Political Conformity

Event-Study Evidence from the United States

Ricardo Perez-Truglia

University of California, Los Angeles

January 2017
1. Introduction
2. Data
3. Results
4. Related Evidence
5. Conclusions
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.
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.
Outline

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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.
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Binned Scatterplot

- Amount Contributed
- Share Own-Party Supporters in Destination ZIP-3

- Moved already
- Moving soon

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Event-Study Graph

- Point Estimate
- 90% CI

Effect of Share Democrat

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<thead>
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<th>Months Between Election Cycle and Date of Move</th>
<th>Point Estimate</th>
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Geographic Polarization

![Graph showing geographic polarization](image)

- **Share Democrat in Same ZIP-3**
- **Share Democrat in Adjacent ZIP-3**

**Legend:**
- Red dots: Share Democrat in Same ZIP-3
- Green diamonds: Share Democrat in Adjacent ZIP-3

**Axes:**
- Y-axis: Amount Contributed
- X-axis: Share Democrat in Same/Adjacent ZIP-3 of Destination

**Axes Ranges:**
- Y-axis: -100 to 300
- X-axis: 0.4 to 0.9

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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.
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.
Geographic Polarization

Parameter Estimates:
\[ p = 0.55 (0.001) \]

Share of DEM Contributors in ZIP−3

Data

Binomial Model
(Simulations)
Geographic Polarization

Parameter Estimates:
\[ p = 0.56 (0.006) \]
\[ \rho = 0.11 (0.005) \]
Geographic Polarization

Intra-Cluster Correlation Coefficient

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<tr>
<th>Female</th>
<th>Age&gt;25</th>
<th>Income&gt;$30,000</th>
<th>College Graduate</th>
<th>Democratic Contributor</th>
<th>African-American</th>
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95% Confidence Interval
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

Simulated with Conformity
Simulated without Conformity

Share of DEM Contributors in ZIP-3
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.?