

INTERNATIONAL TRADE: COSTS, COERCION, AND CONFLICT

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ABSTRACT

There is a large literature examining the relationship between trade and international politics. However, the majority of extant studies examine the extent of trade interaction, despite acknowledging the potential for states to rely on trade to differing degrees. In this dissertation, I devise measures of potential trade gains and potential trade losses, using these measures to address three important research questions in the study of international relations. First, I look at the relationship between exit costs and conflict, arguing that asymmetry in exit costs is associated with a higher likelihood of militarized conflict. Second, I examine the connection between exit costs and sanction threats, finding that vulnerable states are more likely to be targeted with sanction threats but are not likely to give in to these threats. Finally, I look at the connection between potential trade gains and protectionism, arguing that inelastic demand is associated with lower tariffs for democracies, but higher tariffs for autocracies. This study demonstrates that there is considerable room for further exploration into the connection between trade potential and international outcomes.