The Role of Non-State Actors in Geoeconomic Interdependencies

With the increase in globalization of the last few decades, non-state actors have significantly expanded their relationships with foreign entities, which resulted in new and deeper interdependencies. When tensions rise, the interdependencies can obtain a geoeconomic character since they can be exploited by adversaries or disrupted by conflict. Because geoeconomic interdependence affects both security and welfare, it is important to understand its origins, dynamics, and effects. Scholars have already extensively studied such interdependencies, but they did so primarily from a state perspective or from the perspective of firms in a specific industry. This dissertation asks how non-state actors create and foster geoeconomic interdependencies and how these interdependencies affect them. In doing so, it studies non-state actors from a role perspective rather than the perspective of a specific industry.

The main part of the dissertation consists of four article-based chapters that use different methods to examine the role of non-state actors in geoeconomic interdependencies, with an empirical focus on Belgium and its relations with China. One chapter reconceptualizes economic statecraft, geoeconomics, and economic security by means of conceptual analysis and a systematic literature review. It proposes definitions that align the concepts with common usage and make them meaningfully different, and ensures that the definitions are adequately parsimonious. As such, the reconceptualization provides a foundation for further theory building. The other three chapters focus on non-state actors in different roles. The dissertation extends the analysis beyond firms by examining the role of scientists and research institutes by means of a bibliometric and case study analysis. It finds that Belgian and Chinese scientists produce collaborative research with military implications. In addition, the dissertation studies domestic firms in their relation to the international economic system by examining their geopolitical risk communication. It finds that firms communicate more about geopolitics when tensions rise, but do so primarily when geopolitical developments directly affect them. Finally, the dissertation also studies the security implications of foreign direct investments. By means of an analytical framework and illustrative case studies, it shows the complex and intertwined nature of the security effects.

Together, the findings demonstrate that non-state actors are not merely passive objects of geoeconomic competition but active participants in creating geoeconomic interdependencies. The research shows how non-state actors forge cross-border links that can have geostrategic implications, for example, by conducting research with foreign scientists or by engaging in foreign direct investment. Through these interdependencies, non-state actors are themselves affected by heightened tensions in an interconnected world economy, as reflected in the increased geopolitical risk communication of domestic firms. At the same time, the findings nuance the geoeconomic character of the interdependencies. Not all interdependencies, even between states with increasingly adversarial relationships, have a geoeconomic character. Several research collaborations did not have a military character and foreign investments have security implications under specific conditions. In addition, different forms of tensions affect non-state actors to different degrees. Geopolitical developments that do not directly affect public firms are, for example, notably absent in corporate communication. At the same time, some firms benefited from heightened geopolitical tensions. Hence, non-state actors are both creators and subjects of geoeconomic interdependencies, but the nature and extent of their involvement vary across actors and contexts.