

Support For Economic Nationalism And Industrial Policy
in Diverse Societies: The US Case

Katja B. Kleinberg
Binghamton University, SUNY

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MOTIVATION



Cover of print edition, Feb 7, 2009.

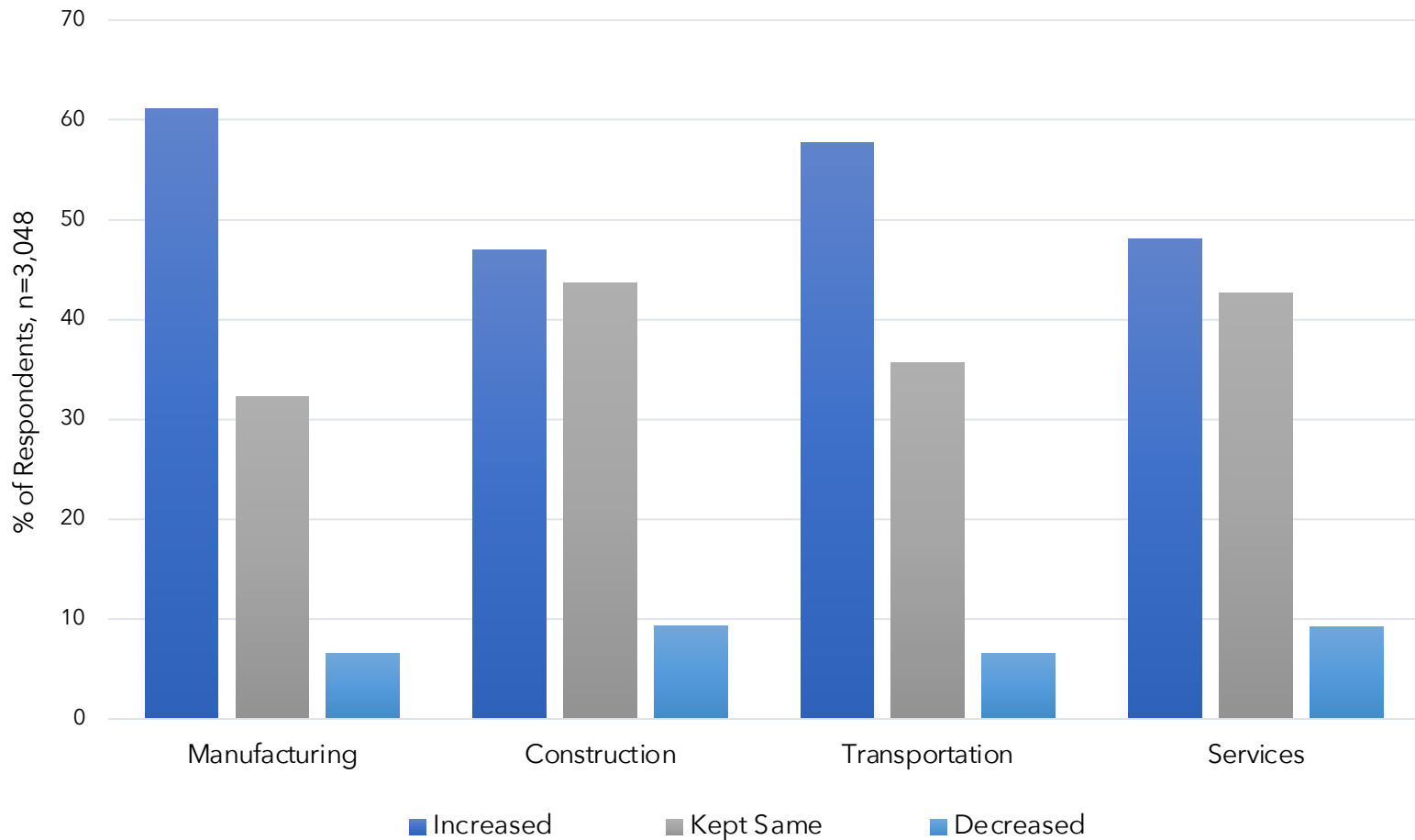


Cover of print edition, Oct 7, 2023.

Over the past decade, policymakers from both parties have called for greater government investment in the American economy.

What do you think - should government investment in the following industries be increased, kept about the same, or should it be decreased?

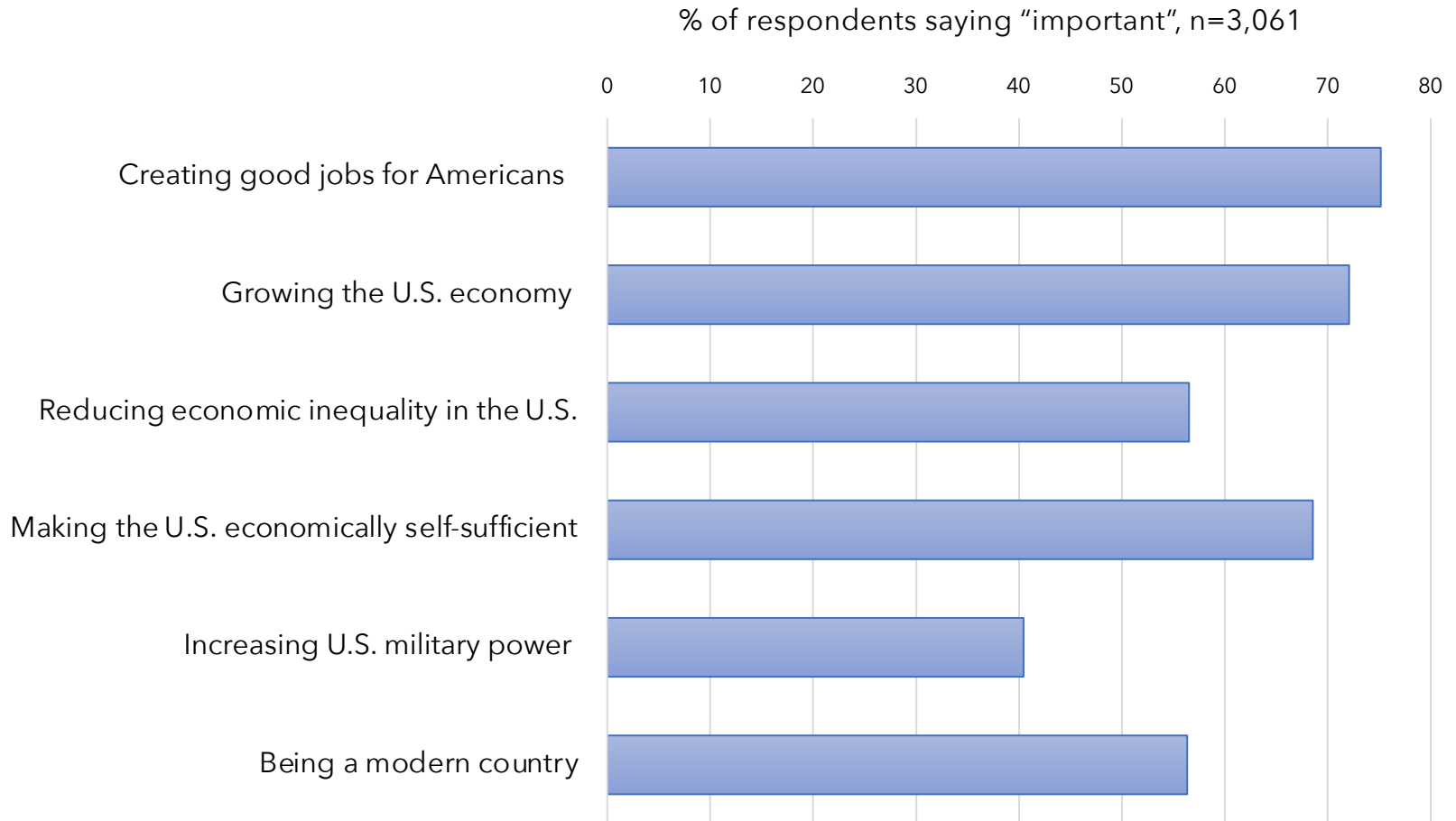
Original Survey, July 2023



There are many reasons why countries value manufacturing industries.

In your opinion, how important is having a large manufacturing sector – one that produces things here in the United States – for ...

Original Survey, July 2023



MOTIVATION

Who supports government investment in manufacturing?

THEORETICAL PERSPECTIVES

- Economic interests (e.g., all of OEP; Baccini & Weymouth 2019)
 - Employment/income
 - Local deindustrialization
 - Gender
- Social identity (e.g., Mayda & Rodrik 2005; Mutz 2018; Herrmann 2017; Huddy et al. 2021; Honeker 2023; Zucker 2023)
 - Race
 - Gender
 - National attachment
- External threat (DiGiuseppe & Kleinberg 2019; Feng et al. 2019; Myrick 2021)

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EXPECTATIONS

- Respondent will favor increase in government investment in manufacturing if:
 - Currently employed in manufacturing
 - Living in area that recently experienced deindustrialization
 - Male
 - White
 - Greater national attachment

RESEARCH DESIGN

- Original survey, fielded July 2023 by NORC at the University of Chicago
- ~3,100 respondents, including oversamples of Black, Asian-Pacific, and Hispanic respondents

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- * Objective deindustrialization (see Baccini & Weymouth 2019)
- * Perceived deindustrialization (survey item):

In the past 10 years, has the number of jobs in manufacturing or factory work in the area where you live increased, decreased, or stayed about the same?

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Social identity

- * Race (non-Hispanic white/non-Hispanic black/Hispanic/Asian-Pacific/other)
- * National attachment (survey items):
 - Emotional attachment to US
 - Identification with US/personal importance of being American/shared fate
 - Chauvinism

Additional variable

- Education (Some college)

FINDINGS

	<u>Increase investment</u>	<u>Decrease investment</u>	<u>Increase investment</u>	<u>Decrease investment</u>
<i>Female</i>	-0.1 (0.08)	-0.05 (0.16)		
<i>Some College</i>	0.31*** (0.1)	-0.16 (0.18)		
<i>MF Employment</i>	0.15 (0.16)	0.59** (0.27)		
<i>MF Losses</i>	0.32*** (0.09)	0.34* (0.17)		
<i>Race (base category: non-Hispanic White)</i>				
<i>Non-Hispanic Black</i>	-0.01 (0.11)	-0.71*** (0.25)		
<i>Hispanic</i>	-0.21* (0.11)	-0.32 (0.21)		
<i>Asian-Pacific</i>	0.07 (0.25)	-0.61** (0.25)		
<i>US Attachment</i>			0.27*** (0.04)	0.17*** (0.08)
<i>Chauvinism</i>			0.05 (0.04)	0.16* (0.08)
<i>Shared Fate</i>			0.55*** (0.1)	0.91*** (0.17)
<i>Constant</i>	0.38 (0.11)	1.36 (0.2)		

Notes: N=3,031. Multinomial logit, 'Keep same' is excluded category. Standard errors in parentheses, *** p<0.01 ** p<0.05 * p<0.1 in two-tailed test.

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<i>Female</i>				
Δ Some College	+ 0.09			
Δ MF Employment		+ 0.04		
Δ MF Losses	+ 0.06			
Race				
<i>Δ Non-Hispanic White</i>		+ 0.02		
Δ US Attachment			+ 0.09	+ 0.01
<i>Chauvinism</i>				
Δ Shared Fate			+ 0.08	+ 0.03
<i>Constant</i>				

Notes: Changes in predicted probability of a specific response, remaining variables held at mean/mode.

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ARGUMENT & EXPECTATIONS

- Government manufacturing investment as defensive policy against external threat
 - Here: dependence on China

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- Government manufacturing investment as defensive policy against external threat
- Priming on Chinese dependence increases respondent support for policy

EXPERIMENT

The US Congress recently passed bills to provide billions of dollars in grants and tax credits for government investments in domestic manufacturing.

*Treatment 1: [One goal of these investments is to reduce **US dependence on China.**]*

*Treatment 2: [Experts expect that these investments will create hundred of thousands of new **jobs.** / Exports expect that while these investments will create new jobs, much of the new production will be **automated.**]*

Do you support or oppose new government investments in domestic manufacturing?

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Do you support or oppose new government investments in domestic manufacturing?

% of respondents saying "strongly support," n=3,107

	<i>Control</i>	<i>China</i>
<i>Jobs</i>	34%	45%
<i>Automation</i>	27%	35%

ADDITIONAL EXPECTATIONS

- Government manufacturing investment as defensive policy against external threat
- Priming on Chinese dependence increases respondent support for policy
- Priming on Chinese dependence increases respondent support more if ...
 - Greater national attachment
- Priming on 'jobs' increases respondent support more if ...
 - Manufacturing employment
 - Local deindustrialization
 - Male
 - White

FINDINGS (Quick Roundup)

- Effect of *China* treatment on support for new government investments in domestic manufacturing
 - (+) greater emotional attachment to the US
 - (+) non-Hispanic Whites

- Effect of *Jobs* treatment on support for new government investments in domestic manufacturing
 - (+) local deindustrialization
 - (+) non-Hispanic Whites (for China treatment only)

 - (–) manufacturing employment
 - No gender effect

CONCLUSIONS

- Local deindustrialization (but not current employment in manufacturing) partly explains support for government investment in sector
 - Effect appears to run partly through expectations regarding job creation
- No obvious gender gap in support for government manufacturing investment
- Effect of national attachments on support for government manufacturing investment ambiguous, more research needed
 - More sensitive/responsive than unattached respondents to external threat priming
- Some gaps along lines of race, but subtle and appear connected to presence of external threat

NEXT STEPS

- Additional county-level predictors
 - Deindustrialization, including by race & gender
 - Unemployment
- Manufacturing investment: private v. government
- Broader project: individual-level determinants of economic nationalism
 - Gender gaps
 - Economic engagement
 - Aggressive v. defensive nationalism

THANK YOU