

# Elite Cues and Attitudes Toward Globalization Evidence from Televised Political Advertising in the U.S.

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## **Abstract**

Does anti-trade rhetoric fuel backlash against globalization? The literature argues that socio-cultural values such as ethnocentrism are the main drivers of foreign economic policy preferences. Yet, little is known about how elite cues influence foreign economic policy attitudes. My paper challenges the focus on individual, psychological factors as the source of protectionist sentiments. Instead, I argue that politicians vilify trade and create anxiety about trade during their election campaigns. First, using televised political advertising in Congressional elections 2000-2016, I analyze the correlates of negative trade advertising ads that political elites use to cue adverse effects of trade. Contrary to expectations, local import penetration doesn't correlate with where trade-related ads air. Using geocoded survey data, I then show the causal effect of trade ads on American trade attitudes by exploiting differences in exposure to advertising generated by the as-random assignment of similar counties to different media markets created by Federal Communications Commission regulations. My findings shed light on the dynamics of trade attitudes they shift across geographies and over time, depending on the intensity of coverage of trade issues in political ads.

Keywords: public opinion on trade, import penetration, campaign advertising

Trade policy has always been regarded as a low salience issue. Most Americans think little about trade policy, know little about trade agreements and how their representatives vote when it comes to regulation foreign economic flows (Guisinger 2009). Nevertheless, trade appears as a campaign issue in many recent political campaigns and even became central to the Democratic party platform in 2010 Congressional elections (WMP 2010). Historically, during 1992 Presidential elections, Ross Perot captured 19% of the popular vote partly by describing NAFTA as “a giant sucking sound” that would send American jobs overseas. Twenty four years later, President Donald Trump achieved an unexpected victory by making protectionism one of his most important campaign promises in 2016. Other candidates such as Bernie Sanders and Hillary Clinton also voiced their concerns about international trade agreements. The election of Trump was followed by a rise in protectionist policies, such as withdrawal from the Trans-Pacific Partnership, renegotiation of NAFTA, and China-U.S. trade war. International trade recently moved to the forefront, and gained unprecedented attention from the public and the news media. What explains this resurgence of international trade in the American political scene in recent years?

This paper explore the extent to which elite cueing on trade issues influence American public opinion on trade. To this aim, I first investigate the role of trade in one of the most important political campaign tool - televised political advertising. Televised political advertising is one of the mediums through which political candidates can clearly communicate their views to the American public. Given its short and costly nature, raising trade issues in an advertising provides a clean signal on the importance the candidate gives to it. Then, I demonstrate how elite rhetoric fuel protectionism among the American public.

The existing literature advances two main explanations for rising protectionist sentiments in the U.S. Some studies argue that increased import competition in recent years, especially from China, is the culprit for increased demand for protectionism. These papers have shown that trade-related job losses decrease support for the incumbent in Presidential elections (Margalit 2011) and import competition increases voting for more extremist,

conservative candidates (Autor et al. 2016, Cerrato et al. 2018) and the vote share of the incumbent President (Jensen et al. 2017). While providing important causal connections, most of this research is silent about the causal mechanism that links foreign economic flows to voting outcomes. Moreover, they can't explain how Americans, majority of whom are unaffected by trade flows in a daily basis, make connections between the invisible material consequences of trade and voting preferences. Other studies argue that skepticism against international trade is due to heightened ethnocentrism and generalized anxiety about trade following the Great Recession (Mansfield et al. 2016). While these studies highlight important psychological mechanisms, they don't explain about how these perceptions about the economy and international trade that influence opinions come about.

I analyze trade-related campaign appeals to explore the effect of elite rhetoric on American trade opinion. My paper is one of the first to systematically analyze what explains variation among elites who choose/pass to raise trade as a campaign issue and whether this variation explains cross-sectional and yearly variation in American sentiments towards trade. Looking at televised political advertising between 2000 and 2016 provide me the ideal context to study the effect of trade-related advertising for few reasons. First, the time period contains two financial crises, which allow me to study the effect of the financial crises on decisions to advertise on trade. Financial crises heighten economic threat and anxiety, which could incentivize candidates to vilify trade for their domestic electoral purposes. Second, there is enough yearly and cross-sectional variation in candidate and race characteristics that allow me to test various hypotheses about the causes and consequences of trade-related advertising. Third, this period has been recently studied by scholars for other purposes (such as to measure the effects of the China shock) that allows me to compare my predictions with previous literature. I intend to determine whether televised campaign advertising acts as a mechanism through which trade competition influence trade attitudes. I argue that political advertising is a strategy political candidates resort to in order to collect votes, which, in turn, shapes expressed trade opinion. Despite the emphasis on informational models in trade

preferences literature (Mansfield and Mutz 2009), empirical evidence on where voters learn about trade is still lacking (except Guisinger 2016). Information should play an important role especially when it comes to how Americans form attitudes toward trade. Trade doesn't have a direct impact on a majority of Americans' daily lives. Looking at where advertising appears and where trade is made salient during the campaign period would shed light on the empirical discrepancy between trade competition and electoral outcomes. By drawing attention to job losses, plant shutdowns and competitor countries, office-seeking politicians have strategic incentives to advertise on trade to help their electoral chances. Voters learn about the economic consequences of trade through such ads and factor in this information when forming trade attitudes. Trade became a scapegoat for people's anxiety for the future (Mansfield et al 2016). Economic problems were increasingly linked to people's individual economic anxiety through exposure to trade ads, which fueled anti-trade opinion among Americans.

I exploit sub-national variation in local social and economic conditions prior to 2000-2016 Congressional elections in order to model the importance given to trade issues among other ads by Congressional candidates. I draw data on Wisconsin Advertising Project (WAP) and Wesleyan Media Project (WMP) regarding political advertising. Using this dataset, I'm able to analyze shifts and trends in trade-related political advertising from 2000 to newly published data on 2016. Matching this data with data on local import competition (Guisinger 2016) over years, I conduct a time-series cross-section analysis to investigate whether political candidates target their ads to regions that came under high pressure of import competition, especially after the financial crisis.

Contrary to expectations, I find that local import penetration doesn't correlate with the location of trade ads. In fact, trade ads seem to be rarely motivated by local conditions, which goes against the main theory in political advertising literature that political candidates consider most important local issues in their advertising. There appears to be a sharp increase in the relative number of trade ads after 2010. This increase is expected since

the Great Recession draws attention to heightened external threats, although more research is needed to pinpoint the factors behind this increase. Moreover, American voters in more diverse region view political advertising on trade after the Great Recession, further providing evidence that ads don't follow import competition closely, especially after the Great Recession.

Next, I estimate the effect of trade-related ads on public opinion exploiting a natural experiment setting, media boundaries created by FCC regulation. My finding that trade advertising doesn't correlate with local conditions already points at the fact that trade ads could be exogenous to trade opinion. Nevertheless, there might be other unobserved reasons why candidates decide to air trade ads in these regions. Hence, I compare neighboring counties in same states whose residents are exposed to different intensity of trade advertising given their assignment to different media markets. I rely on highly disaggregated and geographically specific CCES dataset in order to construct my county-border sample for 2012, 2014 and 2016 elections. I find strong support for my hypothesis that trade ads fuel trade opposition in 2012 and 2014. Moreover, the strong, negative relationship holds when I restrict the sample to Rust Belt counties that voted for President Trump in 2016 elections in 2014.

Trade preferences constitute a puzzle in political economy research as trade preferences don't comply with the rule of public opinion. Even though in other issue areas when there's an elite consensus public tends to follow the preferences of the elites, when it comes to trade Americans tend to be more protectionist even if elites are pro-trade. This puzzle can be answered by looking at how elites talk about trade issues in their campaign agendas. Even though political elites tend to support free-trade, they vilify trade to galvanize voters in their districts and gain votes. This study is the first to systematically analyse the decision-making process behind airing a trade ad for strategic politicians, who exploit tensions created by economic flows. The emphasis on the negative aspects of trade trumps the positive ones, such as decrease in consumer prices and the availability of products.

My paper's second contribution is to provide an economic story as an explanation of the rising populism around the world. Anti-globalization rhetoric seems to go hand-in-hand with the rise of populist parties, but how they relate to each other remains unknown. My findings suggest that political elites heighten anxiety about trade with their focus on adverse effects of trade in recent years. which. in turn, influence American opinion on trade.

Finally, my paper adds to the literature on issue selection in televised campaign advertising. Although many studies explore the effect of political advertising on voter preferences and behavior, few studies look at candidate strategies, especially the decision making process behind paying more attention to an issue compared to other issues (Spenkuch and Toniatti 2018). Trade has become a central issue in 2016 elections, and it seems that its prominence will rise in the upcoming elections. It is thus timely and crucial to understand the political and economic dynamics behind what makes candidates advertise against free trade.

## **The Great Recession and Trade-Related Televised Political Advertising in the U.S.**

Figure 1 plots the percentage of trade-related ads to total ads over election periods between 2000 and 2016. In general, before the financial crisis, trade-related ads seem to be gaining importance among all ads, as the increasing line trend indicates. First, it shows a modest increase in 2002, the first financial crisis period after 2000. Following concerns and debates surrounding offshoring, trade-related ads peak in 2004. However, the drastic increase comes in 2010, where the percentage of trade-related advertising almost doubles from 2008. Interestingly, it follows a decreasing trend in 2012, dips in 2014, only to be back up to its pre-crisis levels in 2016.<sup>1</sup> Figure 2 breaks illustrates trends over election periods broken down by party and interest group. This graph shows that the peak in 2010

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<sup>1</sup>2016 trade-related ad levels are likely to be higher given the lack of data on Presidential ads.

is largely driven by Democratic candidates. This trend is in line with evidence that shows that trade appears as a top-mentioned issue in Democratic party ads in 2010 Congressional races (Ridout et al. 2010). In the post-crisis era, trends of both parties are parallel in trade-related advertising. Overall, Democrats air more (and more negative) trade ads compared to Republicans, especially after the Great Recession. The 2010 Citizen United Supreme Court decision which removed restrictions of campaign funding and allowed organizations to air pro or anti candidate ads doesn't seem to have an effect on interest group advertising on trade. The interest group advertising peaks in 2010, like partisan advertising, but decreases immediately afterwards.

Trade-related ads resemble other ads regarding ad timing. Figure 3 shows that candidates prefer to advertise on trade issues as election nears. These ads are aired during general elections in general, with the majority concentrated in the last 60 days of elections. The figure shows that 2010 sees a large increase in total ad numbers, but trade ads are still relatively higher than trade-ads in other election periods after the Great Recession.

Trade-related advertising not only increases in 2010, it also starts appearing media markets that it has never appeared in before. Figure 4 and 5 map media markets where Congressional candidates air trade-related advertising in 2008 and 2010. Figure 6 shows that Democratic party candidates spread where they air trade-related ads geographically in 2010. An important note here is that despite stable trends in import penetration from 2008 to 2010, there is a noticeable spreading of trade-related advertising on the map.

Studies on the effect of the Great Recession on trade attitudes show that increased generalized anxiety accounts for heightened protectionist sentiments after the financial crisis (Mansfield et al. 2016). This finding is surprising considering that many Americans attributed domestic problems (such as the Wall Street, subprime mortgages and housing bubble). While Americans blamed the Presidency, the Congress, risky borrowing and big banks, international trade was seldom cited among reasons for the crisis (Los Angeles/Bloomberg

Poll 2008). Indeed, existing research argues that it is not the financial crisis itself, but increased ethnocentrism and heightened generalized anxiety about international trade that shaped attitudes toward globalization (Goldstein and Peters 2014, Mansfield et al. 2016).

The Great Recession both provides an ideal context for candidates to convey their anti-trade messages to the public, and renders Americans more receptive to these messages. The economic stress following the financial crisis brought out tendencies toward isolationism, protectionism and anti-immigration attitudes (Seig 2010). Americans became more risk-averse (Mansfield et al. 2016) and became susceptible to threats given the risk of lost jobs, even among Americans not directly affected by the Recession (Goldstein and Peters 2014). Free trade became an easy target to blame for candidates from both parties. Democrats had the opportunity to show Republicans who have in general supported free trade throughout their careers, blaming their pro-trade voting record for further job losses. Republicans targeted Obama’s stimulus package and Nancy Pelosi’s taxes that they claim to ship jobs overseas. Most importantly, the candidate’s personal views and voting record don’t correlate with how they talk about trade in their campaigns (Guisinger 2016). For example, President Obama, who negotiated free trade deals and facilitated the passing of the South Korean trade agreement under his term, portrayed international trade fairly negatively in his 2012 campaign. Incumbents can be flexible and shift positions when they position on economic issues as Americans are sensitive to economic conditions (Feigenbaum and Hall 2015), it is only natural to expect that they would find it easier to campaign on trade issues which could go against their personal beliefs. As trade policy is a subset of broader economic policy category, it is expected that candidates with different records of trade history to shift their positions when it comes to advertising on trade.

Regarding content, the majority of trade-related ads, especially after the Great Recession, seem to center around China. Almost all trade ads mention jobs, stressing that international trade leads to job losses in the U.S. The usual victims are the American workers, and danger comes from either China or Mexico. As aforementioned, while Democrats

focus on local factory closings, Republicans tend to blame policies of Obama and Nancy Pelosi for such job losses.

## **Where Do Politicians Advertise on Trade?**

Campaign seasons provide the opportunity for candidates to polish their image as a competent candidate and/or inform them about their policy choices. Campaign seasons provide politicians unique opportunities to provide information and increase the salience of a specific issue in voters' minds (Guisinger 2016). It's one of the few communication tools where candidates communicate their views directly to the voters. Theories about voting behavior suggest that the economy (either the economic realities or how voters perceive the economy to be) plays an important role in voters' decision making process (Lewis-Beck 1985). Therefore, most candidates use their campaigns to inform voters about "their version" of the economic realities in their regions (Gelman and King 1993, Vavreck 2009). Televised campaign advertising is an issue informer mechanism. T.V. ads are especially useful in reaching out to undecided voters in the last stages of campaign and persuade them to vote in a certain way (Lovett and Peress 2015, Huber and Arceneaux 2007). Even though in recent years televised political advertising has experienced a decline with the proliferation of digital advertising techniques, it is still the primary method for candidates to get their message to the American public, especially for older population who reside in rural areas who have less access to social media. Moreover, political ads that air during prime time T.V. shows and important events such as Super Bowl has the potential to reach to many viewers. Communicate candidate's policy positions - inform voters and depict an image (Franz et al. 2007).

Campaign agendas provide electoral benefits, either by persuading voters or mobilizing them to get out to vote (Motta and Fowler 2016). Candidates, as strategic actors, pay considerable attention to the content of what they advertise (Druckman et al. 2010).

There are two competing theories in political science literature. Theories of issue ownership (Riker 1993, Petrocik 1996, Ansolabehere and Iyengar 1994) state that candidates advertise on issues (such as Democrats on health care and Republicans on crime) where they have credibility over. Theories of “riding the wave” argue that candidates from both parties focus on what concerns their constituencies. Studies conclude that candidates focus on important issues in the public’s mind, rather than emphasize on issues where they think their party has an advantage over (Sides 2006). Candidates face an optimization problem when advertising - to allocate their resources on certain ads, they have to decide which issues to raise in a limited budget setting. This means that partisan candidates, rather than focusing on where their parties have an advantage over, will “trespass” and talk about same issues if they deem for such issues to be important for the public. With the rise of political consultation and professionalization of campaigns in the 90s, candidates choose to advertise on issues which will bring the most bang for the buck (Friedenberg 1997). Big data and advancement in survey technologies provide tools to measure constituency concerns and characteristics in a detailed manner to allow for more precise targeting.

As political elites are responsive to the most important problem that plagues their constituencies (Enns 2016), issues on trade should appear in campaign agendas when the issue is salient. Candidates can either draw attention to the benefits that free trade brings to their community and support free trade - positive trade-related ads - or choose to highlight “stolen” jobs and decline in manufacturing - negative trade-related ads. Because T.V. ad spots costs (and are not very cheap when they add up) and candidates are limited by budgetary restrictions, they choose to advertise on issues that will be the most effective to mobilize voters or change their preferences. Negative advertising is proven to be more effective regarding these goals (Motta and Fowler 2016). Candidates should therefore choose to advertise negatively on free-trade rather than emphasize its benefits (Guisinger 2016).

What factors guide the decision to advertise on trade? In the discussion above, I mentioned that candidates are expected to pay attention to constituency characteristics

when choosing the content of advertising. Conconi et al. (2013) demonstrates that the district’s skill ratio and anticipated effects of trade competition are important predictors of a legislator’s behavior. Similar concerns should also motivate a candidate to take a stance on trade issues. Thus, the level of import competition in a district ought to be the main predictor of whether candidates raise international trade issues in their regions. Voters in such regions that face pressure from foreign imports are more likely to have their own income affected (either by loss of job or decline in profits) or see someone in their community to be negatively affected by trade (Guisinger 2017).

The situation of the domestic economy heightens or suppresses the intensity of economic threat felt by American voters from foreign economic flows. Mansfield et al. (2016) and Goldstein and Peters (2014) show that the Great Recession could condition how American voters feel about international economic engagement. Therefore, one should expect in the aftermath of 2001 and 2008 financial crises, candidates would find a lucrative opportunity to appear tough on the external economic threats facing the country, such as the rise of China and outsourcing of jobs. Yet, 2010 elections should provide a better platform to exploit import competition issues, as the “China shock’s” effects saturate after 2006.

Therefore,

*H1: Political candidates air more trade-related ads as local import competition increases, especially after the Great Recession.*

## Data

### *Televised Political Advertising*

The data for televised political advertising are drawn from Wisconsin Advertising Project (WAP) and Wesleyan Media Project (WMP).<sup>2</sup> These are advertising-level data of

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<sup>2</sup>Fowler, Erika Franklin, Michael M. Franz, and Travis N. Ridout. 2015. Political Advertising Version 1.0 [dataset]. Middletown, CT: The Wesleyan Media Project, Department of Government at Wesleyan Univer-

all ads aired during 2000-2016 Congressional and Presidential elections.<sup>3</sup> The databases contain detailed information on the location, time, media market, station and program of ad airings as well as the projects' codings of ad contents.

My dependent variable is a continuous measure of the percentage of trade-related ad airings to total ad airings in a media market. I rely on WAP and WMP codings of the content of the ad, and count ads as trade-related if they are coded under the "Trade/Globalization" category. An ad enters the dataset each time the candidates purchased air time for commercial breaks of the shows. Therefore, some ads are counted multiple times, since my measure captures each time it's shown to Americans. I focus exclusively on negative ads, and exclude ads that mention trade positively.<sup>4</sup>

My sample includes Congressional ads from 2000 to 2016. I focus on Congressional ads as Congressional candidates are closer to their constituencies, hence would pay more attention to constituency-specific characteristics compared to Presidential candidates. The datasets include information on which media market the ad was aired in. Nielsen divides the U.S. into 210 media markets, or designated market areas (dma) according to local television viewership measures.<sup>5</sup> Although media market boundaries could potentially change depending on the trends in viewership, borders stayed almost the same since 2000. This stable geographic unit allows me to compare trends in advertising over election periods. Thus, I use dma as my unit of analysis and count the number of trade-related ad airings and total ad airings in each dma. I construct 3 samples - 75 top media markets, 100 top media markets, all 210 media markets - given the discrepancy in the way political advertising data has been collected over the years. For year 2000, WAP reports advertising only from top

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sity.

Goldstein, Kenneth, Sarah Niebler, Jacob Neihsel, and Matthew Holleque. 2011. Presidential, Congressional, and Gubernatorial Advertising Combined File [dataset]. Initial release. Madison, WI: The University of Wisconsin Advertising Project, the Department of Political Science at the University of Wisconsin-Madison.

<sup>3</sup>2016 Presidential elections advertising data will be released after the 2020 Presidential election.

<sup>4</sup>An overwhelming majority of trade-related ads are negative.

<sup>5</sup><https://www.nielsen.com/us/en/intl-campaigns/dma-maps/>

75 media markets, which constitutes %80 of American viewership. Between 2002 and 2006, WAP reports advertising from top 100 media markets. Beginning from 2008 dataset, WAP and WMP reports advertising from all 210 media markets. Therefore, the top 75 market sample includes data from 2000 to 2016, the top 100 market sample includes data from 2002 to 2016, and finally the 210 market sample includes all media markets in the U.S.

### *Localized Import Penetration*

My main independent variable is the intensity of import competition in a given media market. Following Guisinger (2016), I construct it by measuring the percentage of employment affected by import competition to total employment. First, I use Schott's<sup>6</sup> (2010) product-level import and export data to rank 5-digit NAICS industries according to their import intensity. Then, I merge this data with county-level employment data in 5-digit NAICS industries, from County Business Patterns database. Afterwards, I count the number of import, export and non-manufacturing jobs in a given dma, by adding the number of jobs in counties that make up the dma. Finally, I measure the percentage of import-related jobs to total jobs in a dma to construct my variable.

### *Partisanship*

I follow other municipal-level political economy studies of economic activity in measuring local partisanship with county-level presidential vote shares (Gerber and Huber 2009). Levendusky et al. (2008) show that presidential vote share is a reasonably consistent proxy for partisanship. Tausanovitch and Warshaw (2014) show municipal government policies reflect partisan preferences of constituents. I convert county-level Republican presidential vote share in the preceding election to dma-level Republican presidential vote share. Data for 2000-2016 vote shares are from Dave Leip's Atlas of U.S. Elections. Presidential election years take the value of the prior election.

### *Unemployment*

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<sup>6</sup><http://faculty.som.yale.edu/peterschott/sub'international.htm>

Political candidates might choose to raise concerns about international trade in places that suffer from job losses, especially after the Great Recession. Especially incumbents, who search for a culprit for job losses after the financial crisis may resort to vilification of trade if they aim to push the blaim away from themselves. These data are from the US Census Bureau's County Business Patterns database.

## The Model

I estimate the following time-series cross-section OLS model:

$$\begin{aligned}
 Y_{jt} = & \beta_1 + Post_t + \beta_2 ImportPenetration_{jt} + \beta_3 RepublicanVoteShare_{jt} + \beta_4 Unemployment_{jt} + \\
 & \beta_5 PercentInterestGroup_{jt} + \beta_6 LaggedTradeAd_{jt-1} + \beta_7 Presidential_t + \\
 & \beta_8 ImportPenetration_{jt} \times Post_t + \\
 & \beta_9 RepublicanVoteShare_{jt} \times Post_t + \\
 & \beta_{10} Unemployment_{jt} \times Post_t + \\
 & \beta_{11} PercentInterestGroup_{jt} \times Post_t + \\
 & \mu_j + v_t
 \end{aligned}$$

j= US media market, 75-100-210 media markets

t= election year (2000-2016)

where,

$Y_{jt}$	= % Trade Ad / Total Ad in media market $j$ , election year $t$
$ImportPenetration_{jt}$	= % Local Import Penetration in media market $j$ prior to the election year
$RepublicanVoteShare_{jt}$	= % Republican vote share in media market $j$ in prior presidential election
$Post_t$	= post-Great Recession (2009-2016)
$Unemployment_{jt}$	= unemployment rate in media market $j$ , election year $t$
$Unemployment_{jt}$	= unemployment rate in media market $j$ , election year $t$
$PercentInterestGroup_{jt}$	= Ads aired by interest groups in media market $j$ , election year $t - 1$
$LaggedTradeAd_{jt-1}$	= Whether an ad aired in media market $j$ , prior to election year $t - 1$
$Presidential_{jt}$	= 1 if Presidential elections take place
$\mu_j$	= Media market-fixed effects
$v_t$	= Election Year-fixed effects

Lagged trade advertising controls for the tendency for candidates to keep advertising on trade in certain localities. Dma fixed effects account for fixed state characteristics such as geography and for ad drivers that do not change during my sample. Election year fixed effects account for time-varying national shocks such as economic conditions and policy changes.

## Results

Table 1 presents the regression results. Contrary to my expectations, local import penetration doesn't seem to drive a candidate's choice to advertise on trade, even after the Great Recession. The positive and significant coefficient in the second column indicates a significant increase in ads after the Great Recession, but only in the top 100 media market sample. Surprisingly, contrary to campaign targeting theories, constituency characteristics don't seem to influence political candidates' decision to where to raise concerns about international trade. The only significant driver of post-recession trade-related advertising appears to be trade ad intensity by third party interest groups in a given media market. Considering Citizens United came into effect in 2010, this could mean that candidates increased their efforts to coordinate and reiterate interest groups' views on international trade to their constituencies. Despite Citizen's United lacking effect on the number of trade-related ads issues by interest groups after 2010, the law seems to have enhanced coordination on trade issues between these groups and candidates.

My results are in line with Sides' (2006, p. 426) finding that "campaign agendas do not depend systematically on party ownership, candidate record, candidate race or gender, the competitiveness of the race, or the ideological leaning of the district."

## What Explains This Surprising Finding?

My results reinforce Sides' conclusion that candidates "trespass" and talk about each other's issues by framing them in a favorable way. Ambiguity and comport with one's party

ideology and policy.

Content of ads provide some evidence on this. Democrats have an advantage over economic issues. Historically, Democrats advertise negatively. Their base, traditionally made up of labor unions and white workers in the Rust Belt that lost their jobs to import competition, allowed them to crack down on trade for the longest period of time. Yet, we also see Republicans increasingly talk about trade negatively in recent election periods. they use the two framing tactics Sides (2006) mention in his research. As a party of free trade, Republican candidates are ambiguous in their expressed trade policy, stating that they are against American jobs shipping to foreign countries. Furthermore, they associate harmful trade policies with President Obama and a highly unpopular figure among Republicans, Nancy Pelosi.

Since constituency characteristics don't correlate with the decision to advertise on trade, then what does? In the next iteration of my research, I will focus on candidate characteristics that could explain trade-related advertising. A quick look at campaign trends highlight some points to consider for the next iteration of regressions. First, Figure 7 shows that Senate and House candidates show similar trends when it comes to trade-related advertising. Democrats continue to dominate both chambers of Congress, somewhat in line with the expectation that Democrats are seen more competent in dealing with economic issues (Druckman et al. 2010).

One explanation that arises from qualitative analysis of trade-related advertising is that candidates choose to air trade ads not necessarily because of constituency characteristics, but because of their opponents. Most trade-related ads are attack ads that criticize the candidate's opponent for supporting and/or voting for policies that stimulate trade at the expense of American jobs. Particularly, incumbents who would otherwise not engage in policy issues (Druckman et al. 2016) decide to attack their challengers with their trade records if the challenger provides them an opportunity to do so. For example, California

voters aren't exposed to trade advertising, except for 2010 elections when Carly Fiorina, CEO of Hewlett-Packard, decides to challenge the incumbent, Barbara Boxer.

There are few potential explanations as to why we see a surge in trade-related ads in both parties, but especially among Democrats. Public might have become receptive to different kinds of messages about the economy. Economic issues, especially jobs, have always dominated the political advertising agenda (even after 9/11). The Great Recession, by heightening fear and creating a threat to high-skilled workers, might have rendered putting the blame on an external force, international trade, a lucrative strategy to get votes for both parties. Another explanation might be that the financial crisis opened the way for different types of politicians, politicians with business backgrounds, enter the race in 2010.

## Trade-Related Advertising and Public Opinion on Trade

Even though political scientists have revealed the effect of televised political advertising on candidate choice and voter turnout, less attention has been paid to how issues covered in political advertising influence policy preferences. Establishing the link between issues covered in televised ads and political attitudes is challenging for two main reasons. First, it is difficult to link advertising data with individual opinion since it is hard to measure an individual's real exposure to these ads. Some researchers use probabilistic models of exposure to advertising by constructing the exposure measure from the respondents' answers regarding media habits in various surveys. This approach, however, ignores the fact that Americans might come across advertising outside of their usual media consumption hours, or could hear about the advertising from the media or close social networks. Second, for issues that are relatively scarcely covered in televised advertising, such as free trade, the treated units might be small in numbers, making it harder for researchers to find meaningful relationships from the data.

Before the financial crisis, there were multiple accounts of free trade among candidates and interest groups - some interest groups have advertised positively, alongside some candidates, even though the message was overwhelmingly negative. Elites offered competing arguments about the same topic (Zaller 1992). Trade was framed in a positive light, by emphasizing greater product availability, cheaper goods, creation of more productive and higher paying jobs and new markets. Trade also appeared in a negative light in campaign agendas by drawing attention to job losses, unfair competition and low quality products (Hiscox 2006). After the financial crisis, ads on trade were exclusively negative and focused on jobs destroyed or shipped overseas because of unfair competition with China and Mexico. Heightened job insecurity (even among high-skilled labor) might have made these messages persuasive, regardless of the skill-level (Mansfield et al. 2016, Ehrlich and Maestas 2010).

Mansfield et al. (2016) provides empirical evidence that connects heightened ethnocentrism and growing economic anxiety to trade attitudes after the financial crisis. In this section, I lay out a potential source of such sentiment - elite rhetoric on trade. I test the hypothesis that negative messages on trade issues conveyed by political candidates to Americans during the election period influence how Americans feel about free trade. For this purpose, I aggregate the number, seconds and cost of trade ads at the media market (dma) and county levels.

## **Neighboring Counties as an Identification Strategy**

In this section, I test the causal effect of trade-related advertising on American trade opinion. Candidates advertise in order to persuade voters to vote for them (Lovett and Peress 2015, Gerber et al. 2010, Huber and Arceneaux 2007). One challenge in measuring the causal effect of trade advertising on public opinion is that televised ads are non-random. Although local conditions don't predict trade ad intensity, there might be other candidate-specific characteristics that render some regions to view trade ads more likely than others. Thus, unobservable time-varying factors constitute a threat to causal inference.

In order to overcome this challenge, I exploit spatial discontinuities created by the as-if random assignment of counties to 210 Nielsen media markets in Congressional elections from 2012 to 2016. Since political candidates purchase televised ads at the dma-level (Goldstein and Freedman 2002, Ridout 2002), they are unable to target specific counties precisely. Therefore, county borders should have little influence on where candidates decide to advertise on trade. My sample consists of neighbor counties that share a border and are located in the same state, but are assigned to different media markets. My identification strategy is that these bordering counties are likely to be similar to each other, except for their exposure to trade advertising. Assignment to different media markets leads some counties to be exposed to more trade advertising compared to their neighbors. This identification strategy

is previously used in other studies that measure the effect of advertising on political outcomes (Toniatti and Spenkuch 2018, Shapiro 2018).

Using counties in my analysis is advantageous for two main reasons. First, it allows me to exploit more variation than if I had used media markets. Second, county borders change slower than congressional districts, which would have been a problem if I were using data from 2010. In order to create my sample, I choose counties that are included in all three CCES Time Series Study - CCES 2012, CCES 2014, CCES 2016. This provides me a sample of 7,728 counties, 2,576 per election year. I exclude counties from Alaska. Due to missing data, my sample becomes a panel data, which consists of a total of 7,1010 repeated county-border pairs in election years between 2012 and 2016. Figure 2 maps the distribution of bordering counties in the sample.

My dependent variable is the percentage of residents in a county who indicate that they are opposed to international trade. CCES Time Series (2012,2014,2016) allow me to measure county-level trade opposition with highly disaggregated and detailed data. CCES contains the county of the respondent. In addition, CCES common content questions are asked to approximately 50,000 respondents, providing me a rich dataset to obtain trade opinion data for most counties. CCES 2012 and 2014 asks respondents about hypothetically whether they would support a bill that establishes a trade agreement between South Korea and the U.S. I aggregate individual responses to measure the percentage of respondents who indicated that they would oppose the trade bill in a given county. Unfortunately, the same question is not asked in CCES 2016. However, CCES 2016 asks about another trade agreement, the Trans-Pacific Partnership. I use this question to measure protectionist tendencies in a county. The dependent variable is a scale that ranges from 0 (support free trade) to 1 (oppose free trade), with a mean of 0.48. Some counties that support free trade are Fayette, Alabama, Inyo County, California and Blaine County, Idaho. On the other hand, Barbour County, Alabama and Stark County, Illinois, appear among the most anti-trade counties.

My independent variable measures exposure to trade ads in a county. I draw data on televised political advertising from Wesleyan Media Project. I stack 2012 Congressional and Presidential, 2014 and 2016 Congressional ads together and create a county-level measure of exposure to trade ads. I only choose ads that air between the Labor Day until the Election day each year, as most ads air during this time. Televised ads have a strong but short-lived effect on public opinion (Gerber et al 2010, Hill et al 2013). Therefore, ads that are aired during this period are ones that are likely to have the most effect on voter trade opinion (Figure 8). By default, these ads are aired during general elections. I aggregate the number of trade-ad occurrences in a media market, merge it with its corresponding county, and divide this number by total population of county<sup>7</sup> to generate trade ad impressions per capita (in 10s).

I estimate the following model in order to estimate the causal effect of trade-related advertising on trade opinion (Toniatti and Spenkuch 2018):

$$Y_{ct} = \alpha + \theta Ads_{ct} + \mu_{pt} + \epsilon_{ct}$$

c= 1,170 counties

p = 7,010 county-pairs

s = 45 states

where;

$Y_{ct}$  = % trade opposition in county  $c$  in time  $t$

$\theta Ads_{ct}$  = Number of trade ad impressions per capita (in 10s)

$\mu_{pt}$  = year-specific fixed effect for border-county pair  $p$

My sample is a border-county sample that includes only observations from bordering

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<sup>7</sup>Taken from 5-year estimate 2012, 2014, 2016 American Community Survey

counties. My unit of analysis is county in a given year. My model compares counties to their neighboring counties in the same year with the inclusion of the year-specific border-county fixed effects. I stack counties, which makes counties that have more than one neighboring county repeat in the data set. In order to correctly estimate standard errors, I cluster my standard errors using the two-way clustering procedure (Cameron, Gelbach, Miller 2011) at the media market and state level.

## Results

Table 2 presents the regression results. The simple OLS estimate in Model 1 shows that an additional 10 impression per capita trade ad raises trade opposition in a county by 0.10 percentage points on average. Models 2-4 show that the positive relationship between the number of trade ad impressions and trade opposition holds for separate election year samples. My coefficient of interest is 0.1125. Model 5 estimates the aforementioned equation with year specific county-pair fixed effects. It demonstrates that an additional 10 impression per capita trade ad raises trade opposition by 0.11 percentage points, on average. I estimate the equation for all election years separately to see if the significant and positive relationship holds. Apart from 2016, all coefficients are positive and significant. I suspect that 2016 turns out not significant because the data on Presidential advertising in not included in the sample.<sup>8</sup>

## The Rust Belt

Considering that many counties in these states flipped from President Obama to President Trump, I estimate my model, restricting my sample to only Rust Belt states - Michigan, Wisconsin, Indiana, Illinois, Ohio and Pennsylvania.

Table 3 shows the regression results for the restricted sample. The results shed light

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<sup>8</sup>2016 Presidential ads will be available for public after the 2020 election

on an interesting finding. The relationship between trade advertising and trade opposition is statistically significant and positive only in 2014.

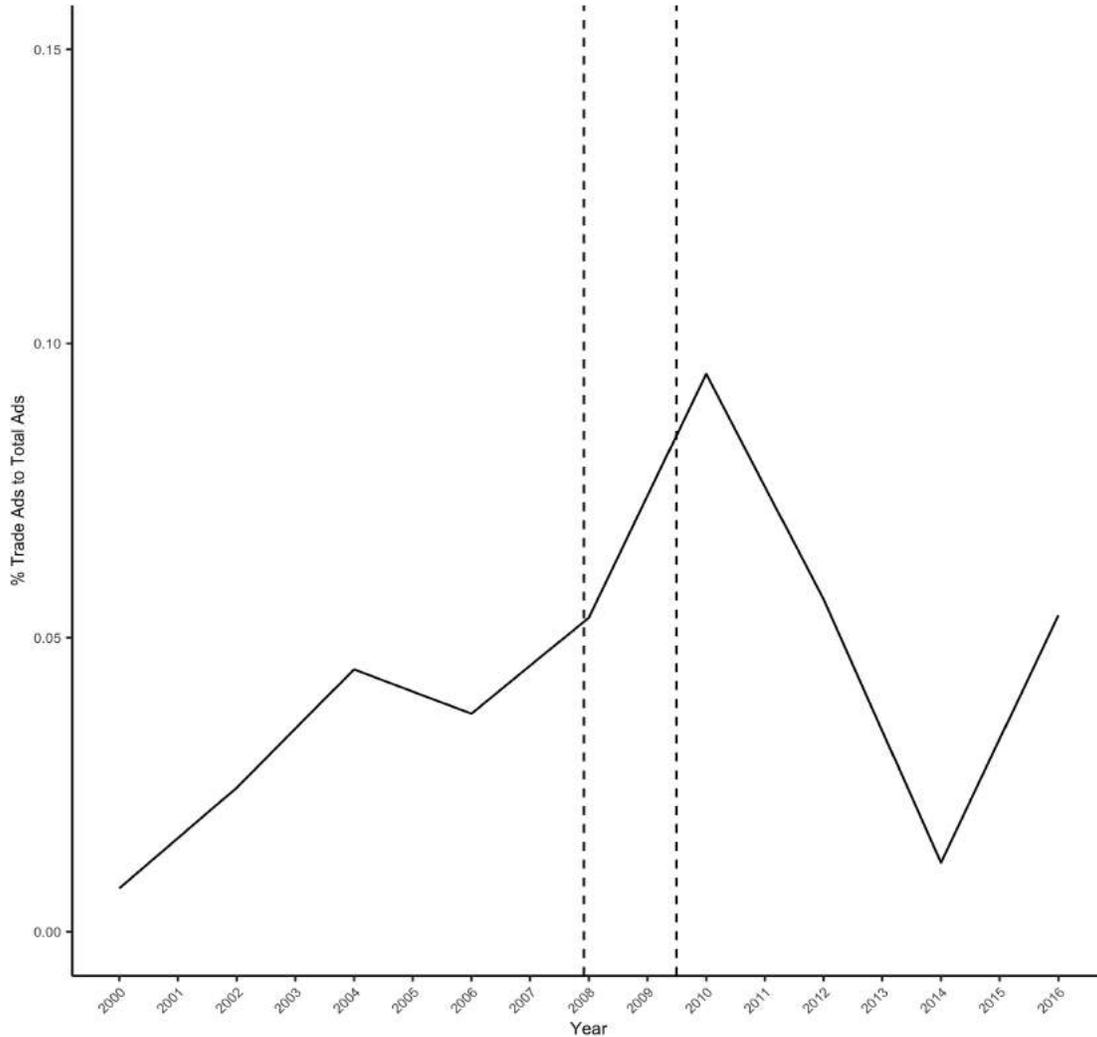
As an explanatory analysis, I collect data on counties in the Rust Belt that switched from Democrat in 2012 to Republican in 2016 Presidential elections. Table 5 lists the counties included in CCES 2014 and their average difference in trade ad exposure with neighboring counties. On average, flipped counties were exposed to 140 more trade ad impressions than their neighboring counties. Next steps would be to investigate what changes in 2014 elections.

## Conclusion

This paper has explored the determinants of trade-related advertising and the causal effect of trade ads on trade opinion during Congressional elections. I hypothesized that local import exposure should influence political candidates' decisions to convey anti-trade ads to their constituencies. I gathered political advertising data from 2000 to 2016 to test my prediction. My analysis demonstrated that, contrary to my beliefs, local trade competition doesn't correlate with trade-related advertising. Moving forward, based on the preliminary qualitative evidence, I will investigate candidate-specific characteristics that incentivize candidates to air trade-related ads.

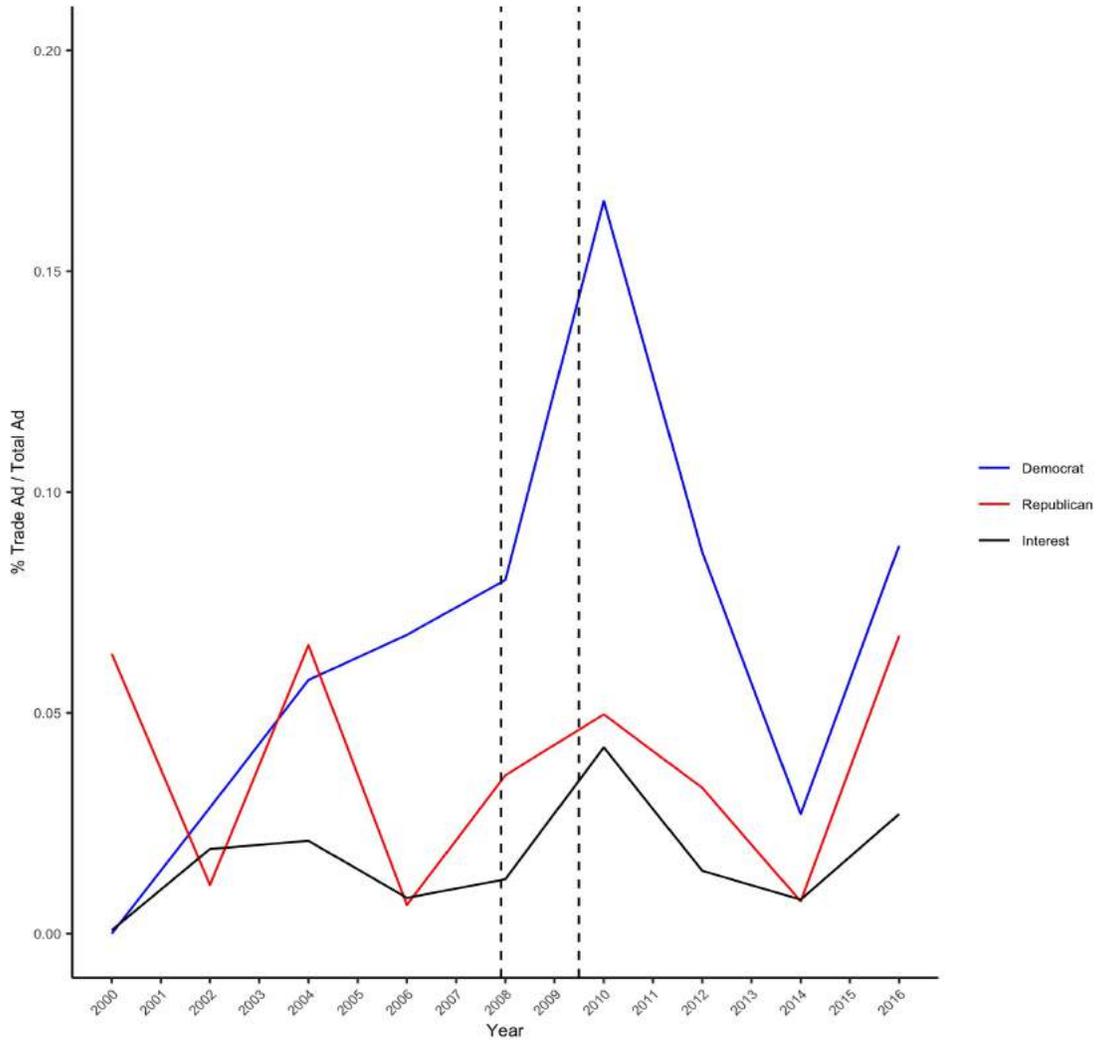
Using disaggregated, county-level data from CCES 2012, 2014 and 2016, I then estimated the causal effect of trade-related advertising on trade opinion. Since I already showed that certain constituency characteristics factor in for a political candidate's decision, estimating the causal effect of trade ads becomes a little tricky. I exploit FCC regulation natural experiment and compare neighboring counties in same states that got assigned to different media markets. In these bordering counties, respondents will be exposed to differing intensity of trade ads because of their assignment to their related media market. My analysis provided evidence that trade advertising exacerbates local trade opposition.

Figure 1: Trade-Related Ads Peak in 2010



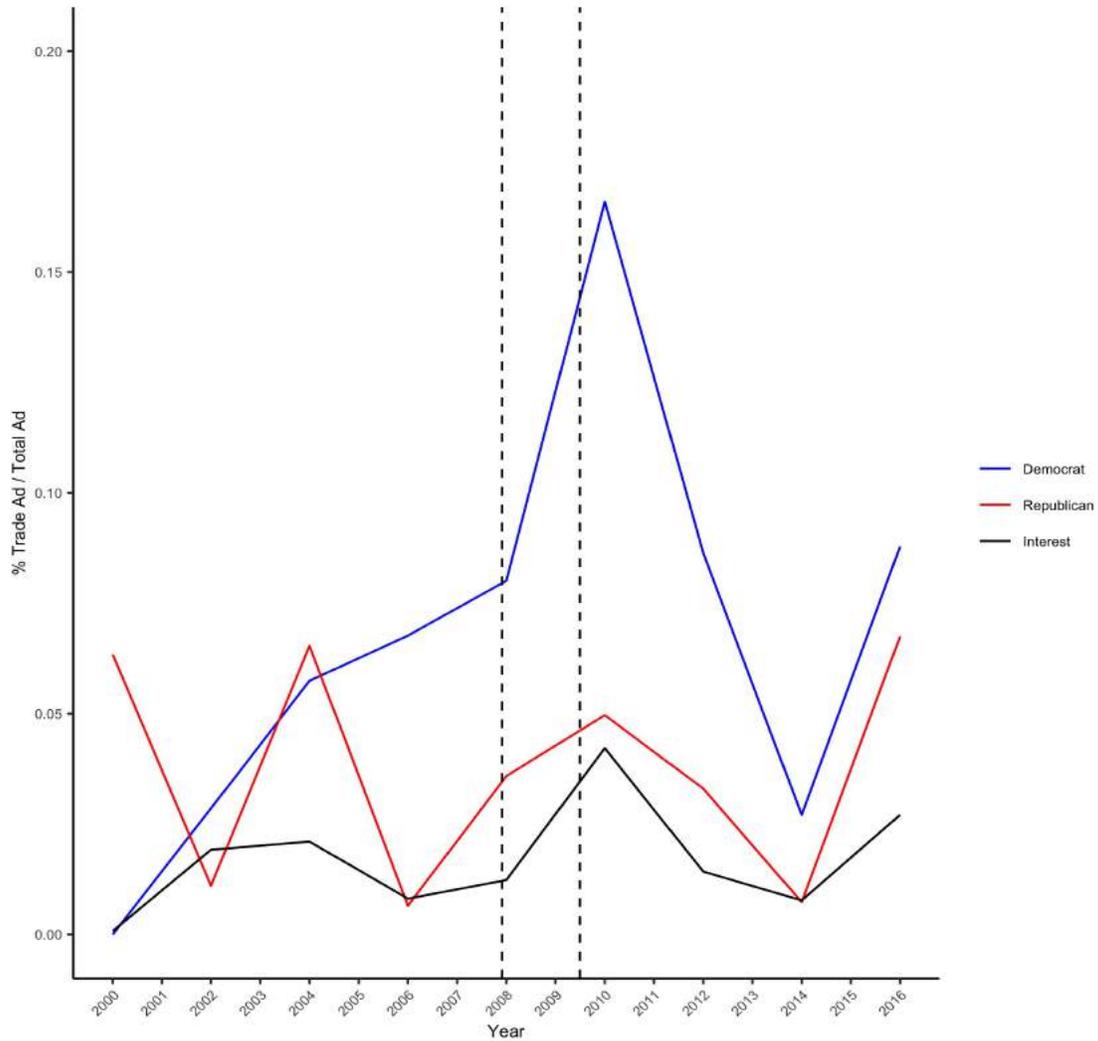
This figure plots the proportion of trade ads to total ads over election periods. Trade ads are ads coded by WMP and WAP to include issues regarding trade and globalization. The vertical lines indicate the Great Recession. Data Source: Wisconsin Advertising Project and Wesleyan Media Project

Figure 2: Trade-Related Ads Peak in 2010



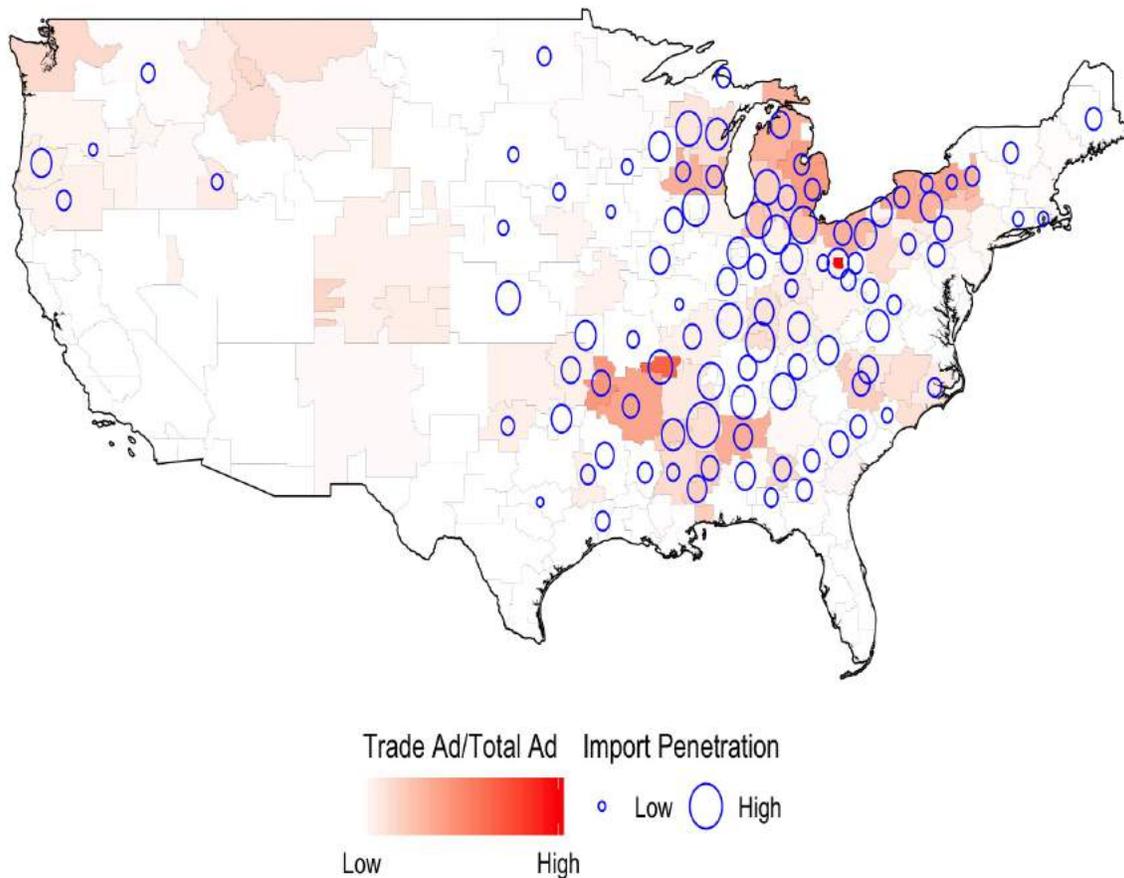
This figure plots the proportion of trade ads to total ads over election periods, broken down by ad sponsors. Trade ads are ads coded by WMP and WAP to include issues regarding trade and globalization. The blue line indicates the ads sponsored by Democratic party candidates. The red line plots ads sponsored by Republican party candidates. The black line plots ads sponsored by third party interest groups. The vertical lines indicate the Great Recession. Data Source: Wisconsin Advertising Project and Wesleyan Media Project

Figure 3: Trade-Related Ads Peak in 2010



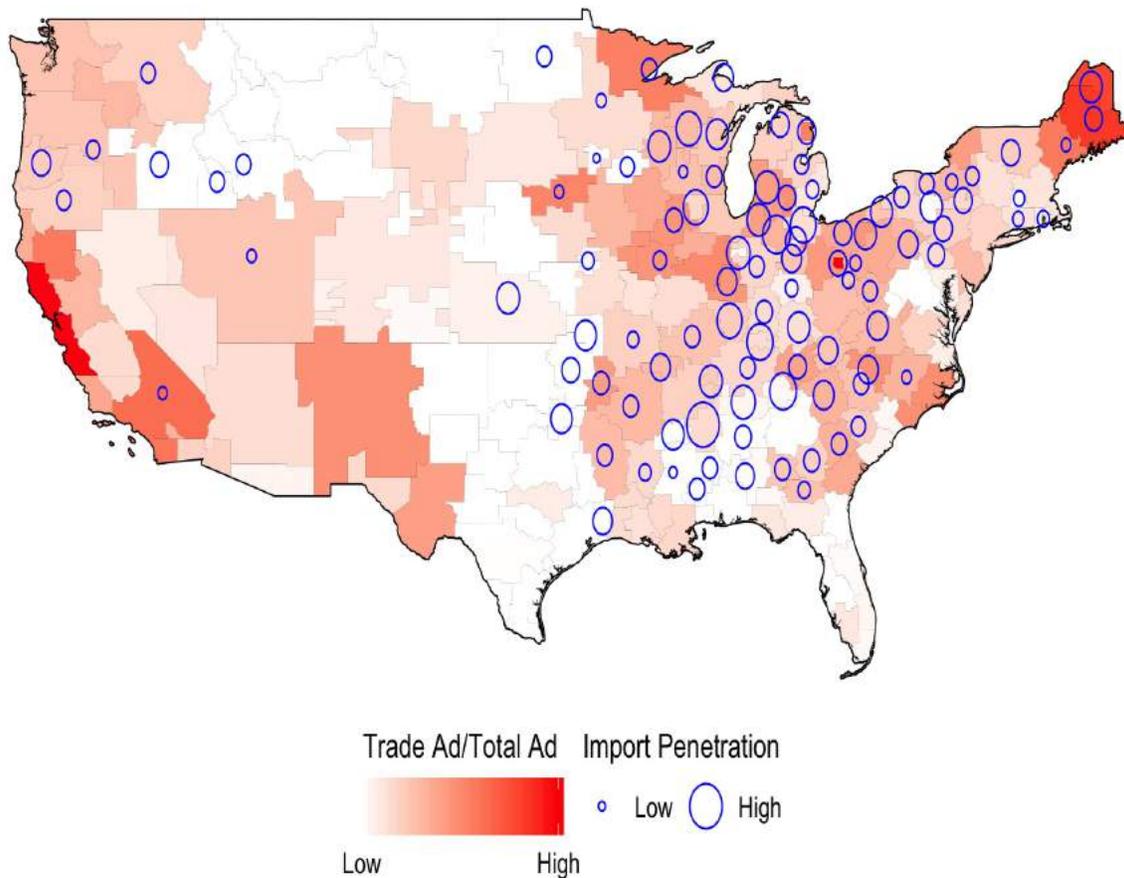
This figure plots the weekly aired ad instances. Each showing of an ad counts as a separate instance, even if it's the same ad. Black line plots the level of total advertising. The blue line plots the level of trade-related advertising. Vertical red lines indicate election years. Data Source: Wesleyan Media Project

Figure 4: Trade-Related Ads are Concentrated in Certain Regions in 2008



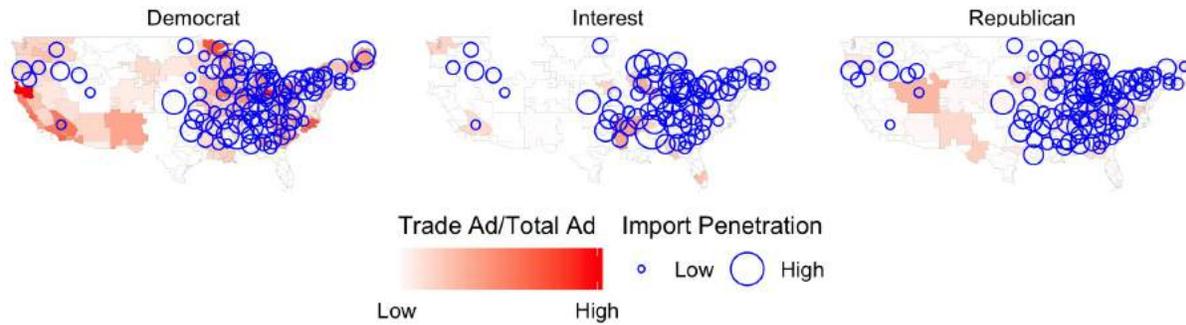
This maps shows the location of trade-related ad airings in 2008. Darker shades of red indicate higher intensity of ad airing in media markets. Blue, hallow circles represent the intensity of import penetration in the media market, with bigger circles indicating higher levels of penetration. Data Source: Wesleyan Media Project

Figure 5: Trade-Related Ads are Appear in Many Media Markets in 2010



This maps shows the location of trade-related ad airings in 2010. Darker shades of red indicate higher intensity of ad airing in media markets. Blue, hallow circles represent the intensity of import penetration in the media market, with bigger circles indicating higher levels of penetration. Data Source: Wesleyan Media Project

Figure 6: Democratic Party Candidates Appear to Lead the Dispersion in 2010



This maps shows the location of trade-related ad airings in 2010. Darker shades of red indicate higher intensity of ad airing in media markets. Blue, hollow circles represent the intensity of import penetration in the media market, with bigger circles indicating higher levels of penetration. Data Source: Wesleyan Media Project

Figure 7: Proportion of Candidates who Advertise on Trade and Trade-Related Ad Airings, by Race and Party, 2012-2016

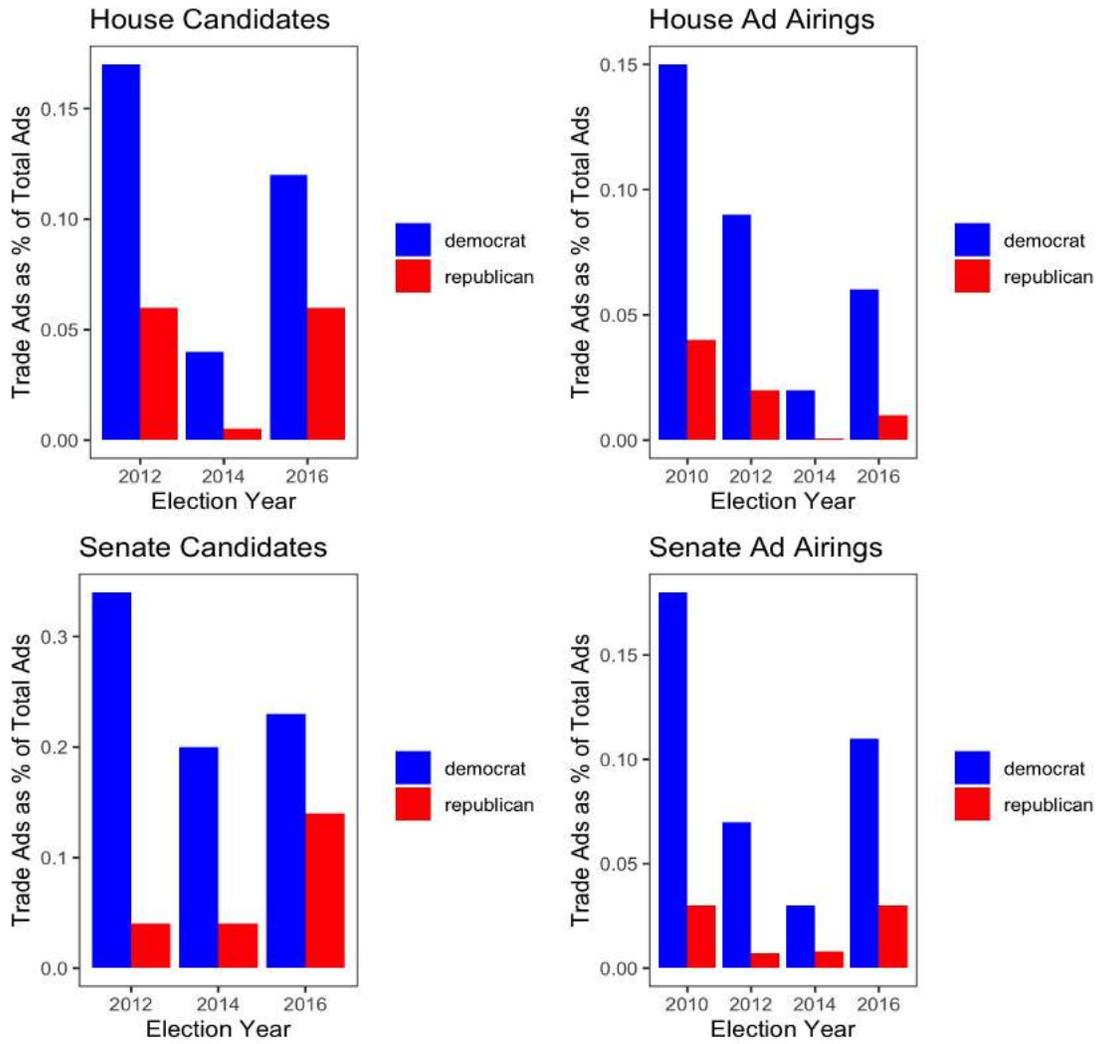


Figure 8: Weekly Trend of Trade-Related Advertising

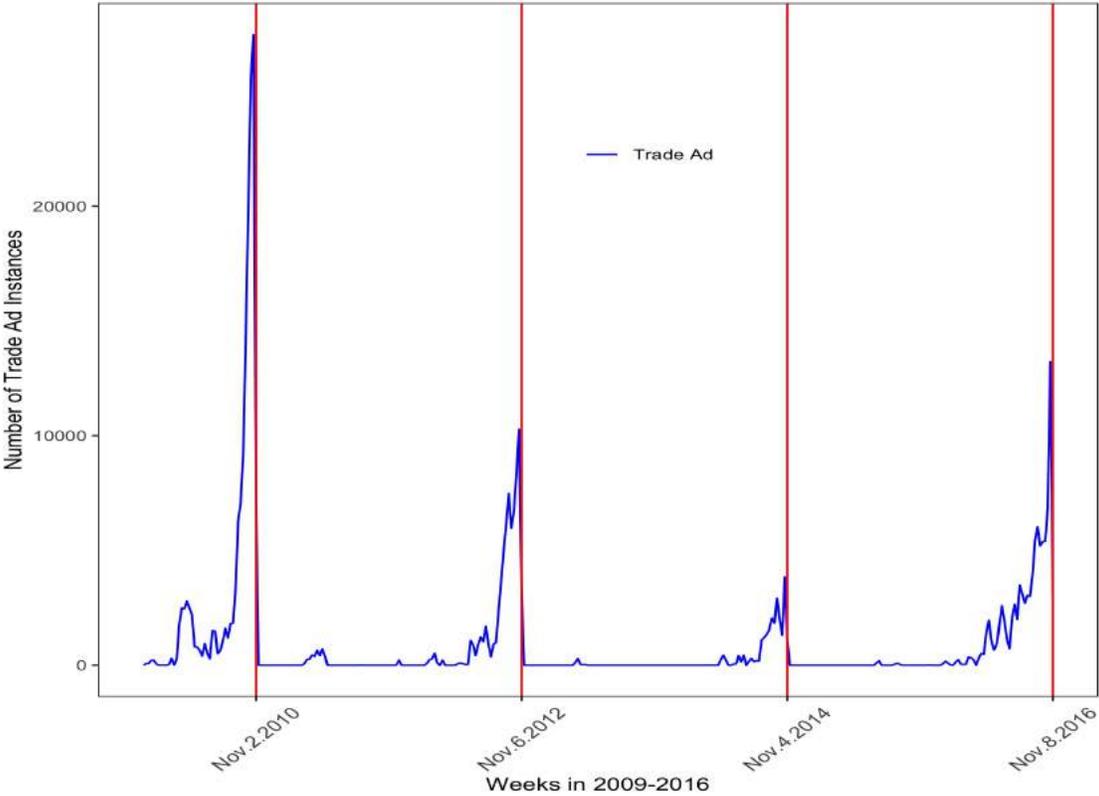


Table 1: LOCAL IMPORT PENETRATION UNCORRELATED WITH TRADE ADVERTISING LOCATION

	OLS 2000-2016 75 Media Market	OLS 2002-2016 100 Media Market	OLS 2008-2016 210 Media Market
$Post_t$	0.13 (0.08)	<b>0.12</b> (0.05)	0.10 (0.09)
$ImportPenetration_{jt}$	0.59 (0.38)	-0.08 (0.27)	0.43 (1.024)
$RepublicanVoteShare_{jt}$	-0.07 (0.15)	0.04 (0.15)	-0.06 (0.28)
$Unemp_{jt}$	<b>1.23</b> (0.64)	0.65 (0.56)	1.40 (1.54)
$PercentInterestGroup_{jt}$	0.03 (0.04)	0.03 (0.04)	0.18 (0.13)
$LaggedTradeAd_{jt-1}$	-0.01 (0.01)	-0.01 (0.01)	
$Presidential_t$	0.01 (0.02)	0.01 (0.02)	0.03 (0.02)
$ImportPenetration_{jt} \times Post_t$	-0.27 (0.28)	-0.42 (0.24)	-0.20 (0.30)
$RepublicanVoteShare_{jt} \times Post_t$	-0.08 (0.10)	-0.07 (0.08)	-0.06 (0.10)
$Unemp_{jt} \times Post_t$	-1.12 (0.61)	-0.99 (0.57)	-1.14 (1.26)
$PercentInterestGroup_{jt} \times Post_t$	<b>0.19</b> (0.09)	<b>0.15</b> (0.08)	-0.03 (0.15)
$R^2$	0.32	0.36	0.44
Observations	668	762	981

All models are OLS, with dependent variable percentage of trade ads in relation to total ads in media market  $j$  election-year  $t$ . First model's sample spans 2000-2016 elections, consisting of top 75 media markets. Second model's sample spans 2002-2016 elections, consisting of top 100 media markets. Third model's sample spans 2008-2016 elections, consisting of all 210 media markets.  $Post$  is a dummy variable that has a value of 1 after 2009. All models include media market and election-year fixed effects. Standard errors are robust and clustered around counties. Estimates that are significant at  $p < .05$  are in **bold**.

Table 2: BORDER-PAIR SAMPLE REGRESSION RESULTS

	<b>Percent trade opposition</b>							
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
<i>TradeAdj</i>	<b>0.1039</b> (0.0222)	<b>0.0709</b> (0.0270)	<b>0.3408</b> (0.0726)	<b>0.0783</b> (0.0488)	<b>0.1125</b> (0.0464)	<b>0.1088</b> (0.0413)	<b>0.3681</b> (0.1295)	0.0640 (0.1030)
County-Pair*Year FE	No	No	No	No	Yes	Yes	Yes	Yes
Sample	All	2012	2014	2016	All	2012	2014	2016

Estimates that are significant at  $p < .05$  are in **bold**. Dependent variable is the percentage of population who oppose free trade in a county. All models cluster standard errors both around state and media market. Model 1-4 provides base model results for all years and separate election years. Model 5-8 adds year-specific county-pair fixed effects.

Table 3: BORDER-PAIR SAMPLE REGRESSION RESULTS - THE RUST BELT

	<b>Percent trade opposition</b>							
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
<i>TradeAdj</i>	0.0741 (0.0473)	0.0116 (0.0720)	<b>0.2308</b> (0.0149)	0.0350 (0.0414)	0.0588 (0.1035)	0.0428 (0.1602)	<b>0.2321</b> (0.0383)	0.0478 (0.0650)
County-Pair*Year FE	No	No	No	No	Yes	Yes	Yes	Yes
Sample	All	2012	2014	2016	All	2012	2014	2016

Estimates that are significant at  $p < .05$  are in **bold**. Sample consists of border-pair counties in the Rust Belt. Dependent variable is the percentage of population who oppose free trade in a county. All models cluster standard errors both around state and media market. Model 1-4 provides base model results for all years and separate election years. Model 5-8 adds year-specific county-pair fixed effects.

Table 4: List of Counties in the Rust Belt That Flipped in 2016 Elections

<b>County</b>	<b>State</b>	<b>Ad Difference</b>
Carroll County	IL	103
Fulton County	IL	218
Henry County	IL	713
Knox County	IL	713
Warren County	IL	1287.5
Whiteside County	IL	103
Delaware County	IN	0
LaPorte County	IN	438
Porter County	IN	438
Calhoun County	MI	135
Eaton County	MI	-135
Gogebic County	MI	-70
Isabella County	MI	-68
Monroe County	MI	647
Shiawassee County	MI	11.66666667
Van Buren County	MI	517
Ashtabula County	OH	0
Erie County	OH	0
Montgomery County	OH	0
Ottawa County	OH	0
Portage County	OH	0
Sandusky County	OH	0
Stark County	OH	0
Trumbull County	OH	0
Wood County	OH	0
Northampton County	PA	0
Adams County	WI	0
Columbia County	WI	0
Dunn County	WI	0
Juneau County	WI	0
Marquette County	WI	0
Price County	WI	0
Richland County	WI	0
Sauk County	WI	0
Sawyer County	WI	0
Vernon County	WI	0

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