Utrecht Law Review

Questioning Economic Security: Introduction to a Utrecht Law Review Special Issue

INTRODUCTION

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Achieving security has reemerged as a leading objective of the economic policies of states.[1] As the international environment is perceived as less stable, and international partners as less reliable, countries are revisiting core assumptions of their economic policies. The post-Cold War globalisation paradigm, with its emphasis on liberalising trade flows to build a global marketplace in which companies can compete on equal terms, has withered away.[2] The belief that economic interdependence serves as an insurance policy against interstate military conflict has largely collapsed.[3] The logic that the mutual financial costs of disrupting trade would deter coercion has been replaced by the realisation that these very connections can be weaponised.[4]

In this new paradigm, openness to trade and investment is no longer seen solely as a source of prosperity, but as a strategic vulnerability. As global supply chains and financial flows are increasingly exploited for geopolitical leverage, even the most dedicated advocates of free trade have pivoted towards doctrines defined by strategic autonomy, resilience and economic security. As Mark Carney, Canada's prime minister, put it to a stunned audience at the World Economic Forum in Davos: 'You cannot live within the lie of mutual benefit through integration, when integration becomes the source of your subordination'.[5]

1 In the United States, the 2017 national security strategy proclaimed that 'economic security is national security'. See White House, 'National Security Strategy of the United States of America' (December 2017) <https://trumpwhitehouse.archives.gov/wp-content/uploads/2017/12/NSS-Final-12-18-2017-0905.pdf> accessed 2 May 2026. Japan was an early adopter of the economic security paradigm following Chinese restrictions on the export of critical raw materials to Japan in 2010. See generally Robert S Ozaki, *Japan's Foreign Relations: A Global Search For Economic Security* (Routledge 2019). On this development in the EU, see Thomas Verellen, 'Economic Security and the Transformation of EU Trade Policy' in *Research Handbook on the EU's Common Foreign and Security Policy* (2nd edn, Edward Elgar Publishing forthcoming).

2 For a contemporary defence of the globalisation paradigm, see perhaps most famously Thomas L Friedman, *The World Is Flat: The Globalized World in the Twenty-First Century* (updated and expanded edn, Penguin 2007).

3 See seminally Robert Owen Keohane and Joseph S Nye, *Power and Interdependence* (Longman 2012), arguing that in a world of complex interdependence, the use of military force becomes less effective and more costly.

4 See here Henry Farrell and Abraham Newman, 'Weaponized Interdependence: How Global Economic Networks Shape State Coercion' (2019) 44 International Security 42 <https://doi.org/10.1162/isec_a_00351>; Henry Farrell and Abraham Newman, *Underground Empire: How America Weaponized the World Economy* (Henry Holt and Co 2023).

5 'Davos 2026: Special Address by Mark Carney, PM of Canada' (*World Economic Forum*, 20 January 2026) <https://www.weforum.org/stories/2026/01/davos-2026-special-address-by-mark-carney-prime-minister-of-canada/> accessed 6 May 2026.

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As is the case with security more generally, economic security is difficult to define.[6] What it means to be economically secure may differ from country to country, from policy-maker to policy-maker. It may also be a matter of degree. Complete economic security would imply autarchy, or a complete de-coupling from the global economy. Under such a paradigm, a state would not run any economic security risks, as there are no trade or investment relations to be weaponised. At the same time, however, a society that has embraced autarchy will inevitably be poor. No nation is economically self-sufficient in every respect – even North Korea maintains trading relations with other nations. Some trade is necessary to achieve economic growth and prosperity.

A more moderate conception of economic security involves de-risking as opposed to de-coupling. De-risking can be defined as the process of managing the vulnerabilities generated by an interdependent world, without however going as far as to pursue a full-scale withdrawal from global trade or specific foreign markets.[7] Unlike de-coupling, which seeks to sever economic ties entirely, de-risking focuses on identifying specific ‘choke points’ – such as over-reliance on a single country for rare earth minerals, pharmaceuticals or advanced semiconductors – and diversifying those sources to ensure economic resilience in the face of geopolitical shocks.[8]

PURSUING EU ECONOMIC SECURITY

The EU conceptualises economic security through the lens of de-risking rather than a strategy of de-coupling. As European Commission President von der Leyen made clear in a March 2023 speech on EU-China relations (but the argument extends to other trading relations as well): ‘I believe it is neither viable – nor in Europe’s interest – to de-couple from China. Our relations are not black or white – and our response cannot be either. This is why we need to focus on de-risk – not de-couple’.[9]

The European Commission and the High Representative of the Union for Foreign Affairs and Security Policy, Kaja Kallas, published the EU’s first Economic Security Strategy in June 2023.[10] In it, the Commission and the High Representative laid out three priorities for the EU: (i) *promoting* the EU’s own competitiveness by making the EU economy and supply chains more resilient, bolstering innovation and industrial capacity, while preserving its social market economy; (ii) *protecting* itself from commonly identified economic security risks; and (iii) *partnering* with countries which share the EU’s concerns on economic security as well as those who have common interests and are willing to cooperate with the EU to achieve the transition to a more resilient and secure economy.[11]

Fostering economic security is a transversal challenge that extends beyond the remit of the Union’s core competence to conduct a Common Commercial Policy (CCP), reaching into neighbouring areas such as the internal market, environmental policy and industrial policy, and involving both the EU institutions and the Member States. Pursuing economic security requires a ‘whole-of-government’ approach in which coordination and collaboration take centre stage.

6 Searching for a definition, see Natsuya Yuzue and Takashi Sekiyama, ‘Defining Economic Security through Literature Review’ (2025) 7 Frontiers in Political Science 1501986 <https://doi.org/10.3389/fpos.2025.1501986>. Speaking of a ‘lack of conceptual clarity’, see Ignacio García Bercero and Niclas Frederic Poitiers, ‘From Strategy to Doctrine: The Next Steps for European Economic Security’ (Policy Brief 32/25, Bruegel 2025) 2 <https://www.bruegel.org/sites/default/files/2025-12/PB%2032%202025.pdf> accessed 21 April 2026.

7 In this sense see eg Henry Farrell and Abraham Newman, ‘The New Economic Security State: How De-Risking Will Remake Geopolitics Essays’ (2023) 102 Foreign Affairs 106, 107–108, themselves borrowing from a speech by European Commission President Urszula von der Leyen, mentioned further below.

8 See here Edward Fishman, *Chokepoints: American Power in the Age of Economic Warfare* (Penguin 2025).

9 Urszula von der Leyen, ‘Speech by the President on EU-China Relations’ (*European Commission*, 23 March 2023) <https://ec.europa.eu/commission/presscorner/detail/en/speech_23_2063> accessed 6 May 2026.

10 European Commission and High Representative of the Union for Foreign Affairs and Security Policy, ‘Joint Communication on “European Economic Security Strategy”’ JOIN (2023) 20 final.

11 ibid 2–3.

This is potentially challenging for the EU, which has a strong tradition of shielding trade policy-making – an area of exclusive EU competence led by the Directorate-General for Trade (DG Trade) – from 'interference' from other DGs.[12] Coordination is complicated, not only horizontally within the Commission and amongst EU institutions, but also vertically, as economic security touches on issues perceived as being closely connected to national sovereignty. This tension often translates into complex governance arrangements. For instance, the foreign direct investment (FDI) screening framework mobilises the Commission to oversee screening while leaving the final say over specific investments to the Member States.[13]

In January 2024 the Commission published its 'Economic Security Package', a set of initiatives to put the 2023 strategy into practice.[14] The package consisted of several legislative and policy instruments aimed at refining the Union's defensive capabilities. At its core was a proposal to revise the existing framework for FDI screening, which sought to mandate that all Member States establish screening mechanisms while expanding the scope of transactions subject to oversight.[15] Beyond inbound capital, the Commission also introduced white papers exploring the necessity of monitoring outbound investments in sensitive technologies and harmonising export controls for dual-use goods, such as advanced semiconductors and artificial intelligence.[16] Furthermore, the package included a proposed Council Recommendation on enhancing research security to protect European intellectual property from foreign interference, alongside a strategy to bolster support for research into dual-use technologies.[17]

By integrating these various tools, the Commission took steps to transition from general 'de-risking' rhetoric towards a concrete regulatory regime designed to safeguard the EU's strategic interests in an increasingly volatile global economy. At the time of writing (May 2026), some of these initiatives have advanced considerably. Most notably, a political agreement on reforming the FDI Screening Regulation was reached in December 2025.[18] Other initiatives have advanced with greater difficulty – see, for example, the reform of the dual-use export control rules, where the 2024 white paper proposed that the evaluation of the 2021 reforms be brought forward from 2026 to early 2025, but where at the time of writing no formal evaluation has been started.[19]

A WORKSHOP AND A SPECIAL ISSUE DEDICATED TO ECONOMIC SECURITY

This special issue of the Utrecht Law Review (ULR) touches on several complexities raised by the emerging economic security paradigm. The issue has its origins in a workshop organised by the Utrecht Centre for Regulation and Enforcement in Europe (RENFORCE) in late 2024. Aptly titled 'Questioning Economic Security', the workshop brought together early-career scholars to present cutting-edge research on how economic security as a concept and a discourse influences EU trade law and policy. Participants were selected following a call for abstracts, which invited authors to submit abstracts that

12 On how DG Trade has adapted to the 'geoeconomic turn' in international trade policy, see Sjorre Couvreur, 'Inside the European Union's Trade Machinery: Institutional Changes in an Age of Geoeconomics' (2025) 63 JCMS: Journal of Common Market Studies 284 <https://doi.org/10.1111/jcms.13625>.

13 For a critical analysis of this framework, see Thomas Verellen, 'When Integration by Stealth Meets Public Security: The EU Foreign Direct Investment Screening Regulation' (2021) 48 Legal Issues of Economic Integration 19.

14 European Commission, 'Commission presents new initiatives to strengthen economic security' (Press Release, IP/24/363, 24 January 2024) <https://ec.europa.eu/commission/presscorner/detail/en/ip_24_363> accessed 6 May 2026.

15 European Commission, 'Proposal for a Regulation of the European Parliament and of the Council on the screening of foreign investments in the Union and repealing Regulation (EU) 2019/452 of the European Parliament and of the Council' COM (2024) 23 final.

16 See respectively European Commission, 'White Paper on Outbound Investments' COM (2024) 24 final; European Commission, 'White Paper on Export Controls' COM (2024) 25 final.

17 European Commission, 'Proposal for a Council Recommendation on enhancing research security' COM (2024) 26 final.

18 European Commission, 'Revision of the EU's foreign investment screening mechanism' (11 December 2025) <https://policy.trade.ec.europa.eu/news/revision-eus-foreign-investment-screening-mechanism-2025-12-11_en> accessed 6 May 2026.

19 European Commission, 'White Paper on Export Controls' COM (2024) 25 final, 13.

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question the concept of economic security and the role it plays in discourses within the EU trade law/policy epistemic communities, or that engage with the repercussions of the EU's economic security agenda on non-trade related constitutional values such as the rule of law, fundamental rights and democracy. Interrogations on the legality of EU trade instruments and their application under international (economic) law principles, or historical or comparative analyses that aim to uncover the drivers and core features of economic security narratives across time and place are also very much welcomed.

Following the workshop, authors were invited to submit papers to ULR, where the papers went through the journal's regular double blind peer review process. Dr Charlotte Mol, a member of the journal's editorial board who was not involved in organising the 2024 workshop, oversaw the editorial process.

The contributions to this special issue cover several initiatives spearheaded by the European Commission in its Economic Security Package. Three of the contributions to the special issue maintain a sectoral focus:

- **Eleftheria Asimakopoulou** writes about 'resource security', examining the EU's capacity to reduce dependence on third-country imports and increase raw material extraction. Her paper explores how the reliance on soft law instruments – specifically raw material partnerships with countries like Canada, Chile or Namibia – creates risks of human rights abuses, highlighting the tension between security and the EU's constitutional commitment to human rights.
- **Brendan Walker-Munro** explores the tension between economic security and academic freedom. As economic sanctions and controls increasingly penetrate the university sector, he draws on the legislative experiences of the UK and Canada regarding 'research security' to offer recommendations for EU Member States. He demonstrates that economic security now extends into education policy, where the EU's role is historically limited.
- **Vittoria Morrone** examines the interface between FDI screening and the internal market. She highlights how the FDI screening regulation risks fragmenting the single market, particularly as recent reforms extend screening to EU-based companies with non-EU ultimate ownership. She asks whether existing Court of Justice of the European Union case law is sufficient to protect the integrity of the internal market against increasing reliance on security justifications.

In the fourth and final contribution, **Lukas Schaupp** adopts a transversal, constitutional viewpoint. He examines legislative initiatives connected to the economic security agenda from the perspective of their legal basis, arguing that the choice between the internal market (article 114 Treaty on the Functioning of the European Union (TFEU)),[20] industrial policy (article 173 TFEU) or the CCP (article 207 TFEU) does more than just grant power – it shapes the contours of what is considered politically and legally 'imaginable'.

Each of these four contributions demonstrates that 'economic security' – a concept yet to be clearly defined by the Commission – is multifaceted and controversial. While issues like the erosion of accountability through soft law instruments or the effects of securitisation on the institutional balance or the rule of law are not new,[21] the economic security paradigm puts new and additional pressure on human rights, academic freedom, institutional balance and the Union's economic *acquis*. As this special issue illustrates, there is an enduring need for critical legal research that combines analytical precision with an unwavering commitment to constitutional values – conversations that ULR is proud to support and advance.

Dr Thomas Verellen
Managing Editor of ULR and Special Issue Convener

20 The Treaty on the Functioning of the European Union [2012] OJ C326/47.

21 The accountability challenges posed by soft law in eg the migration context are well-recorded. See here eg Ilaria Ronconi and Salvatore Nicolosi, 'The Informal Turn: Soft Law Regulatory Frameworks in European Union External Relations' (2026) 31 European Foreign Affairs Review 123 <https://doi.org/10.54648/eerr2026016>. Across the Atlantic, securitisation discourses in the framework of the 'war on terror' have been understood to contribute to the erosion of the rule of law, going as far as to lead to the creation of what Johan Steyn called 'legal black holes' where the rule of law no longer applied. See seminally Johan Steyn, 'Guantanamo Bay: The Legal Black Hole' (2004) 53 The International and Comparative Law Quarterly 1.

COMPETING INTERESTS

The author has no competing interests to declare.

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