



# ECONOMIC WARFARE IN THE 21ST CENTURY

---

Centre for Economic Security

2025

## MESSAGE FROM THE CHIEF EXECUTIVE

Dr Rebecca Harding

---



It is both a pleasure and a sadness to be introducing the Centre for Economic Security (CES): pleasure because setting up CES has been an ambition of mine for some ten years now; sadness at the fact that it is even necessary to have a research and convening organisation that dedicates itself to raising awareness and understanding of economic threat, establishing the operational tools to manage that threat and enabling policy makers, financial institutions and corporates to anticipate and deal strategically with those threats.

Yet here we are at the start of 2025: with the economic multilateralism of globalisation declared dead on President Trump's arrival in the White House, and manifest geopolitical threats that undermine the very free market system on which peace and stability has been built since the Second World War. The goal of the Centre is to help create an enduring alternative to the fragmentation that is the reality of the so-called "international rules based order" now.

Old economic institutions, structures and policies are no longer adequate to deal with the challenges that the world faces yet CES does not believe this is the end. We put together what we think are enduring policy recommendations- revisiting NATO's Article 2 for collective economic defence and establishing a finance structure, and developing a new multilateral bank dedicated to funding defence and security and critical national infrastructures.

At CES we believe this is all possible relatively quickly. We have found that there is appetite for real reform and engagement of the private sector in creating alternatives. Now is the moment to make those decisions and CES will be at their heart.

# ECONOMIC WARFARE SUMMARY CHALLENGES AND RECOMMENDATIONS

---

Economic warfare is a dominant element of global power dynamics. This means that we need to include it in our understanding of collective defence and security.

## KEY THEMES:

1. **Weaponisation of Trade:** Trade is no longer just an economic activity but a strategic tool used by nation-states to project power, influence adversaries, and achieve geopolitical goals. This has been evident in the economic policies of major powers like the U.S., Russia, and China.
2. **Erosion of Free Market Capitalism:** The traditional principles of free market capitalism, established since the Bretton Woods era, are increasingly under threat due to adversaries exploiting globalisation and creating alternative systems (e.g., China's Belt and Road Initiative and digital currency frameworks). The appropriateness of the institutions of the so-called international rules-based order in a digital and fragmented world is open to question.
3. **Economic Statecraft:** Economic tools such as sanctions, tariffs, and digital trade finance are central to modern conflicts. These mechanisms have transitioned from being supplementary to military efforts to serving as primary means of coercion and deterrence. However, these mechanisms are changing such that governments are even influencing the actions of their own private sector's investment activity to prevent overseas influence and ownership, or even investment abroad. This is the new statecraft that we are beginning to see.

## CHALLENGES IDENTIFIED:

- **Resilience of Adversaries:** Measures like sanctions on Russia have led to short-term constraints but failed to cripple its economy or military funding, with countries like China, Saudi Arabia, the UAE and India enabling alternative trade routes.
- **Data as a Strategic Asset:** In a cashless and digitalized economy, control over transaction data and payment systems has emerged as a critical battleground. China's advancements in digital currencies, Artificial Intelligence and payment platforms like Alipay highlight this shift.

- Vulnerabilities in Supply Chains: Economic interdependencies and fragmented supply chains expose Western nations to disruptions, undermining their military, economic and climate resilience.
- The world's economic, financial and technological systems are in danger of bifurcation: alternative payments systems (SWIFT and CIPS) put the US dollar and the RMB directly in conflict with one another – the first as a means of imposing sanctions and using trade coercively, the second as a means of circumventing sanctions.

*"Economic warfare has moved beyond sanctions and trade restrictions - we now face the bifurcation of the world's economic, financial and technological systems, where alternative payment systems put the US dollar and Chinese renminbi in direct conflict. This is no longer about trade; this is about the future of global power."*

### RECOMMENDATIONS:

1. Integrating Economic Warfare into National Defence and Security thinking: Treat economics as an explicit domain of conflict, alongside traditional military domains, with dedicated institutional frameworks for managing economic threats.
2. Strengthening Supply Chain Resilience: Collaborate with financial institutions, trade practitioners, and corporations to secure critical supply chains (e.g., energy, minerals, food) and mitigate vulnerabilities.
3. Reconceptualizing Economic Tools: Develop "Economic Statecraft 2.0" with advanced strategies to deter adversaries and build offensive capabilities using trade and financial systems.
4. Reemphasise NATO's article 2: NATO is seen as a military alliance but the threat it now faces is an economic one as well. NATO countries urgently needs resilience in in their defence and security supply chains to deter its adversaries but also to be prepared for any conflict that may be involved. Article 2 promotes free market economics and economic collaboration to create peaceful and friendly international relations and eliminate conflict in international economics. This last element is key – we do not have peaceful economic relations at present and this is a threat to collective stability and security.
5. Create a Defence, Security and Resilience Multilateral Bank that provides guarantees to support defence, security and resilience investments and working capital provision for critical national infrastructures and supply chain participants across defence, security, critical minerals and energy and food security, including dual use goods where they are vital to security.

### STRATEGIC IMPLICATIONS:

- The increasing economic competition with China and Russia marks a shift toward "Total War," where economic actors (banks, shipping, trade entities) become critical players in national security.
- The West must reform its approach to economic statecraft, recognizing the inseparability of military and economic power in modern conflicts.
- Enhanced cooperation with allies and private-sector stakeholders is essential to navigate and mitigate the risks of economic warfare effectively.

### CONCLUSION:

Economic warfare has become a defining feature of contemporary geopolitics, necessitating a shift in mindset, strategy, and institutional frameworks. As nations weaponize trade and finance, the global order must adapt to counter these challenges while preserving the principles of free market capitalism and international stability.

Dr. Rebecca Harding  
 CEO, Centre for Economic Security  
 rebeccaharding@ces-global-net  
[ces-global-net](https://ces-global-net.org)

# INTRODUCTION

## THE RESHAPING OF MODERN CONFLICT

---

The global economic system faces an unprecedented transformation as economic warfare evolves from a supporting element of military strategy into a primary domain of conflict. This paper presents empirical evidence of this transformation through detailed analysis of three critical developments:

- The emergence of alternative payment systems that now process 53% of Chinese cross-border transactions outside traditional Western frameworks.
- The weaponisation of supply chains exemplified by the F-35 fighter program's 300,000 components sourced from 2,000 global suppliers.
- The integration of digital systems that enable unprecedented economic coercion.

*When a single fighter jet depends on 300,000 components from 2,000 global suppliers, the line between economic competition and military advantage disappears. This is the new face of warfare.*

Drawing on extensive case studies and technical analysis, we demonstrate how the digitalisation of global trade and finance has created new vectors for strategic competition while revealing critical vulnerabilities in Western institutional frameworks. The paper concludes with specific recommendations for institutional reform and capability development required to address these emerging challenges.




---

## THE TRANSFORMATION OF GLOBAL ECONOMIC ORDER THE RISE AND FRAGMENTATION OF FREE MARKET CAPITALISM

---

The post-Cold War international economic order, built on principles of free market capitalism and codified in what Western powers term the "International Rules Based Order" (IRBO), has undergone fundamental transformation. This transformation challenges basic assumptions about the relationship between economic power and national security, revealing vulnerabilities that adversaries have learned to exploit within the system itself.

*The International Rules Based Order contained within it the seeds of its own vulnerability. What was designed to promote global stability through economic interdependence instead created new vectors for strategic competition and economic warfare.*

The foundation of this order rested on several key principles that were intended to promote global stability through economic interdependence. The World Trade Organisation's framework established dispute settlement mechanisms designed to ensure fair competition and equal access to markets. These structures were created with the explicit goal of enabling all nations to participate on what was termed a "level playing field," supporting both emerging and developed economies through reduced barriers to trade and increased market access. The underlying assumption was that economic interdependence would promote global prosperity while simultaneously reducing the risk of conflict through mutual economic interest.

However, this system contained within it the seeds of its own vulnerability. The very openness and reduced barriers to entry that characterised free market capitalism created opportunities for adversarial states to work within the system while simultaneously undermining it. Russia's economic strategy since 2014 provides a clear example of this dynamic. Following the annexation of Crimea, Russian authorities began systematically restructuring their economy onto what can only be described as a war footing. This included a strategic shift in trade focus from oil to grain exports, demonstrating both the adaptability of adversary economies and the limitations of traditional economic sanctions regimes.

China's approach has been even more sophisticated, leveraging the opportunities presented by globalisation to extend its market access while simultaneously developing alternative institutions and financial architectures. The Belt and Road Initiative represents perhaps the most visible manifestation of this strategy, but equally significant has been China's development of alternative payment systems and digital currencies that challenge traditional Western financial dominance.

---

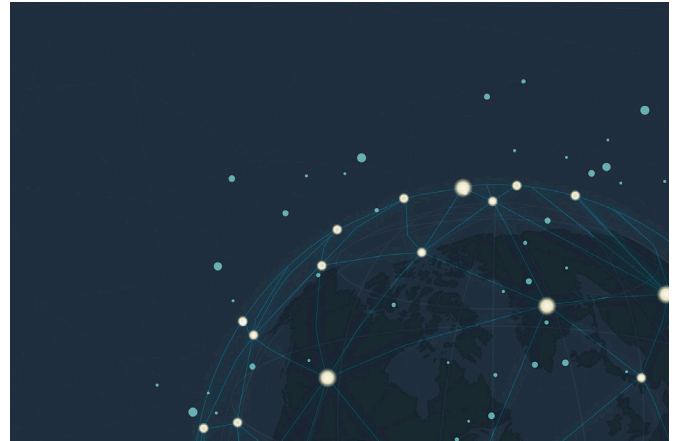
## THE DIGITAL TRANSFORMATION OF MONEY

---

Perhaps the most significant transformation in the global economic order has been the fundamental shift in the nature of money itself. Traditional economic theory defined money through three primary functions: as a store of value, a medium of exchange, and a unit of account. However, the digitalisation of financial systems has created a fourth critical dimension: money as data. This transformation has profound implications for both economic security and national sovereignty.

In the emerging cashless society, every electronic transaction generates a data point that provides insight into behavioural patterns, trading relationships, and economic dependencies. The implications of this transformation become clear when examining China's implementation of its Central Bank Digital Currency (CBDC), the e-CNY. While currently focused on domestic retail transactions, the system's architecture enables unprecedented levels of transaction monitoring and potential control. Industry data from October 2024 reveals the scale of this transformation: an estimated 53% of Chinese cross-border transactions are now denominated in renminbi, with approximately \$88 billion of Chinese-Russian commodity trade conducted outside the traditional dollar-based system.

The integration of payment systems with logistics platforms adds another layer of strategic significance to this transformation. Companies like Alibaba and Tencent have become not just commercial entities but potential vectors for economic intelligence gathering and control.



---

## EMERGENCE OF ALTERNATIVE ECONOMIC ARCHITECTURES

---

The combination of digital transformation and strategic competition has accelerated the development of alternative economic architectures that challenge Western financial dominance. This is particularly evident in the evolution of cross-border payment systems. The CIPS system, while technically a partner in the SWIFT network, represents a strategic challenge to dollar hegemony. Chinese authorities have explicitly framed this development as a response to what they term the "weaponisation" of payment systems, citing the exclusion of Russian banks from SWIFT following the invasion of Ukraine.

The implications of these alternative architectures extend beyond immediate financial concerns to fundamental questions of economic sovereignty and strategic autonomy. Trade finance institutions now face complex challenges in implementing sanctions and export controls, with evidence suggesting that larger institutions' conservative approach to compliance has created opportunities for smaller, more agile players to facilitate sanctions evasion.




---

## CASE STUDIES IN MODERN ECONOMIC WARFARE THE U.S.-CHINA TRADE CONFLICT (2018-2024)

---

The evolution of economic warfare from tactical tool to strategic imperative is perhaps best illustrated by the U.S.-China trade conflict that began in 2018. This confrontation marked a fundamental shift in how trade relations were viewed through the lens of national security, transforming what had been primarily commercial disputes into matters of strategic competition.

### INITIAL ESCALATION AND STRATEGIC FRAMEWORK

The formal initiation of trade conflict came in May 2018 when the United States invoked Section 301 of the Trade Act of 1974, a move that effectively securitised trade relations by bypassing WTO mechanisms in favour of national security frameworks. The American ultimatum to China was unprecedented in its scope and ambition, demanding a \$100 billion reduction in the trade surplus within 12 months while simultaneously restricting China's ability to engage in WTO disputes about U.S. technology access restrictions or trade practices.

### IMPACT ANALYSIS AND STRATEGIC ADAPTATION

The empirical evidence of this conflict's impact reveals complex and often counterintuitive outcomes. Trade data shows that by 2022, Chinese imports to the United States exceeded their 2017

levels, suggesting limited effectiveness of traditional tariff-based measures. However, the introduction of technology-focused restrictions by the State Department produced more significant effects: between 2022 and 2023, U.S. imports from China dropped by approximately 22%, representing a decrease of nearly \$128 billion. Of particular significance was the 11% reduction in semiconductor imports, including a \$171 million decrease in restricted military-grade semiconductors.

### CHINESE STRATEGIC RESPONSE

China's response to these measures demonstrates the sophistication of modern economic warfare strategies. Rather than engaging in simple retaliatory measures, Chinese authorities pursued a comprehensive approach to reducing strategic vulnerabilities while simultaneously developing alternative capabilities. This included substantial investment in technological independence, with China's top technology firms—Alibaba, Tencent, and Baidu—investing approximately \$7 billion in artificial intelligence development. Moreover, China implemented its own export controls on critical minerals such as gallium and germanium, essential components in semiconductor production.

---

# THE RUSSIA SANCTIONS REGIME (2022-2024)

---

The implementation of economic measures against Russia following its invasion of Ukraine represents perhaps the most comprehensive test of modern economic warfare capabilities. This case study provides crucial insights into both the potential and limitations of economic measures as tools of strategic competition.

## IMPLEMENTATION AND INITIAL IMPACT

The coordinated implementation of sanctions, export controls, and financial restrictions by NATO and its partners represented an unprecedented attempt to use economic means to constrain a major power's military capabilities. The measures included:

- **Financial sanctions:** Targeting Russian banks and financial institutions.
- **Export controls:** Restricting access to critical technologies and goods.
- **SWIFT exclusion:** Limiting Russia's access to the global financial messaging system.
- **Central bank restrictions:** Constraining Russia's ability to access international markets.

## STRUCTURAL LIMITATIONS AND ADAPTIVE RESPONSES

The effectiveness of these measures has been limited by several structural factors. Evidence suggests significant trade diversion through third countries, particularly India, Saudi Arabia, and the UAE. This diversion illustrates both the agility of smaller players in the financial system to circumvent global regulations and the potential for regulatory arbitrage between financial institutions even within the same country.



## SYSTEMIC IMPLICATIONS

These cases demonstrate how traditional approaches to economic statecraft can inadvertently undermine military capabilities through supply chain disruption. The triggers for such disruption—whether a board membership change or geographical ambiguity in sanctions regulations—reveal the complex interplay between commercial risk management and national security requirements.



---

## SUPPLY CHAIN WARFARE COMPLEX SYSTEMS AND STRATEGIC VULNERABILITY

---

The F-35 fighter jet program provides a compelling illustration of how supply chain complexity has become a critical vulnerability in modern military capabilities. Far from being merely a logistics challenge, the program's supply chain structure represents a strategic vulnerability that adversaries can exploit through economic means without resorting to direct military confrontation.

The scale of this complexity is staggering: the F-35's production involves approximately 300,000 individual components sourced from nearly 2,000 suppliers distributed globally. More concerning than the mere scale, however, is the management structure. These supply chains continue to operate through traditional, largely manual processes that provide limited visibility across supply tiers. This opacity creates multiple vectors for potential disruption or manipulation that may not be immediately apparent to program managers or security officials.

---

## MARITIME SUPPLY CHAIN VULNERABILITIES

---

The shipping industry embodies perhaps the most critical yet underappreciated vulnerability in modern economic warfare. The case of Maersk, one of only three major Western shipping companies, illustrates the scale of this challenge. Operating 750 vessels across 130+ countries, with a vessel calling at port every six minutes and moving 4.5 million containers annually, Maersk represents a crucial node in global supply chains. Yet this operational footprint also creates multiple points of potential vulnerability.

The concentration of maritime logistics capabilities presents a particular strategic concern. With only three Western-registered major shipping companies (MSC, Maersk, and CMA-CGM) and fewer than 150 U.S.-flagged vessels globally, the West's ability to maintain secure supply lines during periods of tension or conflict is severely constrained.

---

## FINANCIAL SUPPLY CHAIN MECHANISMS

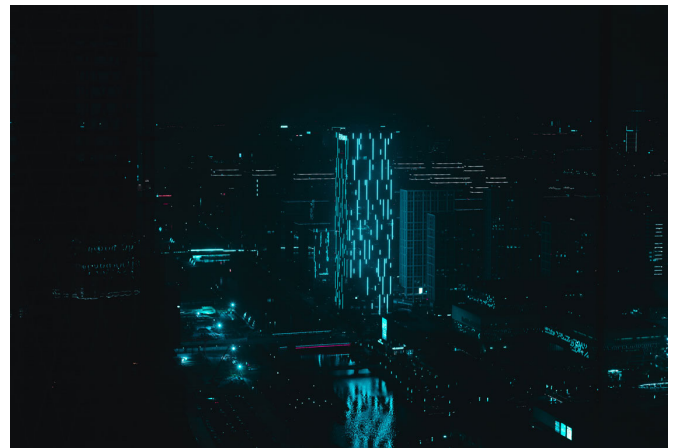
---

The financial architecture supporting global supply chains represents a distinct and often overlooked vulnerability in modern economic warfare. The Global Supply Chain Finance Forum's definition of supply chain finance highlights the complex interplay between physical and financial flows: it encompasses financing and risk mitigation practices designed to optimise working capital and liquidity management in supply chain processes and transactions.

### TECHNICAL STRUCTURE OF SUPPLY CHAIN FINANCE

Supply chain finance operates through several distinct mechanisms, each presenting unique vulnerabilities:

- **Payables Finance:** Sellers (often SMEs) sell their invoices or receivables to banks, with these invoices confirmed by buyers before purchase. This removes performance risk and allows banks to discount receivables at rates pegged to the buyer's credit risk. When the buyer is a major defence contractor or government entity, this mechanism can provide crucial working capital to smaller suppliers. However, it also creates potential points of leverage that adversaries could exploit.
- **Deep-tier supply chain finance (DTSCF):** Extends these mechanisms beyond first-tier suppliers to lower tiers of the supply chain. This creates particular challenges in defence supply chains, where visibility and control become increasingly difficult at lower tiers. The implementation of DTSCF requires sophisticated technological infrastructure, including digitised promissory notes and blockchain-based systems, creating additional potential vulnerabilities.



### WORKING CAPITAL CONSTRAINTS

The importance of supply chain finance to military readiness became particularly apparent during recent crises. Evidence from the UK defence sector reveals how working capital constraints can directly impact military capabilities.

### TECHNOLOGICAL EVOLUTION

The increasing digitalisation of supply chain finance creates new opportunities but also new vulnerabilities. The implementation of the UK's Electronic Documents Trade Act in 2023 represents an attempt to modernise trade documentation, but also introduces new attack vectors for adversaries. The emergence of blockchain-based solutions and tokenised payment systems adds additional complexity to security considerations.




---

## THE DIGITAL BATTLEFIELD THE EVOLUTION OF GLOBAL PAYMENT SYSTEMS

---

The competition between traditional and emerging payment systems represents a fundamental shift in how economic power is projected in the digital age. This transformation is most clearly illustrated in the evolving relationship between the SWIFT messaging system and China's Cross-Border Interbank Payment System (CIPS), a dynamic that extends far beyond technical infrastructure to encompass fundamental questions of economic sovereignty and strategic control.

### SWIFT VS. CIPS

The SWIFT system has historically served as the backbone of international payments, particularly for transactions denominated in US dollars. However, the October 2024 Swift annual event (Sibos) in Beijing marked a pivotal moment in the evolution of global payment systems. The announcement of HSBC Hong Kong's integration with CIPS signalled a significant shift in the global financial architecture, one that carries profound implications for economic warfare capabilities.

---

## CENTRAL BANK DIGITAL CURRENCIES

---

The development of Central Bank Digital Currencies (CBDCs) represents perhaps the most significant evolution in monetary warfare since the abandonment of the gold standard. China's Digital Renminbi (e-CNY) provides a crucial case study in how digital currencies can serve both domestic control and international strategic objectives.

### TECHNICAL ARCHITECTURE AND STRATEGIC CONTROL

While currently focused on domestic retail transactions, the e-CNY's technical architecture enables unprecedented levels of transaction monitoring and potential control. The system's ability to track and analyse transaction patterns provides Chinese authorities with detailed insight into economic behaviours and relationships.

### INTERNATIONAL INTEGRATION

The extension of e-CNY usage to Hong Kong represents a significant step toward international deployment of China's CBDC. This development is particularly significant given Hong Kong's role as a major financial centre and its integration with global markets. The ability to use e-CNY in Hong Kong provides a framework for international transactions that bypass traditional banking systems entirely.

---

# DIGITAL TRADE DOCUMENTATION

---



The digitalisation of trade documentation represents a critical vulnerability in modern economic warfare. The UK's Electronic Documents Trade Act (EDTA) of 2023 illustrates both the opportunities and challenges inherent in this transformation. While digital documentation promises increased efficiency and reduced friction in international trade, it also creates new attack surfaces and vulnerabilities that adversaries can exploit.

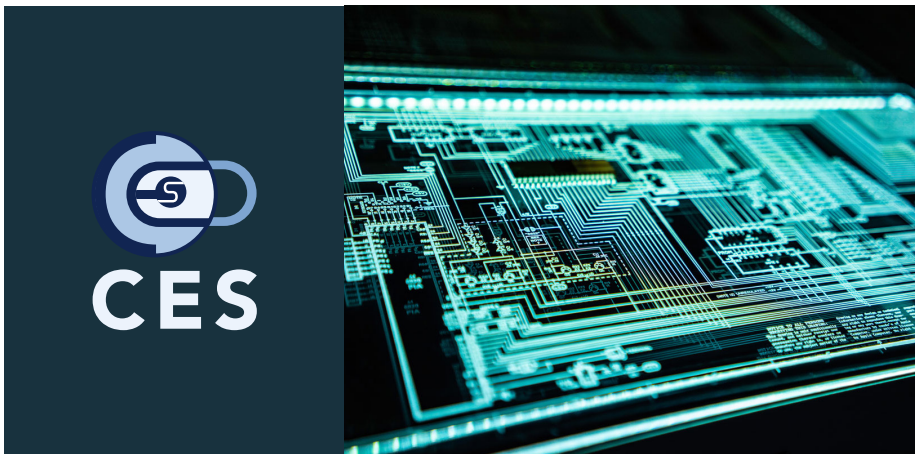
## TECHNICAL STANDARDS AND STRATEGIC CONTROL

The International Chamber of Commerce's Digital Standards Institute (DSI) has worked to create interoperability standards for digital trade and trade finance systems globally. This effort centres on the Model Law for Electronic Transferable Records (MLTER), which enables trade documents like Bills of Lading to function as digital financial instruments. While this development promises increased efficiency, it also creates new vulnerabilities in how trade is documented and financed.

## DIGITAL INFRASTRUCTURE VULNERABILITIES

The digitalisation of trade documentation creates multiple vectors for potential disruption or manipulation:

- **Authentication and Validation:** Digital documents must be authenticated and validated across multiple jurisdictions and systems, creating potential points of failure or manipulation.
- **Data Security:** The centralisation of trade documentation in digital systems creates attractive targets for cyber attacks or data manipulation.
- **System Interoperability:** The need for systems to communicate across different platforms




---

## 2025 AND UNDERSTANDING THE FUTURE HOW THE CES CAN HELP

---

At the end of January 2025, after the first week of the second term of President Trump, it felt a bit like back to the future. For the last eight years we have been working with the consequences of the belligerent language around trade that emerged during the Brexit campaign and President Trump's first term (remember "Trade Wars are quick and easy to win" and "enemies across the table"?). Now, the Financial Times is openly talking about President Trump's New Economic War[1] arguing that America will use its financial heft to coerce adversaries and allies alike to "Make America Great Again."

An economic war with allies is not one they expect to fight, and politicians and businesses alike have remained diplomatic at the onslaught of executive orders and strategic intentions over the past week. However, it raises several critical issues from the point of view of national security:

1. **Is the world moving inevitably towards a state of economic warfare or are we already in it?** There are there are good reasons for suggesting that adversaries of what has been called a dollar-based "international rules-based order" present a threat to the free market version of capitalism embodied in the institutions and structures that have prevailed since the Bretton Woods conference in 1944.
2. **If we are in a state of economic warfare, how does this shift our perception of coercion and deterrence?** Do we have a lexicon to understand the tool and techniques through which finance, economics and trade can be used

coercively and as an offensive tool? How do we build economic capacity and capability to make sure that any use of economic levers is credible against our adversaries?

3. **Given the complexity now of the threat to the dollar based economic system, what data and intelligence do we need to identify threats before they occur?** Specifically, what is the role of corporate and financial institutions in working with government to understand the threat and its resolution better?
4. **How do we create resilience and preparedness?** Are there means of enabling greater deterrence and capability in line with government growth priorities?

The CES has as its priorities the development of a common language and tool box for economic statecraft and economic warfare. Our goal is to use this to operationalise strategic responses in defence and security, corporates and financial services through convening groups to identify threats and devise responses. Most importantly of all we war game emerging geoeconomic conflicts to help participants think strategically and deal with threats effectively.

## RECOMMENDATIONS

---

### **Integrating Economic Warfare into National Defence and Security**

**thinking:** Treat economics as an explicit domain of conflict, alongside traditional military domains, with dedicated institutional frameworks for managing economic threats.

**Strengthening Supply Chain Resilience:** Collaborate with financial institutions, trade practitioners, and corporations to secure critical supply chains (e.g., energy, minerals, food) and mitigate vulnerabilities.

**Reconceptualizing Economic Tools:** Develop "Economic Statecraft 2.0" with advanced strategies to deter adversaries and build offensive capabilities using trade and financial systems.

**Reemphasise NATO's article 2:** NATO is seen as a military alliance but the threat it now faces is an economic one as well. NATO countries urgently needs resilience in in their defence and security supply chains to deter its adversaries but also to be prepared for any conflict that may be involved. Article 2 promotes free market economics and economic collaboration to create peaceful and friendly international relations and eliminate conflict in international economics. This last element is key – we do not have peaceful economic relations at present and this is a threat to collective stability and security.

### **Create a Defence, Security and Resilience Multilateral Bank**

that provides guarantees to support defence, security and resilience investments and working capital provision for critical national infrastructures and supply chain participants across defence, security, critical minerals and energy and food security, including dual use goods where they are vital to security.

---

## BIBLIOGRAPHY & REFERENCES

---

### ACADEMIC BOOKS AND ARTICLES

Bruyère, E. de la & Picarsic, N. (2024). A new war fought with old arms: The limits of economic statecraft. Hinrich Foundation. Retrieved from <https://www.hinrichfoundation.com/research/wp/trade-and-geopolitics/the-limits-of-economic-statecraft/>

Farrell, H., & Newman, A. L. (2019). Weaponized Interdependence: How Global Economic Networks Shape State Coercion. *International Security*, 44(1), 42-79. [https://doi.org/10.1162/isec\\_a\\_00351](https://doi.org/10.1162/isec_a_00351)

Harding, R., & Harding, J. (2017). *The Weaponisation of Trade: The Great Rebalancing of Politics and Economics*. London: London Publishing Partners.

Harding, R., & Harding, J. (2020). *Gaming Trade: Win-Win Strategies for the Digital Era*. London: London Publishing Partners.

Papageorgiou, M., Can, M., & Vieira, A. (2024). China as a Threat and Balancing Behavior in the Realm of Emerging Technologies. *Chinese Political Science Review*. <https://doi.org/10.1007/s41111-024-00248-0>

Papageorgiou, M. (2025, forthcoming). The Two Faces of Coercion: Comparing China and Russia's Economic Coercive practices and approaches in Europe.

### GOVERNMENT PUBLICATIONS AND OFFICIAL REPORTS

British Foreign Policy Group. (2024, May). BFPG Announces New Economic and Trade Security Commission. Retrieved from <https://bfp.co.uk/2024/05/economic-trade-security-commission/>

Centre for Economic Security. (2024). SDR Submission v3. London: CES.

Centre for Economic Security-ECCRG, King's College. (2024, September). SDR submission. London: CES-ECCRG.

Draghi, M. (2024). EU competitiveness: Looking ahead. European Commission. Retrieved from <https://commission.europa.eu/>

[topics/strengthening-european-competitiveness/eu-competitiveness-looking-ahead\\_en](https://supplychainfinanceforum.org/topics/strengthening-european-competitiveness/eu-competitiveness-looking-ahead_en)

Global Supply Chain Finance Forum. (2023). Home of Supply Chain Finance Terminology. Retrieved from <http://supplychainfinanceforum.org/>

HM Government. (2023). *Electronic Documents Trade Act*. London: HMSO.

HM Government. (2023). *National Security Investment Act*. London: HMSO.

Ministry of Defence. (2021). *Integrated Operating Concept*. London: HMSO.

UK Defence Command Paper. (2023). London: Ministry of Defence.

UK Integrated Review Refresh. (2023). London: HM Government.

### RESEARCH AND THINK TANK PUBLICATIONS

Center for Strategic and International Studies. (2023). *Deny, Deter, Deflect, Deter: Countering China's Economic Coercion*. Washington, DC: CSIS. Retrieved from <https://www.csis.org/analysis/deny-deflect-deter-countering-chinas-economic-coercion>

Mercator Institute for China Studies. (2023). *Fasten your seatbelts: How to manage China's economic coercion*. Berlin: MERICS. Retrieved from <https://merics.org/en/report/fasten-your-seatbelts-how-manage-chinas-economic-coercion>

UK in a Changing Europe. (2024, June). *UK Trade 2024*. Retrieved from <https://media.ukandeu.ac.uk/wp-content/uploads/2024/06/UKICE-Trade-Report.pdf>

Industry Reports and Technical Documents

Deutsche Bank. (2023). *Capital markets: A bridge over the trade finance gap*. Flow Magazine. Retrieved from <https://flow.db.com/trade-finance/capital-markets-a-bridge-over-the-trade-finance-gap>

European Commission. (2020). Study on supply chain finance. Publications Office of the EU. Retrieved from <https://op.europa.eu/en/publication-detail/-/publication/f0b68a88-5136-11ea-aece-01aa75ed71a1/language-en>

International Chamber of Commerce. (2023). Digital Standards Institute Framework. Paris: ICC.

Trade Finance Distribution Initiative. (2023). Technical Framework Overview. Retrieved from <https://www.tradefinancedistribution.com/>

## ADDITIONAL REFERENCES

China's 14th Five Year Plan, 2021-2025. (2021, March). Beijing: National People's Congress.

Ministry of Defence. (2020). Joint Doctrine Note 2/10 on Threat Finance and Economic Levers of Power. Retrieved from [https://assets.publishing.service.gov.uk/media/5fb7d81fd3bf7f5734b9b-5fa/20201119-JDN\\_2\\_20\\_TFEL\\_web\\_secure.pdf](https://assets.publishing.service.gov.uk/media/5fb7d81fd3bf7f5734b9b-5fa/20201119-JDN_2_20_TFEL_web_secure.pdf)

Nugee Report. (2021, March). Climate Change and Sustainability in Defence. Ministry of Defence.

Princeton University. (2024). Risk Assessment Framework. Retrieved from <https://risk.princeton.edu/index.html>

---

## METHOD

---

The CES has as its priorities the development of a common language and tool box for economic statecraft and economic warfare. Our goal is to use this to operationalise strategic responses in defence and security, corporates and financial services through convening groups to identify threats and devise responses. Most importantly of all we war game emerging geoeconomic conflicts to help participants think strategically and deal with threats effectively.

## THIS PAPER IS BASED ON THE FOLLOWING SOURCES:

- Documentary and literature evidence
- In-depth interviews with practitioners
- Expert conference of CES-ICEL\_ECCRG members and their written evidence

# CONTACT

---

## ABOUT THE CENTRE FOR ECONOMIC SECURITY

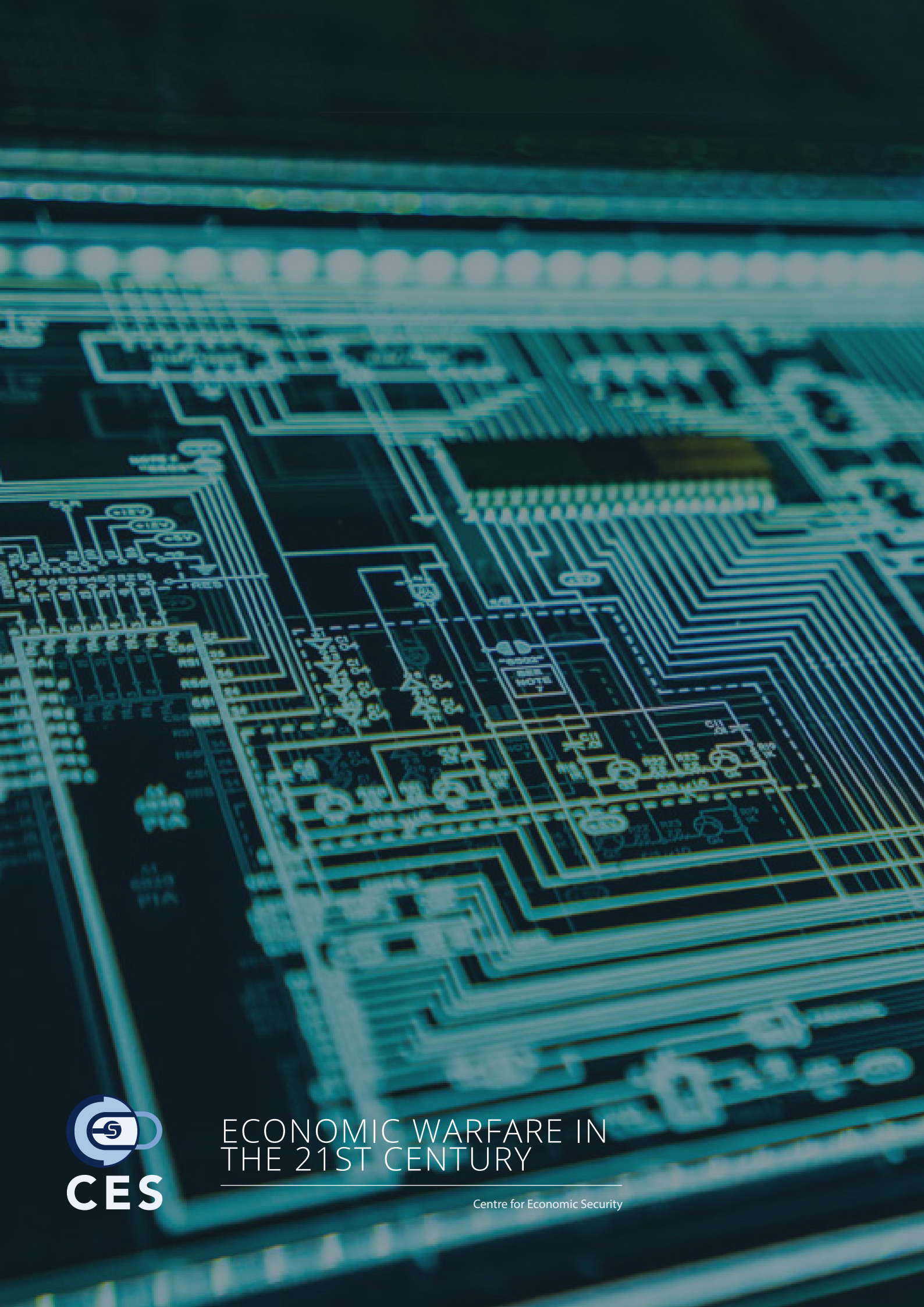
The Centre for Economic Security is a research and convening organisation that dedicates itself to three goals: first, raising awareness and understanding of economic threat, second, to establishing the operational tools to manage that threat and third to enabling policy makers, financial institutions and corporates to anticipate and deal strategically with those threats.

Our vision is to promote strategic economic readiness in a fragmented world. We do this by working with governments, financial institutions and corporates to formulate resilient and effective tools.

## CONTACT

Dr. Rebecca Harding, CEO  
Dr. Jack Harding, Head of Research

info@ces-global.net  
[ces-global.net](https://ces-global.net)



# ECONOMIC WARFARE IN THE 21ST CENTURY

Centre for Economic Security