GLOBALIZATION AND NATIONAL ECONOMIC SECURITY A FOCUSED LITERATURE REVIEW OF INTERDEPENDENCE, VULNERABILITY, AND ECONOMIC RESILIENCE

Author:**Yusupov Hojiakbar**
Institutional affiliation: Tashkent State University of Economics Corresponding author:
hojiakbaryusupoff@gmail.com

Abstract

Globalization creates opportunities for productivity growth and development while exposing national economies to disruptions transmitted through cross-border production, financial, and technological networks. This article examines the conditions under which international integration strengthens or weakens national economic security. It employs a focused qualitative literature review of five purposively selected publications issued between 2019 and 2025, combining a peer-reviewed theoretical study with institutional research and policy reports. The material is organized around development benefits, dependency structures, adjustment constraints, and policy responses. The synthesis identifies three principal relationships: integration can expand productive capacity; concentrated and

difficult-to-substitute dependencies can magnify disruption; and resilience measures entail costs that require differentiated assessment. The article develops an analytical distinction between openness, exposure, and vulnerability and proposes a sector-specific assessment framework based on criticality, supplier concentration, substitutability, recovery time, and institutional capacity. Its discussion argues that economic security should be understood as the capacity to sustain essential economic functions and household welfare rather than as complete national self-sufficiency.

Targeted diversification, domestic capability development, transparent governance, and international cooperation emerge as complementary approaches. The findings are interpretive rather than causal and do not represent new statistical estimates.

The article concludes that the central policy challenge is to improve the quality and resilience of international integration without unnecessarily sacrificing its economic benefits.

Keywords: globalization, national economic security, economic resilience, global value chains, geoeconomic fragmentation, supply chain diversification

Introduction

Globalization is understood here as the increasing cross-border organization of trade, production, investment, and knowledge exchange. Its significance extends beyond the volume of international transactions: it changes how national economies acquire productive inputs, access markets, and respond to disturbances. The World Bank (2020) identifies global value chains as an important channel of trade-led development, emphasizing that their contribution to growth, employment, and poverty reduction depends on domestic reforms, predictable external policies, and

multilateral cooperation. Consequently, integration is neither an automatic guarantee of development nor an inherently destabilizing condition. Its effects depend on the structure of participation and the institutions that support it.

© Ushbu material Creative Commons Attribution 4.0 International (CC BY 4.0) litsenziyasi asosida tarqatiladi.

For this article, national economic security is defined operationally as an economy's capacity to maintain essential production, reliable access to critical goods and services, macroeconomic stability, and household welfare while adapting to external shocks. This definition distinguishes economic security from the protection of every domestic producer against international competition. A country can import extensively while remaining resilient if it has credible alternatives and effective adjustment mechanisms. Conversely, a relatively closed economy may remain vulnerable if domestic production depends on a single infrastructure system, limited technical capabilities, or concentrated sources of financing. Economic security therefore concerns continuity and adaptability, not simply the nationality of suppliers.

Aiyar et al. (2023) describe geoeconomic fragmentation as a policy-driven reversal of international integration and identify trade, capital flows, migration, technology diffusion, and global public goods as channels through which its costs may arise. The World Trade Organization (WTO, 2023), by contrast with arguments for broad disengagement, makes the case that wider participation in trade and stronger cooperation can contribute to security, inclusion, and sustainability. These perspectives establish a central research problem: policies intended to reduce exposure to external disruption may also weaken productive capacity or reduce the range of available alternatives.

Theoretical Perspectives and Research Gap

The literature considered here offers complementary explanations of the integration–security relationship. The development perspective emphasizes access to markets, inputs, investment, and knowledge. The network perspective examines asymmetric dependence and the distribution of control within interconnected systems. Farrell and Newman (2019) show how concentrated financial and information networks can create structural advantages for actors with jurisdiction over central nodes, identifying information-access and network-exclusion mechanisms. This article uses their conceptual insight to distinguish mutually beneficial exchange from dependence on a difficult-to-replace network position; it does not treat ordinary participation in international commerce as equivalent to vulnerability.

Ahn and Tan (2025) add an adjustment-based explanation: frictions in goods, labor, and local factor markets prevent the immediate reconfiguration of supply chains, making some concentrated dependencies costly to replace. Taken together, these approaches suggest that aggregate measures of openness cannot fully explain economic security. Within the selected literature, development gains, network asymmetry, and adjustment costs are addressed from distinct analytical perspectives. The contribution of this article is to bring those perspectives into a common assessment framework, rather than to claim that the broader literature has overlooked their relationship.

The study addresses three questions: (1) Through which mechanisms can globalization support national economic security? (2) Under what conditions does interdependence become a source of vulnerability? (3) Which policy principles can

reconcile resilience with the benefits of international integration? Its objective is to develop a transparent, literature-grounded interpretation of these relationships. The analysis has a global scope and does not estimate outcomes for a particular country. The following sections describe the review method, present its thematic results, and discuss policy implications and limitations.

Methods

Research Design and Source Selection

This study uses a focused narrative literature review with qualitative thematic synthesis. Public web searches were conducted on October 29, 2026, using combinations of globalization, national economic security, geoeconomic fragmentation, global value chains, supply chain resilience, and diversification.

© Ushbu material Creative Commons Attribution 4.0 International (CC BY 4.0) litsenziyasi asosida tarqatiladi.

Searches prioritized official institutional publication pages and the publisher page of a relevant scholarly article. A supplementary enterprise search for assignment-specific material returned no relevant files. The review was designed to establish a defensible conceptual foundation rather than to identify every publication on the topic. It is not a systematic review, meta-analysis, or original econometric investigation.

Five publications were selected purposively. Inclusion required direct relevance to at least one research question, identifiable authorship or institutional responsibility, verifiable bibliographic information, and accessible substantive descriptions of arguments or findings. The selected publications appeared between 2019 and 2025; this range describes the final corpus rather than a claim of comprehensive temporal coverage. Duplicate listings, preliminary drafts where a final publication was available, and commentary that merely repeated another publication were not treated as independent evidence. Source examination used publicly available publication summaries, abstracts, and accessible report material; the review does not claim full-text coding of every included document.

Table 1

Evidence Base and Analytical Role of the Selected Publications

Publication	Evidence type	Role in the review
Farrell and Newman (2019)	Peer-reviewed theoretical article with case-based analysis	Network asymmetry and dependence on central nodes
World Bank (2020)	Institutional development report	Global value chains and development conditions
Aiyar et al. (2023)	Staff discussion note	Channels of fragmentation and multilateral coordination
World Trade Organization (2023)	Institutional trade report	Trade, security, and re-globalization
Ahn and Tan (2025)	Working paper with a general equilibrium model	Diversification, adjustment rigidities, and welfare trade-offs

Note. The table describes the selected corpus, not an exhaustive evidence inventory. Institutional reports and working papers are distinguished from peer-reviewed

research. Arguments in staff research publications should not automatically be attributed to the sponsoring institution as official policy.

Analytical Procedure

The retrieved material was organized into four thematic categories: productive and developmental benefits; concentration and asymmetric dependence; adjustment constraints and shock transmission; and resilience-oriented policy responses.

Statements were compared according to the mechanism identified, the conditions attached to the claim, and the type of evidence supporting it. The synthesis retained differences between theoretical propositions, model-dependent results, and institutional policy arguments. No effect sizes were pooled,

© Ushbu material Creative Commons Attribution 4.0 International (CC BY 4.0) litsenziyasi asosida tarqatiladi.

no model was recalibrated, and no statistical significance tests were undertaken. Convergence across publications was treated as conceptual support rather than as proof of causation.

The analysis separates three concepts. Openness refers to participation in cross-border exchange. Exposure refers to the economic activities potentially affected by an external disturbance. Vulnerability refers to the expected severity and persistence of disruption after available substitution and adjustment mechanisms are considered.

This distinction is the article's analytical formulation, not a validated measurement scale. It guides the interpretation of the literature and the construction of a proposed diagnostic framework. The Results section reports the thematic synthesis; recommendations and evaluative judgments are reserved for the Discussion.

Results

Integration as a Source of Productive Capacity

The World Bank (2020) reports that participation in global value chains can support growth, better employment opportunities, and poverty reduction when complementary reforms and predictable policies are present. The WTO (2023) likewise presents trade and multilateral cooperation as resources for improving security and development rather than simply as sources of external risk. The thematic synthesis therefore identifies a capacity-building pathway: integration can improve access to productive resources and markets, which may strengthen the material foundations of economic security. This finding is conditional; neither source establishes that all forms of integration benefit every sector or household equally.

The analytical implication is that economic security contains a development dimension. Maintaining domestic production at any cost does not necessarily preserve welfare if it limits access to affordable inputs, reduces competitiveness, or delays technological upgrading. At the same time, aggregate gains do not establish that adjustment burdens are evenly distributed. The synthesis distinguishes the creation of national productive opportunities from the domestic institutions needed to translate those opportunities into resilient livelihoods. This distinction prevents an increase in trade or investment from being interpreted, by itself, as evidence of improved economic security.

Concentration and Difficult-to-Replace Dependencies

Farrell and Newman (2019) demonstrate that interconnected networks can be highly asymmetric, with particular nodes occupying central positions in financial and informational exchange. Ahn and Tan (2025) show, within their trade model, why market rigidities can limit an economy's ability to change suppliers rapidly after a shock. Read together, these studies identify a distinction between interconnectedness and replaceability. A connection becomes especially consequential when it provides an essential function, alternatives are limited, and switching requires prolonged adjustment. The review does not find a basis for equating all foreign sourcing with the same level of risk.

A hypothetical illustration clarifies this mechanism without introducing country-specific evidence. An economy may obtain a critical component from several vendors, yet all vendors may depend on the same upstream producer or transport corridor. Vendor counts would then overstate the independence of supply options. Conversely, a large import share may be compatible with resilience when products are standardized, inventories are adequate, and substitute suppliers are readily available. The framework developed here therefore treats concentration, common upstream dependence, and

© Ushbu material Creative Commons Attribution 4.0 International (CC BY 4.0) litsenziyasi asosida tarqatiladi.

switching constraints as separate diagnostic questions. These examples are analytical illustrations, not observed case-study findings.

Fragmentation and the Resilience–Efficiency Trade-Off

Aiyar et al. (2023) identify multiple channels through which fragmentation can reverse gains associated with economic integration, including trade, capital movements, technology diffusion, and cooperation on global public goods. The WTO (2023) argues that fragmentation is a less effective response to global challenges than wider integration supported by multilateral cooperation. These findings indicate that policies intended to reduce external dependence must be assessed together with their consequences for development, market access, and collective problem-solving.

Eliminating one form of exposure may introduce other constraints rather than produce a net security improvement.

Ahn and Tan (2025) find that diversifying selected imports can improve expected welfare when the probability of a large trade shock is sufficiently high, particularly for imports that are more exposed to shocks, positioned upstream, or subject to stronger adjustment rigidities. This result is obtained within a specified model and is not a universal estimate of the benefits of diversification. Its importance for the review lies in its conditional structure: resilience investments have normal-period costs and potential disruption-period benefits. The appropriate response therefore depends on the type of dependence, the feasible alternatives, and assumptions about shock probability and severity.

A Proposed Diagnostic Framework

The thematic synthesis generates a sector-specific diagnostic framework for future application. Its purpose is to identify which dependencies merit detailed investigation, not to rank countries or calculate a numerical security score. Five dimensions are proposed: the essentiality of the affected function; concentration and common-source dependence; availability of substitutes; time needed for operational recovery; and institutional capacity to manage adjustment. Each dimension requires empirical information before conclusions can be drawn. A national assessment

should therefore distinguish documented vulnerabilities from assumptions based solely on import shares or broad sector labels.

Table 2

Proposed Dimensions for Assessing Economic Vulnerability

Dimension	Assessment question	Potential evidence
Criticality	Would interruption endanger essential services or cause persistent production losses?	Essential-service definitions and sectoral input–output linkages
Concentration	Do apparent alternatives share the same supplier, upstream source, or corridor?	Supplier shares, upstream mapping, and route dependence
Substitutability	Can equivalent inputs or services be obtained at acceptable cost and	Alternative capacity, technical compatibility, and qualification

© Ushbu material Creative Commons Attribution 4.0 International (CC BY 4.0) litsenziyasi asosida tarqatiladi.

	quality?	requirements
Recovery time	How long would reconfiguration take relative to available buffers?	Lead times, inventories, and contingency exercises
Institutional capacity	Can institutions coordinate a transparent and proportionate response?	Continuity arrangements, regulatory capability, and monitoring systems

Note. This framework is the article's analytical synthesis. It has not been empirically validated, and the indicators are illustrative rather than a standardized index. No weighting scheme or universal threshold is proposed.

Discussion

Economic Security as Resilient Integration

The results support an interpretation of economic security centered on resilient integration rather than unconditional openness or comprehensive self-sufficiency. This interpretation combines the capacity-building opportunities of international exchange with attention to dependencies that cannot be adjusted quickly. The central distinction is between reducing exposure and reducing vulnerability. Exposure can sometimes be lowered by withdrawing from a market, whereas vulnerability can also be reduced by increasing alternatives, improving adaptability, and strengthening domestic institutions. These strategies should be compared rather than assumed to be interchangeable.

The development arguments of the World Bank (2020) and the cooperation-oriented analysis of the WTO (2023) suggest that productive capacity and external connectivity can be mutually reinforcing. The network approach of Farrell and Newman (2019), however, cautions against treating interdependence as structurally equal. The article therefore argues that a defensible economic security strategy must hold both propositions simultaneously: international exchange can support welfare,

and particular network structures can create dependence. Recognizing one proposition does not require rejecting the other.

Policy Implications

First, assessment should precede intervention. Authorities and firms should distinguish essential functions from broadly defined strategic sectors and examine upstream dependencies, substitution constraints, and recovery times. The proposed framework offers a way to organize this diagnosis. Its application would require reliable sectoral information, consultation about technical feasibility, and explicit acknowledgment of uncertainty. Import dependence alone is an insufficient basis for concluding that a particular policy will improve security.

Second, diversification should be targeted rather than indiscriminate. Ahn and Tan (2025) provide model-based support for focusing on imports with higher shock exposure, upstream importance, and stronger adjustment rigidities. The implication is not that every input needs more suppliers, but that costly resilience investments should be directed toward dependencies where interruption would be

© Ushbu material Creative Commons Attribution 4.0 International (CC BY 4.0) litsenziyasi asosida tarqatiladi.

especially difficult to manage. Alternative suppliers should also be examined for shared upstream sources; diversification that exists only at the contractual level may not materially increase available options.

Third, domestic capability development should complement international participation. The World Bank (2020) emphasizes complementary reforms as a condition for development gains from global value chains. Building technical skills, dependable infrastructure, and regulatory capability may improve the capacity to adapt without requiring the elimination of beneficial foreign relationships. Where domestic production is considered for an essential good, its full input dependence and operational feasibility should be evaluated. A domestic facility that relies on the same constrained foreign input may relocate the final production stage without resolving the underlying vulnerability.

Fourth, resilience measures require transparent governance. Economic security is a broad concept and can be used to justify interventions whose objectives are insufficiently specified. This article recommends explicit problem definitions, consideration of feasible alternatives, public evaluation criteria where appropriate, and periodic reassessment. Measures should identify the essential function they seek to protect and explain how the proposed instrument addresses its vulnerability.

Maintaining competition and avoiding unnecessary restrictions are important evaluation principles, alongside continuity of essential services. These recommendations are normative implications of the framework, not effects estimated by the review.

Fifth, international cooperation remains a component of domestic security. Aiyar et al. (2023) identify the provision of global public goods and the international financial system among the areas affected by fragmentation. The WTO (2023) argues that strengthened multilateral cooperation can address security and development challenges more effectively than fragmentation. The implication is that national resilience cannot be evaluated solely through domestic production decisions. Predictable trade arrangements, coordination, and access to diverse international networks can expand the resources available when disruption occurs.

Implications for Developing Economies

The World Bank (2020) presents global value chain participation as a development opportunity that depends on deeper domestic reforms and supportive international conditions. For developing economies, the framework suggests that security and development objectives should be assessed jointly. Expanding export capabilities, strengthening local firms' technical capacity, and improving access to multiple supply and transport options may be complementary rather than competing goals. Because this article does not analyze national datasets, these are general implications, not findings about any particular developing country.

Policy prioritization is especially important when institutional and financial resources are limited. The framework does not prescribe reproducing complete international value chains domestically. Instead, it directs attention to essential functions and feasible improvements in adaptability. A country-level application would need to examine sectoral production structures, external financing conditions, logistics dependence, and the distribution of adjustment burdens. Such evidence could reveal whether capability development, diversified international access, or a combination of the two is the more practical response to a particular vulnerability.

Limitations and Future Research

This review has several limitations. Its small, purposively selected corpus cannot represent the full diversity of research on globalization and economic security. The emphasis on major institutional publications may privilege policy perspectives that favor integration, while the single peer-reviewed

© Ushbu material Creative Commons Attribution 4.0 International (CC BY 4.0) litsenziyasi asosida tarqatiladi.

theoretical article cannot substitute for a broader scholarly comparison. Source examination relied on retrieved summaries, abstracts, and accessible report material rather than complete full-text analysis of every document. No independent reviewer, formal quality-rating instrument, or reproducible systematic screening protocol was used. These constraints limit completeness and make the synthesis interpretive.

In addition, model-based findings depend on assumptions about adjustment rigidities, shock probabilities, and economic structure. They should not be treated as universal predictions or as empirical estimates generated by this article. The proposed diagnostic dimensions have not been tested for predictive accuracy, and no numerical thresholds are established. The review also does not provide a comprehensive account of developments in 2026 or evaluate particular national security policies. Its contribution is a conceptual framework grounded in selected literature, not a current global risk forecast.

Future research could broaden the corpus through a systematic multilingual review and test the framework using sectoral trade, input–output, supplier, and recovery-time data. Comparative studies could examine whether concentration and substitutability explain disruption outcomes more effectively than aggregate openness alone. Longitudinal analysis could investigate whether resilience measures improve continuity without creating excessive long-term adjustment costs. Finally, household-level and regional evidence could clarify how the gains from integration and the burdens of disruption are distributed. Such extensions would strengthen the empirical basis for interpreting national economic security.

Conclusion

This article examined globalization and national economic security through a focused qualitative review. The synthesis indicates that international integration can strengthen productive capacity, while concentrated and difficult-to-replace dependencies can expose essential functions to persistent disruption. It also shows why resilience responses must account for their costs and for the economic opportunities they may restrict. The resulting analytical distinction between openness, exposure, and vulnerability provides a more precise basis for discussion than a simple opposition between globalization and national self-sufficiency.

The article's principal argument is that economic security concerns the continuity of essential activities and the capacity to adapt, rather than the absence of international dependence. A sector-specific approach should examine criticality, concentration, substitutability, recovery time, and institutional capacity before selecting an intervention. Targeted diversification, capability development, accountable governance, and multilateral cooperation can then be assessed as complementary instruments. These conclusions remain conceptual and require country- and sector-level validation. The broader challenge is not merely to participate less in globalization, but to participate in ways that sustain welfare, preserve alternatives, and improve resilience.

Manuscript Declarations

Data availability: No original dataset was generated. The evidence base consists of the publicly available publications listed below.

Ethics: The study involved no human participants and no collection of personal data. Any journal-specific ethics declaration should be confirmed before submission. **Funding:** [Author to disclose funding or confirm that no external funding was received.]

Competing interests: [Author to disclose any relevant interests or confirm their absence.]

Author contributions: [Author to complete according to the target journal's requirements.]

© Ushbu material Creative Commons Attribution 4.0 International (CC BY 4.0) litsenziyasi asosida tarqatiladi.

AI assistance: This manuscript was drafted with generative AI assistance. The submitting author should independently verify the claims and references, revise the manuscript as needed, and follow the target journal's disclosure policy.

References

1. Ahn, J., & Tan, B. J. (2025). Supply chain diversification and resilience (IMF Working Paper No. 2025/102). International Monetary Fund. https://doi.org/10.5089/9798229011419.001
2. Aiyar, S., Chen, J., Ebeke, C. H., Garcia-Saltos, R., Gudmundsson, T., Ilyina, A., Kangur, A., Kunaratskul, T., Rodriguez, S. L., Ruta, M., Schulze, T., Soderberg, G., & Trevino, J. P. (2023). Geoeconomic fragmentation and the future of multilateralism (Staff Discussion Note No. 2023/001). International Monetary Fund. https://doi.org/10.5089/9798400229046.006
3. 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
4. World Bank. (2020). World development report 2020: Trading for development in the age of global value chains. https://doi.org/10.1596/978-1-4648-1457-0
5. World Trade Organization. (2023). World trade report 2023: Re-globalization for a secure, inclusive and sustainable future. https://www.wto.org/english/res_e/publications_e/wtr23_e.htm

© Ushbu material Creative Commons Attribution 4.0 International (CC BY 4.0) litsenziyasi asosida tarqatiladi.