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Guns & Trades: Mass Support for the Realist Free Trade Policy

Ikuo Kume

Waseda Institute of Political Economy
Waseda University
Tokyo, Japan

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Ikuo Kume
Professor of Political Science, Waseda University
kume@waseda.jp

* This is a rough draft.

This paper investigates how national security concerns can mobilize individual's support for preferential trade agreements using an originally-designed on-line survey experiment conducted in Japan during December, 2013. The experiment consisted of three separate treatment arms. The three treatment groups were: a security threat (realist) treatment that provided respondents a statement about China's assertive security policy; an economic threat (mercantilist) treatment that provided a statement concerning China's increasing economic power over Japan; and the liberalist treatment which provided a statement about the benefits of China's economic development for Japanese export industries. The control group did not receive a statement. After the treatment, we asked respondents to assess their support or opposition for the Trans Pacific Partnership Agreements (TPP), which is currently under negotiation.

The security and economic threat treatments reduced individual economic "pocketbook" opposition against the TPP and increased "socio-tropic" support for the TPP. The security treatment increased support for the TPP among those who expected TPP to benefit consumers. The economic threat treatment reduced opposition to TPP owing to respondents' concerns for their own income and employment security. Further, it mobilized support among those respondents who expected TPP to benefit the national economy as a whole. These findings provide the micro-foundations for the "security externalities" theory of trade agreements i.e., that elites can effectively use a rhetoric of "national interest" to mobilize mass support for trade agreements.

Power Politics and Trade

The view that power politics and international trade are linked is not new. History eloquently tells us politics of trade liberalization is always entangled with national security and power relations. The repeal of the English Corn Laws in 1846, for instance, was an epoch-making event in the history of free trade. Although this event is often hailed as one of the greatest triumphs of the enlightened economic interest based on the theory of comparative advantage, the contentious political debate on this policy touched upon the necessity of prosperous agriculture for English national defense vs. population increase and food-stuff issues, revealing its political rather than economic nature. IMF-GATT regime was an important pillar of the US post-WWII foreign policy to fend off the Soviet bloc.

Krasner's seminal work, "State Power and the Structure of International Trade," which defined the agenda for years of scholarship, is based on the observation of these world historical events.

Since its publication, a series of neorealist studies on international trade has appeared (Krasner 1976; Webb & Krasner 1988). Although his hegemonic stability thesis itself has been criticized empirically as well as theoretically, the neorealist approach to the trade politics has thrived (Gowa 1989; For recent works, see Gruber 2001; Steinberg 2002; Keshk, Pollins, and Reubeny 2004). Among them, the study focusing on the relations between alliance politics and trade seems to have the theoretical as well as practical importance. Using the time-series cross-national data, Gowa and Mansfield demonstrate "(l) free trade is more likely within, rather than across, political-military alliances and (2) alliances are more likely to evolve into free-trade coalitions if they are embedded in bipolar systems than in multipolar systems". They assert the most critical aspect of free trade agreements in an anarchic international system should be their security externalities rather than domestic factors (Gowa & Mansfield 1993, p.408; Gowa 1994). In other words, they emphasize that free trade agreement is not just the product of free trade coalition within each signatory countries, but of their strategic calculation in terms of national security.

Their perspective however needs to be in counterpoise with the analysis of the domestic aspect. Gowa and Mansfield consciously follow the tradition of the neorealist approach choosing the state as a unified actor as their unit of analysis without considering the domestic factors, because they focus on the incentives for the state at the international system level (Gowa 1989). By doing so, they leave an important question unanswered; how political leaders can set the "national interest," which they calculate rationally at the systemic level. The security externalities should be sold in the domestic political process. This missing link looms large in analyzing the trade politics in democratic countries.

A growing body of research demonstrates that democracies tend to have more liberal trade policy than authoritarian regimes due to the domestic political dynamics. (Mayer 1984; Yang 1995; Milner & Kubota 2006). They generally assume the following mechanism is at work. Any government faces demands from the interest groups to resist liberalization and needs to respond to their demands to some degree. Mass publics as consumers on the other prefer liberal trade policies which reduce prices and raise their real incomes. Political leaders in democratic regimes need to take popular pressure into account

to win competitive elections. Thus democratic governments tend to have more liberal trade policies than autocratic ones.

However the voters-as-consumers may suffer from a more protectionist policy than they prefer even in democracies. Now if the democratic leader pursues a purely vote-maximizing strategy, he or she choses the trade liberalization at the level that maximizes the utility of the median voter. But the leaders may choose the more protectionist policy that creates rents for interest groups whose support they desire to win exploiting voters' informational problems. Kono doubts that the political leaders may be able to maintain protectionism by manipulating the flow of information through less transparent protectionist measures (Kono 2006 and 2008), while Mansfield, Milner, and Rosendorff argue that democratic political leaders are willing to solve, rather than exploit, this informational problem using a trade agreement as a credible commitment to liberalization in the eyes of the suspicious voters (Mansfield, Milner, and Rosendorff 2002).

What is interesting in this debate is that they regard the preferences of voters and interest groups as being so static as to be materially determined by the theoretically assumed distributional consequences of trade. However emerging studies addressing this topic have gradually widened their analytical scope and demonstrated that trade attitudes are guided by material self-interest (pocket book calculation) as well as perceptions of how national economy as a whole is affected by trade (socio tropic calculation) (Mansfield & Mutz 2009). Furthermore a growing body of empirical research shows mass attitudes are susceptible to issue framing (Hiscox 2006; Fordhama & Kleinberga 2012). If this is the case, we should be more attentive to political dynamics in which political leaders try to manipulate voters in pursuing their political goals.

What the realist "security externality" thesis needs to investigate is to what extent political leaders can mobilize mass support for free trade by presenting security threat discourse. We tried to help fill this gap in the realist literature, though partially, by conducting the originally designed survey experiment.

Threat Perception

The international relations literature has long treated the perception of threat as a central topic (Jervis 1976). There are two rival interpretations to explain how the threat perception emerges. The realist school attributes its

emergence to power asymmetries (Grieco 1988; Waltz 1979). When a country is in a weak position in power relations, the perception of threat increases[1]. The social constructivist school in international relations tends to focus on ideational factors. For instance, constructivists assert that a shared sense of identity reduces and sometimes eliminates threat perceptions (Hopf 2002; Wendt 1999). Despite their difference in explaining threat perception, they share a same research focus: How the political leaders perceive threats. They are interested in threat perception of the political leaders, who play the game at the international system level, not ones of mass publics.

An emerging body of study by political psychologists on threat perception gives us a clue to understand mass publics' threat perception. As they conduct their research at the individual level often within the laboratory, there is no reason to limit their insights for the political elites. Their model can be applied to mass publics. Rousseau and Garcia-Retamero, among them, using laboratory experiments found that "a weak position in terms of military power increases threat perception, as realists predict", while "shared identity decreases threat perception, as constructivists predict" (Rousseau and Garcia-Retamero 2007, p.745).

China Threats

In this paper, we investigate how national security concerns or threat perception can mobilize individual's support for preferential trade agreements with the ally situating the survey experiment in the context of TPP negotiation. Here we treat China as the source of threat perception among the Japanese people, as it satisfies the conditions mentioned by Rousseau and Garcia-Retamero.

China is often regarded as an emerging threat in the eyes of Japanese people. China surpassed Japan as the world's second-largest economy in 2010 (Bloomberg News Aug 16, 2010). Chinese economy is now more than 90-times bigger than when Den

[1] Many rationalists focus on incomplete information and credibility of signals in the story of conflict escalation (Fearon, 1995; Powell, 2006). They see war as a result of inaccurate threat perception due to deliberate misrepresentation of power resources and signals that are not credible (Stein 2013). In this sense, they accept the basic logic of the realist.

Xiaoping started drastic free market reforms in 1978. Chinese conspicuous economic development has made it an important market for Japanese industries and deepened mutual dependence between China and Japan, while it has created a sense of vulnerability and loss among Japanese. We have also observed China's persistent increase in military budget with double-digit increases almost every year in the past twenty years. In 2014, China announced a defense budget for 2014 of 132 billion USD, though the real figure may be 40% higher (*The Economist*, May 15, 2014) . China's military spending is currently the second largest in the world only after the US's, and about four times as large as Japan's (Perlo-Freeman and Solmirano, 2014). China's ascent is evidently transforming the global power relations. Japan has now become relatively weaker in her military as well as economic position against China.

Most Japanese no longer have an amicable sentiment toward China or "shared identity" with it, which may prevent power asymmetry from turning into threat perception. An increasing tension between China and Japan over the disputed islands, in tandem with China's ascent, has worsened Japanese people's sentiment toward China. Since normalization of Japan-China diplomatic relations in 1972, Japanese people had maintained rather friendly views towards China until mid 1980s. The annual Cabinet Office Survey shows, in the late 1970s and the early 1980s, more than 60% of respondents had friendly feeling towards China (Figure 1).[2] But it had declined drastically in 1989 after the Tiananmen Square Massacre, and again began declining since the early 2000s. Now around 80% of respondents have no friendly feeling towards China. The "shared identity" with China, which seemed to exist in the heyday of convivial Japan-China relations, totally disappeared.[3] The ascent of China and the loss of "shared identity" with it are the perfect conditions for the perception of China threat to emerge among Japanese people.

TPP and the Security Externalities

The TPP becomes an important political agenda in Japan, while the Japan-China relation has become deteriorated. The TPP is a multilateral free trade agreement which aims

[2] The question asked how respondents feel toward China, using the four-point scale, from "have friendly feeling" to "no friendly feeling". In this table, we recoded answers into two categories. http://www8.cao.go.jp/survey/index-gai.html

[3] The term "same race and same script" was often used in the 1970s and the early 1980s in Japan in describing Japan-China relations.

to liberalize trade in goods and services, encourage investments, promote innovation, economic growth and development and support job creation and retention[4]. It is currently negotiated by 12 countries in the Asia-Pacific region (Australia, Brunei, Canada, Chile, Japan, Malaysia, Mexico, New Zealand, Peru, Singapore the United States and Vietnam). TPP has its origin in the Trans-Pacific Strategic Partnership Agreement concluded by four small economies, Chile, New Zealand, Singapore, and Brunei in 2005. It has expanded to become an ambitious free trade agreement since the US under the Bush administration joined the negotiation in 2008.

The US participation was originally motivated by economic interests of the TPP. The US President's 2008 Annual Report on the Trade Agreements Program states:

> "The TPP will serve to strengthen U.S. trade and investment ties to the Trans-Pacific region, which is a priority given the economic significance of the region to the United States now and in the future. In addition, U.S. participation in the TPP could position U.S. businesses better to compete in the Asia- Pacific region, which is seeing the proliferation of preferential trade agreements among U.S. competitors and the development of several competing regional economic integration initiatives that exclude the United States. The TPP also will facilitate trade in the Trans-Pacific region, rationalize existing agreements, and support the multilateral trade agenda. In addition, it could serve as a vehicle for achieving the long-term APEC objective of a Free Trade Area of the Asia-Pacific." [5]

It is true that the US has not officially claimed the TPP as a containment policy against China. In her speech at Georgetown University on November 20, 2013, National Security Adviser Susan Rice said "Our foremost economic goal in the region is concluding negotiations for the Trans-Pacific Partnership…We welcome any nation that is willing to live up to the high-standards of this agreement to join and share in the benefits of the TPP, and that includes China." (Gordon 2014). President Obama himself made an offer to invite China to join on

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[4] Office of the United States Trade Representative, "The United States in the Trans-Pacific Partnership." http://www.ustr.gov/about-us/press-office/fact-sheets/2011/november/united-states-trans-pacific-partnership

[5] United States Trade Representative, "*2009 Trade Policy Agenda and 2008 Annual Report of the President of the United States on the Trade Agreement Program*," p.127.

his trip to Asia in April, 2014.

But there exists an understandable suspicion on the side of China that the US is willing to revive its geo-political and strategic influence in Asia to counter China's ascent through the TPP (Song and Yuan 2012). The Obama administration makes the TPP as one of the important pillars of its "pivot" or "rebalance" towards Asia (Rajamoorthy 2013). A Congressional Research Report reads as follows;

> "The TPP could have implications beyond U.S. economic interests in the Asia-Pacific. The region has become increasingly viewed as of vital strategic importance to the United States. Throughout the post-World War II period, the region has served as an anchor of U.S. strategic relationships, first in the containment of communism and more recently as a counterweight to the rise of China. This trend has recently been accentuated by the Obama Administration's "pivot to Asia" along with the perception that the center of gravity of U.S. foreign, economic, and military policy is shifting to the Asia-Pacific region. The TPP is viewed as an important element in the U.S. "rebalancing" toward Asia." (Fergusson, Cooper, Jurenas, and Williams 2013, p.9.)

In the heated negotiation with Japanese Economy Minister Akira Amari in Singapore in May 2014, U.S. Trade Representative Michael Froman emphasized TPP's geopolitical importance in addition to its economic benefits to Japan in order to win Japan's concessions on farm-product tariffs. (*Nikkei Shimbun,* May 21, 2014; *Wall Street Journal*, May 19, 2014). Japan's Prime Minister Abe does not hide his eagerness to embrace the US "pivot" to fend off assertive China. Two days before the bilateral meetings during President Obama's Tokyo visit in April, 2014, the nine- member bipartisan delegation from the U.S. House of Representatives visited Prime Minister Abe, urging him to produce a significant breakthrough challenging the special interests and revitalize Japan's economy. Republican House Majority Leader Eric Cantor said "We are all here because we believe in the Japanese-U.S. alliance…As a Pacific power, the U.S. looks to the alliance with Japan as its central focus of our prosperity in this region," and Prime Minister Abe replied "I believe, through our summit meeting, we will be able to emphasize the leading role the U.S.-Japan alliance plays in creating a peaceful and prosperous Asia and that we will be able to send out that message to the region as well as to the world,"(*Wall Street Journal*, April 21, 2014).

Although the agreement was not reached between Abe and Obama in the following summit meeting in Tokyo nor in the trade minister talks in Singapore, it is evident that geopolitical importance or "security externalities" of the TPP was played up in the negotiation.

In the backdrop of this geopolitical context, we investigate the micro-foundation of the security externalities of the free trade agreement by analyzing how people change their attitudes toward TPP with their security threat perception experimentally manipulated.

Research Design: A Survey Experiment

We conducted an on-line survey experiment in Japan with a sample of 1,545 respondents between the ages of 20 and 69 from December 10 to16, 2013. The survey was administered by Nikkei Research and subjects were recruited from its 144,407 registered monitors by an opt-out method.

The experiment consists of three groups that received the treatments and another control group that did not receive any treatment. The following survey question served to construct the dependent variable (*TPP Support*).

> "We ask about the Trans-Pacific Partnership (TPP). What do you think about Japan's participation in TPP? "

This item was scored on a five-point Likert scale. The highest (lowest) score was assigned to respondents who opposed (supported) TPP.

Each treatment group was asked one of the following questions respectively immediately before being asked the dependent variable question.

> 1. In recent years, conflicts with China emerged on territorial issues and fishing rights. Do you think China is a threat to Japan?
> 2. In 2010, China became the world's second largest economy. Do you think China's economic growth is a threat to Japan?
> 3. China is the largest export destination for Japan. Do you think China's economic growth is beneficial to Japan?

Three items were scored on a five-point Likert scale. The highest (lowest) score was assigned to respondents who answered negatively (affirmatively).

These three questions were designed as distinct "stimulus" to the respondents. What we tried to do is to frame respondents to see China (1) as a security threat, (2) as an economic threat, and (3) as an economic partner. We conveniently name these three groups the *realist* treatment group (n=365), the *mercantilist* treatment group (n=393), and the *liberalist* treatment group (n=401). The control group (n=386) was not asked any of these questions.

We expect that asking the first question should evoke military security concerns over China and the second question should give respondents a bias to regard China's economic growth as threats. We hypothesize that these realist and mercantilist treatments would increase the support for the TPP, if the security externalities thesis is true. These treatment effects are measured first by comparing the TPP support in the treatment group with the control group. We also calculate differences in TPP support between these two treatment groups and the third liberalist treatment group respectively. We use the third treatment group as well as the control group as the baseline, because we worry that our sample respondents could have been exposed to the China threat discourse in the "real world" so much as to become insensitive to the threat stimulus anymore. The third liberalist treatment was designed to give respondents a bias to see Chinese economic growth favorably, which we expect partially "neutralize" their China perception contaminated by the real world.

Results: Average Treatment Effects

Figures 2, 3 and 4 show the distribution of respondents' attitudes toward TPP. The realist and mercantilist treatments did not significantly change their attitudes, while the liberalist treatment seemingly increased the support but not in a statistically significant way. This finding might run counter to the "security externalities" hypothesis that implies China's threats should mobilize support for the TPP. There may be some reasons for the null effect. One possibility is saturation. There are so many respondents who have already perceived China's threat in the real world that the "threat question" has substantially decreased its marginal effect. As Figure 4 of the distribution of responses to the three treatment questions within the total sample shows, 83.3% and 59.7% of the respondents felt security and economic threats of China respectively.[6]

[6] We asked the treatment questions that the respondents had not been asked after the dependent variable questions for the reason to be explained afterward.

We thus use the liberalist treatment group instead of the control group as the baseline to measure the treatment effect. The liberalist treatment increased the TPP support than the realist treatment, which is not statistically significant though. The mercantilist treatment seemed to make TPP support stronger (significant at 10%), although the proportion of respondents who support it did not change.

Another possibility is that the threat treatment did not work as predicted because of the treatment's contradictory effects. It is probable that the "nationalist" respondents would be sensitive to China's threat but they were also opposed to the free trade, while the "realist" respondents would support the TPP to fend off China's threat.[7] The average treatment effect may be negligible because the local treatment effects cancel out with each other. The fact that the perceived China's security threat has a significant but very weak correlation with the TPP support (r=.120) may be consistent with this interpretation.[8]

The treatment seems to have heterogeneous impacts on the TPP support. Table 1 shows the treatment worked differently within the same treatment group. We first tried to infer how the treatment worked for the individual respondent over the treatment. In order to measure respondents' prior attitudes toward trade (*Trade Attitude*), we asked the following question before treatment[9].

> We offer two opinions about trade. Which is closer to yours?
> A: Import from foreign countries is generally good, because it gives Japanese consumers more choices at lower costs.
> B: Import from foreign countries is generally bad, because it risks Japanese employment and reduces their wages.
> (Five-point scale between A and B.)

This enables us to indirectly infer the treatment effect on each individual's trade preference by comparing *Trade Attitude* with *TPP Support*. It is true that the general trade attitude is different from the TPP support, but we can assume both are logically related. Actually the

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[7] Ex Tokyo governor Shintaro Ishihara, a well-known nationalist, had been strongly against the TPP, until he expressed a conditional support in a tactical move in 2012 to form a new political alliance. (*Yomiuri shimbun* November 20, 2012)
[8] The correlations are calculated for all the respondents.
[9] The responses are well-balanced across treatment groups.

general trade attitude before the treatment is highly correlated with the *TPP Support* (r=.509 significant at 1%). We thus constructed the variable (*TPP Difference*) by subtracting *TPP Support* from *Trade Attitude*. If *TPP Difference* is positive (negative), the respondent seems to take a relatively more (less) supportive position on TPP than his/her general preference for trade. Table 1 shows more than half respondents take different positions on these two trade questions. Furthermore the treatments seem to facilitate changes in their attitudes toward trade, but not uni-directionally.

Results: Local Treatment Effects

The analysis above implies that the treatment should have different effects on the respondents with various attributes within the same treatment group. This requires us of the subgroup analysis. As we are interested in how the threat perception changes people's attitudes towards the preferential trade agreement, we investigate how people take their evaluation of the TPP impacts on various subjects into consideration when they establish their attitudes towards the TPP. By doing this, we can analyze the causal mechanism in which threat perception works in preference formation towards the TPP within the different subgroups.

We selected the subjects to be evaluated by the respondents based on the existing literature on the attitude formation toward trade. First, the two economic models of international trade, the Stolper-Sammuelson and the Ricard-Viner Models, predict the distributional consequences for different subgroups within the national economy. While the former emphasizes the scarcity of production factors as the determinants of losers and winners of free trade, the latter argues industrial sector profile matters. Although it has been a hot topic which model is empirically supported, we bypassed this issue and adopted the 'subjective" way to measure the distributional consequences, by directly asking the TPP's impact on respondent's employment and income.

Against these distributional consequence or "pocket book" models, there emerged two kinds of criticisms. A series of recent studies asserts the "socio-tropic" consideration is more important than pocketbook calculation when people evaluate international trade (Mansfield and Mutz 2009). We thus asked TPP's impacts on Japanese economy as a whole as well as the region where they live. Another group of research emphasizes that people take their consumers' interests into account in their attitudes formation towards trade (Naoi

and Kume 2011; Baker 2009)

. We asked how TPP influenced respondent's living as consumer.

Finally, two interest groups, farmers' association (JA-ZENCHU: Central Union of Agricultural Co-operatives) and the Japan Medical Association, are very active in opposing the TPP in Japan[10]. We thus included two questions asking the TPP's impacts on agriculture and medical service.

The survey questions we asked were as follows;

How do you evaluate TPP's impact on the following subjects:
(1) Japanese economy
(2) your employment/income
(3) your living as a consumer/household budget
(4) your region
(5) agriculture
(6) medical service

Six items were scored on a five-point Likert scale. The highest (lowest) score was assigned to respondents who answered "bad" ("good"). We can now analyze whether the same treatment has different impacts on the different subgroups, for instance one viewing TPP as bad for Japanese economy and the other viewing favorably.

But it is our concern that the different treatment effects might hang over onto the answers to these evaluation questions. We thus made every group asked all the treatment questions before these evaluation questions. This should wash out the treatment induced differences across the treatment and control groups.

We assume that respondents' estimation of TPP's impacts on various subjects should influence their attitudes toward the TPP. In order to capture this mechanism, we regressed *TPP Support* on these six evaluation variables within the control group. Table 2 reports the result. Respondents who expect TPP's positive impact on Japanese economy

[10] JA-Zenchu's and the Japan Medical Association's anti-TPP statements are posted on their home pages (http://www.zenchu-ja.or.jp/food/tpp and http://www.med.or.jp/jma/nichii/tpp/).

and consumers tend to support the TPP (significant at 5% and 10% respectively). Respondents who expect the negative impacts on their employment/income and medical service tend to oppose the TPP (5% significance).

Do the treatments transform the relations between the TPP support and the evaluation variables? We pooled each treatment group with the control group and run the same regression with interaction terms (the treatment and the evaluation variables)[11]. Table 3 summarizes the results for three treatments.

The realist treatment increased the support for the TPP among those who expected TPP to benefit consumers, but had no other significant interaction effects.

The mercantilist treatment reduced opposition to the TPP among the respondents who have concerns about its impacts on their own income and employment security. It also reduced the opposition among who worried its negative impact on medical service. Further, it mobilized additional support among the respondents who expected TPP to benefit the national economy as a whole.

The liberalist treatment had no significant interaction effects with six evaluation variables.

Conclusions

Our findings have several implications for the "security externalities" thesis. First, the military threat perception did not have substantial impact on the TPP support, while the economic threat perception influenced how respondents evaluated the TPP in our experiment. This may imply that the economic security rather than military security concerns is the force to drive the countries within the same alliance to conclude the preferential trade agreement. The military threat perception might not work in our case because the respondents have been exposed to China's military threat stimulus in the real world and were not susceptible to the treatment anymore. But it may be the case that the causal linkage between the TPP participation and its security benefit of fending off China's military threat sounds too farfetched or remote to be persuasive among the respondents. The perception of China's economic threat, on the other, worked fairly well in forming the

[11] We run the OLS linear regression. As the dependent variable is on the 5-point Likert scale, it may be better to conduct the ordinal logit regression. But here we use the OLS as it is easy to interpret. The result of the ordinal logit is same as the OLS result. See Appendix.

respondents' attitudes. This is because it sounds more plausible that China's economic advancement is threatening Japanese economy and requires Japan to join the TPP.

But this does not falsify the security externalities thesis. The fact that the mercantilist treatment, which evokes the perception of China's economic growth as a threat, had a significant impact on respondents, while the liberalist treatment, which evokes the perception of China's economic growth as a benefit, did not implies that a "threat" factor made this difference. Our result shores up the security externalities thesis.

Second, the security concerns seem to make people think the preferential trade agreement from a wider perspective than their own immediate material interest consideration. Our experiment demonstrated that the mercantilist treatment reduced the individualistic economic interest based or "pocketbook" opposition against the TPP and increased the "socio-tropic" support for the TPP. The security externalities discourse may liberate people from their pocketbook calculation and bring them into the more public debate on trade. These findings provide the micro-foundations for the "security externalities" theory of trade agreements. And there, political elites may effectively use a rhetoric of "national interest" to mobilize the public support for the free trade agreement.

In order to check external validity of our findings, we conducted a parallel on-line survey experiment in Korea with a sample of 1333 in the same period. In this experiment, we gave the exactly same treatment to capture its effect on the respondents' attitudes toward the US-Korea Free Trade Agreement which has been in effect since 2012. We find the conditional support for our findings in the Japanese experiment.

Table A-3 shows all three treatments significantly reduce support for the US-Korea FTA. Any reference to China, positively or negatively, may make some Korean people concerned about the fallout of the free trade agreement as it may alienate China. The finding that the liberal treatment which emphasizes China's economic importance for Korea boosts opposition to the FTA among the respondents who worried about their employment and income (Table A-4) may show a causal mechanism behind the aforementioned average treatment effect. On the other hand, the mercantilist treatment reduces the opposition among the respondents who expect the FTA's negative impact on their region (Table A-4). Here we may observe a similar mechanism found in Japan: The mercantilist treatment reduces the pocketbook opposition. In the Korean context too, the security externality seems to play out though in its own way.

Finally, we embedded the survey experiment within the real political context to test the "security externalities" thesis. This thesis theoretically focuses on the international system level political dynamics. We however believe that the thesis needs to be supported on the micro-foundation. In democratic regimes, it is necessary to get people's endorsement for the free trade agreement. We thus need to know how people accept the security externalities discourse in determining their attitudes toward the free trade agreement. We decided to conduct a survey experiment not a laboratory experiment, within the current East Asian context, where the security externalities discourse is abundant and real. This is because the security threat should be felt with sufficient reality to test this thesis.

But this research method embedding the survey experiment in the real world context should be added to the research repertoire in studying trade politics. An increasing number of studies on individual attitudes toward trade policies have emerged over past two decades. These studies have tried to investigate how people form the attitudes toward trade. This research question is different from the dominant approach in the study of trade politics, which mainly focuses on the elite level political negotiations (Kuo & Naoi 2014). Although this new study on mass attitudes toward trade contributes a lot to our understanding of trade politics, it falls short of a "political analysis" of trade without linking their findings at the mass level to the elite level trade politics. Some studies try to link these two by treating the national level institutions, such as election system, as an intervening variable (Chang, Kayser, Linzer, and Rogowski 2011). We believe another useful way to utilize mass survey in studying trade politics is the embedded survey experiment like ours.

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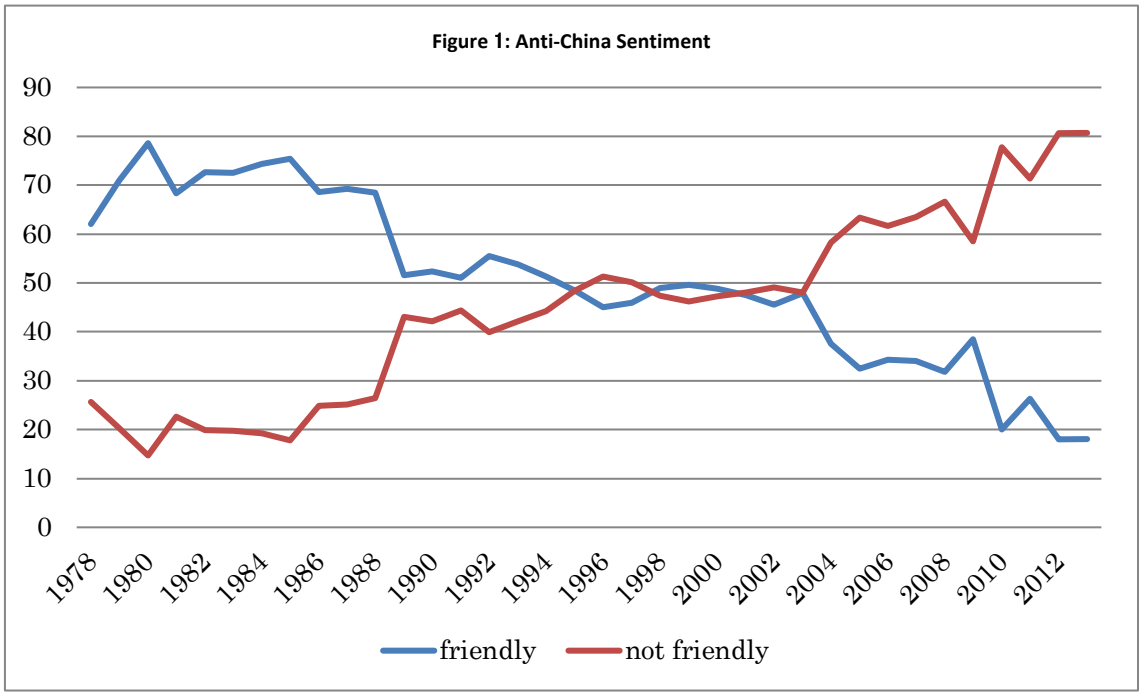
Figures and Tables



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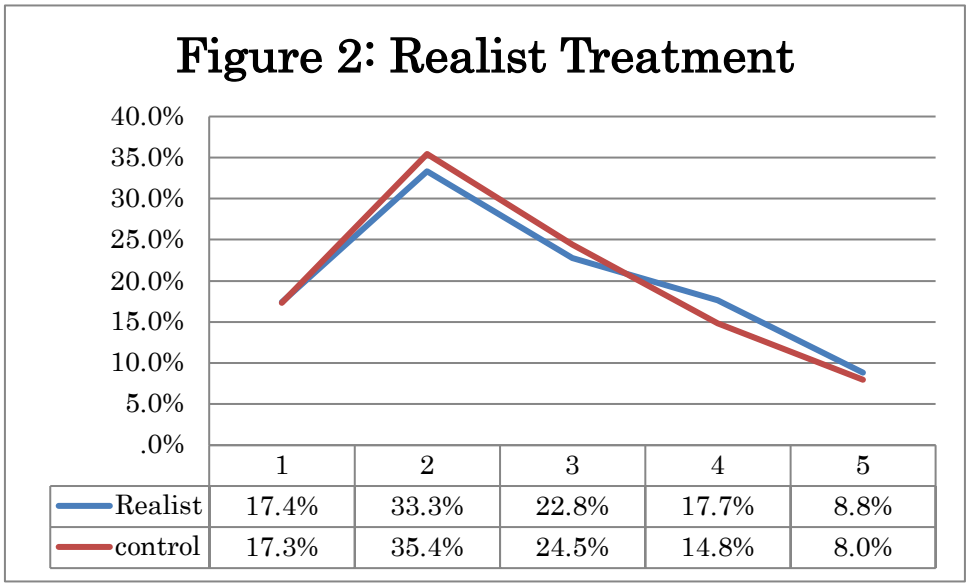
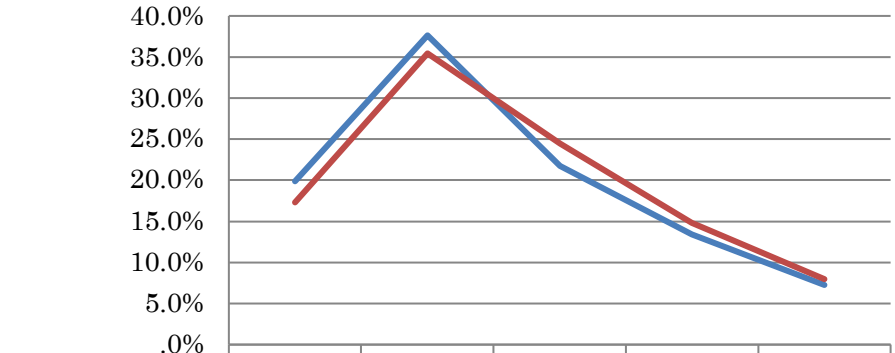


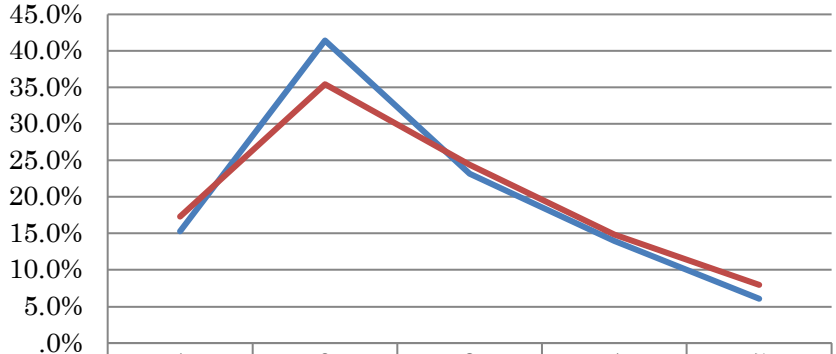
	1	2	3	4	5
Realist	17.4%	33.3%	22.8%	17.7%	8.8%
control	17.3%	35.4%	24.5%	14.8%	8.0%

Figure 3: Mercantilist Treatment



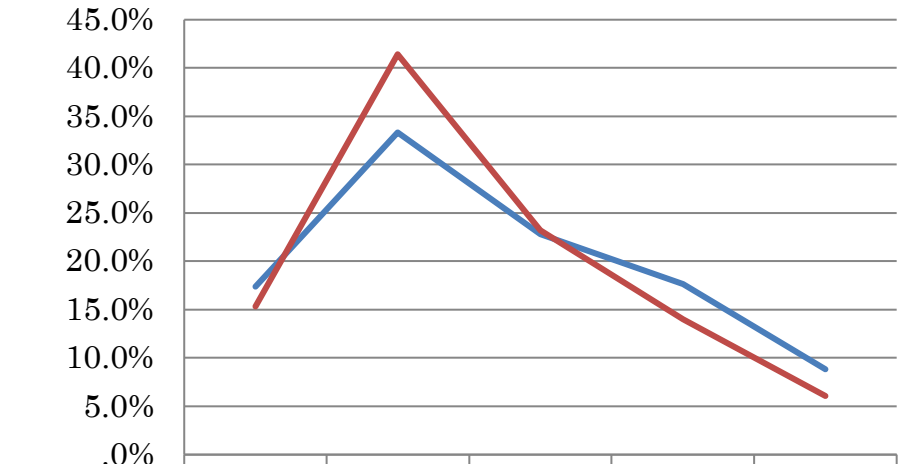
	1	2	3	4	5
Mercantilist	19.9%	37.6%	21.8%	13.4%	7.3%
control	17.3%	35.4%	24.5%	14.8%	8.0%

Figure 4: Liberalist Treatment



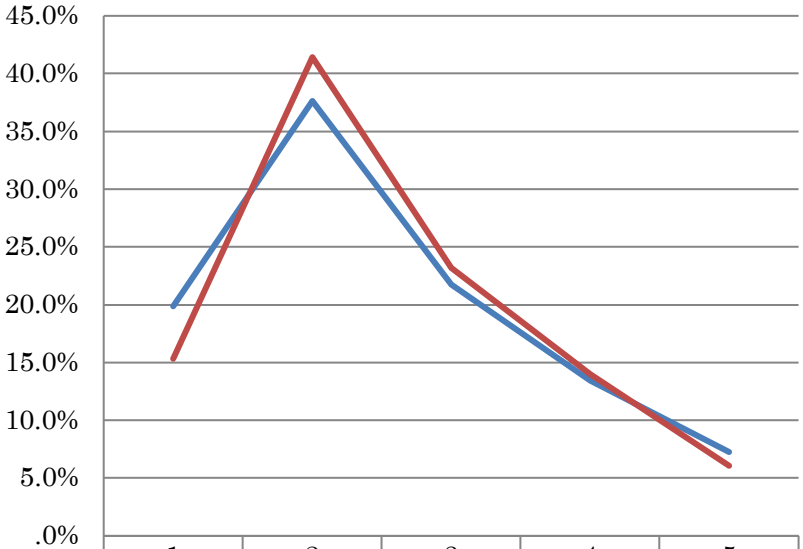
	1	2	3	4	5
Liberal	15.3%	41.4%	23.2%	14.0%	6.1%
control	17.3%	35.4%	24.5%	14.8%	8.0%

Figure 5: Realist and Liberal



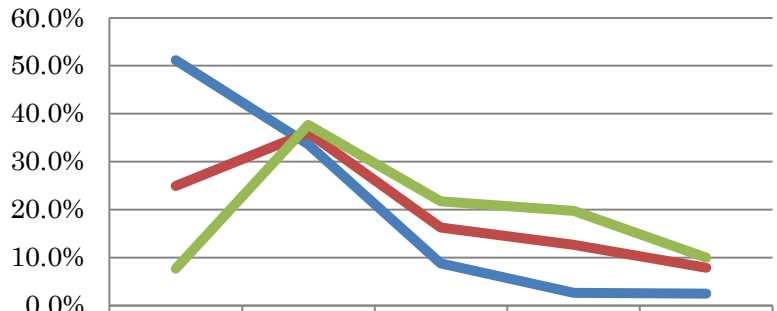
	1	2	3	4	5
Realist	17.4%	33.3%	22.8%	17.7%	8.8%
Liberal	15.3%	41.4%	23.2%	14.0%	6.1%

Figure 6: Mercantilist and Liberal



	1	2	3	4	5
Mercantilist	19.9%	37.6%	21.8%	13.4%	7.3%
Liberal	15.3%	41.4%	23.2%	14.0%	6.1%

Figure 7



	Yes				No
realist	51.2%	33.7%	8.8%	2.7%	2.5%
mercantilist	24.9%	36.1%	16.3%	12.7%	7.9%
liberal	7.7%	37.7%	21.7%	19.7%	10.0%

Table 1

	TPP Difference			Total
	-1.00	.00	1.00	
Realist	76	154	116	346
	22.0%	44.5%	33.5%	100.0%
Mercantilist	96	148	118	362
	26.5%	40.9%	32.6%	100.0%
Liberalist	83	175	116	374
	22.2%	46.8%	31.0%	100.0%
Control	71	176	113	360
	19.7%	48.9%	31.4%	100.0%

TPP Difference is recoded into three (negative, zero, positive).

Distributions in the Realist and Control groups are significantly different at 5% level.

Table 2

	B	SE	P
constant	−.507	.238	.034
national economy	.351	.066	.000
employment/income	.171	.080	.034
consumer life	.121	.071	.088
region	.014	.078	.861
agriculture	.082	.058	.159
medical service	.281	.064	.000

Table 3

	Realist			Mercantilist			Liberalist		
	B	SE	P	B	SE	P	B	SE	P
constant	−.507	.237	.033	−.507	.241	.036	−.507	.234	.031
national economy	.351	.066	.000	.351	.067	.000	.351	.065	.000
employment/income	.171	.080	.032	.171	.081	.036	.171	.079	.030
consumer life	.121	.070	.086	.121	.071	.092	.121	.069	.082
region	.014	.077	.860	.014	.079	.863	.014	.076	.859
agriculture	.082	.058	.156	.082	.059	.164	.082	.057	.151
medical service	.281	.064	.000	.281	.065	.000	.281	.063	.000
national economy*treatment	.092	.094	.328	.238	.093	.011	.107	.087	.221
employment/income*treatment	−.153	.110	.165	−.288	.109	.009	−.169	.107	.115
consumer life*treatment	.211	.098	.031	.103	.098	.295	.048	.094	.607
region*treatment	.015	.105	.887	.002	.110	.984	−.010	.109	.929
agriculture*treatment	.060	.081	.458	−.003	.081	.969	−.020	.081	.803
medical service*treatment	−.116	.087	.185	−.199	.087	.022	−.105	.090	.246
treatment	−.219	.340	.520	.571	.334	.088	.433	.327	.186

The result of the OLS regression with the attitudes toward TPP as the dependent variable.

Appendix: Ordinal Logit

Table A-1 Realist Treatment

DV=TPP Support	Coef.	Std. Err.	P>z
national economy	0.7234074	0.1554285	0
employment/income	0.473557	0.1893718	0.012
consumer life	0.2939715	0.1598935	0.066
region	0.1963654	0.1795788	0.274
agriculture	0.1945711	0.1331972	0.144
medical service	0.629668	0.1507813	0
realist treatment	-0.3981175	0.8699199	0.647
national economy*treatment	0.2941166	0.2170741	0.175
employment/income*treatment	-0.3501593	0.2602543	0.178
consumer life*treatment	0.4409982	0.2237435	0.049
region*treatment	-0.1425174	0.2457329	0.562
agriculture*treatment	0.1885331	0.1893527	0.319
medical service*treatment	-0.2309328	0.2053628	0.261
/cut1	5.283028	0.6366162	
/cut2	7.808713	0.670674	
/cut3	9.444412	0.7051826	
/cut4	11.4574	0.7705926	

Table A-2 Mercantilist Treatment

DV=TPP Support	Coef.	Std. Err.	P>z
national economy	0.7208649	0.155157	0
employment/income	0.4713	0.1891668	0.013
consumer life	0.292766	0.1596972	0.067
region	0.1959601	0.1793991	0.275
agriculture	0.1938895	0.1330849	0.145
medical service	0.6273749	0.1505785	0
mercantilist treatment	1.289072	0.8265223	0.119
national economy*treatment	0.6415093	0.2150219	0.003
employment/income*treatment	-0.6956283	0.2539911	0.006
consumer life*treatment	0.2080757	0.2214864	0.347
region*treatment	-0.0782868	0.2487692	0.753
agriculture*treatment	0.0260977	0.185279	0.888
medical service*treatment	-0.4270008	0.2000506	0.033
/cut1	5.259753	0.6357302	
/cut2	7.786138	0.6669884	
/cut3	9.405938	0.7015969	
/cut4	11.40975	0.7668619	

Table A-3: Treatment Effects in Korea

	US-Korea FTA support	US-Korea FTA oppose
Security Threat	149	192
	47.0%	56.3%
Control	168	149
	53.0%	43.7%
	Chi-Square	.017
Economic Threat	152	192
	47.5%	56.3%
Control	168	149
	52.5%	43.7%
	Chi-Square	.024
Economic Benefit	144	187
	46.2%	55.7%
Control	168	149
	53.8%	44.3%
	Chi-Square	0.016

(Support includes respondents who choose “support” or “support to some degree”, while oppose includes otherwise.)

Table A-4:

US-Korea FTA	realist		mercantilist		liberal	
	B	significance	B	significance	B	significance
Constant	.000	1.000	.000	1.000	.000	1.000
national economy	.353	.000	.353	.000	.353	.000
employment/income	-.122	.140	-.122	.160	-.122	.137
consumer life	.168	.017	.168	.023	.168	.016
region	.196	.014	.196	.019	.196	.014
agriculture	.052	.464	.052	.485	.052	.461
medical service	.140	.027	.140	.035	.140	.026
national economy*treatment	.066	.467	.066	.477	.085	.349
employment/income*treatment	-.028	.806	.160	.185	.240	.031
consumer life*treatment	-.113	.249	-.010	.922	-.144	.150
region*treatment	-.018	.871	-.306	.009	.007	.948
agriculture*treatment	.010	.917	.191	.058	.145	.131
medical service*treatment	.182	.033	.043	.638	.070	.423
treatment	-.179	.670	-.403	.357	-1.241	.006