Connectivity keeps global trade on even keel

By Abdul Wahed Jalal Nori | China Daily | Updated: 2026-08-18 09:48


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The tensions around the Strait of Hormuz are often viewed through the familiar lens of Middle Eastern geopolitics. While this is understandable, it misses the broader picture. The real issue lies in a structural weakness that has quietly been building for decades: the world economy has become extraordinarily efficient, but remains dangerously dependent on a handful of strategic corridors. The lesson from Hormuz is therefore not about a single waterway, but about the future of globalization itself.

For much of the post-Cold War era, globalization was based on the assumption that deeper economic interdependence would gradually reduce geopolitical risks.

As production networks expanded, trade volumes surged and supply chains stretched across continents, many believed that disrupting global commerce would be too costly for any rational actor. Yet recent events suggest that interdependence has merely changed the nature of vulnerability rather than eliminating it.

This paradox has become more visible over the past five years. The COVID-19 pandemic exposed the fragility of concentrated manufacturing networks. The 2021 Suez Canal blockage revealed how a single incident could disrupt global commerce. Attacks on commercial shipping in the Red Sea forced vessels to take longer and costlier routes, while the recent tensions in Hormuz reminded the world that even the perception of disruption can trigger higher insurance premiums, volatile energy prices and renewed inflationary pressures. These are not isolated events. Together, they reveal a common structural reality: the arteries of globalization have become its biggest strategic vulnerability.

History offers a valuable perspective. Civilizations have seldom thrived solely due to abundant resources or superior military power. Their influence rested equally on securing the routes through which goods, technology and ideas moved. The ancient Silk Road connected civilizations across Eurasia. Venice flourished by protecting Mediterranean commerce. Britain's maritime supremacy opened the door to global trade. While the strategic geography has changed, the underlying principle has not. Today's shipping lanes, energy corridors, undersea communication cables and digital networks perform the same function. They are the invisible infrastructure upon which modern prosperity depends.

What distinguishes the present era is the unprecedented degree of interdependence. Businesses pursued efficiency by minimizing inventories, concentrating production and relying on just-in-time delivery. Governments encouraged open markets, assuming that commercial integration would naturally reinforce stability. This model generated remarkable growth, lifted millions out of poverty and accelerated technological progress. But resilience was sacrificed in pursuit of efficiency. The more optimized the system became, the less capable it was of absorbing unexpected shocks.

This marks a profound shift in international politics. During much of the 20th century, strategic competition revolved around territory, ideology and military alliances. Today, it increasingly revolves around the resilience of connectivity. Maritime chokepoints, ports, logistics hubs, semiconductor supply chains, energy infrastructure and digital networks have become strategic assets whose uninterrupted functioning is essential not only to economic prosperity but also to national security. The central question is no longer who controls the largest territory, but who can sustain the networks upon which global commerce depends.

For Asia, the implications are especially significant. The region has become the center of global manufacturing, innovation and trade, yet its success remains closely tied to secure maritime connectivity. Energy imported through the Strait of Hormuz fuels industries in Asia. The Strait of Malacca is one of the world's busiest commercial arteries. Disruptions in the Red Sea affect exports from East Asia to European markets. Geography has once again emerged as a decisive factor in economic strategy — not because borders have become more important, but because connectivity has become indispensable.

This changed environment calls for a different strategic mindset. Instead of viewing resilience as the opposite of efficiency, policymakers should recognize that resilience is now a prerequisite for sustainable growth. Diversified transport corridors, robust regional logistics, digital infrastructure, strategic reserves and supply-chain flexibility are no longer optional economic policies; they are essential components of long-term national security.

China's long-term emphasis on connectivity should be seen within this broader context. Initiatives to strengthen infrastructure, expand transport corridors and improve regional connectivity are often discussed primarily in terms of trade and development. But they also help build a more resilient international trading system. In an era characterized by geopolitical uncertainty, diversified connectivity reduces systemic risk, bolsters regional stability and supports continued economic integration.

The Association of Southeast Asian Nations is equally central to this evolving landscape. Positioned at one of the most strategically significant locations in the global economy, ASEAN's significance extends beyond facilitating trade. It can play a larger role in strengthening maritime governance, improving regional information sharing, coordinating emergency shipping arrangements and promoting practical cooperation on supply-chain resilience. Such initiatives would reinforce ASEAN's long-standing commitment to dialogue, openness and regional stability while contributing to the security of global commerce.

Looking ahead, three priorities deserve greater attention. First, governments should diversify critical transport and supply networks so that no single corridor becomes an overwhelming point of failure. Second, strategic foresight should become a core function of economic governance through regular stress-testing, scenario planning and horizon scanning. Third, major trading nations should deepen cooperation on protecting the global commons — from shipping lanes to digital infrastructure — because the stability of these systems serves a shared international interest rather than the interests of any one country alone.

The Strait of Hormuz is not simply another geopolitical flashpoint, but a reminder that globalization is entering a new phase. The first era of globalization rewarded efficiency above all else. The next will reward resilience, diversification and strategic foresight. Nations that recognize this transition early will be better equipped to navigate an increasingly uncertain international environment.

The defining competition of the 21st century will not be determined solely by military capabilities or economic size. It will also be shaped by the ability to keep the world's essential arteries open, resilient and trusted. In that sense, the real lesson from Hormuz is not about the Middle East. It is about how the international community chooses to safeguard the future of globalization itself.

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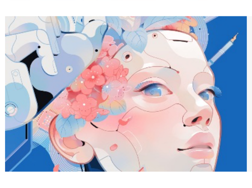

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