Shocking the Vulnerable: Job Insecurity, Local Sociotropism and Anti-Globalization Sentiment

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The Backlash Against Globalism

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- But little evidence that ***those who have lost*** are driving the backlash
- Current consensus: it is "status threat", not economic hardship (Mutz, 2018)

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- We operationalize with **occupational risk**

Populism $\sim$ Occupational Risk + Globalization Shocks

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▶ The more dissimilar are the available jobs, the more at-risk is one's occupation

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$$d_{o,p} = \left(\frac{1}{2} \sum_d \left(t_d^o - t_d^p \right)^2 \right)^{\frac{1}{2}}$$

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▶ **Intuition:** Occupations that are more **dissimilar** from those most physically proximate are more **risky**.

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$$R_{o,\text{IND}} = \sum_p \sum_n \left(d_{o,p} * \frac{L_{p,n}}{L_n} * \frac{L_{n^H \to n}}{\sum_n L_{n^H \to n}} \right)$$

Visual Example

To shiny!

Estimation

- Populism $\sim$ occupational risk + globalization shocks

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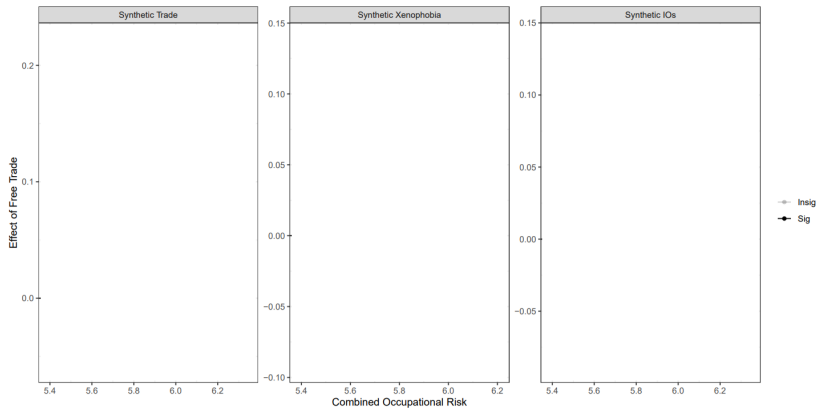▶ Occupational risk: $R_i = \frac{1}{2}(R_{i,\text{GEO}} + R_{i,\text{IND}})$

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$$y_{i,n,t} = \lambda + \delta + \beta_1 IPW_{i,n,t} + \beta_2 R_i + \beta_3 IPW * R + \beta_4 X_{i,t} + \varepsilon_{i,n,t}$$

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  2) Stronger reaction among those with occupational risk ($\beta_3 > 0$)

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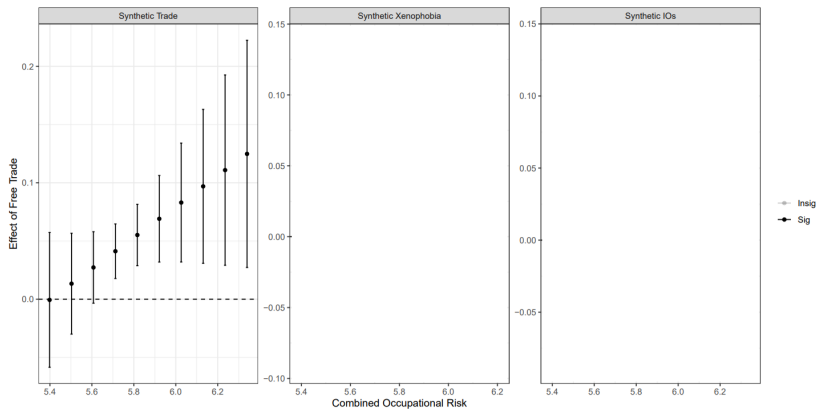
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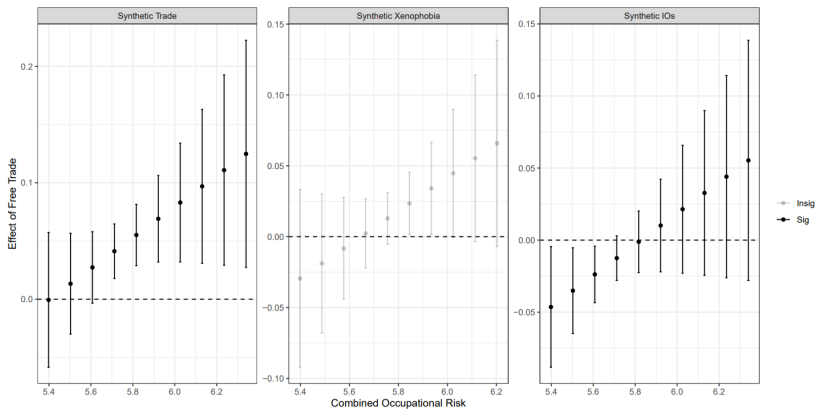
Unpacking Anti-Globalist Views

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- Populism
  - Insecurity over national identity
  - Status threat

Dimensions of Xenophobia
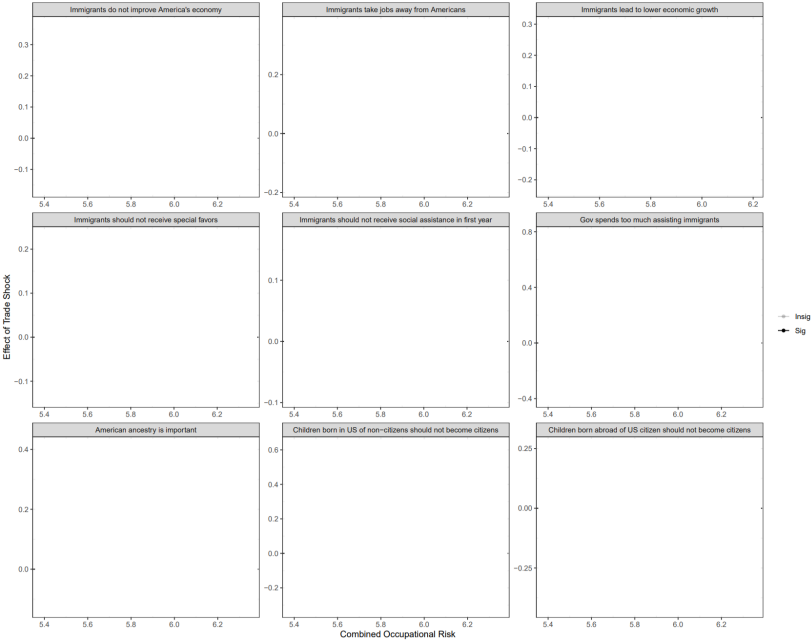
Economic Xenophobia
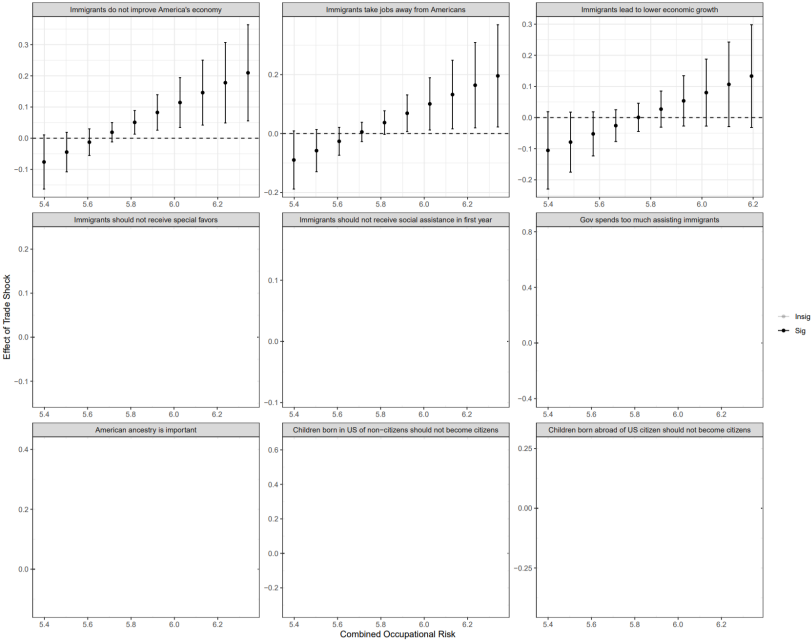
Resource Competition Xenophobia
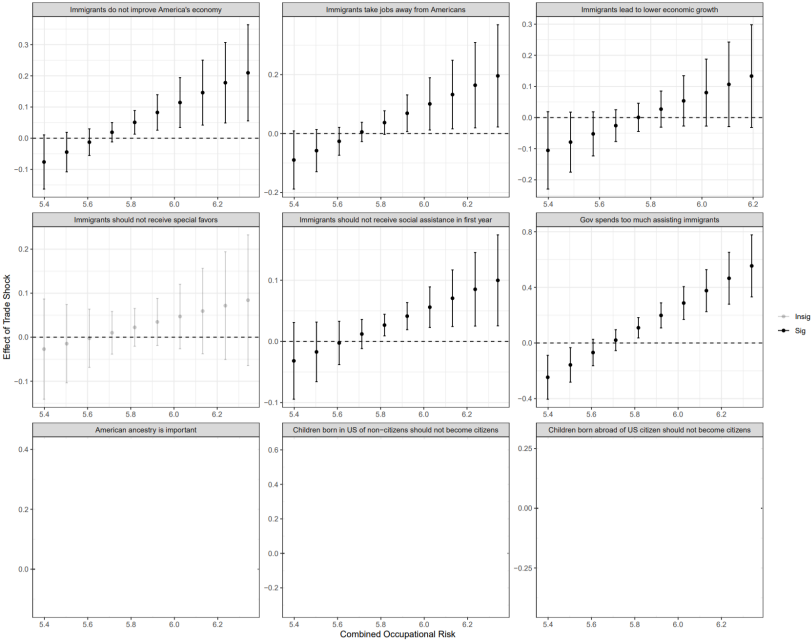
Nativism
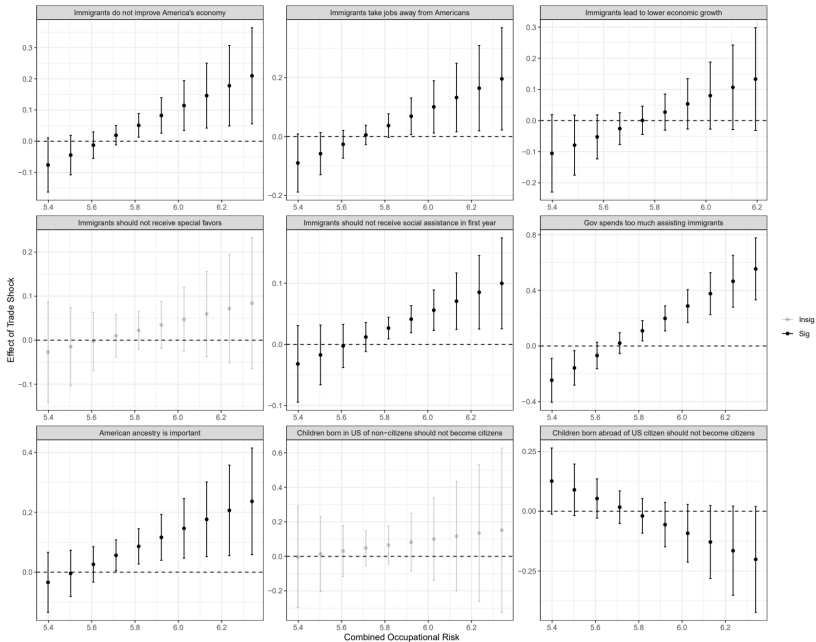
Discussion

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- ▶ Anti-globalist backlash is couched in the *threat* of economic hardship
- ▶ Status threat and economic hardship are not mutually exclusive
- ▶ Political entrepreneurs who explicate sources of hardship most convincingly can shape dominant dimension of response
    - ▶ But this doesn't mean it's either/or!
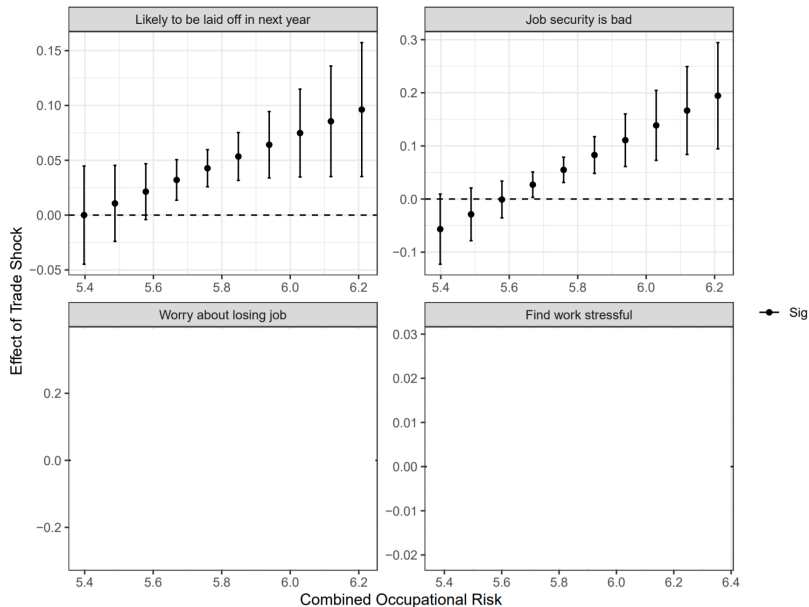
Thank you!

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Supporting Material

- Validating risk
- Dimensions of protectionism & isolationism
- Empirical evidence of the populist political movement being strongest among globalization's losers
- Industry versus geography

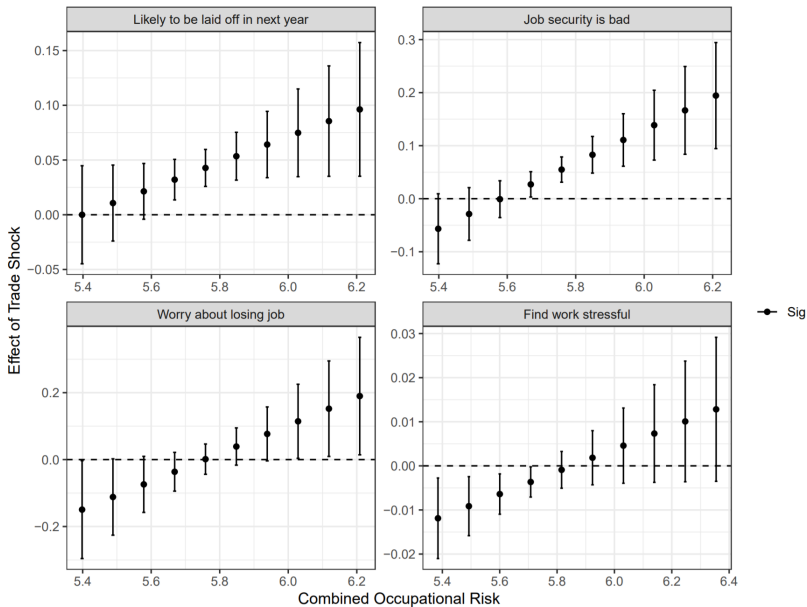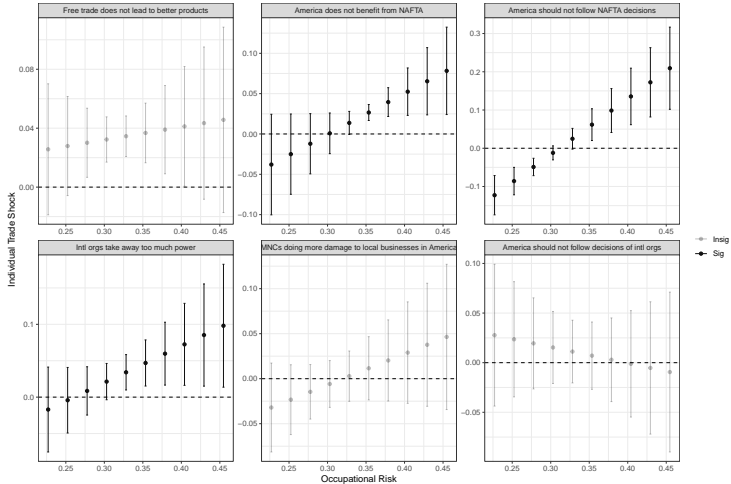# Validating R_i
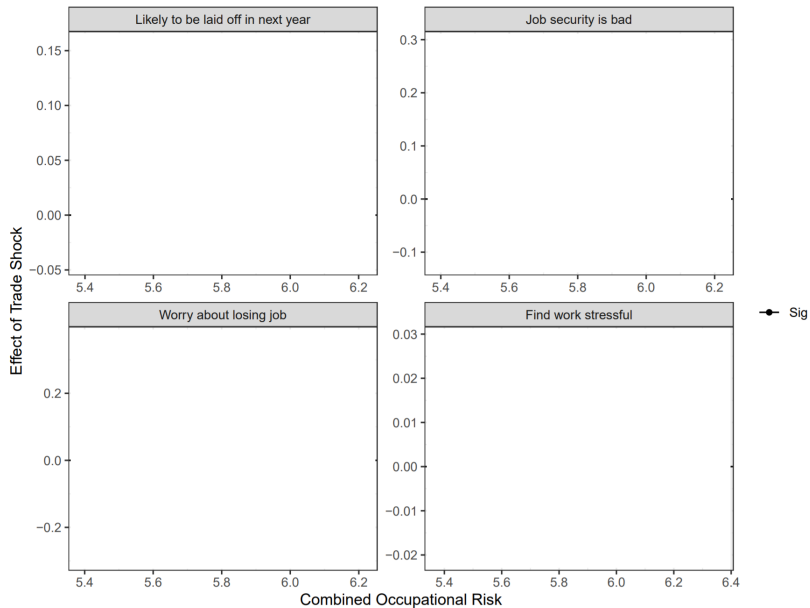
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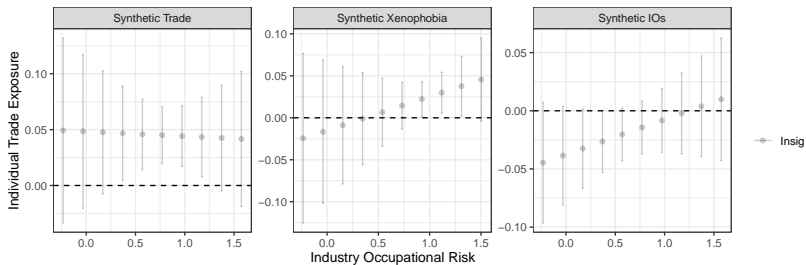
Dimensions of Protectionism and Isolationism

Decomposing Industry versus Geography

- $R_{i,\text{IND}}$

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Decomposing Industry versus Geography

▶ $R_{i,\text{GEO}}$