

The Partisan Divide in U.S. Congressional Communications after the China Shock

JOHN SEUNGMIN KUK, DEBORAH SELIGSOHN, JIAKUN JACK ZHANG
UNIVERSITY OF CALIFORNIA, SAN DIEGO

NOVEMBER 18, 2017

INTERNATIONAL POLITICAL ECONOMY SOCIETY CONFERENCE

THE UNIVERSITY OF TEXAS AT AUSTIN



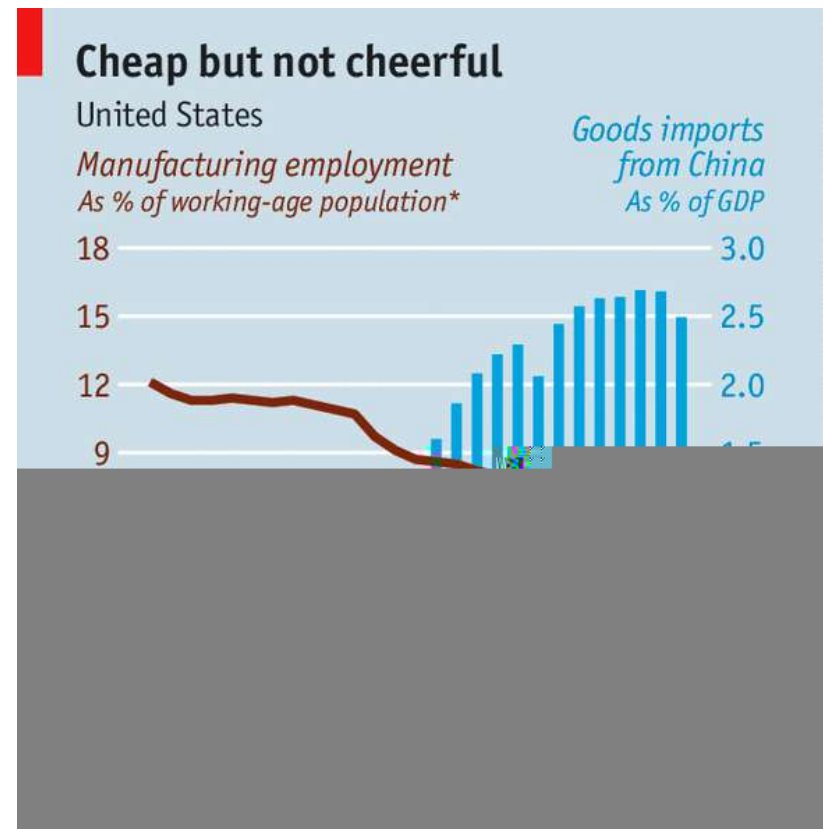
The China Shock

Following China's WTO accession in 2001:

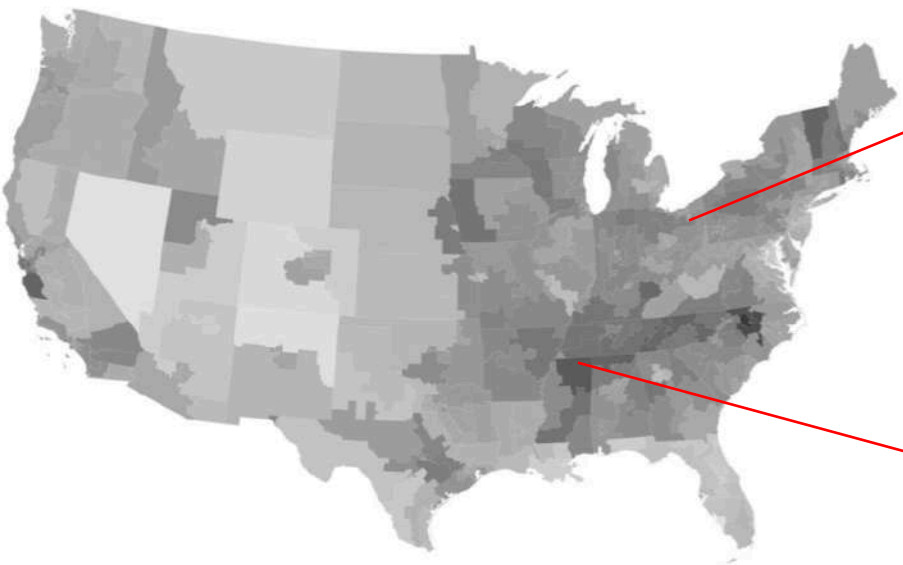
- Doubling of Chinese imports to U.S.
- Halving of American manufacturing employment

Autor, Dorn, and Hanson (2013)

- This 'China shock' accounts for 25 to 50 percent of manufacturing job loss
- Or an estimated 2 to 2.4 million jobs in the U.S.



Distribution of the China Shock across Congressional Districts



Trade Shock

2.5 5.0 7.5 10.0 12.5



What are the political ramifications of the China shock?

Increased congressional support for bills hostile to China (Kuk, Seligsohn, and Zhang 2017)

Inconclusive electoral consequences of the China shock

- No effect on primary challenge or reelection (Hall and Feigenbaum 2015)
- Electoral outcomes contingent on ideology and partisanship (Autor et al 2016, Che et al 2017)

Hall and Feigenbaum suggest more protectionist roll-call voting on trade as a potential strategy to mitigate the electoral effects

We argue that position taking in political communications is another important mitigation strategy for incumbents

Theory: Strategic Political Communication

Incumbent legislators are responsive to economic conditions in their districts and have two sets of tools to represent the interests of constituents

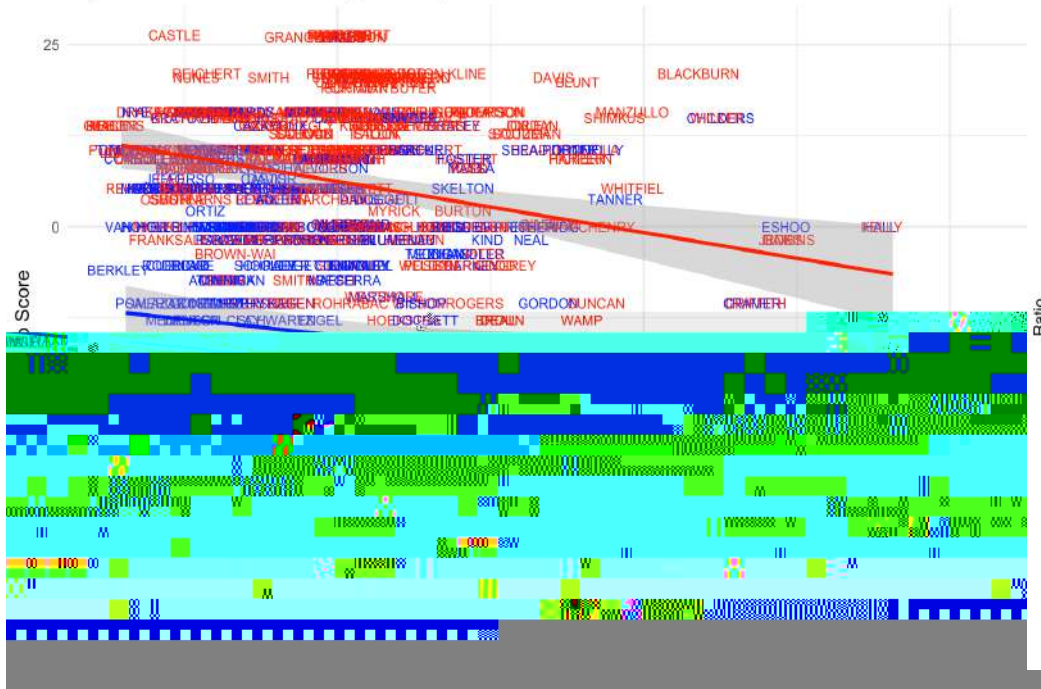
- Washington work: Roll-call voting, co-sponsorship, trade adjustment assistance
- Home style: strategically use of institutional resources to develop a public image and convey their activities to constituents (Grimmer)

Unlike Washington work, home style is unilateral

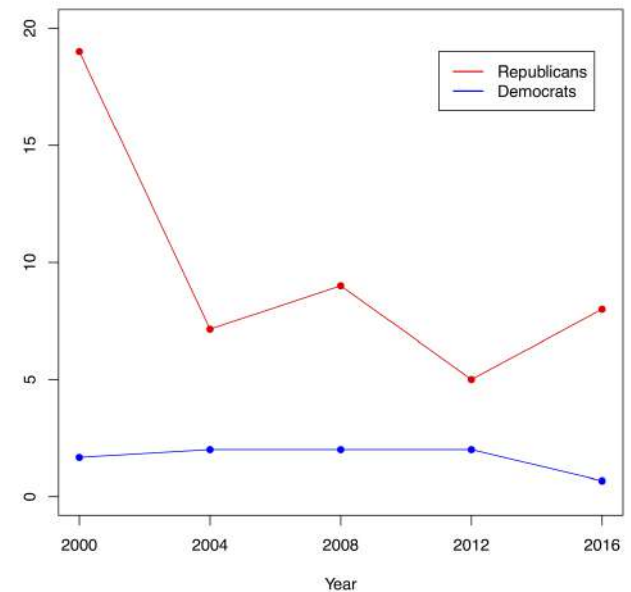
- Changes in political communication strategies do not require a bargaining process with other legislators or the approval of party leaders
- Thus the incumbent's home style should be more sensitive to changes in the district's economic conditions

Republicans remain committed to free trade at much higher rates than Democrats

Import and Free Trade Vote (FH 2015)



Ratio of Mentioning (Open+Free Trade)/(Fair Trade)



Theory: Partisan Differences in Political Communication Strategy

Since the 1980s, Republicans have championed trade liberalization while Democrats have been more skeptical

The China shock has widened the gap between rhetoric and policy positions on trade within the Republican Party

Republicans from hard-hit districts bridged this gap by blaming deteriorating economic conditions on China rather than on trade in their political communications

Republican incumbents sounded more and more like Democrats at home but continued to act like Republicans in Washington

Data: Congressional Political Communication Strategy

Measure representatives' communication strategy with Congressional press release data (Grimmer 2013)

- 568 representatives, 169,000 press releases (2005-2010)
- Apply Structural Topic Model (Roberts et al. 2014) to generate trade topic
- Identify subset of China-related press releases using key words then generated 20 China-related topics

Create two dependent variables of this study

- 1) the proportion of trade topic
- 2) the proportion of China-related trade topic

Sample Documents: China-related trade topic

"China illegally subsidizes its industries and manipulates its currency to unfairly give an advantage to its manufacturers over American workers, and those Chinese companies must be punished in this case."

"I rise to bring to the country's attention something devastating that's happening in Northeast Wisconsin: Our paper industry, the very business, the very industry that grew the jobs and grew the future of Northeast Wisconsin is being devastated because of unbalanced and unfair trade with communist China who continues - continues to import illegal paper."

Empirical strategy

Unit of analysis: Individual legislator (pooled across three terms)

IV: Change in import exposure (change in Chinese import exposure per worker) for each congressional district

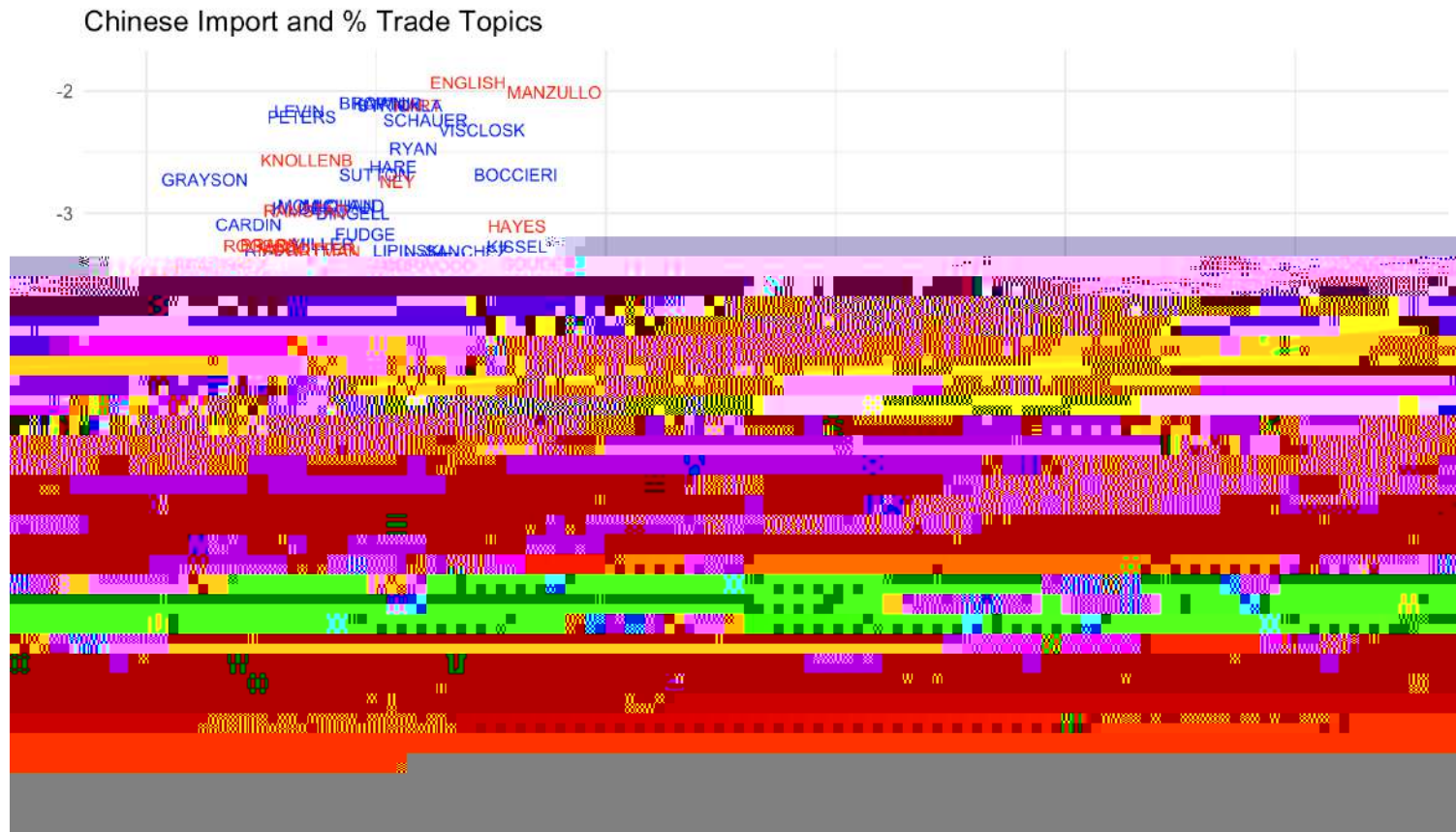
DV: Trade topics in Congressional press releases (2005-2010)

- 1) General trade topic
- 2) China-related trade topic

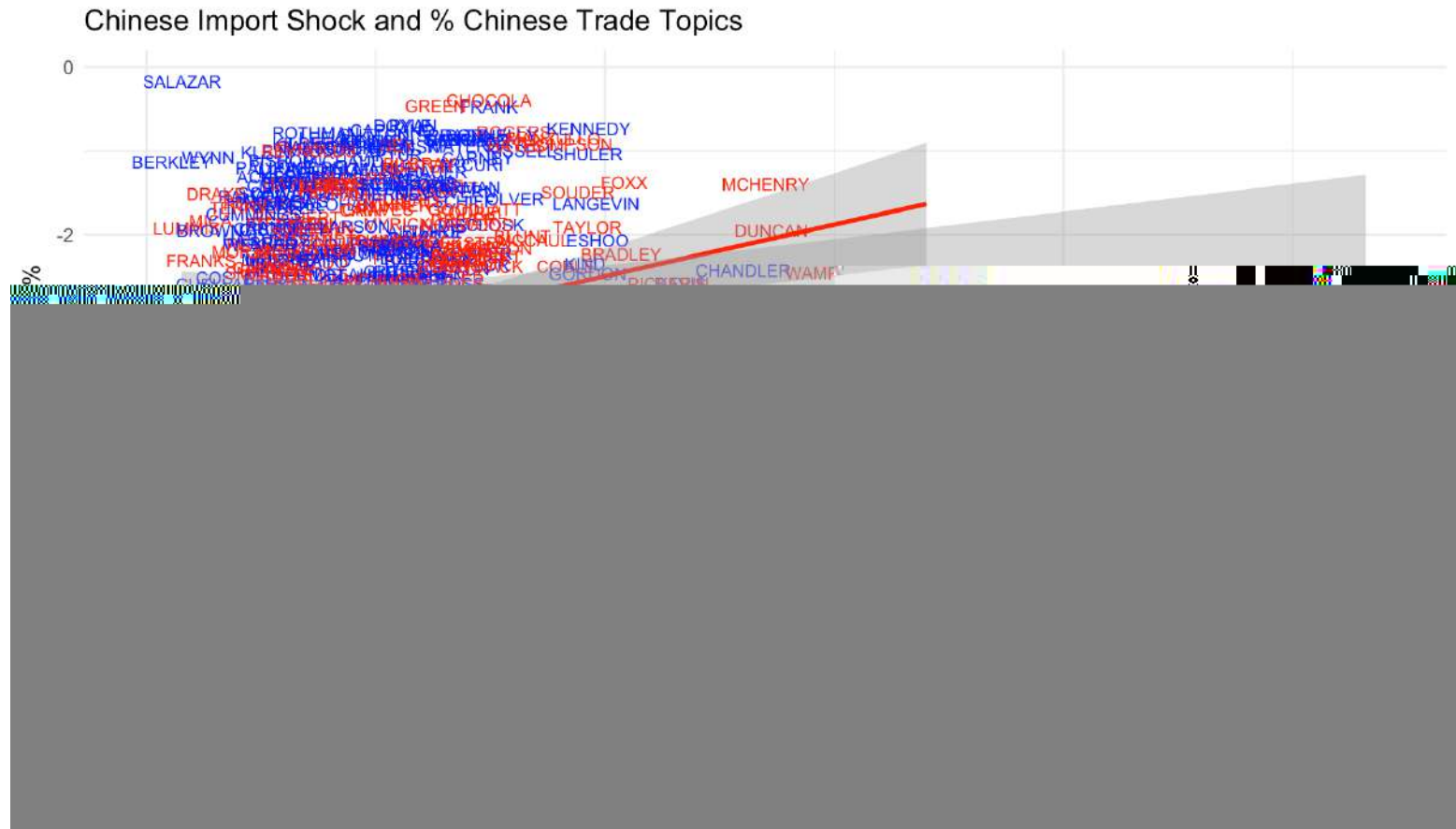
Use instrumental variable regression following ADH

Control variables: change in log weekly wage, change in unemployment rate, legislators ideology and party ID

Import exposure has no impact on frequency of the general trade topic



Import exposure only impacts frequency of China-related trade topic among Republicans



Discussion

For every \$1000 of increased Chinese import exposure there is a 30% increase in China-related communications on trade

The trade-exposed Republicans link trade and China in their press releases far more than similarly import-exposed Democrats

Republicans respond to import exposure with a larger change in communication strategy because there is a greater gap between voters and party policy on trade

Trump's campaign of economic nationalism merely closed the gap between the national-level GOP discourse on trade and its grassroots rhetoric



Thank you!



Summary statistics of Key Variables

Statistic	N	Mean	St. Dev.	Min	Max
Chinese Import Exposure (1=\$1000)	580	2.635	1.502	0.347	13.338
$\Delta \log$ Weekly Wage	580	3.466	4.101	-7.274	16.290
Δ Unemployment	580	0.868	1.240	-2.589	4.708
DW-NOMINATE 1st	580	0.145	0.509	-0.681	1.223
DW-NOMINATE 2nd	580	0.156	0.383	-0.992	1.310
Trade Topic Proportion	571	0.015	0.018	0.001	0.145
Chinese Trade Topic Proportion	442	0.104	0.166	0.0003	0.910

Regression Results

<i>Dependent variable:</i>	
<i>log % Trade Topic</i>	
IPW non-US (Z)	-0.019 (0.044)
Democrat	-0.486* (0.271)
Δ % Income	-0.034*** (0.009)
Δ % Unemployment	0.117*** (0.024)




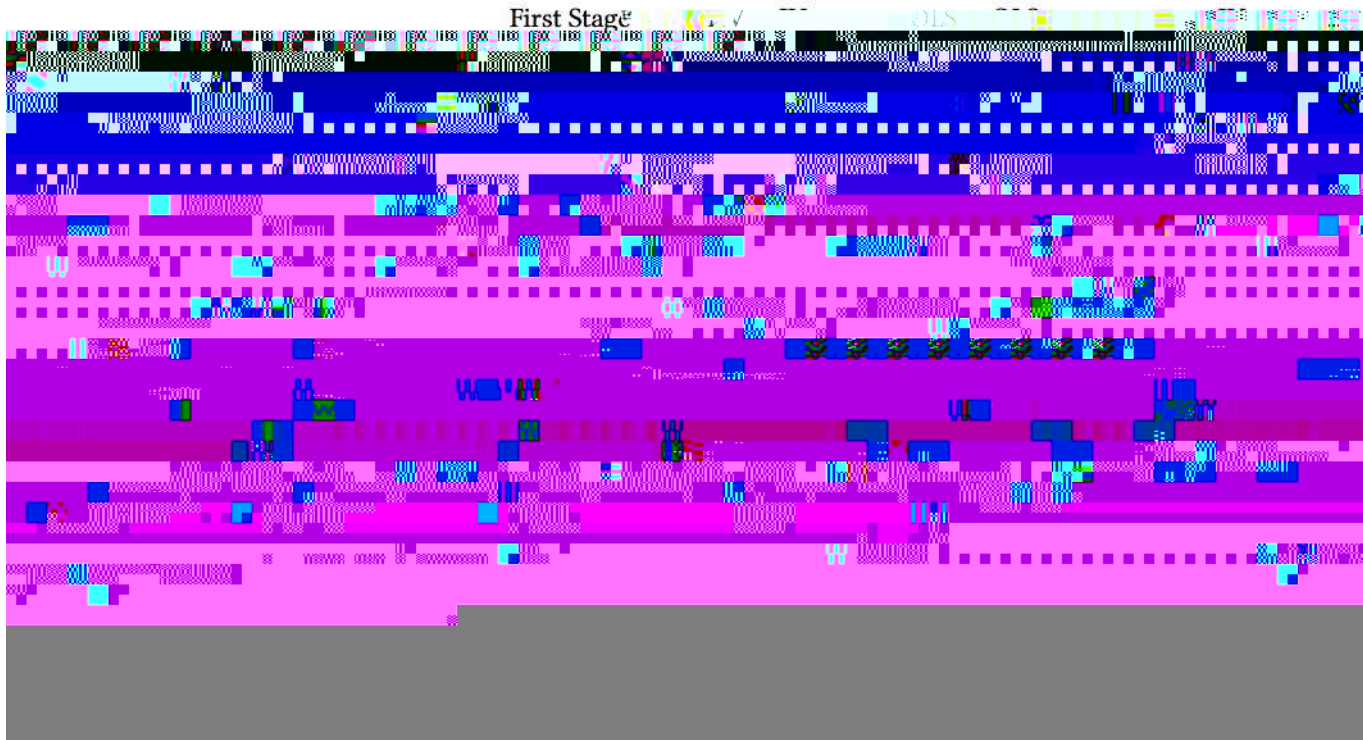
Table 1

Dependent variable:

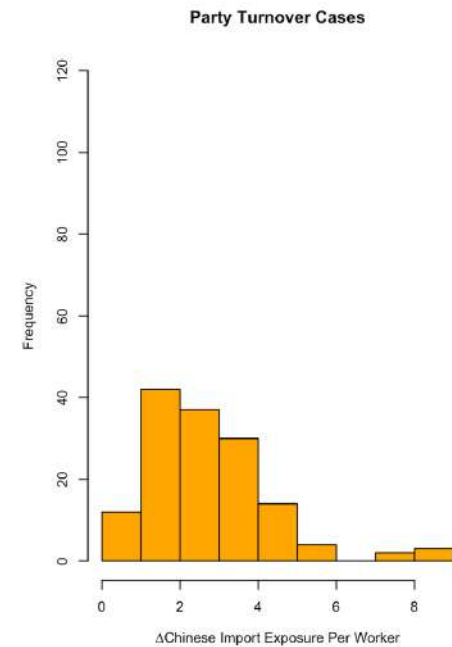
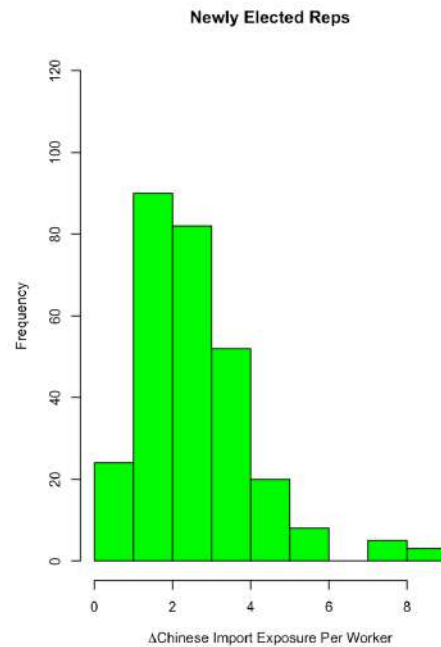
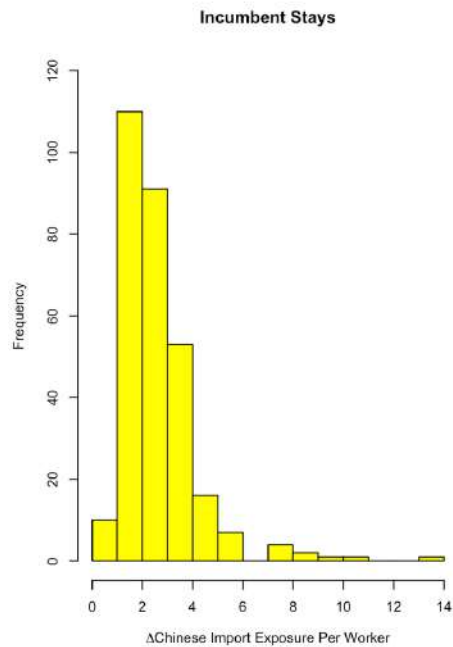
Cato Score (FH 2015)

log % Trade Topic

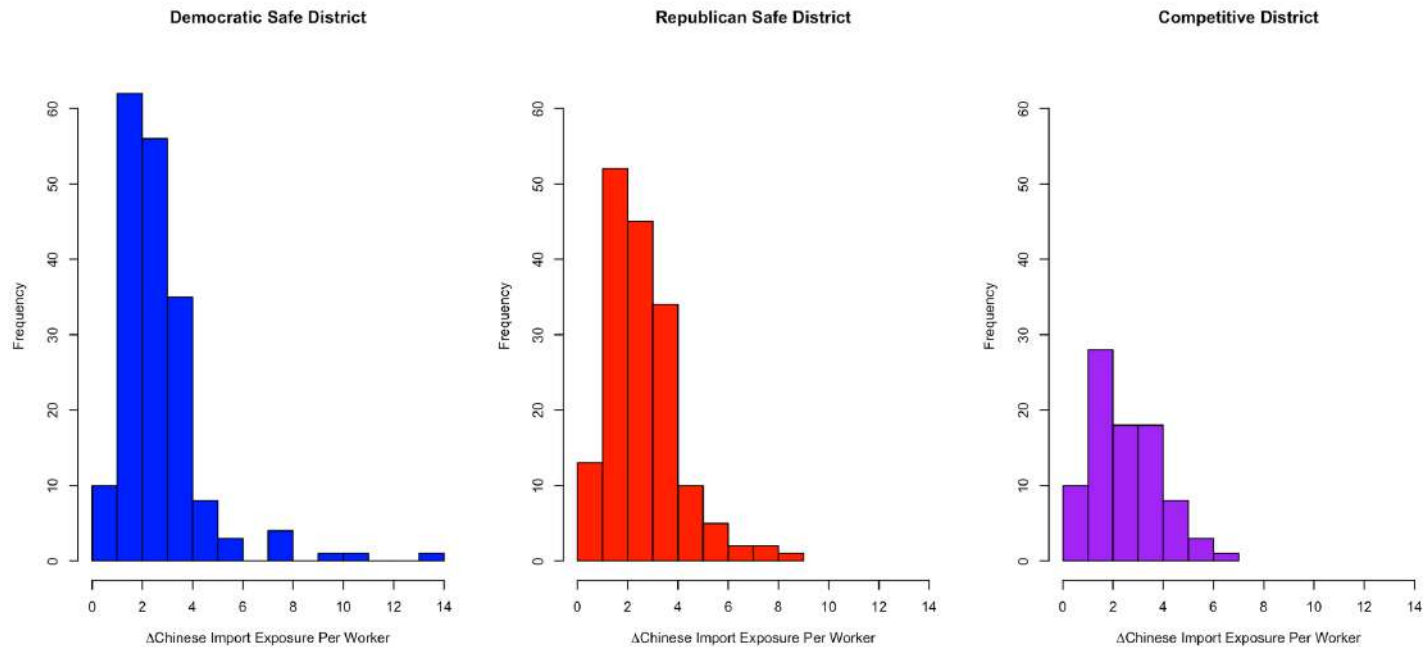
First Stage



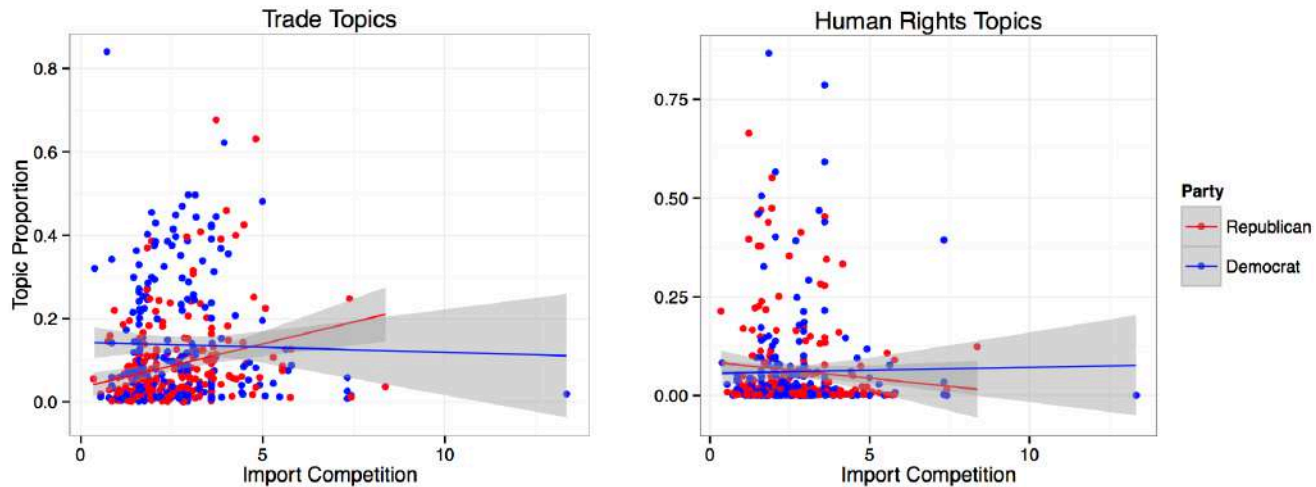
Districts Hit Harder by Import Competition have greater turnover



Import competition does not seem to effect district competitiveness

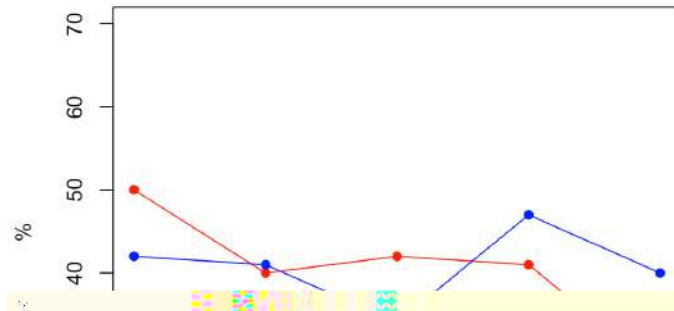


As import competition increases, Republicans talk about more trade when they talk about China

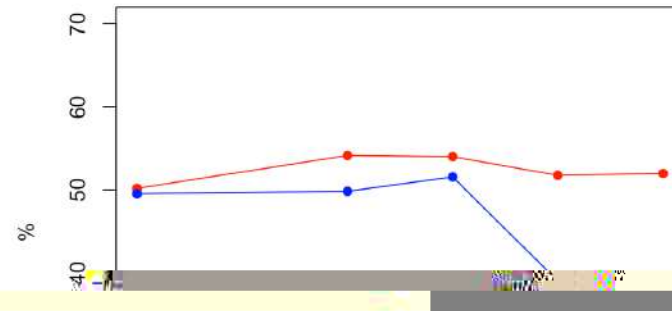


Communication Strategy Might be Driven by Constituent Public Opinion

% of Impact of Free Trade is Good



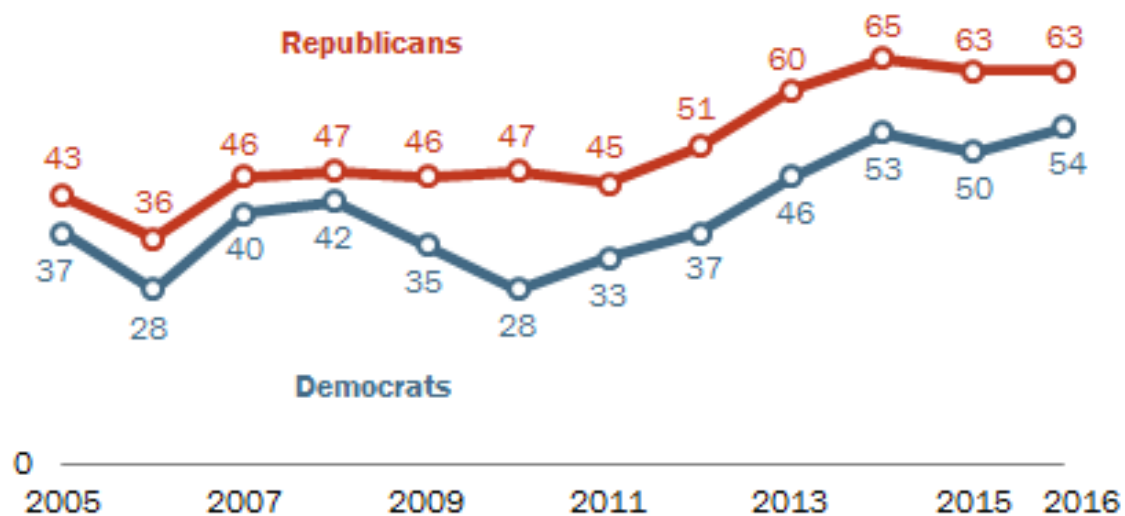
% of Unfavorable to China



Republicans consistently more negative on China

Unfavorable view of China

80%



Source: Spring 2016 Global Attitudes Survey.

PEW RESEARCH CENTER
