

Economic Globalization and the Accompanying Issues in Global Politics and Security

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Abstract

This pre-prospectus proposes the study of how economic globalization – a fundamental structural transformation of the global economy – reshapes international political and security dynamics, by focusing on the causes and consequences of globalization’s issues. It consists of three interconnected projects. First, it investigates how globalization’s issues, such as global trade imbalances, undermine the legitimacy of the liberal order and drive states to disengage from U.S.-led order, fostering support for alternatives like China. Second, it examines how autocracies leverage global trade institutions like the WTO to achieve economic and geopolitical resurgence, challenging assumptions that globalization would inherently favors democracies. Third, it introduces a novel perspective on contemporary trade conflicts by analyzing post-equilibrium globalization dynamics, particularly how developing countries’ catch-up efforts disrupt advanced economies, as exemplified by the “second China shock.” Employing a mixed-methods approach—combining quantitative analysis, formal models, survey experiments, and qualitative case studies, this research bridges the gap between international political economy and international security studies. It provides insights into the challenges facing globalization, the rise of autocracies, and the persistent consequences like economic conflicts.

1 Introduction

The post-war era of economic globalization, particularly the post-Cold War era, has transformed the world dramatically, especially in terms of world politics, the global economy, and the international security environment. In the current liberal international order (LIO), led by major democracies such as the United States and the European Union, global trade and financial integration

significantly expanded, as well as human's migration and the spread of policies and norms. While economic globalization was initially celebrated for fostering economic cooperation, reducing poverty, and spreading liberal values (Fukuyama 1989; Ikenberry 2001), its unintended consequences have led to mounting challenges for the goals, fueling concerns, criticism, and social resistance domestically and internationally (Autor et al. 2020; Inglehart and Norris 2017). The power competition is resurfacing after being relatively dormant for decades. Under this backdrop, my dissertation investigates how economic globalization interacts with its accompanying issues to reshape the international political and security systems. Specifically, I examine the causes and effects of globalization issues, spanning economic, ideational, governmental, and security domains. How does economic globalization foster these issues? What do these issues mean to the LIO, power politics, and the future of global economy and security in an economically globalized world?

I bring issues to the analytical forefront, not only by explaining how these issues may impact global political and security dynamics, but also seeking to explain how exactly they may come into being. This dissertation will be structured around three interconnected projects:

Globalization issues and the LIO

Focus: How globalization-related issues, including global imbalances as a typical issue carrying many characteristics similar to and different from others, erode the legitimacy of the LIO and foster support for alternative orders.

Key Question: Why do certain globalization issues, like global imbalances, lead states to disengage from the U.S.-led LIO and support challengers like China? Under what conditions may these issues manifest and what does the causal process look like?

Explaining autocratic rise and the post-1990 performance reversal

Focus: How global trade integration during the post-Cold War globalization period has fostered the rise of autocracies, a pressing and severe issue faced by the LIO, enabling their economic and geopolitical resurgence.

Key Question: How does autocratic rise relate to economic globalization? What mechanisms allow autocracies to leverage globalization to thrive, despite expectations that democratic institutions would favor economic performance?

Explain trade conflicts using the after-equilibrium logic

Focus: How economic conflicts, such as the U.S.-China trade war as another severe issue facing the LIO, could be explained by the under-explored dynamics of the post-equilibrium logic of trade liberalization – that is, when poor states quickly catch up.

Key Question: How do advanced economies respond to the “second China shock” when developing economies catch up and challenge their advantageous sectors? What are the competing theories that can explain the policy-shaping public opinion in this scenario?

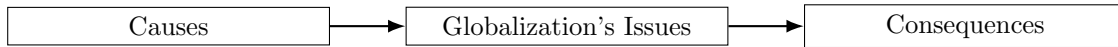


Figure 1: General Overview of Interested Components in Globalization.

Overall, my dissertation will put the issues of globalization in the analytical center. Project 1 studies the link from issues to consequences. Project 2 examines how economic globalization formulates the issue in which autocracies manage to revive. Project 3 connects the issue of import competition to trade conflicts, through the lens of public opinion and a new theory.

2 Project Details

Project 1: Globalization's issues and the LIO

The first paper will examine how globalization's issues manifest in the LIO and influence state behavior and world politics. Such issues, many of which are disruptive and persistent, create lasting grievances and erode support for the LIO. I will focus on global imbalances, an ideal issue rich in features: significant and consequential, raising concerns, connecting to outside options such as China, spanning various domains, and sharing aforementioned analytical similarities with many other issues in stubbornness, severity, attributability to the LIO, and addressability, providing a window for comparative analysis.

Empirically, I demonstrate that states with persistent external deficits are more likely to view the U.S.-led LIO as unfavorable and to support China as the alternative leadership. However, these effects are domain-specific: while China's financial appeal attracts support, its mercantilist trade practices dampen enthusiasm. Additionally, I theorize "helpless issues" – systemic, persistent

problems that individual states cannot resolve independently. I find that these issues are particularly more likely to trigger disenagement. These nuanced findings challenge simple power transition theories by highlighting how issue heterogeneity shapes state responses to globalization's disruptions.

This project contributes to the literature on globalization backlash, rising China, and power transition theory by incorporating issue-specific dynamics. It also advances the study of globalization and security by linking economic grievances to interstate politics and great power competition.

Project 2: The Globalization Origins of Autocratic Rise

The second paper will explore how globalization has enabled autocratic regimes to revive and outperform democracies economically, reversing the pre-1990 trends. I argue that autocracies excel in the post-1990 globalized economy due to many of what I theorize as "autocratic advantage," for example, their ability to implement strategic trade and industrial policies without the constraints of democratic accountability. However, this "autocratic advantage" is conditional on two factors: membership in global trade institutions like the WTO and the adoption of domestic reforms that enhance domestic growth-favoring institutions (such as property rights protection and rule of law) and thus economic competitiveness.

Theoretically, trade (particularly exports) performance is collectively determined by demand (overseas market through signing a wider range of trade deals) and supply (firms' production enhanced by institutional improvement and ad-hoc policy incentives). Empirically, I use regression analysis, non-parametric panel matching, among others to show that autocracies that embraced WTO-led trade liberalization have seen disproportionate growth in exports and external balance compared to democracies. Apart from being incorporated into the WTO, domestic reform also plays an important role, which I show also favors autocracies. Additionally, I unveil the mechanisms through testing the implications of autocratic advantages, including centralized decision-making, suppression of labor costs, and strategic mercantilist policies. Lastly, sectoral-level patterns and case comparisons of comparable countries corroborate my theory.

This project contributes to the explanation of the historical puzzle that why all of sudden autocracies reverse their downward trend and resurge. It also challenges the presumption that globalization inherently favors democracies and contributes to debates on the relationship between regime type and economic performance. Furthermore, the study contributed to the understanding

of how the current sobering security environment has developed as well as global power dynamics. It highlights how autocracies use globalization to consolidate domestic legitimacy and challenge the LIO.

Project 3: Post-Equilibrium Trade Preferences and Economic Conflict

It is becoming evident that trade conflicts are becoming an increasingly salient feature of contemporary world politics, reminiscent of the trade tensions in the 1980s between the U.S. and Japan. While the recent literature often ascribes the tension to distributional consequences (Autor et al. 2020; Walter 2021), I argue that a better way to account for the current phenomenon is to examine the period when less developed countries surpass the period moving from autarky to liberalized equilibrium in factor-based trade models. Thus, the third project examines trade conflicts that arise in the “post-equilibrium” phase of globalization, where some developing countries have reached the equilibrium phase and continue to advance along the global value chain, even though the rest of the country is less developed and remains costly low. Traditional international political economy explanatory frameworks focus on the pains and gains during pre-equilibrium phase, but they often overlook the long-term effects of the post-equilibrium trade dynamics and states’ practices using, for example, mercantilist policies.

I argue that the “second China shock” – marked by China’s growing dominance in advanced sectors – has fundamentally changed the logic and dynamics of trade tensions and policy reactions when policymakers realize that the old free trade assumptions such as mutual gains and balanced trade do not hold as expected. It is thus better explained by the post-equilibrium logic, which is why the “first China shock” was largely debated and tolerated in policy. Developed countries, where voters demand advanced sectors (Iverson and Soskice 2018) and facing competition in their advantageous sectors, adopt protectionist measures not only because of domestic politics such as firm or industry lobbying, but for broader economic reasons after trade ideal fails to materialize, no to mention the geopolitical and national symbolic concerns. For instance, U.S. tariffs on Chinese goods reflect broader grievances about the erosion of national competitiveness and national security.

Using survey experiments and observational data such as Trump’s tariffs on Chinese goods, I plan to explore how these post-equilibrium dynamics shape trade preferences and policy responses in both advanced and developing economies with different comparative advantages. The survey

experimentation is based on competing theories such as security externality, product differentiation, economic competitiveness, and sociotropic nationalism. From public opinion and trade preferences, it can help predict the ensuing policy reactions and conflicts. This project fills a critical gap in the literature by addressing the overlooked assumptions of globalization and their implications for international economic conflicts, especially regarding geopolitics and trading with China. It also explains why trade shocks' effects can persist rather than wane down, as distributional logic of trade shocks may not fully explain states' behavior.

3 Methodology

The dissertation employs a mixed-methods approach to address its research questions. In general, I combine quantitative analysis (e.g., causal inference), formal models, survey experiments, and qualitative studies to reveal the underlying logic.

Quantitative Analysis: Causal inference techniques are powerful tools to tease out causal effects of specific factors. In my projects, I will employ both model-based inference (e.g., using specific models such as zero-inflated Poisson model, ordinary least squares (OLS), instrumental variable (IV), and differences-in-differences (DiD)) and non-parametric methods (e.g., matching and weighting). They are particularly useful to deal with observational data that would require a proper modeling or identification strategy for causal effects. Apart from causal identification, mediation analysis is used to explore the causal pathways linking the explanatory variables to outcomes. These methods allow me to precisely identify what might be the causes of the issues associated with economic globalization and what are their consequences. Other techniques that may be used include network analysis and bayesian methods. Robustness test techniques such as sensitivity analysis and bootstrapping will be used when necessary.

Formal Model and Game Theory: While causal inference techniques provide tools to identify causal effects, formal models and game theories can enhance the findings by providing a reasonable modeling of the causal mechanisms, usually based on rational assumptions. In my projects, for example, I will employ trade models tailored to my theories to particularly show trade dynamics when incorporated with other factors such as government policies. Game theories such as Nash-equilibrium normal-form games and bargaining models may also be useful to help illustrate the behavior of firms and policymakers in a competitive globalized economy.

Survey Experiments: Survey methodology not only provides an approach to collect respondents' data, but also enables the experimentation of run-time treatment of quantity of interest and can largely avoid confounding factors if designed well. In my projects, survey methods will be primarily used in two scenarios. First, I will assign respondents vignettes about the issue their country faces (e.g., severity, related to outside option). Following that, their responses will be analyzed using statistical methods. Second, I will design survey experiments to capture public opinions on trade conflicts when the trading partner is quickly catching up. The experiments test competing explanations for protectionism and support for trade restrictions, focusing on perceptions of fairness, national economic competitiveness, and geopolitical concerns. By varying question framing, these experiments provide robust insights into the motivations behind trade preferences and tensions.

Qualitative Analysis: Qualitative analysis can enhance my research by providing in-depth insights into the mechanisms and contextual factors underpinning the relationships I examine. By integrating qualitative evidence, such as case studies or process tracing, it is possible to make theorizations, validate causal pathways, and address potential limitations of quantitative models, resulting in a more robust and comprehensive analysis. In my projects, I incorporate a comparative framework to analyze salience across issues. For example, I compare how global imbalances versus import competition grievances shape state behavior in the context of globalization. This comparison helps to uncover why certain issues galvanize collective responses while others remain largely muted. Moreover, similar country-comparison can unpack the black-box for what statistical analysis cannot tell in better understanding the "autocratic advantage."

4 Academic Contributions

My dissertation makes several contributions to the fields of international relations and comparative politics.

My first project provides a framework for understanding why certain globalization-driven problems, like global imbalances, have outsized impacts on international order and state behavior. The findings speak to an expanding scholarship on globalization backlash. Yet, unlike the literature which primarily focuses on domestic politics, I push the contention of the order – issues – to the analytical forefront by directly examining them in inter-state politics. Second, my findings extend the power transition theory. Despite confirming that problematic issues shift the support for hegemon's

order, my findings point to a more complex process, which depends on the focal issue and outside option. Lastly, I add to the blooming literature connecting economics and security, especially on how globalization shapes conflict/cooperation patterns. While existing studies have addressed the relationship between trade and politics, external imbalances appear to have additional, sometimes overriding implications on international cooperation and conflict.

The second project contributes the explanation of a decade-long puzzle: why autocracies can revive after the Cold War? Its theory and findings challenge the conventional wisdom that democratic institutions should be no worse than their autocratic counterparts on economic development (Acemoglu et al. 2001; Acemoglu et al. 2019) and globalization inherently benefits democracies. The findings show how autocracies have adapted and thrived in a globalized economy. Although institution still matters as a scope condition, a sufficient amount of attention should be paid to external factors in the democracy-autocracy debate. Without access to external market or conversely suffering from external shocks, trade or financial, the effects of domestic institutions can be largely weakened. My theory also explains why China can contentiously rise and run trade surplus with over 90% trading partners, as well as why democracies seem to lose competitiveness and appeal and suffer democratic backsliding after 1990.

In the third project, I address a significant gap in the literature by offering a novel perspective on contemporary trade disputes, shifting the focus to the under-explored post-equilibrium trade dynamics. Unlike traditional analyses that emphasize the benefits of trade liberalization and the pre-equilibrium, distributional logic explaining trade tensions, this project highlights how the “catch-up” of developing economies fundamentally alters the landscape of global trade. Specifically, I examine how advanced economies respond to the increasing competitiveness of developing countries in sectors where the former traditionally hold a comparative advantage. This shift challenges conventional frameworks in the political economy of trade, which often overlook the long-term consequences of trade liberalization and the structural tensions that arise when developing countries close the economic gap.

5 Policy Implications

In addition to academic contributions, my dissertation provides actionable insights for policymakers grappling with the challenges of economic globalization and its impact on the post-war liberal

international order, as the research is closely connected to the these contemporary issues.

First, on globalization backlash. The increased globalization backlash stems from globalization issues. Global imbalances reflect persistent inter-state inequality in which some gain at the cost of others. This is especially concerning when the majority of winners are autocracies. Moreover, understanding the persistence of “helpless issues” enables policymakers to anticipate the types of grievances likely to emerge from economic globalization. Furthermore, continued deindustrialization that destabilizes societies in advanced democracies due to the post-equilibrium logic warrants caution. Policies that mitigate trade imbalances, such as forcing exchange rates adjustment and binding them to punitive tariffs, align more with conventional trade models’ assumptions and can help relieve the structurally unequal consequences.

Second, on the future of globalized economy. Issues like global imbalances dim the prospect of continued economic globalization and reflect distributional impacts at the national level. The findings on the rise of autocracies suggest that the international community should rethink its approach to economic integration – should this trend continue, autocracies may continue to advance to a new level. Whether it’s democracy vs. autocracy or U.S.-China competition, my findings suggest that global market force facilitated by the global trade system seem to stand on the side of autocracies, and the deindustrialization of advanced democracies may not be surprising. There’s an argument that democracies may build their own trade bloc (Friedberg 2025). Indeed, the post-1990 expansion of the WTO, which omitted democratic governance as one conditionality, inevitably shaped the outcome later. Ends justify means – rather than maintaining status quo or pushing for continuing economic integration, institutions like the WTO should address the conditions that allow autocracies to exploit globalization. Policymakers may consider existing trade frameworks such as the CPTTPP and transform it accordingly to a more modern trade pact.

Third, on the current geopolitical tensions. My research unveils how rising powers and autocracies can rise and threaten the global order precisely through the order itself. Global imbalances and other persistent issues that reveal structural, distributional effects particularly among great powers will sustain tensions. When the trading partner is an autocracy with four times the population, tensions will be even higher. As China agglomerates global production, the U.S. tariffs on Chinese goods that redirect demand to other countries might inadvertently strengthen developing nations, increase U.S. influence, and create a more balanced globalization. Yet, the U.S. trade issue needs

a global solution rather than unilateral tariffs, as isolationism likely makes China to continue to dominate the rest of the world through trade.

In sum, recognizing the drivers of the contemporary global issues provides a road-map for navigating the future. Policymakers could leverage these insights to design targeted, cooperative frameworks that address the systemic issues driving protectionist measures in advanced economies.

6 Conclusion

This dissertation seeks to deepen our understanding of globalization's transformative effects on contemporary international security and politics. By focusing on the rise of autocracies, globalization issues such as the persistence of global imbalances, and the evolving nature of trade conflicts, my research offers a comprehensive framework for analyzing the challenges facing the liberal international order, particularly on democratic backsliding, autocratic rise, and their connections to economic globalization in the 21st century. It also provides practical insights for policymakers navigating the complex interplay of globalization, security, and political economy.