Briefing Note: The Forthcoming Critical Minerals Strategy: A Test Case in Securonomics?

Introduction

As geopolitical competition for control over physical infrastructure, technologies and resources increasingly shapes our future, the term 'securonomics' captures a new political economy of reindustralisation in capitalist democracies. As conflict and discontent unravel liberal globalisation, a postliberal order is emerging where national and economic security are intertwined – with access to the metals and materials that drive digitalisation, decarbonisation and defence reindustrialisation determining who makes and breaks the future of capitalism.

States are rebuilding their industrial base to secure supply chains as conflict and competition fractures global trade, re-establishing their defence manufacturing capability and energising the net zero transition by accelerating the green industries of the future. The new focus on critical minerals as part of these transformations expresses a shift from an 'anywhere' economy of services and global supply chains to a 'somewhere' economy based on control over physical resources and strategic assets rooted in place.

At the UKRI-funded Critical Minerals Challenge Centre in Cornwall, in the South West of the UK, we are surrounded by natural assets rooted in place, and strategically pivotal to security and sustainability, including a granite bedrock with globally-significant resources of tin, lithium and tungsten which will be mined once again; clear starlit skies sustaining space, satellite and telecommunication infrastructure; and windswept coasts with deep waters supporting ports, shipyards and offshore renewable energy.

The future will be fought and won in resource-rich rural and coastal geographies like Cornwall, and critical minerals epitomise the role that reindustrialisation will play in powering and protecting democracies in this 'age of unpeace', as Mark Leonard terms it. A further driver is the politics of legitimacy: industrial strategy must translate into tangible local gains - jobs, services, safety, and opportunity - or risk ceding ground to populist narratives that frame transition as a threat.

The term 'securonomics' was coined by the Chancellor of the Exchequer Rachel Reeves to capture and respond to these dynamics and how the UK's political economy can adapt in their wake. The UK government's evolving industrial policy framework — including the Modern Industrial Strategy, National Security Strategy 2025, and the new Critical Minerals Strategy — reflects this shift from liberal globalisation to a post-liberal, security-oriented political economy.

Looking to the Critical Minerals Strategy, this policy briefing summarises insights from a roundtable on these themes, held with twenty parliamentarians, policymakers and industry experts held at the Houses of Parliament in September 2025 in partnership with the Foundation for European Progressive Studies and Progressive Britain. It also builds on insights from an existing piece for Progressive Britain, and an upcoming report on European industrial policy to be published by the Foundation for European Progressive Studies.

It is the contention of this briefing, based on the roundtable, that these should all be part and parcel of the Critical Minerals Strategy actions – which should be as much about what the UK Energy Research Centre terms 'statecraft' as strategy alone. Whilst the previous Critical Minerals Strategy included securing international supply for the green transition, the strategy actions must meet the challenge of the issues identified above, broadening its scope beyond sustainability, to support sovereign value chains and offer a vision for how our mineral wealth can build the UK's power and influence in a fractured world.

At the same time, this statecraft must augment 'securonomics from above' tied to national security with 'securonomics from below': everyday economic security in places whose natural resources make them strategically pivotal to the future of the UK.

Actions in a new Critical Minerals Strategy

In a conversation focused on the possibilities of securonomics as an anchoring principle for industrial policy, the roundtable heard how Cornwall is a proving ground for whether a security-oriented, productivist industrial strategy can build sovereign capacity in the most exposed parts of the value chain, anchor value and good work locally, and sustain democratic consent by delivering visible improvements in people's lives.

Critical minerals such as tin, lithium, and tungsten are essential to the UK's national security, economic resilience, defence, and the green digital/energy transitions. The sector is a proof of concept for the government's securonomics agenda, linking industrial revival with geopolitical strategy. Cornwall and other mineral-rich regions offer a place-based opportunity to reindustrialise rural and peripheral areas through high-skilled, high-wage jobs.

To support this potential, the forthcoming Critical Minerals Strategy actions must support domestic extraction, refining, manufacturing, and recycling as pillars of sovereign capability; define critical minerals in the context not only of sustainability but security amidst digital and geopolitical transformation; and focus on a broader political-economic reset that can underpin the jobs and local growth that the sector offers. Some of the specific insights from the roundtable include the following:

- **The midstream is imperative:** without UK-based processing/refining, domestic extraction alone risks repeating past boom-and-bust patterns and exporting the bulk of value-added development elsewhere. Participants in the roundtable felt that the end-to-end ecosystem will be decisive to any Critical Minerals Strategy, with a co-located midstream circumventing the resource paradox of exporting minerals without retaining value, and building out jobs and local growth.
- **Success will hinge on mission-driven governance** that combines centralisation for pace and scale with participation from workers and communities in order to reconcile national objectives with local consent and content.
- **Public finance must be patient and purposeful to crowd in private investment**, with procurement levers and export support used to underpin maintenance of sovereign capability that can be turned to domestic ends in the context of crises and conflicts. Within overarching security concerns, an agnostic approach to end purchasers of

products can be compatible with national strategy: sales to overseas buyers can lock in local benefit whilst preserving capacity to redirect supply to sovereign purposes.

- **Place is seen not just a vital principle but has a part to play in productivity**: grid connectivity, planning capacity, housing and transport are preconditions for recruiting and retaining talent centred on the "right to stay" for local young people hoping for a good job in the places they are from.
- **The sector's mining-services strengths are a complementary export** (engineering, consultancy, ESG advisory), reinforcing domestic capability and UK influence in standard-setting. Weakening international ESG standards increases the strategic and commercial premium on UK responsible production; social-science research (alongside STEM) helps address institutional and political barriers to delivery.
- **Consistent strategic capacity requires cycle-tolerant public tools** to prevent capability loss during downturns, because critical minerals exhibit high capital intensity combined with price volatility.; exports should be encouraged so long as contracts lock in local benefit and preserve the ability to redirect capacity to sovereign purposes in crisis.

In these respects, the forthcoming Critical Minerals Strategy actions would build on the Modern Industrial Strategy which is supported by several other strategies, policies, and sector plans. It is crucial that the forthcoming strategy bring together these measures under a single mission-driven agenda.

Although not mentioned in the initial draft, the final Modern Industrial Strategy reflected the recommendations from consultation responses to embed critical minerals as a 'Foundational Industry' material vital to UK reindustrialisation across the eight growth-driving sectors from clean energy and advanced manufacturing to defence, as well as being central to the Clean Energy and Net Zero clusters.

The Clean Energy Industries Sector Plan highlights lithium and nickel as vital to battery production, while the forthcoming Circular Economy Strategy will address reuse and recycling to reduce the UK's 80% import reliance.

The National Security Strategy subsequently identified critical minerals as a key terrain of geopolitical contest over the future of defence, science and technology. This contest is shaped by a 'new state capitalism' centres on national champions scaling up through strategic advantages intrinsically located in specific places. A tentative UK response to this stepchange expressed in recent National Wealth Fund investments, with government stakes in the cutting-edge companies reviving Cornish mining through tin and lithium extraction. Indeed, in July 2025 Rachel Reeves visited Cornish Metals at South Crofty to celebrate tens of millions in funding and other government support.

Investments via the National Wealth Fund and coordination through the Strategic Public Investment Forum aim to crowd in private capital and reward firms contributing to national resilience. The Supply Chain Centre and Critical Minerals Intelligence Centre will inform the direction of strategic investment decisions and future R&D funding by monitoring trends in foundational industry materials.

There are also a range of other policy supports in progress, including:

- Treasury Green Book reforms now prioritise national security and resilience in investment appraisal.
- UK Export Finance and the British Business Bank will support domestic producers with access to capital and export markets.
- National Security and Investment Act screening will protect strategic assets from hostile foreign takeovers.
- Nationally Significant Infrastructure Project (NSIP) status is being extended to critical minerals projects, streamlining planning and enabling investment.
- Strategic Public Investment Forum has the potential capacity to coordinate more effectively across NWF, BBB, UKEF, UKRI and Great British Energy.
- The Supply Chain Centre - Critical Minerals Intelligence Centre loop can prioritise UK bottlenecks (e.g., specific processing steps) and steer R&D and public finance accordingly.

Critical Minerals as Securonomics in Action

Our location in Cornwall and its critical minerals sector should be a testbed for all of these policy innovations. In Cornwall, world-leading resources of tin, lithium and tungsten - central to net zero, digital transformation and rearmament - symbolise the promise of a new UK political economy. Beyond batteries, critical minerals are inputs to renewable energy, electronics, and defence systems - a broader foundation than is often unacknowledged.

There is also much global interest in the critical minerals being mined in Cornwall. For example, tungsten producers are receiving interest from international military allies due to the importance for defence applications, and because many critical minerals supply chains are still largely controlled by China and Russia.

Cornwall's mineral wealth positions it as a strategic industrial hub, yet it faces barriers due to its rural geography and challenges with devolved governance. The Industrial Strategy's Strategic Sites Accelerator and Industrial Strategy Zones offer a route to overcome infrastructure and planning challenges. Opinions differ, but Nationally Significant Infrastructure Projects (NSIP) designation for mining-related sites (as already used by Cornish Lithium) is possible and alignment with the 10-Year Infrastructure Plan represents a practical step forward.

Infrastructure gaps - especially in electricity grid capacity - must be addressed to enable industrial growth in regions like Cornwall. Grid constraints present a real issue; Cornwall's inclusion in the South West Clean Energy Cluster in the Modern Industrial Strategy, and potential designation as an Industrial Strategy Zone, could help unlock grid upgrades, planning support, and skills investment.

The success of this programme of reindustrialisation outlined above hinges on local skills pipelines. Engineering and technical education must be tailored to regional needs. The Industrial Strategy proposes sector-specific workforce strategies, starting with Clean Energy, which should be expanded to include critical minerals. A key aim must be to address what some at the recent roundtable labelled the 'peninsula penalty' (distance, housing, transport) with coordinated investments in social infrastructure.

We are contributing relevant perspectives to these challenges via the UKRI-funded Critical Minerals Challenge Centre, in collaboration with leading companies like Cornish Lithium and civic partners like the Trades Union Congress. Our focus on jobs and skills as part of this major government investment will be key to building securonomics from the bedrock up. This is covered in an earlier policy brief in this series.

Conclusion

In short, our roundtable discussions suggest that the forthcoming Critical Minerals Strategy should combine realism about Britain's position within international production networks with support for domestic reindustrialisation and strategic advantage. Some of the key features of this would be a functioning end-to-end ecosystem, mission-driven governance that is decisive and legitimate at national and local levels, patient finance that moves projects from concept to operation and provides ongoing stability, a place-based approach to skills and social infrastructure that enable local workers the 'right to stay', and international partnerships that expand national sovereign capability.

There is also the need to move the conversation beyond critical minerals as a stimulant to sustainability and towards the way they enable broader security and resilience in digital and defence innovation. In this way, the forthcoming Critical Minerals Strategy should recognise that critical minerals are not just a resource issue - they are a strategic opportunity to reindustrialise the UK, strengthen security, address net zero aims, and deliver tangible benefits to communities long left behind. The forthcoming Critical Minerals Strategy must reflect this dual imperative of strategy and statecraft, promoting a politics of production based on power and contribution that people can see and feel in the places where our mineral wealth is concentrated.

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