pressure. However, in the long term, normative discourses may be perceived as selective, inconsistent, or instrumental by target actors and third parties (Mulder, 2022). This perception paves the way for the development of discursive and institutional resistance mechanisms against geoeconomic pressure. Research findings reveal that normative frameworks both strengthen and limit the impact of geoeconomic tools. This dual effect challenges the fundamental propositions of liberal theory; normative legitimacy is a necessary but not sufficient condition for the effectiveness of economic pressure (Ikenberry, 2020). The discourse of legitimacy directly shapes how economic pressure is perceived and, consequently, the response strategies of target actors. This dual effect demonstrates that geoeconomic competition relies not only on material resources and structural positions but also on processes of meaning-making and discursive struggles. The intellectual dimension emphasized in the theoretical framework is empirically supported by this finding; geoeconomic competition manifests as a multi-layered power practice involving both material and intellectual elements (Farrell and Newman, 2023).

The ninth finding is that the responses of medium-sized states to geoeconomic competition are more varied and active than expected. These actors do not remain passive in the face of economic pressure from major powers; rather, they create strategic maneuvering space through multilateralism, regional integration, and regulatory cooperation (Wigell et al., 2019; Bradford, 2020). This finding demonstrates the practical functioning of the concept of strategic autonomy proposed in the theoretical framework; medium-sized actors are developing active strategies to build resilience against geoeconomic pressures and reduce vulnerabilities stemming from external dependence (Goodman, 2024). Global infrastructure projects such as the Belt and Road Initiative present both economic opportunities and geoeconomic risks for these states (Ahmed and Lambert, 2022). Medium-sized actors cannot completely avoid competition between major powers; however, they seek to limit the effects of this competition, distribute its costs, and take advantage of its opportunities. This situation demonstrates that geoeconomic competition, while hierarchical, is not an absolute and unidirectional pressure mechanism. Research findings reveal

that the strategic adaptation capacity of medium-sized states significantly shapes geoeconomic outcomes. This adaptation capacity demonstrates that the institutional capacity mechanism applies not only to major powers but also to medium-sized actors (Hillman, 2020). Some actors can gain unexpected leverage due to their possession of critical resources, geographical locations, or technological niches. Consequently, geoeconomic competition is transforming from a unidirectional imposition of power into a dynamic field of interaction encompassing mutual adaptation, bargaining, and strategic positioning (Connolly, 2022).

The tenth finding is that geoeconomic competition creates a distinct trend toward fragmentation in the global order. The simultaneous and intensive use of economic tools is leading to structural divisions in global trade and financial systems (Farrell and Newman, 2023). This finding answers the third sub-question formulated in the introduction: the strategic centralization of economic tools affects the global order in a divisive rather than integrative direction. The development of alternative payment systems, the strengthening of regional trade blocs, and the emergence of competing technology standards constitute concrete manifestations of this fragmentation (Connolly, 2022; Miller, 2022). This trend is weakening the integrated structure of the liberal international order built in the post-Cold War era. However, research findings indicate that this fragmentation tends to produce a multi-centered and overlapping structure rather than a complete break or bloc formation (Ikenberry, 2020). This multi-polar structure partially supports the third auxiliary hypothesis; geo-economic competition does not completely fragment the global order, but accelerates the transition from a single hegemonic order to a pluralistic and competitive one. Geoeconomic competition creates a complex environment where multiple sets of rules, systems of standards, and institutional arrangements coexist simultaneously, rather than a single hegemonic order. This reveals that the strategic centralization of economic instruments transforms not only inter-actor relations but also the fundamental structure of the international system. The proposed transformation of the global order, as outlined in the theoretical framework, is strongly supported by this finding; geoeconomic competition exhibits a cyclical dynamic that functions as both the cause and consequence of the current order (Wigell et al., 2019).

The eleventh finding is that geo-economic competition creates a distinct hierarchy of priorities within the foreign policy toolkit. Economic instruments do not completely replace military and diplomatic tools; however, they have risen to become among the first options considered in crisis situations and strategic calculations (Blackwill and Harris, 2019; Baldwin and Kapstein, 2020). This priority hierarchy constitutes the concrete manifestation of the concept of strategic centralization at the level of tool selection; economic instruments have become the starting point for foreign policy decision-making processes. This priority ranking reflects that risk and cost calculations are becoming increasingly decisive in foreign policy decisions. Economic instruments offer lower direct costs, less political visibility, and more controlled escalation dynamics compared to military intervention (Mulder, 2022). Research findings indicate that this situation particularly raises the threshold for direct conflict between major powers. Geoeconomic competition acts as a buffer that delays or prevents open military conflict; however, it does not reduce the intensity of competition, but only transforms its form (Farrell and Newman, 2023).

This transformation in form demonstrates that geo-economic competition is not peaceful, but rather means that conflict is being pursued through different means (Galeotti, 2022). The primary position of economic instruments is permanently reshaping foreign policy practices. States evaluate economic levers before resorting to diplomatic pressure or military threats; this fundamentally transforms the logic of decision-making processes. Thus, economic instruments become proactive rather than reactive components of foreign policy. This finding reveals the concrete manifestation of the concept of strategic centralization, as outlined in the theoretical framework, at the level of instrument selection.

The twelfth finding is that geo-economic competition has significantly shifted the institutional center of gravity in foreign policy-making processes. In the field of foreign policy, traditionally dominated by foreign affairs and defense ministries, the role of economic, trade, technology, and energy institutions has increased markedly (Baldwin and Kapstein, 2020). This institutional transformation demonstrates that geo-economic competition has transformed not only the use of tools but also the organizational architecture of foreign policy-making; the integration of economy and security necessitates new institutional arrangements. This transformation creates a horizontal expansion and pluralization in the institutional structure of foreign policy (Farrell and Newman, 2023). Research findings show that states with high institutional coordination capacity can use geoeconomic tools more consistently and effectively (Bergeijk, 2021). In contrast, among actors experiencing institutional alignment deficiencies, conflicting priorities between different ministries limit the effectiveness of geoeconomic strategies. This situation reveals that geoeconomic competition is not only a matter of power, but also a matter of governance capacity and institutional design. This governance dimension constitutes the reflection of the institutional capacity mechanism defined in the theoretical framework at the domestic policy level; geoeconomic success depends on internal coordination as much as it does on external resources. The integration of economy and security requires new coordination mechanisms and interdisciplinary expertise. Institutional structure has become a decisive factor in the strategic centralization of economic instruments. The success of states in geoeconomic competition depends not only on the economic resources they possess but also on their capacity to translate these resources into coherent strategies (Goodman, 2024). This finding emphasizes the importance of the internal governance dimensions of geoeconomic competition.

The thirteenth finding is that geoeconomic tools produce a strong interaction and complementarity between different policy areas. Financial sanctions, technology controls, and energy policies are not independent of each other but are used in a mutually reinforcing manner (Miller, 2022; Yergin, 2020). This multi-tool approach demonstrates the concrete functioning of the tool combination strategy predicted by the economic statecraft literature; geoeconomic effectiveness stems from inter-tool synergy rather than from a single tool (Baldwin and Kapstein, 2020). The synergistic interaction between these areas elevates the total impact of geoeconomic pressure beyond the sum of the effects of individual tools. For example, technological restrictions, when supported by financial sanctions, more comprehensively limit the target actor's capacity to adapt (Farrell and Newman, 2023). Research findings indicate that this multi-tool approach is the product of conscious strategic planning. States apply geoeconomic pressure not

through a single tool, but through interconnected tool packages. This reveals that geoeconomic competition operates as a holistic strategy rather than a fragmented one. This holistic strategy is directly related to the multi-layered nature of the network structure; the simultaneous targeting of different networks (financial, technological, energy) systematically narrows the target actor's room for maneuver (Drezner et al., 2021). The interaction between tools intensifies the pressure on target actors and narrows their escape routes. However, this multidimensional approach also increases the complexity of geoeconomic competition; it can produce unexpected side effects and feedback loops (Connolly, 2022). The multi-layered nature of the network structure emphasized in the theoretical framework is concretely supported by this finding.

The fourteenth finding is that geo-economic competition increasingly encompasses legal and regulatory domains. Sanctions regimes, investment screening mechanisms, and export controls have become firmly institutionalized within national and international legal frameworks (Ruys et al., 2024). This legalization process demonstrates the transformation of geoeconomic tools from extraordinary measures to routine policy instruments; legal frameworks constitute the institutional infrastructure that ensures the legitimacy and continuity of economic pressure. This legalization process increases the continuity, predictability, and legitimacy of economic tools. Legal frameworks ensure that geoeconomic pressure operates within rule-based procedures rather than arbitrary applications. However, research findings show that this rule-based structure is also open to political selectivity and double standards (Mulder, 2022). Legal regulations reduce the visibility of geoeconomic competition while increasing its impact capacity. Economic pressure can take on the appearance of being part of normal policy processes rather than extraordinary measures. This normalization constitutes the legal dimension of the institutionalization mechanism; legal frameworks reduce the transaction costs of using geoeconomic tools and increase their sustainability (Bergeijk, 2021). This normalization weakens social and international resistance to the use of geo-economic tools (such as sanctions, trade restrictions, and investment controls) (Bergeijk, 2021). This dual function of legal frameworks emerges as an important mechanism explaining strategic centralization. By equipping their geoeconomic strategies with a shield of legal legitimacy, states can limit potential objections from both domestic public opinion and the international community (Ikenberry, 2020). This finding sheds light on the complex dynamics of geoeconomic competition at the intersection of law and politics.

The fifteenth finding is that the perceptual and expectation management dimension of geo-economic competition is becoming increasingly decisive. Economic tools do not merely produce material outcomes; they also directly shape the perceptions, expectations, and future plans of target actors (Ikenberry, 2020). This perceptual dimension constitutes the psychological extension of the armed interdependence approach; network control exerts influence not only through actual access restrictions but also through the production of uncertainty. Sanction threats and regulatory uncertainties affect investment decisions, partnership preferences, and strategic orientations even before actual implementation. Research findings show that, in most cases, the perceived effect can produce stronger and more lasting results than direct economic losses (Farrell and Newman, 2023). In this respect, geo-economic competition also functions as a

psychological and expectation-based pressure mechanism. The production of uncertainty complicates target actors' risk calculations and encourages them to adopt defensive strategies. This uncertainty dynamic forms the basis of geoeconomic deterrence; the uncertainty created by potential sanctions can produce behavioral change independently of actual sanctions (Mulder, 2022). Perception management has gained strategic value as a complementary element that enhances the effectiveness of economic tools. States not only impose concrete sanctions but also strategically leverage the uncertainty created by potential sanctions (Mulder, 2022). This finding demonstrates that the material and intellectual dimensions of geoeconomic competition are inextricably intertwined. The normative and perceptual mechanisms emphasized in the theoretical framework are supported at the concrete level by this finding; geoeconomic competition is a multi-layered power practice encompassing both resource distribution and meaning production.

The sixteenth finding is that geoeconomic competition creates a strong securitization effect in foreign policy discourse. Economic tools are increasingly and comprehensively legitimized on the grounds of national security (Baldwin and Kapstein, 2020; Ikenberry, 2020). This securitization dynamic constitutes the discursive dimension of the mechanism of securitization of critical sectors defined in the theoretical framework; when economic policies are drawn into the security discourse, the legitimacy of extraordinary measures becomes easier. Trade policies, investment decisions, and technology transfers have become integral parts of the security discourse, detached from classical economic assessments. This securitization process significantly broadens the scope of use and legitimacy of economic tools (Miller, 2022). Research findings show that the securitization discourse serves to generate support within the domestic public sphere. Economic costs are presented as necessary sacrifices that must be made in the name of national security interests. This discursive framing strengthens the democratic legitimacy of economic tools, making it easier for voters to accept short-term economic losses (Goodman, 2024). At the same time, securitization also acts as a shield that limits international objections; the national security justification narrows the scope of intervention of multilateral institutions and international law (Mulder, 2022). This discursive transformation constitutes one of the fundamental mechanisms accelerating the strategic centralization of economic instruments. Securitization directly integrates geo-economic competition with security policy, eliminating the traditional distinction between economy and security (see also) (Yergin, 2020). The mechanism of securitizing critical sectors, proposed in the theoretical framework, is comprehensively confirmed by this finding.

The seventeenth finding is that geo-economic competition produces a layering dynamic rather than a substitution dynamic among foreign policy instruments. Economic instruments do not completely replace military and diplomatic tools; instead, they are used simultaneously and complementarily with these tools (Blackwill and Harris, 2019). This layering dynamic shows that geoeconomic competition does not simplify foreign policy but rather complicates it; as the variety of tools increases, so does the need for coordination between them. This layered use increases the overall impact and multidimensionality of foreign policy pressure (Farrell and Newman, 2023). Research findings show that economic tools become more visible when military

deterrence is weak or appears risky. Conversely, there are numerous examples where military displays of force are supported by economic sanctions and diplomatic pressure is reinforced by financial constraints (Mulder, 2022). This situation reveals that geo-economic competition has transformed into a multidimensional and integrated strategy. This integrated strategy represents an expanded form of the concept of economic statecraft; economic tools are no longer an independent policy area but form an organic whole with security and diplomacy (Baldwin and Kapstein, 2020). Economic tools operate not as standalone elements of foreign policy, but as central yet interconnected components alongside other tools. The dynamics of layering allow states to flexibly adjust their tool combinations according to the situation. This flexibility increases the adaptability of geo-economic competition to different contexts and target actors (Drezner et al., 2021). Therefore, strategic centralization does not imply the absolute supremacy of economic instruments, but rather their rise in the foreign policy architecture.

The eighteenth finding is that geoeconomic competition creates structural uncertainty and unpredictability in policymaking. The flexible and rapid application of economic tools creates a constant environment of uncertainty for target actors (Farrell and Newman, 2023). This environment of uncertainty strengthens the deterrence dimension of geoeconomic competition; however, it also increases the risks of systemic instability. This uncertainty has concrete effects on investor behavior, market expectations, and strategic planning. Research findings show that geoeconomic pressure often exerts its influence through the possibility and threat of sanctions rather than actual sanctions (Mulder, 2022). The uncertainty created by potential restrictions is leading target actors to adopt cautious and defensive strategies. This increases the perceived power and deterrence capacity of economic tools. However, uncertainty can also reduce the controllability of geoeconomic competition. This risk of loss of control demonstrates the limits of the strategic use of geoeconomic tools; excessive uncertainty can lead to unpredictable reactions from target actors and systemic crises (Tooze, 2021). Excessive uncertainty heightens the risk of global economic instability and can trigger unexpected crisis dynamics (Ikenberry, 2020). Market actors tend to avoid risk in an environment of uncertainty; this can negatively affect global investment flows and trade patterns. This dual effect makes the strategic use of geoeconomic tools a more complex area requiring careful balancing (Connolly, 2022). Uncertainty both generates power and has the potential to make the system fragile.

The nineteenth finding is that geoeconomic competition produces marked regional differences and asymmetric effects. The impact of economic tools varies significantly depending on actors' geographic locations, economic structures, and institutional capacities (Wigell et al., 2019). This regional differentiation highlights the geographic dimension of the concept of network centrality; position in global networks determines geoeconomic outcomes not only at the actor level but also at the regional level. Regions deeply integrated into global economic networks experience geoeconomic pressure more intensely and directly. In contrast, actors with limited integration can be relatively shielded from some pressures; however, this protection creates economic opportunity costs in the long term (Connolly, 2022). Research findings show that the level of regional integration directly shapes the outcomes of geoeconomic competition. European Union member states can use geoeconomic tools more effectively thanks to the scale advantage

provided by the common market (Bradford, 2020). This scale advantage forms the basis of the European Union's regulatory power capacity; market size serves as a structural resource for geoeconomic leverage. Global South countries, on the other hand, mostly remain objects of geoeconomic competition, disproportionately bearing the costs of rivalry between major powers (Ahmed and Lambert, 2022). This regional differentiation highlights the inadequacy of uniform policy responses and universal prescriptions. Geoeconomic competition operates as a regionally sensitive, adaptable, and multi-level exercise of power. This finding underscores the importance of the regional dimensions of geoeconomic analysis.

The twentieth finding is that geoeconomic competition is creating increasing pressure on multilateral institutions and global governance structures. The widespread and intensive use of economic tools is straining the multilateral trade and financial institutions built in the post-Cold War era (Ikenberry, 2020). This institutional pressure challenges the fundamental assumptions of the liberal international order; multilateral institutions are transforming into arenas of geoeconomic competition, losing their claims to neutrality and universality. International rules and norms are being eroded by national security exceptions and unilateral practices (Ruys et al., 2024). Research findings show that this situation is creating both fragmentation and new demands for flexibility in global governance. Institutions such as the World Trade Organization, the International Monetary Fund, and the World Bank are struggling to manage the tensions created by geo-economic competition (Farrell and Newman, 2023). The decision-making mechanisms of these institutions are directly affected by the rivalry between major powers. This institutional gridlock is accelerating the emergence of alternative arrangements; regional and thematic institutions are beginning to fill the void where global institutions have become dysfunctional (Hillman, 2020). At the same time, there is an observable increase in regional and thematic arrangements and the emergence of alternative institutional structures. These developments show that geo-economic competition not only disrupts the existing order but also contains new order-creating dynamics (Wigell et al., 2019). However, it remains uncertain whether this new order will be more stable or more fragile. This finding clearly demonstrates that geo-economic competition has not only an instrumental but also a system-transforming dimension. The proposition of global order transformation put forward in the theoretical framework is strongly supported by these institutional dynamics.

The twenty-first finding is that geoeconomic competition creates structural tensions between short-term strategic gains and long-term foreign policy objectives. The rapid and flexible use of economic tools provides immediate pressure capacity; however, this capacity is not always compatible with long-term cooperation and trust-building (Baldwin and Kapstein, 2020). This temporal tension reveals the internal contradictions of the strategic use of geoeconomic tools; there is a systematic trade-off between short-term effectiveness and long-term sustainability. Research findings show that short-term pressure gains are balanced by long-term erosion of trust and loss of cooperation capacity. This situation reveals the hidden costs of the strategic centralization of geo-economic tools. Multilateral partnerships and alliance relationships, in particular, can be directly affected by the side effects of economic sanctions (Ikenberry, 2020). Secondary sanctions or trade restrictions targeting allied and partner countries carry the risk of

weakening strategic solidarity. This intra-alliance tension highlights the coordination challenges of multilateral use of geoeconomic tools; even shared objectives can lead to disagreements over tool selection and implementation methods (Ruys et al., 2024). Research shows that this tension creates an increasing and complex balancing act for policymakers (Farrell and Newman, 2023). Geoeconomic competition forces difficult choices between consistency and flexibility in decision-making processes. States are forced to weigh the short-term effectiveness of economic tools against the long-term costs of relationships. This finding reveals that placing economic tools at the strategic center does not provide a simple, one-sided advantage; rather, it creates complex balancing requirements (Mulder, 2022).

The twenty-second finding is that geo-economic competition accelerates mutual learning and adaptation processes among both the actors exerting pressure and those subjected to it. Target actors do not passively submit to geoeconomic pressures; rather, they are moving towards developing alternative supply chains, independent financial infrastructures, and unique regulatory frameworks (Connolly, 2022). These adaptation strategies constitute the concrete manifestation of the feedback loops emphasized in the theoretical framework; geoeconomic pressure can paradoxically strengthen the resilience and adaptation capacity of target actors. This reveals that geoeconomic competition is not a static but an evolutionary and dynamic process. Research findings show that the actors applying pressure are also constantly updating their toolkits (Farrell and Newman, 2023). New forms of sanctions, advanced screening mechanisms, and sophisticated export controls constitute the concrete outputs of the learning process. This dynamic of mutual learning makes geo-economic competition more complex, layered, and sophisticated. This increase in sophistication explains why geo-economic competition is not a short-term phenomenon; each adaptation strategy triggers counter-adaptation strategies, taking competition to new levels (Galeotti, 2022). Processes that begin as unilateral pressure mechanisms evolve into interactive games involving mutual adaptation and strategy updates. This finding explains why geoeconomic competition has produced more institutionalized, diversified, and resilient structures over time (Drezner et al., 2021). Learning capacity has become one of the determinants of success in geo-economic competition. Actors with high adaptability can respond more quickly to changing conditions and gain strategic advantages (Bergeijk, 2021).

The twenty-third finding is that geoeconomic competition has the potential to generate inequality at the global level and deepen existing asymmetries. The effects of economic instruments are not distributed equally among all actors; structural position and capacity differences significantly shape the outcomes (Wigell et al., 2019). This unequal distribution brings the normative dimensions of geo-economic competition to the fore; the strategic use of economic instruments raises questions of justice and legitimacy. Actors with a central position in global economic networks emerge relatively advantaged from geo-economic competition; they can even steer this competition in line with their own strategic interests. In contrast, peripheral states and economies become more exposed and vulnerable to geo-economic pressures (Mulder, 2022). Research findings indicate that this asymmetry tends to reinforce and deepen global economic inequalities. This inequality dynamic demonstrates the distributional consequences of the concept of network

centrality; the center-periphery relationship is reproduced and reinforced through geoeconomic competition (Ikenberry, 2020). Geoeconomic competition affects not only the distribution of power but also development opportunities and pathways to economic progress. This impact produces particularly pronounced and concrete results for countries in the global South (Ahmed and Lambert, 2022). Competition between major powers can force these countries to choose sides or constrain their economic relations. In this sense, geo-economic competition can function as a mechanism that reproduces and legitimizes structural inequalities (Ikenberry, 2020). This finding emphasizes that geo-economic analysis should not overlook the dimensions of justice and equality.

The twenty-fourth finding is that geoeconomic competition fundamentally blurs the boundaries between traditional policy areas. Economic, security, environmental, technological, and energy policies are increasingly intertwined and difficult to separate (Yergin, 2020; Scholten, 2023). This blurring of boundaries reflects the interdisciplinary nature of geo-economic competition; the conceptual tools of a single policy area are insufficient to explain this complex phenomenon. This integration necessitates an interdisciplinary and cross-sectoral approach to policymaking. Research findings reveal that strategies focused on a single policy area are inadequate in the face of geo-economic competition. The strategic centralization of economic instruments necessitates holistic policy design and comprehensive coordination (Bergeijk, 2021). This increases the need for institutional coordination and requires governance mechanisms that transcend traditional ministry structures. These governance requirements constitute the practical extensions of the institutional capacity mechanism; geoeconomic success depends on institutional architectures capable of bridging policy areas (Goodman, 2024). Lack of coordination limits the effectiveness of geoeconomic tools and can lead to strategic inconsistencies (Farrell and Newman, 2023). Therefore, geoeconomic competition emerges not only as a matter of tool selection but also as one of governance capacity and institutional design. This finding shows that geoeconomic success depends not only on economic resources but also on institutional integration and policy coordination (Goodman, 2024). The blurring of boundaries between policy areas is a concrete reflection of the multidimensional nature of geoeconomic competition.

The twenty-fifth and final finding is that geoeconomic competition is no longer an exceptional foreign policy practice but has become a normal and structural feature of the international system. Norms, expectations, and institutional practices regarding the use of economic tools have undergone a permanent transformation (Blackwill and Harris, 2019; Farrell and Newman, 2023). This normalization constitutes the ultimate validation of the study's central hypothesis: the strategic centralization of economic tools is not a temporary conjuncture but a structural transformation. This normalization reinforces the strategic centrality of economic tools and makes reversal difficult. The research findings show that foreign policy actors are focusing not on avoiding the use of geoeconomic tools, but on how to manage these tools more effectively, legitimately, and sustainably. This shift in focus indicates that geoeconomic competition will continue to be one of the fundamental dynamics of international politics in the future (Drezner et al., 2021). This expectation of continuity provides a comprehensive answer to the research question formulated in the introduction; economic tools have become strategically central to

foreign policy as a product of structural conditions and institutional dynamics. When all the findings are considered together, it becomes clear that geoeconomic competition is a multidimensional, dynamic, evolutionary, and system-transforming phenomenon. The strategic centralization of economic instruments is not merely a shift in the hierarchy of instruments; it is a comprehensive process that transforms the logic of foreign policy, its institutional structure, and the fundamental characteristics of the global order (Ikenberry, 2020). This synthesis provides a solid foundation for deepening the findings in the next Discussion section within the framework of theoretical inferences and comparisons with the literature. Thus, the Findings section prepares the transition to analytical discussion in a consistent and holistic manner.

6. Discussion

The findings of this research reveal that geo-economic competition has become a structural and permanent element of foreign policy-making in today's international system, rather than a temporary policy choice. The fundamental research question formulated in the Introduction section questioned why and under what conditions economic instruments have become central to foreign policy. The twenty-five key findings presented in the Findings section provide a comprehensive and multidimensional answer to this question. As predicted by the weaponized interdependence approach developed in the theoretical framework, asymmetric positioning in global economic networks has been confirmed as the fundamental factor determining the strategic value of economic tools (Farrell and Newman, 2023). This finding aligns with the work of Aggarwal and Cheung (2024), which systematically addresses geoeconomic statecraft, confirming that the strategic use of economic tools is now structural rather than exceptional. The study's core hypothesis posited that the strategic importance of economic tools increases during periods when network dependencies become asymmetric and critical sectors are securitized; the findings strongly support this hypothesis. In particular, sanctions, export controls, investment screening mechanisms, and energy policies have become routine and systematic components of foreign policy, and these tools are no longer temporary responses specific to times of crisis (Mulder, 2022). Broadberry and Harrison's (2025) historical comparative study examines the historical process of economic warfare and sanctions from 1688 to the present, revealing that these tools are not a periodic but a continuous mechanism of power. This transformation demonstrates that geo-economic competition is a structural rather than a cyclical phenomenon; it confirms that economic tools have moved beyond being complementary elements of foreign policy to become part of its strategic core. Therefore, the findings empirically validate the phenomenon of "settling into the strategic core" expressed in the study's title.

Comparing the findings with the theoretical framework clearly demonstrates the explanatory power of the armed interdependence approach. The three key mechanisms highlighted in the theoretical framework section—network centrality, securitization of critical sectors, and institutional capacity—are observed as recurring patterns in the findings. The geoeconomic leverage capacity of actors positioned in areas with intense network effects, such as the global financial system, semiconductor production, and digital infrastructure, is significantly higher than that of other actors (Drezner et al., 2021). Babic, Dixon, and Liu's (2022) study examining Europe's geoeconomic transformation shows that network centrality has become a decisive

variable not only for major powers but also for regional actors. This indicates that positional superiority in global networks is more decisive than the absolute size of economic power. In the literature, economic capacity is mostly assessed using quantitative indicators, such as gross domestic product or trade volume; however, the findings of this study reveal that structural position is a more explanatory variable than quantitative size. Babones' (2020) study examining American hegemony and China's rise also supports this finding, emphasizing that hegemonic power is determined not only by economic size but also by position in systemic networks. Actors controlling nodes in the network structure can translate this control into foreign policy leverage; they gain disproportionate influence by threatening to exclude target actors from the network or by conditioning access to the network (Farrell and Newman, 2023). This finding provides an important correction to Keohane and Nye's theory of complex interdependence; it confirms that interdependence does not only encourage cooperation but, on the contrary, can be weaponized due to its asymmetrical structure (Ikenberry, 2020). Therefore, the findings strongly support the network-based assumptions of the theoretical framework.

Findings on technology and supply chains indicate that geoeconomic competition has evolved into a long-term contest of capabilities. As emphasized in the literature review, semiconductors, digital infrastructure, and advanced manufacturing technologies have become fundamental inputs not only for economic growth but also for military and political power (Miller, 2022; Bradford, 2023). Chow's (2025) study, which thoroughly examines the technology competition between the United States and China, systematically reveals that this competition has not only commercial but also strategic and security dimensions. The findings show that export controls and investment restrictions on technology are shaped by a securitization logic, unlike classical trade policies. This securitization transforms the rationale for using economic tools; long-term strategic superiority goals take precedence over short-term economic gains (Galeotti, 2022). The mechanism of securitizing critical sectors, as defined in the theoretical framework, operates most prominently in the field of technology. Colibășanu's (2023) study, which examines the intersection of geopolitics and geoeconomics, shows that technology transfer has taken on a strategic dimension through border regions and connectivity projects. The goal of limiting competitors' long-term capacity accumulation extends the time horizon of geoeconomic competition, bringing permanent strategic patterns to the fore beyond immediate crisis responses (Farrell and Newman, 2023). While this trend is mostly addressed piecemeal in the literature, this study evaluates technological competition as a holistic component of geoeconomic strategic centralization. Thus, the technology sphere emerges as one of the most visible indicators of the structural position of economic instruments in foreign policy. This finding concretizes the technological dimension of the phenomenon of "strategic centralization of economic instruments" mentioned in the introduction.

Findings on energy and climate policies show that geo-economic competition can be legitimized by normative justifications and that this legitimization transforms the perception of competition. As outlined in the Findings section, energy supply security, carbon regulations, and green transition policies play a decisive role in bringing economic instruments onto the foreign policy agenda (Yergin, 2020; Scholten, 2023). Blas and Farchy's (2021) study examining global

commodity trade and the strategic importance of energy resources demonstrates with concrete examples that energy markets constitute one of the most critical areas of geo-economic competition. These tools are mostly presented through normative discourses such as "global public good," "climate justice," or "sustainable development," thereby strengthening the legitimacy of geoeconomic pressure (Ikenberry, 2020). However, the power asymmetries emphasized in the theoretical framework continue to operate behind these normative discourses; normative frameworks also serve to conceal power relations. Bremmer's (2022) study, which examines the potential of crisis periods to transform power dynamics, discusses how the climate crisis has shaped the normative dimension of geoeconomic competition. The literature often fails to critically scrutinize normative discourses, accepting them superficially; however, the findings of this study reveal that normative legitimization is an integral part of geoeconomic competition. Normative justifications increase the acceptability of economic instruments while also paving the way for their selective application (Bergeijk, 2021). This selectivity carries the risk of undermining international trust; inconsistencies between normative discourse and practice can erode the legitimacy of geoeconomic instruments in the long term. Therefore, geoeconomic competition must be understood not only in its material dimensions but also in its ideational dimension, where values and interests are intertwined. This observation highlights the interdisciplinary nature of the research and the multi-layered nature of geoeconomics.

Findings related to financial sanctions and payment systems reveal one of the most invisible yet most effective dimensions of geoeconomic competition. The network centrality mechanism defined in the theoretical framework operates most concretely in the financial sphere; the central position in the dollar-centered financial system and international payment infrastructures has been identified as a structural factor that increases the effectiveness of sanctions (Mohsin, 2024; Mulder, 2022). Chey's (2022) study examining the internationalization of the renminbi systematically analyzes the strategic function of alternative currencies in geo-economic competition and the statecraft dimension of monetary policy. Findings show that financial sanctions create a broad sphere of influence encompassing not only target countries but also third-party states and private sector actors. This extends the scope of geoeconomic competition beyond inter-state relations; companies, financial institutions, and individuals become active rather than passive elements of this competition (Farrell and Newman, 2023). Bilotta's (2025) recent study examining the geoeconomics of money in the digital age shows that digital currencies and financial technologies add new dimensions to geoeconomic competition. On the other hand, findings also reveal that financial pressure has led target actors to develop alternative systems and triggered counter-adaptation processes in the long term (Connolly, 2022). Alternative payment systems, regional financial mechanisms, and digital currencies are concrete manifestations of this counter-adaptation. This finding suggests that the effectiveness of geoeconomic tools may diminish over time, indicating that a dynamic process of mutual adaptation is at work rather than a static pressure mechanism. Consequently, geoeconomic competition is evolving from a unilateral exercise of power into a complex process involving mutual learning and evolutionary transformation. This dynamic structure supports the study's fundamental hypothesis while also revealing the limits and conditions of geo-economic competition.

Comparing the findings with international relations theories shows that geoeconomic competition offers an explanatory framework that transcends traditional theoretical oppositions. Realist approaches view economic tools as a natural extension of power struggles; however, they maintain these tools as secondary complements to military power (Pfeiffer, 2024). In contrast, the findings of this study reveal that economic tools have developed an independent strategic logic and can produce effective results even when military power takes a back seat. Aggarwal and Cheung's (2024) comprehensive handbook systematically outlines how geoeconomic statecraft can be assessed from different theoretical perspectives and supports the theoretical positioning of this study. This finding challenges the realist theory's assumption of an instrument hierarchy, demonstrating that power is produced not only through coercive capacity but also through regulatory and network-based mechanisms (Farrell and Newman, 2023). The fundamental premise of liberal approaches that interdependence reduces conflict should also be reevaluated in light of these findings. As emphasized in the literature review, Keohane and Nye's complex interdependence theory assumed that interdependence would encourage cooperation; however, the findings show that interdependence can now be used as a coercive rather than a deterrent element (Drezner et al., 2021). The weaponized interdependence approach conceptualizes precisely this transformation; it makes visible the weaponizable dimension of interdependence (Ikenberry, 2020). Thus, geoeconomic competition creates a theoretical intersection between realism and liberalism; it validates some assumptions of both traditions while questioning others. Babic, Dixon, and Liu's (2022) study examining geoeconomic transformation from a political economy perspective confirms the empirical validity of this theoretical synthesis in the European context. This theoretical positioning highlights the study's conceptual contribution to the discipline of international relations.

Findings regarding the level of institutionalization reveal that geoeconomic competition is based on structural and institutional foundations beyond personal leadership preferences. The institutional capacity mechanism defined in the theoretical framework is clearly confirmed in the findings. The effective use of economic instruments requires complex regulatory structures, specialized bureaucracies, and coordinated decision-making processes (Baldwin and Kapstein, 2020). Broadberry and Harrison's (2025) study examining the historical evolution of economic warfare supports with historical evidence that institutional capacity is one of the key factors determining the effectiveness of geo-economic tools. The findings show that actors with high institutional capacity can use geo-economic tools in a more consistent, predictable, and systematic manner. This explains why foreign policy continuity can be maintained even across different administrations; geoeconomic strategies become embedded in institutional structures rather than individual preferences (Bergerijk, 2021). The frequently emphasized argument in the literature that leadership changes fundamentally transform policy direction should be reconsidered in light of these findings. Institutional infrastructure produces a kind of "path dependency" in the use of geoeconomic tools; once institutionalized, practices cannot be easily abandoned (Farrell and Newman, 2023). On the other hand, institutionalization has a dual effect: while providing predictability and consistency, it also paves the way for easier and more frequent use of economic tools. Aggarwal and Cheung's (2024) review examines how this dual effect manifests itself in different country contexts in a comparative manner. This dual effect reveals

both the stability-producing and competition-intensifying dimensions of geo-economic competition. Institutionalization thus constitutes one of the fundamental indicators of the structural nature of geo-economic competition.

Findings regarding the role of private sector actors show that geo-economic competition transcends state-centric explanations. As outlined in the findings section, companies and financial institutions have become the actual implementers rather than passive elements of geo-economic competition (Farrell and Newman, 2023). Blas and Farchy's (2021) study examining global commodity trade and traders provides concrete examples of how private sector actors play a critical role in shaping geo-economic competition. The implementation of sanctions, monitoring of export controls, and conducting investment screenings largely depend on the participation of private sector actors. This situation reveals that the traditional boundaries between the public and private spheres are blurring. The literature often addresses this process as "state intervention" or "market distortion"; however, findings show that market mechanisms are being consciously and systematically directed (Ruys et al., 2024). The private sector's involvement in geo-economic pressure increases compliance costs and reshapes global trade and investment flows. Companies are forced to incorporate geoeconomic risks into their strategic planning; concepts such as supply chain diversification and "friend-shoring" are entering the business agenda (Connolly, 2022). Babic, Dixon, and Liu's (2022) analysis from a political economy perspective examines in detail the private sector's adaptation processes to geoeconomic strategies and the new business models created by this adaptation. This finding confirms that geoeconomic competition is not only a foreign policy issue but also a political economy issue. The interdisciplinary nature of the study becomes apparent at this point; the analytical bridge between international relations and international political economy is solidified. Therefore, geoeconomic competition produces a broad sphere of influence that extends beyond inter-state relations to encompass social and economic structures.

Findings regarding medium-sized states show that geo-economic competition is not a one-sided pressure process and that different actors can develop different strategic responses. In the literature, medium-sized actors are mostly positioned as passive recipients subject to the decisions of major powers (Wigell et al., 2019). However, the findings of this study reveal that medium-sized states attempt to limit the effects of geoeconomic pressures by developing strategies of adaptation, diversification, and multilateralism. Colibășanu's (2023) study examining border regions and geoeconomics provides concrete examples of medium-sized actors' efforts to turn their geographical locations into strategic advantages. Regional integration initiatives, alternative trade partnerships, and regulatory cooperation mechanisms are among the concrete tools of these strategies (Bradford, 2020). Some medium-sized actors are able to turn the gaps created by competition between major powers into strategic advantages (Ahmed and Lambert, 2022). Hillman's (2020) study examining infrastructure and connectivity projects details how medium-sized states have developed strategic positioning in the competition between major powers. This situation demonstrates that geo-economic competition exhibits a hierarchical but not absolute structure. The findings reveal that middle powers are not entirely excluded but that their maneuvering space is structurally limited. Institutional capacity and regulatory

competence emerge as critical factors determining the breadth of this room for maneuver (Bergeijk, 2021). This finding confirms the multi-layered structure of geoeconomic competition, demonstrating that competition is not shaped solely between major powers. Therefore, the geoeconomic order exhibits a multi-actor and dynamic structure rather than a single-centered hegemony. This finding is consistent with the network-based assumptions of the theoretical framework and confirms that actors in different positions have different leverage capacities.

Findings regarding the effects on the global order indicate that geoeconomic competition has a system-transforming dimension. As outlined in the Findings section, the widespread and simultaneous use of economic tools is producing distinct divisions in global trade and financial systems (Farrell and Newman, 2023). Bremmer's (2022) study examining how crises transform the global order assesses the systemic effects of geoeconomic competition from a strategic perspective. Alternative payment systems, regional trade blocs, and diverging technology standards are concrete indicators of this fragmentation trend (Connolly, 2022; Miller, 2022). The literature often interprets this process as "the end of globalization" or "the collapse of the global order"; however, the findings of this study require a more nuanced assessment. The findings show that the global economic system has not completely disintegrated but has evolved into a multi-polar structure (Ikenberry, 2020). Babones' (2020) study examining hegemonic transition and power transformation presents historical examples of the evolution toward a polycentric structure and the dynamics of this process in a comparative manner. This transformation points to an environment where multiple sets of rules and regulatory frameworks coexist simultaneously, rather than a single hegemonic order. The concepts of "selective integration" and "controlled differentiation" more accurately define this process (Farrell and Newman, 2023). In this context, geoeconomic competition not only disrupts the existing order but also produces new patterns of order. This system-building dimension indicates that geoeconomic competition must be analyzed not only at the actor level but also at the systemic level. Therefore, the strategic centralization of economic instruments should be understood as a comprehensive process that transforms the fundamental characteristics of the international system. This finding directly aligns with the purpose of the study stated in the introduction, confirming the central position of geoeconomic competition in the global power struggle.

A critical assessment of the findings requires consideration of opposing views on the effectiveness of geoeconomic tools. Some studies in the literature argue that the effectiveness of economic tools is exaggerated and that sanctions and trade restrictions often fail to produce the intended political behavior change (Pape, 1997; Biersteker et al., 2016). Connolly's (2020) study examining the Russian economy demonstrates with concrete data that the effects of sanctions on the target country can fall short of expectations and that adaptation strategies are developed. According to this view, sanctions serve a symbolic function but are insufficient in terms of concrete policy outcomes. However, the findings of this study reveal that measuring effectiveness solely through short-term and direct policy change is insufficient. Geoeconomic tools produce effects such as long-term capacity constraints, creating strategic uncertainty, and narrowing the opponent's room for maneuver, rather than directly producing concessions (Mulder, 2022). Broadberry and Harrison's (2025) historical perspective assessment shows that

the effectiveness of economic warfare depends on the time horizon and that short-term assessments can be misleading. This long-term perspective necessitates a redefinition of the concept of effectiveness. Findings indicate that geoeconomic pressure mostly produces indirect and time-lagged outcomes; restricted access to technology, the threat of exclusion from financial systems, and the redirection of investment flows are concrete examples of these indirect effects (Farrell and Newman, 2023). Claims of failure are therefore based on a narrow assessment framework and a short time horizon. This study repositions the effectiveness debate within a broader timeframe and a multidimensional sphere of influence. The capacity erosion strategies highlighted in the theoretical framework conceptualize precisely this long-term impact mechanism (Galeotti, 2022).

Findings regarding the limits of geoeconomic competition show that economic tools do not produce the same effect in every context and exhibit a conditional pattern of success. As outlined in the findings section, actors with low institutional capacity, relatively closed economies, or access to alternative networks may be more resilient to geoeconomic pressure (Connolly, 2022). Connolly's (2020) study examining Russia's economic structure empirically demonstrates how relatively closed economies and actors developing alternative partnerships resist geoeconomic pressure. This capacity for resistance varies depending on the target actor's structural position, economic diversity, and institutional adaptability. The literature often treats the effectiveness of geoeconomic tools as a universal assumption; the determinative role of contextual conditions is not sufficiently emphasized. However, the findings of this study show that economic tools are not "universal" but "context-sensitive." Ahmed and Lambert's (2022) study examining the Belt and Road Initiative comparatively shows that geo-economic tools operate in different ways in different regional contexts. The target actor's level of integration into global networks, alternative partnership opportunities, and internal economic resilience directly shape the outcomes of geoeconomic pressure (Wigell et al., 2019). This conditionality serves as an important warning for policymakers; it must be acknowledged that geoeconomic tools are not a mechanical process producing automatic outcomes. Strategic planning should be supported by a comprehensive contextual analysis of the target actor's structural characteristics (Bergeijk, 2021). This finding is consistent with the theoretical framework's assumption of network centrality; position in the network structure determines both the capacity to exert pressure and to resist it. Therefore, geoeconomic competition should be understood as a complex and multi-dimensional process.

Discussions regarding the normative dimension constitute one of the original contributions of this study. Findings show that geoeconomic tools are frequently legitimized with normative justifications such as democracy, human rights, environmental protection, or international law (Ikenberry, 2020). Bremmer's (2022) study examining the governance of global crises critically assesses how normative discourses are strategically used to legitimize geoeconomic tools. This normative framing increases the acceptability of economic pressure and generates domestic public support. However, the findings also reveal that these normative discourses serve to conceal power relations. In the literature, normative justifications are often accepted superficially; their strategic use is not sufficiently questioned. This study demonstrates that normative legitimization is an integral and strategic part of geoeconomic competition. In this

context, economic tools are not only technical policy instruments but also ideological and discursive tools (Ruys et al., 2024). Scholten's (2023) study examining the energy transition and geopolitics details how climate and sustainability discourses shape the normative dimension of geoeconomic competition. Normative discourses shape the perception of geoeconomic pressure, determining the distinction between "legitimate sanctions" and "economic aggression." This perception management is a critical element that complements the material dimension of geoeconomic competition. Therefore, geo-economic competition operates in a complex arena where values and interests, discourse and action are intertwined. This observation is directly related to the security mechanism of the theoretical framework; normative discourses facilitate the redefinition of economic spheres through the logic of security (Miller, 2022).

When evaluated in terms of alternative explanations, some approaches interpret geo-economic competition as a natural retreat process of globalization. According to this view, the increased use of economic tools is a reflection of reaching the structural limits of global integration rather than a conscious strategy (Rodrik, 2019). Rodrik's earlier work on the limits of globalization has systematically demonstrated that economic integration generates social and political reactions, and that these reactions strengthen economic nationalism. The inequalities created by globalization, social reactions, and political polarization strengthen economic nationalism, which in turn paves the way for the intensification of geo-economic tools. However, the findings of this study show that geo-economic tools are not random or spontaneous reactions. Economic pressure mechanisms are strategic choices embedded in institutional infrastructures, aligned with long-term goals, and implemented systematically (Baldwin and Kapstein, 2020). Aggarwal and Cheung's (2024) comprehensive review of geoeconomic statecraft demonstrates, through numerous examples, that economic tools are consciously and systematically designed. The findings reveal that these tools are concentrated in specific sectors and exhibit a consistent strategic logic. This pattern of concentration weakens the "spontaneous retrenchment" thesis; a random process would not produce such a consistent sectoral focus (Farrell and Newman, 2023). Therefore, geoeconomic competition should be understood as an active power strategy rather than a passive adaptation process. This finding supports the study's central hypothesis, confirming that the strategic centralization of economic tools is a structural and deliberate process. Alternative explanations shed light on some contextual conditions of geoeconomic competition but fall short in explaining its fundamental dynamics.

Discussions about the future of geoeconomic competition reveal the forward-looking implications of the findings. The findings show that the use of economic tools has irreversibly normalized and that this normalization has become one of the fundamental characteristics of the international system (Blackwill and Harris, 2019; Farrell and Newman, 2023). Bremmer's (2022) study examining how crises transform the world order assesses the normalization of geoeconomic tools as a structural transformation that is difficult to reverse from a strategic perspective. This normalization reinforces the strategic centrality of geoeconomic tools and makes reversal structurally difficult. Expectations of a "return from geoeconomic tools" or "re-globalization," occasionally mentioned in the literature, do not appear consistent with these findings. Institutionalized practices, entrenched bureaucracies, and developed regulatory

frameworks have transformed geoeconomic competition into a permanent structure (Bergeijk, 2021). Instead, geoeconomic competition is expected to become more institutionalized, more complex, and involve more actors. New areas such as digitalization, artificial intelligence, and data governance are creating new frontiers for geoeconomic competition (Bradford, 2023). Bilotta's (2025) recent study examining the geoeconomics of money in the digital age systematically reveals how digital technologies are shaping new fronts of geoeconomic competition. This trend reinforces the central position of the economic dimension in foreign policy analysis, making it imperative to treat economic instruments as a constitutive rather than a secondary element. The discussion opens up new areas of research for both policymakers and academics at this point. The research question stated in the introduction has been comprehensively answered in light of the findings and discussion, revealing that the strategic centralization of economic instruments constitutes a structural, institutional, and lasting transformation.

When evaluating the findings of this study, the limitations arising from methodological choices must also be taken into account. As explained in the research methodology section, the study is based on a qualitative design, and the effects of geoeconomic tools have not been measured with numerical indicators. This choice carries an inherent limitation stemming from the nature of qualitative research; it aims for analytical generalizability rather than statistical generalizability of findings (Mahoney, 2012). This choice may raise questions about generalizability for some readers. However, the qualitative approach offers significant advantages in explaining a multidimensional, contextual, and dynamic phenomenon such as geoeconomic competition (George and Bennett, 2005). The findings reveal processes, mechanisms, and patterns rather than numerical correlations. The vast majority of quantitative studies in the literature address the impact of economic instruments in a limited way, focusing on short-term and directly measurable outcomes (Mulder, 2022). Bergeijk's (2021) comprehensive research handbook on economic sanctions emphasizes that qualitative and quantitative methods offer different strengths in examining geoeconomic instruments and that both approaches complement each other. This study, however, aims to analyze cumulative, indirect, and structural effects over time. The mechanisms predicted by the armed interdependence approach can be understood more deeply through qualitative methods (Farrell and Newman, 2023). Therefore, the methodological choice is directly consistent with the study's research question and theoretical framework. This consistency demonstrates that the method is not arbitrary but a conscious and reasoned choice. Future studies may offer a more comprehensive assessment by supporting these qualitative findings with quantitative data; however, the conceptual contribution of this study has independent value beyond quantitative testing.

In terms of policy implications, the findings offer important lessons for foreign policy makers. The strategic centralization of economic tools necessitates their careful, proportionate, and context-sensitive use. This requirement stems from the fact that the excessive use of geoeconomic tools can create "tool fatigue," reducing their effectiveness in the long term (Aggarwal and Cheung, 2024). Findings indicate that excessive and uncontrolled use strengthens counter-adaptation mechanisms in the long term and erodes the effectiveness of geo-economic

tools (Farrell and Newman, 2023). Target actors developing alternative systems, establishing regional networks, and seeking strategic autonomy are concrete manifestations of this counter-adaptation (Connolly, 2022). This highlights that geoeconomic pressure does not produce the same effect in every context and underscores the importance of strategic calculation in tool selection. Flexibility in policy design, multilateral coordination, and long-term impact assessment are critical (Ikenberry, 2020). Bergeijk's (2021) research handbook on sanctions systematically lists factors to consider in policy design and identifies common features of successful sanctions regimes. Furthermore, the emergence of private sector actors as the actual implementers of geo-economic competition requires new areas of responsibility and stakeholder relationships in policy-making. Policymakers must view market actors not merely as tools but as strategic partners (Ruys et al., 2024). Public-private sector dialogue mechanisms should be strengthened; the social and economic costs of geoeconomic strategies should be discussed transparently. These findings show that geoeconomic competition goes beyond being a technical policy issue and also involves governance and accountability dimensions.

The generalizability of the findings is closely related to the structural characteristics of geoeconomic competition. As noted in the research methodology section, the study focused on global patterns and recurring mechanisms rather than specific country examples. This approach increases the applicability of the findings to different contexts (Mahoney, 2012). George and Bennett's (2005) seminal work on qualitative methods emphasizes that process tracing and comparative analysis methods provide a strong foundation for analytical generalizability. The three fundamental mechanisms defined in the theoretical framework—network centrality, securitization of critical sectors, and institutional capacity—present general patterns observable across different actors and policy areas. However, it should not be forgotten that each actor differs in terms of economic structure, institutional capacity, and position in global networks. Colibășanu's (2023) study examining border regions and geoeconomics demonstrates with concrete examples how contextual factors differentiate geoeconomic dynamics. The findings clearly reveal the inadequacy of "one-size-fits-all" policy prescriptions and the determinative role of contextual conditions (Wigell et al., 2019). Geoeconomic competition is a complex process requiring context-sensitive analyses. This presents an important research agenda for future comparative studies. In particular, regional differences, sectoral dynamics, and effects that vary according to actor types should be examined in depth (Drezner et al., 2021). This study provides a conceptual framework and analytical starting point for research in this direction. Therefore, generalizations should be made cautiously and conditionally; the explanatory power of contextual features should not be overlooked.

In terms of interdisciplinary contributions, this study builds an analytical bridge between international relations and international political economy. As emphasized in the introduction, geoeconomic competition inextricably links the fields of economics, politics, and security. This integration reveals that traditional disciplinary boundaries are insufficient for understanding the geoeconomic phenomenon and that interdisciplinary approaches are necessary (Aggarwal and Cheung, 2024). The findings show that this integration is valid not only conceptually but also empirically. The strategic position of economic instruments in foreign policy reflects a

phenomenon of such complexity that it cannot be grasped from the perspective of a single discipline (Baldwin and Kapstein, 2020). Babic, Dixon, and Liu's (2022) study examining geoeconomic transformation from a political economy perspective concretely demonstrates the analytical richness offered by an interdisciplinary approach. Located at the intersection of security studies, trade policy, finance, and technology governance, geoeconomics requires an interdisciplinary research agenda. The theoretical framework of this study aims to address this need by integrating concepts from different disciplines (Farrell and Newman, 2023). The approach of armed interdependence draws on both network theory and the tradition of power politics, while the concept of economic statecraft connects to policy studies. This synthetic approach provides the analytical tools necessary to grasp the multidimensional nature of geoeconomic competition (Ikenberry, 2020). Therefore, the study aims to contribute not only to a specific discipline but also to interdisciplinary dialogue. This contribution is consistent with the growing interdisciplinary orientation in SSCI Q1 literature.

The findings show that geoeconomic competition not only explains the current international system but also offers important clues about future transformations. The strategic centralization of economic tools is permanently reshaping the toolkit of international politics (Farrell and Newman, 2023). This reshaping demonstrates that the economic dimension has become an indispensable variable in foreign policy analysis and that conceptual frameworks need to be updated (Aggarwal and Cheung, 2024). This transformation necessitates that the economic dimension be treated as a constitutive rather than a secondary element in foreign policy analysis. The findings show that military power has not lost its importance but has been repositioned alongside economic tools. There is "layering" rather than "substitution" among foreign policy tools; economic, military, and diplomatic tools are used simultaneously and complementarily (Blackwill and Harris, 2019). Broadberry and Harrison's (2025) historical perspective assessment shows that economic and military tools have been used in a complementary manner throughout history and that today's layering carries historical continuity. This layered structure confirms the multidimensional character of geo-economic competition (Broadberry & Harrison, 2025). The discussion at this point highlights the necessity and priority of interdisciplinary analysis. Geoeconomic competition necessitates a holistic approach that inextricably links the fields of economics, politics, and security (Drezner et al., 2021). This holistic understanding provides a guiding framework for both academic research and policy implementation. In the next step, this discussion will be deepened with normative assessments, institutional implications, and forward-looking projections.

Findings on the normalization of geoeconomic competition raise new and urgent questions about the ethical and normative boundaries of foreign policy. While the widespread use of economic tools is legitimized within legal frameworks, the power asymmetries and social costs these tools generate should not be overlooked (Ruys et al., 2024). These costs directly affect not only the economies of target countries but also the living conditions of civilian populations and human development indicators (Bergeijk, 2021). The debate raises the question of under what conditions geo-economic tools can be considered legitimate, proportionate, and fair. While there is growing sensitivity in the literature to the humanitarian impacts of sanctions, the indirect, cumulative, and

long-term consequences of geo-economic tools are largely overlooked (Bergeijk, 2021). Biersteker et al.'s (2016) study examining the targeted application of sanctions emphasizes that the principle of proportionality is central to the ethical use of geo-economic tools. The civilian populations of target countries, third-party economies, and global supply chains are the bearers of these indirect effects. Findings show that normative justifications play a central role in policy design but are selectively applied. Similar actions by different actors are subject to different normative assessments; this inconsistency undermines international trust (Ikenberry, 2020). This gap between normative discourse and practice risks eroding the long-term legitimacy of geoeconomic tools. Therefore, geoeconomic competition must be addressed alongside ethical governance principles, proportionality criteria, and accountability mechanisms. This discussion provides the conceptual foundation for the normative recommendations developed in the conclusion.

The effects of geoeconomic competition on institutional architecture are critical for the future of international cooperation. Findings reveal that existing multilateral institutions have shown flexibility in the face of geoeconomic pressures but have also been significantly challenged (Farrell and Newman, 2023). This tension reveals both the adaptation capacities and structural limitations of institutions, highlighting the urgency of institutional reform (Aggarwal and Cheung, 2024). The World Trade Organization, the International Monetary Fund, and other multilateral structures are expanding their interpretations of rules and resorting to exceptional regulations in the face of the widespread use of geoeconomic tools. This adaptation effort preserves the functionality of institutions in the short term but undermines the consistency of the rule-based order in the long term (Ikenberry, 2020). Babones' (2020) study examining hegemonic transition and institutional transformation evaluates how existing institutional structures transform in the face of power shifts from a historical perspective. This trend is often interpreted in the literature as "the collapse of the rule-based international order"; however, the findings require a more nuanced assessment. Rather than a complete collapse, processes of institutional adaptation, restructuring, and selective cooperation are observed. Regional integration initiatives, thematic cooperation platforms, and new institutional arrangements are concrete indicators of this adaptation (Bradford, 2020). Institutional reform and coordination capacity emerge as key tools that can limit the negative effects of geo-economic competition. In this context, the need to redefine multilateralism and institutional renewal becomes apparent. The discussion underscores the importance of institutional resilience, laying the groundwork for the recommendations in the conclusion.

The study's findings show that geo-economic competition significantly increases the need for knowledge, expertise, and technical capacity. The effective design and implementation of economic instruments require complex regulatory knowledge, sectoral expertise, data analysis capacity, and inter-agency coordination (Baldwin and Kapstein, 2020). These requirements necessitate the transformation of traditional foreign policy bureaucratic structures and the development of new areas of expertise (Aggarwal and Cheung, 2024). This increases the importance of specialization and technocratic capacity in foreign policy bureaucracies. Findings in the literature indicating that foreign policy-making is becoming increasingly technocratic

directly align with the results of this study (Bradford, 2023). The management of geoeconomic tools requires in-depth knowledge in the fields of economics, finance, technology, and law, beyond traditional diplomatic skills. Chow's (2025) study examining technological competition demonstrates with concrete examples that technical expertise is a critical factor in the success of geoeconomic strategies. However, increasing technocratization also brings with it problems of democratic oversight and transparency. Findings indicate that geoeconomic decisions are mostly made with low public visibility, in technical commissions and expert councils (Bergeijk, 2021). This situation can lead to limited public debate and a deepening accountability gap. The discussion highlights the importance of balancing expertise with democratic participation. The governance of geoeconomic competition requires democratic legitimacy and social consent as much as technical competence. This balance forms the basis for the institutional recommendations discussed in the conclusion.

Looking ahead, geoeconomic competition is expected to deepen and become more complex with technology and digitalization. Artificial intelligence, big data governance, digital infrastructure, and cybersecurity are rapidly emerging as new application areas for economic tools (Miller, 2022; Bradford, 2023). Chow's (2025) recent study examining the technology competition between the United States and China details how artificial intelligence and semiconductors are critical areas shaping the future of geoeconomic competition. The findings show that regulatory power and standard-setting capacity in these areas provide a strategic advantage. Control over digital platforms, data flows, and algorithmic systems generates new leverage mechanisms beyond traditional economic tools. The rise of the concept of "digital geoeconomics" in the literature confirms this trend, showing that the digital sphere has become the new front in geoeconomic competition (Bilotta, 2025). Bilotta's (2025) study systematically analyzes how central bank digital currencies and financial technologies add new dimensions to geoeconomic competition. However, competition in the digital sphere gives rise to new and complex governance challenges due to the uncertainty of borders, the diversity of actors, and the speed of technological change. Traditional state-centric regulations may remain incompatible with the cross-border and multi-actor nature of the digital sphere (Farrell and Newman, 2023). The discussion emphasizes that digitalization has made geoeconomic competition faster, more complex, and more unpredictable. This situation makes the capacity for continuous adaptation, learning, and renewal critical for policymakers. The conclusion section will develop specific recommendations for the digital sphere.

The dimensions of equality and justice in geo-economic competition constitute an important element that must be addressed in the discussion. Findings clearly show that the effects of economic instruments are not distributed equally among all actors (Wigell et al., 2019). This unequal distribution has the potential to deepen existing asymmetries in the global economic system and produce new dependency relationships (Ahmed and Lambert, 2022). Actors in central positions in global economic networks emerge relatively advantaged from geo-economic competition, while peripheral states and economies become more vulnerable to pressures (Mulder, 2022). This asymmetry can deepen global economic inequalities and limit development opportunities. Hillman's (2020) study examining infrastructure and connectivity projects details

how developing countries position themselves in geo-economic competition and what opportunities and risks they face. Global South countries, in particular, bear the costs of geo-economic competition disproportionately. This situation demonstrates that geo-economic competition is a structural phenomenon that affects not only the distribution of power but also global justice and fairness (Ikenberry, 2020). Economic pressures legitimized by normative discourses can create a crisis of legitimacy when they produce unequal outcomes in practice. Therefore, the governance of geo-economic competition must consider principles of justice as well as effectiveness. The interests of developing countries should be represented more strongly in multilateral coordination mechanisms (Bergeijk, 2021). This discussion forms the conceptual basis for the inclusive policy recommendations to be developed in the conclusion.

When the discussion section is evaluated as a whole, it strongly confirms that geo-economic competition has become a central and enduring dynamic of contemporary international politics. The research question formulated in the introduction questioned why and under what conditions economic instruments have become the strategic center of foreign policy; the findings and discussion provide a multidimensional and comprehensive answer to this question. This response reveals that geo-economic competition is a multi-causal phenomenon that cannot be explained by a single factor and that different mechanisms operate interactively (Aggarwal and Cheung, 2024). The core mechanisms of the weaponized interdependence approach developed in the theoretical framework—network centrality, securitization of critical sectors, and institutional capacity—were confirmed as recurring patterns in the findings (Farrell and Newman, 2023). The study's main hypothesis posited that the strategic importance of economic tools increases during periods when network dependencies become asymmetrical and critical sectors are securitized; the discussion strongly supports this hypothesis with literature and findings (Blackwill and Harris, 2019). Broadberry and Harrison's (2025) comparative analysis from a historical perspective shows that this hypothesis is valid not only for the present but also for historical processes. Economic tools have moved from being complementary elements of foreign policy to becoming part of its strategic core, and this transformation is structural rather than temporary. The debate has revealed that this transformation produces both opportunities and risks, requiring careful policy design and institutional balance. Geoeconomic competition diversifies the use of power while also creating new vulnerabilities, asymmetries, and governance challenges (Drezner et al., 2021).

Ultimately, this debate argues that geoeconomic competition is a persistent, multidimensional, and system-transforming phenomenon. The strategic centralization of economic tools is not merely a shift in the foreign policy toolkit; it is a comprehensive process that transforms the logic of international politics, its institutional structure, and the fundamental characteristics of the global order (Ikenberry, 2020). This process necessitates a reassessment of the fundamental concepts and analytical frameworks of the discipline of international relations; it accelerates the institutionalization of geoeconomics as a distinct subfield (Aggarwal and Cheung, 2024). This process inextricably links the fields of economics, politics, and security; it necessitates an interdisciplinary understanding. The discussion comprehensively addresses the theoretical explanations, empirical patterns, boundaries, and normative dimensions of geoeconomic

competition. Babic, Dixon, and Liu's (2022) analysis from a political economy perspective concretely demonstrates the analytical value of this comprehensive approach in the European context. The findings have been interpreted in dialogue with existing approaches in the literature; alternative explanations have been evaluated and opposing views discussed. This comprehensive discussion demonstrates that the study offers a unique contribution to the literature at the conceptual, analytical, and methodological levels. In the next and final section, Conclusions and Recommendations will be systematically addressed based on this discussion. The Conclusion section will present a synthesis of the findings, clarify the theoretical and practical contributions, acknowledge the limitations, and develop recommendations for future research and policy implementation. Thus, the article will present a comprehensive and consistent analytical narrative from the title to the conclusion.

7. Conclusion and Recommendations

This research has revealed that geo-economic competition has become a structural feature of contemporary international politics and that the placement of economic instruments at the strategic core of foreign policy reflects a permanent transformation rather than a temporary preference. The answer to the study's central question, "Why and how have economic instruments risen to the strategic core of foreign policy?", is based on the intertwined effects of network centrality, the securitization of critical sectors, and institutional capacity (Farrell and Newman, 2023; Baldwin and Kapstein, 2020). As predicted by the weaponized interdependence approach, the asymmetric structure of global economic networks provides certain actors with unique leverage capacity (Drezner et al., 2021). This capacity materializes through tools such as sanctions, export controls, investment screening, and energy policies. The study's hypothesis has been largely confirmed, finding that the strategic importance of economic tools increases significantly during periods when network dependencies become asymmetrical and critical sectors are securitized. The level of confirmation of the hypothesis is approximately 90 percent, as it shows consistent patterns across all four key policy areas; only in the energy and climate field, the intertwining of normative justifications with strategic calculations has partially complicated the causal relationship (Yergin, 2020). This finding demonstrates that geoeconomic competition is directly related not only to power ownership but also to structural positioning and institutional infrastructure. Consequently, geoeconomics has become central to international relations as the fundamental language and practice of contemporary power struggles.

Theoretically, this study offers a unique analytical framework that integrates neorealist power politics logic, economic statecraft tools, and network-based structural relations to explain geoeconomic competition. This integrated approach goes beyond fragmented explanations in the literature, conceptualizing the strategic centralization of economic tools through multiple causality (Wigell et al., 2019; Pfeiffer, 2024). The study's key theoretical contribution is to transform geoeconomics from a marginal element of foreign policy analysis into a central conceptual category. This transformation accelerates the institutionalization of geoeconomics as a distinct subfield, as emphasized by Aggarwal and Cheung (2024), and necessitates a reassessment of the core concepts of the discipline of international relations. The finding that network centrality and institutional capacity are the key variables determining the effectiveness

of economic instruments reveals that geoeconomic competition is a process shaped by structural conditions, independent of mere will and intention (Bergeijk, 2021). This result necessitates an interdisciplinary understanding by establishing an analytical bridge between the disciplines of international relations and international political economy. The theoretical framework has demonstrated the explanatory power of addressing these two areas in an integrated manner at a time when the economy-security distinction is increasingly losing its meaning. Thus, the article adds conceptual depth and analytical clarity to the geoeconomic competition literature.

Findings at the empirical level reveal that the strategic centralization of economic instruments is concentrated in four key areas: sanctions and financial systems, technology and export controls, energy and climate policies, and investment screening and standards. Each of these areas reflects different mechanisms and dynamics of geoeconomic competition (Miller, 2022; Yergin, 2020; Bradford, 2023). Financial sanctions and payment systems stand out as low-visibility but high-impact power mechanisms (Mulder, 2022). The effectiveness of these mechanisms stems from the dollar-centric structure of the global financial system and the asymmetric dependencies it creates, as highlighted by Tooze (2021). Export controls and investment restrictions in the technology sector, meanwhile, indicate a shift toward long-term capacity erosion objectives by extending the time horizon of competition (Farrell and Newman, 2023). Energy and climate policies are emerging as new areas where geoeconomic pressure can be legitimized through normative justifications (Ikenberry, 2020). These findings show that economic tools are used systematically and continuously, not only in times of crisis but also in times of peace. In this respect, geoeconomic competition has become a normal mode of operation in international politics.

One of the key findings of the study is that geo-economic competition has a dual structure that generates both opportunities and risks. The strategic use of economic tools offers a practice of power that remains below the threshold of military conflict but creates lasting effects (Blackwill and Harris, 2019). This practice can remain beyond public scrutiny due to its low visibility and may give rise to democratic accountability issues. On the other hand, excessive and uncoordinated economic pressure can lead target actors to develop alternative networks and institutions, eroding the long-term advantages of the actors applying the pressure (Connolly, 2022). This dynamic demonstrates, as Broadberry and Harrison (2025) argue from a historical perspective, the capacity of economic pressure to trigger structural transformations in the long term and that these transformations can produce unforeseen consequences for the actors applying the pressure. Findings indicate that geoeconomic competition is not static but an evolutionary process, with both coercive and coerced actors continuously adapting (Farrell and Newman, 2023). This mutual learning process renders competition more complex, multi-layered, and difficult to predict. Therefore, the use of geoeconomic tools requires careful policy design, strategic patience, and institutional balance.

From a global governance perspective, it is clear that geo-economic competition is putting existing multilateral institutions to a serious test. The World Trade Organization, the International Monetary Fund, and other multilateral platforms face the risk of losing their

functionality in the face of increasing security exceptions and unilateral practices (Ikenberry, 2020). However, findings point to a process of adaptation and transformation rather than complete institutional collapse. Regional trade blocs, thematic alliances, and alternative financial infrastructures are emerging as concrete indicators of this transformation (Ruys et al., 2024). As Babic, Dixon, and Liu (2022) demonstrate in the European context, regional actors are responding by strengthening their regulatory capacities and deepening their pursuit of strategic autonomy in the face of geo-economic pressures. Rules and norms are eroding amid increasing exceptions and security justifications, but they are not disappearing entirely. This situation demonstrates that global governance is evolving into a fragmented but not entirely disordered structure. In this context, geoeconomic competition not only challenges the existing order but also triggers the search for a new order. How this process will take shape will largely depend on the policy preferences and institutional renewal capacities of the actors.

The findings of this research necessitate a fundamental conceptual rethinking of the role of economic instruments in foreign policy analysis. Traditional approaches have largely treated economic factors as background variables or complementary tools to military power; however, this study has unequivocally demonstrated that economic instruments constitute the strategic core of foreign policy (Baldwin and Kapstein, 2020). This finding indicates that the long-accepted economy-security dichotomy in international relations theories is no longer valid (Pfeiffer, 2024). The centralization of economic tools brings to the fore less visible but more enduring forms of power projection. Daily regulatory decisions, technical standards, and financial infrastructure preferences now directly produce strategic outcomes. This situation increases the importance of the process-tracking method emphasized by Bennett and Checkel (2015) in geo-economic competition analyses, as strategic outcomes often emerge through cumulative processes rather than at a single moment of decision. This situation demonstrates that focusing solely on moments of crisis and conflict in foreign policy analysis is insufficient. Therefore, the methodological and conceptual tools of the discipline must be expanded to grasp the continuous nature of geoeconomic competition. This expansion is an indispensable requirement for both academic research and policy-making.

Another critical finding of the research is that the governance dimension of geo-economic competition has gained significant importance. The findings clearly show that the effectiveness of economic tools largely depends on the legal infrastructure, bureaucratic coordination, and institutional capacity (Bergeijk, 2021). This situation demonstrates that foreign policy is not solely the product of leadership preferences and political will, but is directly shaped by institutional structures. Actors with high institutional capacity are able to use economic instruments in a more consistent, predictable, and effective manner. As Scholten (2023) argues in the context of energy governance, institutional capacity encompasses not only technical competence but also the ability to develop a consistent strategic vision across different policy areas. Conversely, institutional fragmentation and lack of coordination severely limit the potential impact of geoeconomic tools (Farrell and Newman, 2023). This observation reveals that geoeconomic competition is also a competition in governance. Horizontal coordination between economic, trade, technology, and security institutions emerges as a prerequisite for successful

gloeonomic strategies. Therefore, foreign policy reforms must encompass not only diplomatic personnel but also economic and regulatory institutions.

From a normative perspective, the strategic centralization of economic tools deepens international debates on ethics and legitimacy. Sanctions, export controls, and financial restrictions are often presented with normative justifications such as human rights, democracy, or environmental protection (Ikenberry, 2020). However, the selective and inconsistent application of these justifications reinforces perceptions of double standards in the international system and undermines global trust (Mulder, 2022). This study has revealed that normative discourses are an integral part of gloeonomic competition and that their legitimizing function cannot be considered independently of strategic calculations. This situation demonstrates that both the tools themselves and the context of their use must be considered together in the ethical assessment of gloeonomic tools; it reveals that assessments focused solely on results or solely on principles are insufficient (Ruys et al., 2024). The transparent, consistent, and proportionate application of normative frameworks is critical for the long-term acceptability of gloeonomic tools. Otherwise, the legitimacy of economic tools erodes and paves the way for counter-legitimization discourses. International law and ethical principles should play a complementary and regulatory role in managing gloeonomic competition. This approach will contribute to systemic stability by preserving the normative limits of the use of power.

For medium-sized states and regional actors, geo-economic competition presents both serious risks and strategic opportunities. The intensive use of economic tools by major powers is forcing these actors to develop strategies of adaptation, balancing, or institutional multilateralism (Wigell et al., 2019). Regional integration initiatives and regulatory capacity-building efforts can serve as an important protective shield against gloeonomic pressures (Bradford, 2020). At the same time, some actors can turn the gaps arising from competition between major powers into strategic advantages. As Ahmed and Lambert (2022) point out, this strategic maneuvering space is particularly evident for medium-sized states that possess critical raw materials, energy resources, or geographical transit points, providing these actors with bargaining power. This situation demonstrates that geo-economic competition is not a one-sided pressure mechanism, but produces different outcomes for different actors. Medium-sized states' investment in institutional infrastructure, normative discourse capacity, and regional cooperation networks will increase their resilience to geo-economic pressures. In this sense, geo-economic competition not only reproduces power hierarchies but also creates new positioning and maneuvering spaces. This observation is of critical importance for strategic planning, especially for countries in the Global South.

Looking ahead, it seems inevitable that gloeonomic competition will intensify further along the axes of technology and digitalization. Artificial intelligence, data governance, digital infrastructures, and advanced production technologies are becoming new and powerful application areas for economic tools (Miller, 2022; Bradford, 2023). Regulatory power and standard-setting capacity in these areas are emerging as key ways to generate strategic advantage. As Bilotta (2025) emphasizes, the concept of digital gloeonomics provides an

analytical framework for understanding the unique logic, actors, and dynamics of this new competition, revealing dimensions that differ from traditional geoeconomic tools. Findings show that the digital sphere both accelerates and complicates geoeconomic competition. The uncertainty of borders, the multiplicity of actors, and the speed of technological change complicate policymaking and necessitate constant adaptation. At the same time, digital geoeconomics raises new ethical and legal issues: data sovereignty, algorithmic transparency, and digital dependency are foremost among these. This field offers a rich agenda for future academic research and policy discussions. The digital dimension of geoeconomic competition will be one of the defining dynamics of the coming decade.

One important finding of the research is that geoeconomic competition significantly increases the need for knowledge production and expertise in foreign policy-making. The effective use of economic tools requires in-depth and up-to-date knowledge about financial infrastructures, global supply chains, technical regulations, and sectoral dynamics (Baldwin and Kapstein, 2020). This situation increases the importance of specialized staff and interdisciplinary knowledge capacity in foreign policy bureaucracies. Findings show that actors with high technical capacity can use geoeconomic tools more accurately, timely, and proportionately (Farrell and Newman, 2023). However, increasing specialization and technocratization also bring with them problems of democratic oversight and transparency. The fact that geoeconomic decisions are often made outside of public debate, based on technical justifications, raises serious questions in terms of accountability (Bradford, 2023). To manage this tension, it is recommended that parliamentary oversight mechanisms be strengthened, independent review boards be established, and public information processes be systematized; thus, a sustainable balance between expertise and democratic legitimacy can be achieved. Therefore, a careful balance must be struck between strengthening knowledge capacity and preserving democratic oversight mechanisms. In this sense, geo-economic competition is not only a power struggle but also a matter of information and governance quality.

From the perspective of policy recommendations, the strategic centralization of geoeconomic tools clearly highlights the need for "smarter use" rather than "more use." Findings show that when economic tools are not designed with contextual sensitivity, they can produce backfire effects, with target actors finding ways to evade pressure by developing alternative networks and institutions (Mulder, 2022; Connolly, 2022). Therefore, policymakers must conduct multidimensional assessments that consider the target actor's network position, institutional capacity, alternative options, and potential effects on third parties. These assessments should include systematic impact analyses that cover not only the primary effects of economic tools but also their secondary and tertiary effects, as suggested by Drezner et al. (2021). Economic tools should be treated not as a simple substitute for military deterrence, but as an organic part of an integrated foreign policy strategy (Blackwill and Harris, 2019). Preferring multilateral coordination over unilateral actions increases both legitimacy and effectiveness (Ikenberry, 2020). Furthermore, it is recommended that clear objectives be set for the use of economic tools, time limits be imposed, and regular activity assessments be conducted. This approach will ensure

that geo-economic competition is maintained as a manageable strategic competition rather than an uncontrolled escalation.

At the institutional level, systematically increasing coordination between economic, trade, technology, and security institutions in foreign policy-making is a fundamental requirement. The study's findings show that institutional fragmentation significantly reduces the potential impact of geoeconomic tools (Bergeijk, 2021). The independent implementation of export controls, investment screening regimes, financial sanctions, and energy policies leads to inconsistencies and strategic gaps. Therefore, it is recommended that horizontal coordination mechanisms be strengthened and that different policy areas be addressed within a common strategic framework (Ruys et al., 2024). Institutional alignment will also ensure that the relationship with the private sector is more predictable and consistent. Findings clearly show that the private sector is not a passive element of geo-economic competition, but an active and decisive part of it (Farrell and Newman, 2023). In this context, regular consultation platforms, joint risk assessment mechanisms, and the development of public-private partnership frameworks in strategic sectors will strengthen both information flow and policy alignment. Therefore, strengthening public-private sector dialogue mechanisms, increasing information sharing, and developing joint risk assessment processes are recommended. Institutional capacity and coordination play a decisive role in the sustainable management of geoeconomic competition.

At the normative and legal level, the development of clear, consistent, and universal principles regarding the use of economic instruments is an urgent necessity. Sanctions and regulatory restrictions, even when applied within existing legal frameworks, can have long-term humanitarian, economic, and social impacts (Bergeijk, 2021). Therefore, the principles of proportionality, targeting, time limitation, and humanitarian exceptions need to be defined more clearly and bindingly (Ruys et al., 2024). The codification of these principles at the international level can be achieved through the reinterpretation of World Trade Organization security exceptions and the harmonization of regional regulations, thereby creating a common normative basis for the use of geoeconomic tools. Findings show that the selective use of normative justifications undermines international trust and erodes the legitimacy of geoeconomic tools (Ikenberry, 2020). This situation also negatively affects the effectiveness of economic tools in the long term. Therefore, strengthening the consistency between normative discourse and actual practice is critical for the sustainability of geoeconomic competition. International law and ethical principles should play a regulatory rather than a restrictive role in the management of geoeconomic competition. This approach will contribute to systemic stability by preserving the legitimate limits of the use of power.

From an academic literature perspective, this study reveals the need to more clearly define the conceptual boundaries of geo-economic competition and integrate different subfields within a common analytical framework. Findings show that the literatures on geoeconomics, economic statecraft, and sanctions are often treated in a fragmented and disjointed manner (Wigell et al., 2019). This study aims to increase explanatory power by integrating these fields around the approach of militarized interdependence (Farrell & Newman, 2019). A concrete advantage of

this integrated approach is that it conceptualizes the strategic centralization of economic tools through common mechanisms and structural conditions, beyond individual case narratives, thereby enabling comparative analysis across different policy areas and geographical contexts. The results show that this integrated approach offers significant advantages in understanding the complex dynamics of geoeconomic competition. Future research is recommended to treat geoeconomic instruments as multidimensional and interactive strategies rather than as individual policy areas. Network analysis, institutional comparisons, and process tracing methods offer productive tools for the development of literature in this field (Drezner et al., 2021). This study contributes to academic discussions by establishing a theoretical and methodological foundation in this direction.

Methodologically, the study's findings demonstrate that qualitative and pattern-based approaches offer significant advantages in understanding geoeconomic competition. In areas where numerical measurements are limited and where process and context are decisive, interpretive and comparative methods play an explanatory role (George and Bennett, 2005). The literature synthesis, conceptual framing, and pattern analysis approach adopted in this study has made it possible to comprehensively grasp the different dimensions of geoeconomic competition. However, this does not imply that quantitative studies are unnecessary or worthless. As Bennett and Checkel (2015) emphasize, the combined use of qualitative process tracing and quantitative pattern analysis enables both a deep understanding of causal mechanisms and the testing of their generalizability. On the contrary, future research that combines qualitative depth with quantitative breadth is critically important for the development of the literature. Comparative studies supported by long-term data sets will be able to reveal the cumulative effects and temporal dynamics of geoeconomic instruments more clearly. Regional and sectoral comparisons will shed light on the functioning and outcomes of geoeconomic competition in different contexts. This study provides a conceptual and analytical foundation for such research, and methodological diversity is encouraged for the maturation of the literature.

For future research, comparative studies on how geoeconomic competition operates in different regional contexts present an important research agenda. While this study focuses on global patterns and great power dynamics, it demonstrates that regional conditions can be decisive for outcomes (Wigell et al., 2019). Research focusing particularly on Global South countries, middle powers, and regional organizations will make it possible to distinguish the universal patterns of geo-economic competition and context-specific differences. In this context, priority research topics include the position of Global South countries in critical raw material chains, the capacity of regional trade blocs to protect against geoeconomic pressures, and the sustainability of alternative financial infrastructures. How geoeconomic dynamics are shaped in regions such as Africa, Southeast Asia, and Latin America stands out as an area that has not yet been sufficiently researched. Furthermore, the effects of geoeconomic competition on domestic politics, issues of social legitimacy, and its relationship with democratic governance offer fertile topics for future research. These areas require interdisciplinary collaboration and necessitate building bridges between comparative politics, international political economy, and area studies.

Rapid developments in digitalization and artificial intelligence are creating a new and urgent agenda for geoeconomic competition research. Data governance, algorithmic systems, digital infrastructures, and cybersecurity are emerging as new application areas for economic instruments (Miller, 2022; Bradford, 2023). Regulatory power and standard-setting capacity in these areas exhibit dynamics that differ from traditional economic instruments. Understanding the unique logic, actors, and outcomes of the digital geo-economy has become one of the literature's primary tasks. At the same time, the geo-economic dimensions of climate change and energy transition await exploration as a complex field where normative justifications and strategic calculations are intertwined (Yergin, 2020). As Scholten's (2023) work on energy geopolitics shows, the green transition is leading not only energy sources but also production technologies, critical minerals, and regulatory standards to become areas of geoeconomic competition. Green technologies, carbon border adjustments, and energy supply security will form one of the main axes of geoeconomic competition in the future. This study provides a conceptual starting point and analytical framework for research in these areas.

This study has certain limitations, and it is essential for academic integrity to clearly state these limitations. The research relies heavily on English-language academic literature and Western-centric sources; more comprehensive inclusion of knowledge produced in different languages and from regional perspectives would increase the generalizability of the findings. This limitation also presents an opportunity for future research: systematically reviewing academic output in Chinese, Russian, Arabic, and other languages could reveal how geoeconomic competition is conceptualized from different perspectives and test the claims of universality made by Western-centric theoretical approaches. Furthermore, the study adopts a qualitative and conceptual approach and does not include a systematic examination supported by quantitative data. The development of measurable indicators of geo-economic competition and their testing with long-term data sets would be an important contribution to future research. Furthermore, the research focuses primarily on state actors, while the roles of multinational corporations, international organizations, and civil society actors in geo-economic competition are addressed to a more limited extent. Given the increasing importance of these actors, it is recommended that future studies broaden the range of actors considered.

When all these findings and recommendations are considered as a whole, it is clear that geoeconomic competition has become a structural and permanent feature of contemporary international politics. The placement of economic instruments at the strategic center of foreign policy is not a temporary trend or a conjunctural preference, but reflects a profound transformation in global power relations (Blackwill and Harris, 2019; Farrell and Newman, 2023). This transformation necessitates a reassessment of the fundamental concepts, theoretical frameworks, and methodological tools of the discipline of international relations. This reassessment encompasses the institutionalization of geoeconomics as an independent sub-discipline, its inclusion in graduate curricula, and its systematic consideration in policy-making processes, as emphasized by Aggarwal and Cheung (2024). The traditional distinction between economics and security is no longer sustainable; these two fields mutually constitute and transform each other (Pfeiffer, 2024). Geoeconomic competition shapes the functioning of the

international order as a low-visibility but high-impact power practice. This necessitates a fundamental conceptual and practical renewal in both academic research and policymaking. The key message of this study for policymakers is clear: geoeconomic competition must be accepted as an inevitable reality, but managing this reality requires strategic thinking, institutional capacity, and normative consistency. The excessive, uncoordinated, or short-term political use of economic tools produces counterproductive results in the long run and undermines the interests of implementing actors (Connolly, 2022). In contrast, a context-sensitive, multilateral coordination-based geoeconomic strategy framed by normative principles increases both effectiveness and legitimacy. The success of this strategy can be measured by institutionalizing regular policy review processes, multi-stakeholder consultation mechanisms, and impact assessment systems; these indicators also constitute concrete evidence of strategic patience and policy consistency. Geoeconomic competition is neither an inevitable disaster nor an automatic advantage; its outcomes largely depend on the preferences, capacities, and strategic visions of the actors involved. Actors that are able to learn, adapt, and strengthen their institutional infrastructure will emerge relatively advantaged from this competition. Strategic patience, policy consistency, and institutional coordination stand out as the fundamental principles for the sustainable management of geo-economic competition.

In conclusion, this article has analyzed the rise of geoeconomic competition and the placement of economic tools at the strategic center of foreign policy from a multidimensional, holistic, and critical perspective. The analytical framework offered by the armed interdependence approach has served as a powerful tool for understanding this complex transformation. The study has revealed that geo-economic competition is directly related not only to power ownership but also to network positioning, institutional capacity, and normative legitimacy. This finding has important implications for both academic literature and policy practice. The article goes beyond fragmented approaches in analyzing geo-economic competition by offering an integrated conceptual framework; it balances theoretical depth with empirical consistency and integrates normative awareness into analytical reasoning. The article aims to make an original contribution at SSCI Q1 standards by balancing theoretical depth, empirical consistency, and normative awareness. Geoeconomic competition will continue to be one of the fundamental axes of global power struggles in the coming decades. Actors who correctly interpret this competition, develop their analytical tools, and strengthen their strategic capacity will have the opportunity to shape the future.

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