

# Political Conformity

Event-Study Evidence from the United States

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- 2 Data
- 3 Results
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# Introduction

- Most forms of political participation reveal partisan affiliation.
  - Thus, susceptible to social effects.
- Consider Maria, who would give \$500 anonymously to Trump.
  - Would her give more/less if her Trump-loving coworkers are looking?
  - Would her give more/less if her Trump-hating coworkers are looking?
- Individuals more active in like-minded environments, less active in opposite-minded ones.
  - Conducive to polarization!

# Contribution

- Correlation between own-partisanship and peer-partisanship is highly positive.
- However:
  - Direction of causality?
  - Revealed-preference evidence?
- Contribution: provide unique evidence that is...
  - Quasi-experimental.
  - Based on revealed-preferences.
  - And can be used for counterfactual analysis.

# Identification Strategy

- Ideal experiment:
  - Flip coin to decide whether a DEM lives in REP/DEM area.
  - Hypothesis: being randomly assigned to DEM area causes higher contributions.
- Quasi-experimental design:
  - Exploit naturally-occurring variation in locations.
  - Use event-study analysis to disentangle direction of causality.

# Preview of Findings

- Increasing the share of Democrats in ZIP-3 by 10% causes a Democrat to increase her own contribution by 1.1%.
  - Economically and statistically highly significant.
- Counter-factual analysis: 27% of geographic polarization in contributions during the 2012 election can be attributed to conformity effects.

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# Contributions Data

- Federal Election Commission (FEC) makes contribution data publicly available.
  - Committees have to report campaign contributions  $>$ \$200 to FEC.
- Contributions are better than using survey data on opinions (i.e., revealed-preference).
- Disclosure makes contribution behavior highly visible.
  - Anyone can “google” contributors by name, address, etc. from the FEC website.



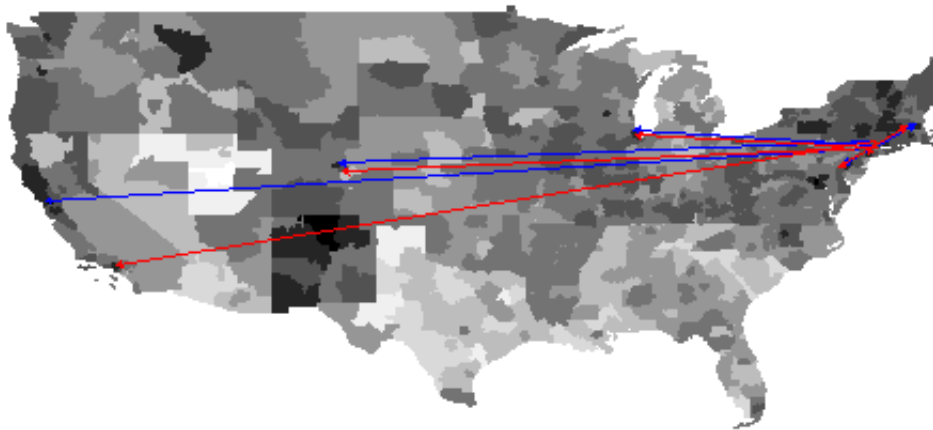
# Change of Address Data

- Start with all individuals who contributed to Obama in 2008 election.
- Challenge: if 2008-contributor moves, we do not observe it in 2012-FEC data unless he makes another contribution.
  - Only 27% of 2008-contributors contribute  $>$ \$200 again in 2012.
  - Huge selection bias!
- Solution: “follow” individuals with Mail Forwarding Data from the United States Postal Services (USPS).
  - First to use this amazing dataset. Easy-to-use and cheap!

# Panel of Movers

- Started with 2008-contributors to Obama.
- Using USPS records, identified 45,000 who moved after 2008 cycle:
  - 26,661 moved right before beginning of 2012 cycle.
  - 18,447 moved right after the end of 2012 cycle.
- Use 2012 FEC records to see how much these individuals contributed to Obama in 2012 election.

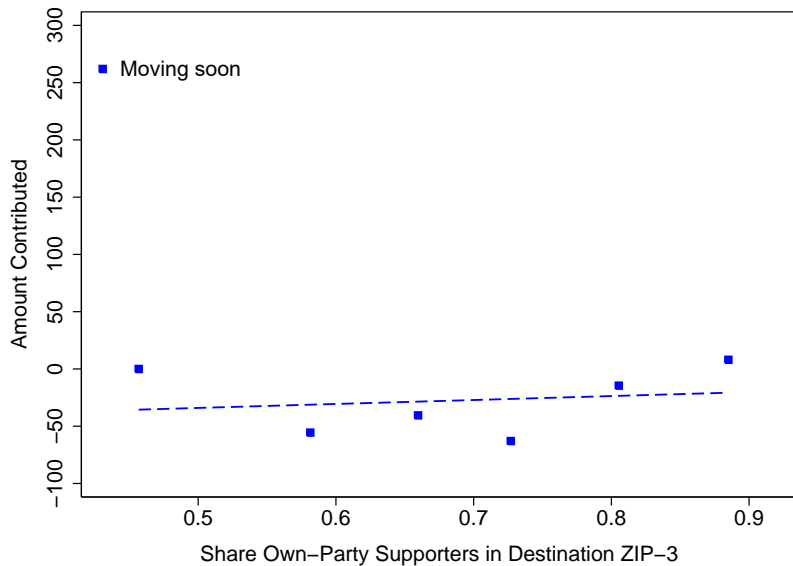
# Sample of Movers



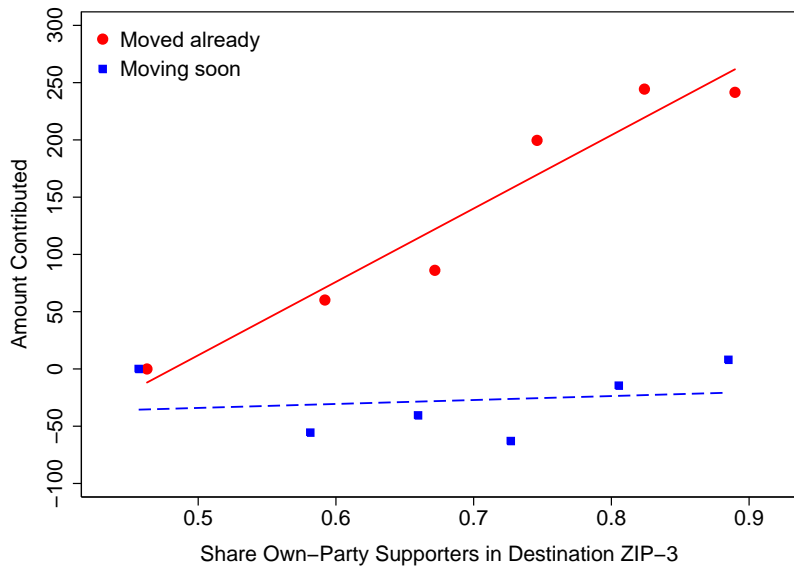
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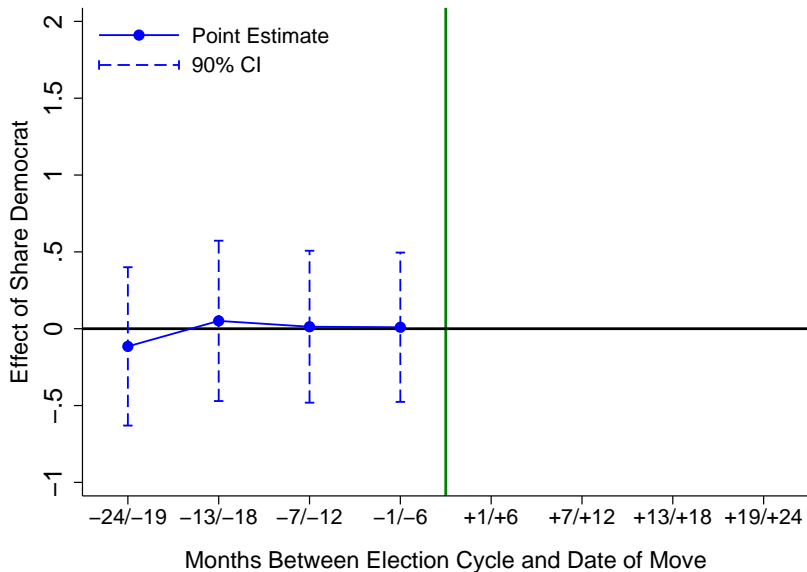
# Binned Scatterplot



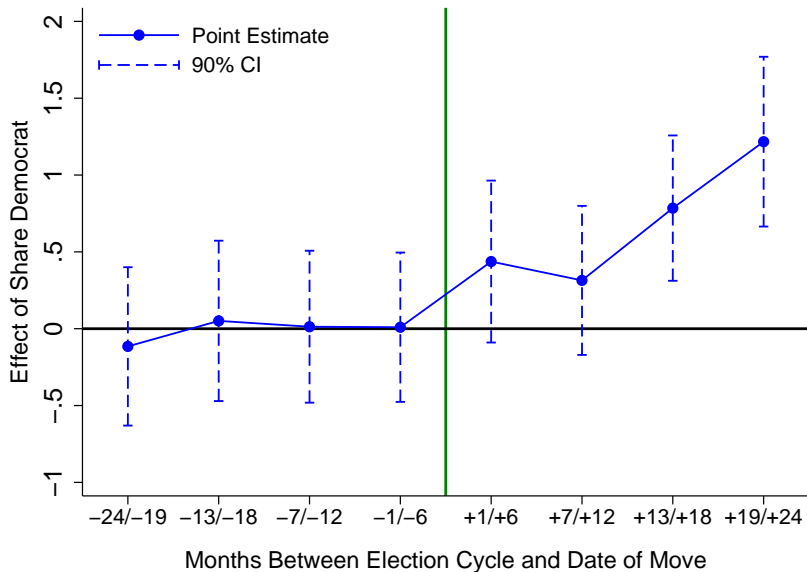
# Binned Scatterplot



# Event-Study Graph

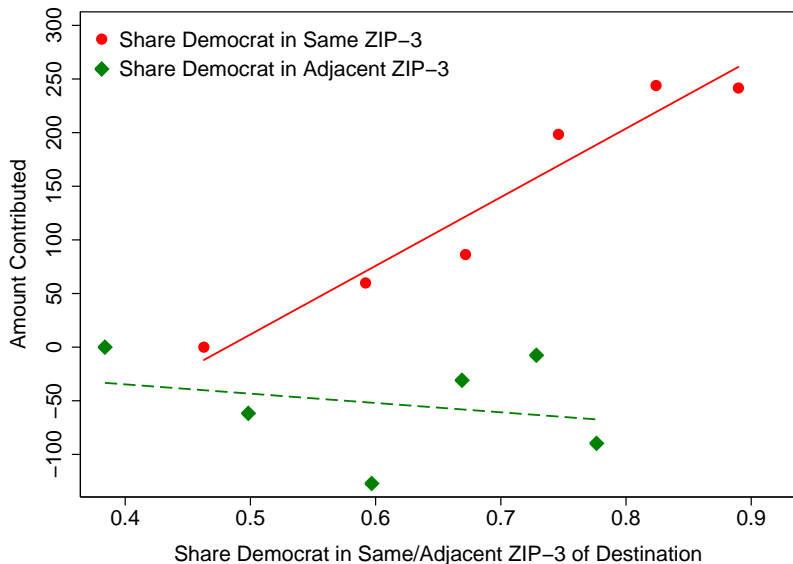


# Event-Study Graph





# Geographic Polarization



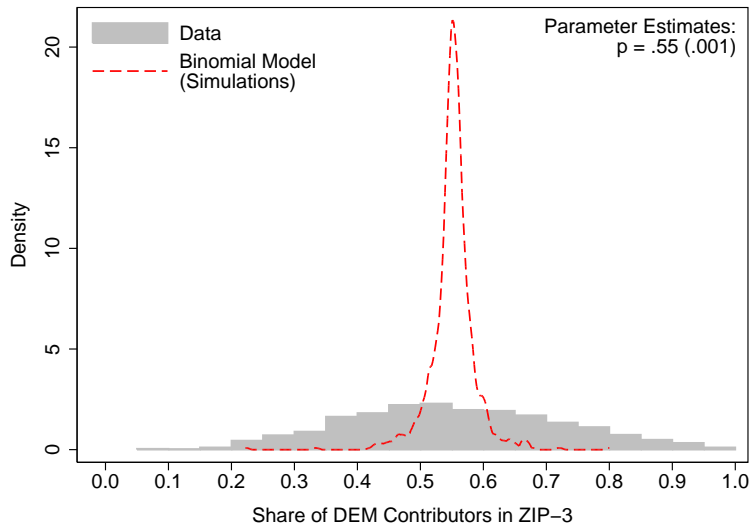
# Summary of Findings

- Conformity effects are both statistically and economically very significant.
  - 0.11 elasticity between own-contribution and peer-partisanship.
- Effects very similar under a number of robustness checks.
- Effects are consistent with social interaction models:
  - Geographically localized.
  - Increase as individual assimilates into the new social context

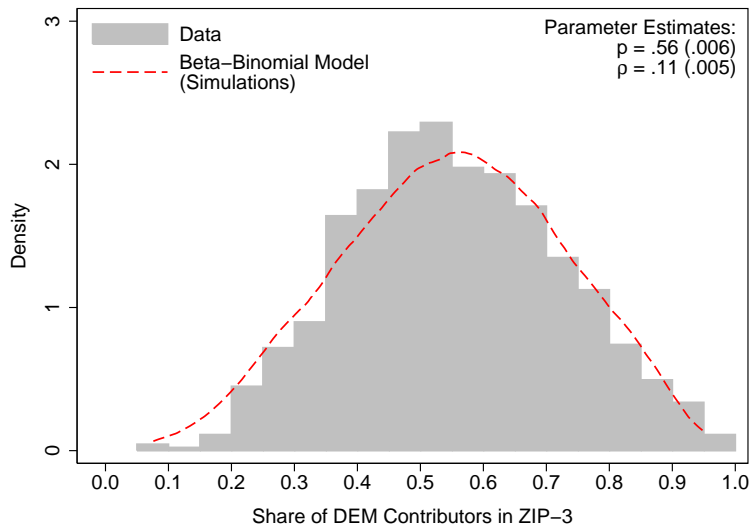
# Effect on Polarization

- These social effects can exacerbate polarization.
  - In highly DEM areas, DEMs want to participate more but REPs want to participate less.
  - In highly REP areas, DEMs want to participate less but REPs want to participate more.
- Result: areas in which only DEMs participate, and areas in which only REPs participate.

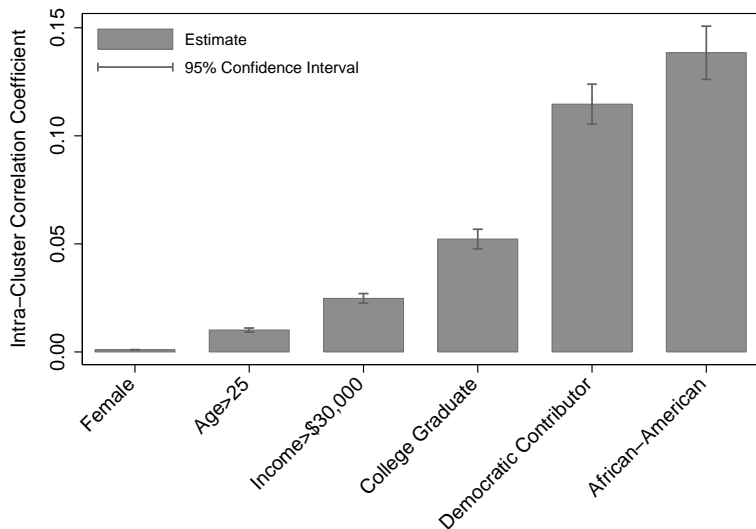
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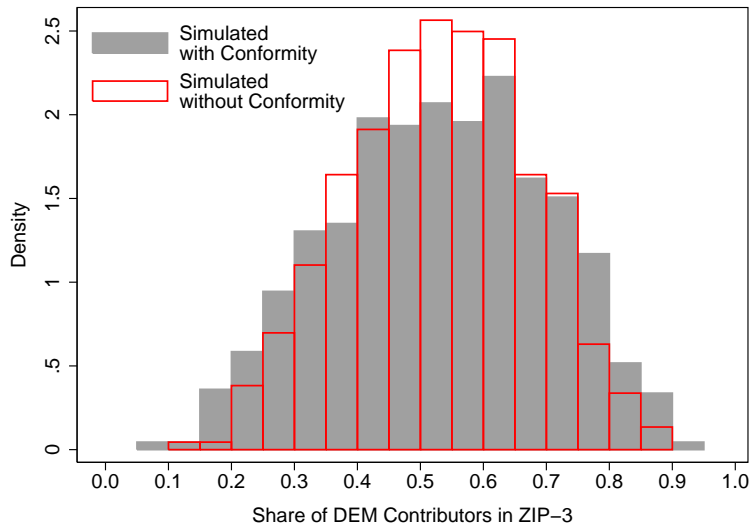
# Geographic Polarization



# Counterfactual Analysis

- How to measure contribution of conformity effects to polarization?
  - Need to separate selection effects from peer effects.
- Strategy:
  - Take the quasi-experimental elasticity.
  - Conditional on that parameter, estimate selection parameters by MLE.
  - Counter-factual analysis: shut down conformity parameter and predict polarization.
- Result: conformity effects can explain 27% of polarization.

# Counterfactual Analysis





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# Conclusions

- What did we learn from this?
  - DEM/REP participation shaped by their social group.
  - Contributes to geographic polarization.
- Follow-up research questions:
  - Why social norms against racism but not against partism?
  - Should the government protect political minorities from discrimination in the workplace, school, etc.?