Local Jobs and Global Trade: Congressional Voting on NAFTA and GATT*

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Abstract

Trade agreements are some of the most important economic policies that the federal government can undertake. The 103rd Congress (1993–1994) faced three major votes on these issues: the North American Free Trade Agreement (NAFTA) and, relating to the Uruguay round of the General Agreement on Tariffs and Trade (GATT) negotiations, a vote to extend fast track authority to President Clinton and a vote on the GATT treaty itself. Of greatest concern to legislators for both of these bills was their potential impacts on jobs. By creating new, district-level measures of trade exposure using local employment in exporting and importing sectors, this paper examines how these concerns affect Congressional voting on trade treaties. The voting patterns of Democrats reflect the party's interests in labor unions, minority groups, and low-skilled workers, resulting in suspicion of free trade, consistent with the Ricardo-Viner theorem. Contrarily, Republicans vote in accordance with their connections to the interests of industry and a belief that exporting sectors would benefit from trade and import-competing sectors would be harmed by increased international competition, which accords with the Stolper-Samuelson theorem.

Every vote confronts legislators with a variety of often-opposing political forces. Concerns of his district, his party, and his own ideology may run in contradictory directions. Party leaders attempt to overcome these forces through logrolling or other means of "sweetening" a bill to ensure its passage. Trade bills are not only one of the most important federally-legislated domains of economic policy, but are also largely immune from Congressional tinkering; most are presented by the president for a solitary up-or-down vote. By examining voting patterns on these bills, the amendment-driven committee system can be ignored when determining the strength of the underlying influences on Congressional position taking.[1]

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[1]President Clinton was able to persuade several members, especially those from his own party, to support the treaty (Uslaner 1998). It is unclear how he won these votes, but it is quite possible that he promised these members favorable legislation in the future. In the absence of strong pro-NAFTA support by Democratic Congressional leaders, Clinton may have performed log-rolling himself.

The 103rd Congress, in session during 1993 and 1994, faced three major trade votes: the North American Free Trade Act (NAFTA; H.R. 3450) and, regarding the World Trade Organization's Uruguay round of the General Agreement on Trade and Tariffs (GATT) negotiations, the extension of fast track authority to the president (H.R. 1876) and a vote on GATT itself (H.R. 5110). Fast track authority is granted by Congress to the president and requires that all trade treaties are considered free of amendment and via a relatively-simple up-or-down vote in Congress. This affords the president more flexibility and credibility when negotiating with other countries. This measure also prevents Congressional leaders from sweetening the bills to assure passage and presents pressures that are largely external to the legislative environment. Fast track was applied to NAFTA and GATT and permits the analysis of these votes to reveal a clearer picture of the forces that affect a legislator's position.

1 The politics of trade in the 103rd Congress

NAFTA negotiations were initiated by President George H. W. Bush and his counterparts in Mexico (President Carlos Salinas de Gortari) and Canada (Prime Minister Brian Mulroney). The trio signed an agreement in December 1992, subject to ratification by their corresponding legislative bodies. These negotiations were concomitant with the 1992 presidential election and became a major campaign issue. Ross Perot's independent presidential campaign focused on shredding NAFTA; he warned voters of the "giant sucking sound" of jobs flowing south across the border into Mexico as a result of liberalized trade. Then-candidate Bill Clinton was forced to stake a position on the bill and chose to tentatively and tepidly back the agreement, citing concerns about jobs and the environment. By making NAFTA a campaign issue in 1992, the salience of the treaty was high among the public and politicians alike.

Upon securing the presidency, Bill Clinton made passage of NAFTA, as agreed to by the Bush administration, a major legislative priority. The broad debate in Congress on NAFTA pitted those who favored free trade against those that supported organized labor. Interestingly, this divide did not follow party lines precisely. While the Republican leadership was for the bill, the Democratic leadership split, some supporting their newly-elected president, while others sided with

traditional labor interests.[2] The vote breakdown by party is given in Table 1.

Table 1: NAFTA vote by party

	For	Against	
Democrats	102	156	258
Republicans	132	44	176
	234	200	434

Prominent interest groups staked different positions in the debate. Typically, minority groups gravitate toward the same side of policy debates. While Latino leaders clearly appreciated the benefits that NAFTA would bring to Mexico, black leaders were concerned about potential job losses in the U.S. The two groups split, with Latino leaders supporting the bill and prominent members of the black community fighting against it (Wink, Livingston and Garand 1996). Unions and environmental groups believed that NAFTA jeopardized their interests as well and fought the bill.[3] Since the greatest benefits would likely arise via trade from Mexico, western states were supportive. Agricultural concessions helped to ease tensions with interests in the midwest and in rural communities more generally, though farmers were still concerned about lower prices as a result of the treaty. Corporations supported NAFTA in order to secure cross-border markets. Because the parties relate to each of these constituencies in different ways, it is likely that Democrats and Republicans responded differently to these cross-pressures. The effects of these conflicts are the focus of the remainder of the paper.

GATT was also a prominent issue for both the public and legislators. Though it was not a campaign issue in 1992, GATT achieved its prominence as a result of its broad effects. More than a trilateral agreement, GATT was a worldwide issue; the barriers to trade among the U.S. and its bordering neighbors were small, both in fact and compared to barriers erected by other nations. The influences exerted for this bill did not precisely mirror those acting on NAFTA. Firstly, the Latino community was less supportive of this agreement, as it had less salience among its members. Notably, while organized labor vigorously fought NAFTA, it criticized, though did not impede GATT (Gartzke and Wrighton 1998). While Ross Perot and Ralph Nader fought against GATT

[2]House Majority Leader Dick Gephardt (D-MO) and Majority Whip David Bonior (D-MI) were against the agreement and Speaker of the House Tom Foley (D-WA) and Senate Majority Leader George Mitchell (D-ME) were for it.

[3]Actually, the National Wildlife Federation, the World Wildlife Fund, and the National Audubon Society supported the bill, as did the U.S. Environmental Protection Agency. The Sierra Club, Greenpeace, and Friends of the Earth steadfastly opposed the bill and were much more vocal on the issue (Baldwin and Magee 2000).

Table 2: Cross-tabulations of voting patterns on NAFTA and GATT by party

(a) Republicans

GATT	NAFTA For	NAFTA Against	
For	107	13	120
Against	24	30	54
	131	43	174

(b) Democrats

	NAFTA For	NAFTA Against	
For	91	76	167
Against	10	79	89
	101	155	256

as they did NAFTA, the prominence of these men was reduced because they could not exploit an election cycle as they did in 1992.

The voting patterns among Republicans reflected this similarity, with only 21% of Republicans changing their trade position (see Table 2). Over 33% of Democrats changed their position, most switching from being against NAFTA, but supporting GATT. Interestingly, this implies that many Democrats were willing to hand their new president an early defeat, only to support a broader bill a year later. These Democrats may have been fulfilling a 1992 campaign promise to vote against NAFTA, a declaration made before Clinton's win. An alternate explanation would be that GATT, whose negotiation began in 1986, was finalized by President Clinton, possibly on terms that were more amenable to his party's policy preferences. Also, NAFTA was politicized to a higher degree than GATT as a result of the 1992 elections.

Several papers have attempted to explain Congressional voting patterns on these bills. Each seems to capture different pieces of the explanation. Studies of the NAFTA vote focus on racial politics (e.g., Wink, Livingston and Garand 1996), expected gains from trade (e.g., Kahane 1996, Kang and Greene 1999), special interest politics (e.g., Steagall and Jennings 1996), and the personal politics of presidential power (e.g., Livingston and Wink 1997, Uslaner 1998). Few papers have examined the GATT vote (see Gartzke and Wrighton 1998, Baldwin and Magee 2000) and none the GATT fast track extension vote. This paper examines these varied perspectives with a combination of the three trade votes in order to better explain position taking on trade policy more broadly. The covariates used in this paper are listed in Table 3.

As discussed, these treaties generated unique cleavages between constituencies that vary across parties and across the country. There are four classes of characteristics identified by Box-Steffensmeier, Arnold and Zorn (1997) that affect the vote of a Congressman. *Constituency factors* account for the positions of voters in the legislator's district. *Individual factors* represent the per-

sonal beliefs of the Congressman. *Interest group factors* weigh the influence of special interests (here, business and labor groups) on the legislator. Lastly, *institutional factors* focus on the power structure of Congress, including leadership positions and committee membership. The latter category is less consequential for the bills under examination here as a result of fast track provisions, though the other three categories provide a useful framework for the analysis of position taking.

Table 3: Summary statistics of explanatory variables by category

Variable	Mean	Std. dev.	Min.	Max.	Source
District trade exposure indicies					
Jobs in net exports to Canada-Mexico	4,931	5,030	32.000	29,260	CBP
Jobs in net imports to Canada-Mexico	1,552	1,909	0.000	12,300	CBP
Jobs in global net exports	2,976	2,949	0.000	17,430	CBP
Jobs in global net imports	2,397	3,357	0.000	27,100	CBP
Constituency factors					
1993 district unemployment, percent	7.351	2.411	2.495	25.900	BLS
1994 district unemployment, percent	6.509	2.298	2.164	23.100	BLS
Median household income	30,720	8,370	14,520	57,220	BAZ
Percent in labor unions	12.097	5.790	1.789	11.300	BAZ
Percent black	11.870	16.175	0.000	74.000	BAZ
Percent Latino	8.825	14.324	0.000	83.000	WLG
Percent rural	24.900	21.966	0.000	87.000	BAZ
Perot vote share	18.533	6.119	3.251	33.221	BAZ
Individual factors					
Republican indicator	0.407				
Freshman member indicator	0.262				
Liberal ideology score, 0–100 scale	56.09	30.760	2.667	100	BAZ,WLG
Interest group factors					
Corporate PAC donations	79,500	73,890	0.000	590,750	BAZ
Labor PAC donations	49,720	57,160	0.000	281,240	BAZ

The sources for these data are Box-Steffensmeier, Arnold and Zorn (1997) (BAZ), Wink, Livingston and Garand (1996) (WLG), U.S. Department of Labor (1993–1994) (BLS), and U.S. Department of Commerce (1993) (CBP). Please see their respective sources for detailed descriptions of the BAZ and WLG data. Data derived from BLS and CBP data were created as described in Section 2. Median household income, the trade exposure indicies, and corporate and labor PAC donations enter all the models in the paper divided by 10,000.

2 Trade and local employment

While some papers have attempted to assess the local effects of increased trade, there has been difficulty in devising acceptable proxies of these impacts. Politicians want to appease their constituencies in order to secure reelection. Citizens often use measures of economic activity as signals of the quality and effectiveness of their leaders. In this context, voters may attribute short-, near-term job gains and, especially, losses to globalized trade. Indeed, the most prominent criticism of NAFTA was that jobs would be lost to the other countries, especially resulting from the lure of low wages in Mexico. Senator Donald Riegle, Jr. said, "the main export that we are going to ship to Mexico under the agreement, apparently, as it has been negotiated here, is going to be jobs." Less-skilled workers would likely be the most susceptible to competition in the global workforce and, as a proxy for this effect, districts with higher median incomes should be more likely to support trade treaties. This hypothesis is supported by the Stolper-Samuelson theorem, which states that abundant factors reap the benefits of trade and scarce factors are harmed by increased trade (Thorbecke 1997). America is a capital-rich country with relatively little low-skilled labor, leading to the conclusion that capital-intensive industries should support trade, while low-skilled labor should be against the treaties. This explains the opposition to trade exhibited by low-income workers and by labor unions. Additionally, districts with high levels of employment in import industries would oppose liberalized trade policies out of fears that local firms will be out-competed by their international brethren.

The support proffered by districts with many jobs in exporting industries depends largely upon who the citizens perceive to be waiting on the other end of the trade agreement: if they see a world of consumers anxious to buy their goods, then they will be supportive of increased trade, but, on the other hand, if they see a world of other producers and intensified competition, they will be wary of such agreements. The latter assessment could be rationalized in the following way: If Congressmen believe that the U.S. has relatively low barriers to trade with other nations, but the other nations have high barriers between one another, then the U.S. will experience little in the way of market expansion, while other countries will have much greater market access following the enactment of these treaties. The benefits of the treaties, then, will accrue largely to other nations at the expense of increased competition to American firms. This perception could reduce

the propensity of legislators to support trade bills. The Ricardo-Viner theorem postulates the former effect, however; namely, that the benefits of trade will accrue to exporting industries and harms import-competing industries (Thorbecke 1997).

These assessments are distinct from the benefits of trade that arise from lower prices to consumers and greater product diversity; they focus on the supply-side, rather than the demand-side of the market. They also potentially ignore the long-run economic benefits of trade and instead focus on short-term gains and losses in order to appeal to a myopic constituency. Voters are both workers and consumers and though they will almost certainly be better-off as consumers, the short-term effects on employment are ambiguous.

It would be difficult to ascertain differential demand-side impacts of trade on consumers at the district level, but it may be possible to assess the short-run effect on local employment. If voters experience job losses that can be attached to trade, either in fact or via the musings of the frustrated or uninformed, they may punish politicians that supported pro-trade policies. Hence, Congressmen from districts with high import-based employment will likely oppose these treaties, while members from districts with a number of jobs in exporting sectors may or may not support them. Additionally, the support of districts with higher unemployment rates generally is ambiguous; again, if the perception is of a world of consumers, then trade might be expected to raise employment levels, but a world of producers may further contract U.S. employment. In order to assess the direction and magnitude of these effects, a measure of job susceptibility must be created.

David Schott maintains a dataset of bilateral trade figures between the U.S. and all other countries by 1987 Standard Industrial Classification (SIC) code (Schott 1993). Net exports by the U.S. to Canada and Mexico and the world are calculated. The 20% of the codes with the highest net export values for 1993 are considered high export industries, while the bottom 20% are high import industries. County Business Pattern data contain employment data by SIC code for all U.S. counties (U.S. Department of Commerce 1993). The Bureau of Labor Statistics offers unemployment data by county as well. These figures are mapped from counties to Congressional districts; counties that span more than one district had equal shares of these values assigned to each consituent district. Analyses of the NAFTA vote use a district's jobs in the high export and import sectors to Canada and Mexico as covariates, while examination of the GATT vote uses sectors and

figures corresponding to worldwide trade levels. While these employment figures are all calculated based upon 1993 data, unemployment data is calculated in 1993 and 1994 for the NAFTA and GATT votes respectively, corresponding to the years in which the votes occurred. These covariates aid in examining the impact of local employment conditions on Congressional trade voting patterns.

Of course, these measures themselves are imperfect proxies for the trade exposure of a Congressional district. The employers present in the districts may have little international presence, though global pressures on their sectors would still influence their domestic sales and market conditions. An additional source of measurement error is the imperfect mapping of counties to districts. Measurement error becomes especially important in the district-level fixed effects models of Section 5, as attenuation tends to bias the coefficients toward zero. These measures are nonetheless an improvement over the state-level data that is typically employed in the literature.

3 Voting on NAFTA

It is instructive to examine simple linear probability regressions of the NAFTA vote on the district jobs variables; Table 4 provides these results. Interestingly, significance is only achieved in the exports jobs covariates and only when a term interacting this variable with the Republican indicator is included. Democrats have a significant, negative impact of high export jobs on the probability that they support NAFTA, while Republicans have a significant, positive effect. This suggests that Democrats envision liberalized trade as being damaging to American jobs, perceiving a world of competitors as discussed in Section 2. Contrarily, Republicans see a positive impact on export-oriented jobs, indicating a rosier view of a world filled with consumers of American goods and consistent with the Stolpher-Samuelson hypothesis. These interpretations of this model square well with the rhetoric that the parties extol on the subject of trade. Effects of jobs in import sectors and unemployment are insignificant.

This analysis can be enrichened by incorporating other factors that may have influenced that NAFTA vote; these results are shown in Table 5. As in the simpler specifications, the coefficient on jobs in exports appears negative for Democrats and positive for Republicans, though only the latter is significant and both are substantially lower than those given above. Jobs in imports and unemployment coefficients are again insignificant.

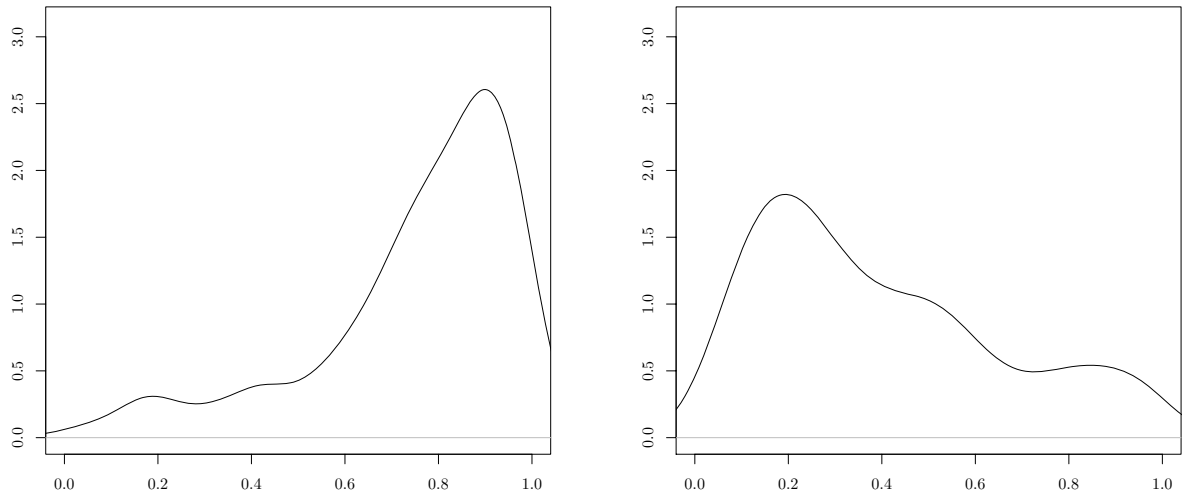
Table 4: Linear probability models of district-level jobs on the NAFTA vote

Variable	(1)	(2)	(3)	(4)
Intercept	0.558***	0.552***	0.403***	0.428***
	(0.045)	(0.046)	(0.096)	(0.101)
Jobs in exports	-0.015	-0.213***		-0.210***
	(0.051)	(0.058)		(0.056)
Jobs in imports	-0.074	-0.087		-0.091
	(0.114)	(0.213)		(0.212)
Jobs in exports		0.474***		0.470***
× Republican		(0.093)		(0.092)
Jobs in imports		0.160		0.165
× Republican		(0.309)		(0.307)
Unemployment			0.019	0.017
			(0.013)	(0.014)
R^2	0.003	0.117	0.006	0.122

Notes: Standard errors clustered at the state level are given in parentheses. Here, as for the remainder of the paper, significance at the 5% level is indicated by a single star; two stars indicate significance at the 1% level; significance at the 0.1% level is noted by three stars.

Linear probability specification 1 excludes the liberal ideology variable and exhibits a positive sign on the Republican indicator, indicating higher support for NAFTA by members of this party conditional on other variables. The second specification reveals that this effect becomes significantly negative when liberal ideology is added to the model. The average liberal ideology score of Republicans (23.6) is nearly 50 points lower than that of the average Democratic score (78.4), giving the average Republican a positive impact of these two variables combined, equal to 0.14. The difference between the two parties is clearly seen in Figure 1, which shows the density of predicted probabilities of supporting NAFTA from the logit model separated by party. Clearly, Republicans have a higher likelihood of supporting NAFTA; the average predicted probability for Republicans is 75%, while the mean for Democrats is 40%. The negative coefficient on the Republican indicator does suggest, however, that it was ideology, rather than party loyalty, that influenced voting. Of course, ideology and party identification are intricately related and loyalty can affect the voting score, thus this evidence is not conclusive.

Inclusion of the liberal ideology score substantially reduces the magnitude of the the coefficient on both corporate and labor PAC donations, eliminating their significance. This suggests, unsurprisingly, that donations are given by PACs to members with voting records consistent with



(a) Republicans (b) Democrats

Figure 1: Densities of estimated probabilities of supporting NAFTA by party

their beliefs.[4] If neither group contributed to members of Congress, the logit model forecasts that NAFTA would have gained nine additional votes, had only corporate groups contributed, it would have gained twelve additional votes, and only one vote would have been lost without corporate contributions.

The percentage of a Congressman's constituents belonging to a labor group is significant in all three specifications. Using the logit specification, the marginal rate of substitution of a donation from a labor PAC to a percentage point increase in district union membership is the ratio of the union membership coefficient to the labor PAC coefficient, 1.933, or \$19,333.[5] If increasing union membership in a district by a percentage point costs less than this amount, the union would be more effective in influencing the NAFTA vote via recruitment than by donating to the Congressman directly. Considering that the average Congressional district had approximately 575,000 citizens, union membership would have to increase by 5,750 at a cost of less than \$3.40 per new member. This low cost seems unrealistic, implying that direct donations are a more effective means of influencing

[4]This also implies that donations by both groups may be endogenous, a point not examined here. Baldwin and Magee (2000) consider this point and find mixed evidence of endogeneity of giving.

[5]The logit coefficients can be interpreted as marginal utilities. The ratio of the union membership and labor contribution coefficients, then, is: $\frac{\mathrm{MU}_{UM}}{\mathrm{MU}_{LC}} = \frac{dU}{dUM}\frac{dLC}{dU} = \frac{dLC}{dUM}$. Since labor contributions are divided by 10,000 in the model, multiplying the ratio by 10,000 produces the dollar value of a percentage point change in union membership.

Congressional opinion.

Lastly, the strong effect of union members and labor donations should be contrasted against the insignificance of the proportion of Latinos on influencing the vote. Leaders of this group were unequivocally pro-NAFTA, but perhaps the grassroots were either less enthusiastic or poorly mobilized. The proportion of blacks depressed the NAFTA vote, consistent with the views of leaders of this community. To the extent that both groups contain a disproportionate share of low-skilled workers, they could be the groups most susceptible to job losses from increased trade. Latinos, while wanting to support Mexico, may have been torn by this economic reality. The remaining coefficients, while insignificant, take the expected signs.

Congressmen are often forced to announce their position on legislation before actually voting on the bills. Of course, they are not bound by these announcements, though 92% of Congressmen maintained their announced positions on the NAFTA vote. A multinomial logit model of the four position announcment and voting combinations can help identify which covariates induced members to switch their votes, results of which are provided in Table 6. Freshmen were most likely to announce a position against NAFTA and were less likely to support the bill. These members may not have developed the trust with their constituencies necessary to take an affirmative position on the controversial bill. Increasing levels of unionization and black constituents led to the revocation of supportive announcements. This may be due to Congressmen underestimating the salience of NAFTA to these communities and their willingness to combat the treaty.

4 Voting on GATT

Basic regressions of the GATT vote on the employment covariates are provided in Table 7. For the vote on GATT, both Democrats and Republicans increase their support with jobs in export sectors and decrease their support with jobs in import sectors; significance is achieved for both effects for Democrats and for the effect of jobs in exports for Republicans and the latter group experiences larger absolute effects. Again, unemployment is insignificant.

The expanded models of the GATT vote are found in Table 8. The employment patterns found in the limited regressions hold here as well, though the differences between the two parties are almost entirely eliminated and the coefficient on jobs in exports is no longer significant. The effect

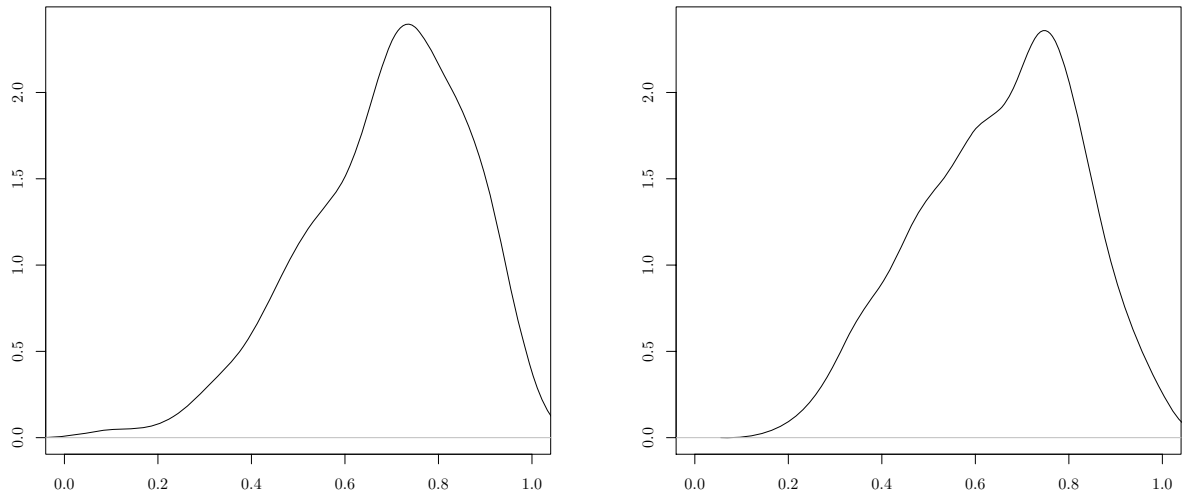
of district unionization and the vote share obtained by Perot are smaller than their counterparts in the NAFTA regressions of Table 5, reflecting the limited opposition waged by labor unions to GATT and Perot's lack of visibility. Large black and rural constituencies are both influential. The coefficient on the freshman indicator, though insignificant, is quite sensitive to the inclusion of the liberal ideology variable, which essentially eliminates its effect. Contributions by both corporate and labor groups seem to have a larger impact on this vote and the coefficients of these variables are less affected by the inclusion of the ideology measure than they were in the NAFTA specifications.

Partisan factors were much more important to the NAFTA vote than the GATT vote. Firstly, NAFTA became a campaign issue in 1992 that pushed the parties to take opposing positions. Second, though Bill Clinton pushed the treaty through Congress, the treaty was negotiated by George H. W. Bush on his terms. GATT was negotiated by Clinton, presumably on terms more amenable to his party. Resultingly, the parties exhibited closer voting patterns on GATT than they did on NAFTA. Compare Figure 1 depicting the densities of the probability that members of each party would support NAFTA to Figure 2, showing the same probabilities for the GATT vote. These distributions are very similar; indeed, the mean probability for Republicans is 69.0%, compared to 65.2% for Democrats. This is alo reflected by the smaller magnitude of the coefficient on the Republican indicator in the GATT specifications (Table 8) than in the NAFTA regressions (Table 5).

Prior to the GATT vote itself, Congress considered whether the treaty was afforded fast track status. A multinomial logit model can reveal patterns in voting on the two bills, as shown in Table 9. As suggested in the preceding analysis, members with higher levels of employment in exporting sectors were supportive of both actions, while those with higher import employment were not receptive to either bill. There was also skepticism among the rural and black communities. Corporate donations made Congressmen more supportive, while labor donations had the opposite effect. Ideology was also an important factor.

5 Considering the votes together

The votes and their respective covariates can be combined into a single regression. Table 10 shows the basic regressions of the votes against the jobs covariates. As in the case of the NAFTA vote



(a) Republicans (b) Democrats

Figure 2: Densities of estimated probabilities of supporting GATT by party

considered alone, Democrats and Republicans experience different signs of the effects; Republicans have a positive effect of jobs in export industries, while Democrats have a negative impact. For both groups, the effect of jobs in import sectors and of unemployment are insignificant.

The robustness of these results can be examined by looking at the full linear probability models as presented in Table 11. Democrats continue to have a negative effect of jobs in exports, but the effect of jobs in imports is insignificant, as are both effects for Republicans; unemployment is also insignificant once again. As before, blacks, Latinos, and union members continue to be important interests at the local level in affecting the vote choice of the legislators. Corporate and labor donations appear to have the equal, but opposing effects, though the corporate PAC coefficient is estimated with greater precision. Lastly, ideology remains one of the most important factors in the model.

The real benefit of combining the votes in a linear probability model is that it permits the inclusion of district-level fixed effects; results from the basic regressions with fixed effects are given in Table 12. Identification results from using different figures for unemployment and trade exposure for each vote; NAFTA uses unemployment data from 1993 and jobs in sectors in trade with Canada and Mexico, while the GATT vote uses unemployment for 1994 and jobs in sectors

with high global trade. The fixed effects are able to remove the influence of district demographics, party identification and loyalty, and legislator ideology, assuming that these factors remain constant over the seventeen months between the two votes. Hence, these estimates may be more reliable than the other specifications considered thus far.

In the fixed effects model, jobs in high export and high import industries both have negative effects for Democrats, while both are insignificant for Republicans. The lack of significance may not be surprising given the almost-certain presence of measurement error in the trade exposure proxies employed here, as measurement error exacerbates attenuation in fixed effects models. Unemployment, however, becomes significant, yielding a negative effect on support for trade treaties. Democrats appear to follow protectionist tendencies, viewing trade as a net loss to their districts, while employment seems to have less of an effect on the voting behavior of Republicans.

Lastly, these results can be examined through a multinomial logit model to identify the factors that led to the four combinations of positions on the two trade bills; these results are presented in Table 13. The most robust findings appear to be the reduced support of trade bills stemming from higher proportions of blacks, union members, and rural constituents. Relatedly, donations from labor PACs also consistently reduces any combination supporting either trade treaty. Higher liberal ideology has the greatest reductions in the probability of supporting the two combinations that include pro-NAFTA votes, which confirms the relationship discussed in terms of partisanship between Figures 1 and 2.

Though the remainder of the coefficients are insignificant, some expected patterns arise. For example, members from districts with higher proportions of Latinos are least likely to oppose voting pairs with a pro-NAFTA vote. Higher vote shares for Perot reduce the probability of supporting any combination with a pro-trade vote. Higher median incomes increase the probability of taking pro-trade positions. Freshmen were less likely to choose a pro-NAFTA combination, but most likely to choose the pro-, rather than anti-, GATT vote, reflecting their unwillingness to support the controversial NAFTA treaty, rather than a negative position on trade generally. These effects confirm earlier results and the stated hypotheses.

6 Conclusion

The biggest concern of many Congressmen when considering trade treaties is the effects of these policies on American employment, especially the impact on jobs in their home districts. The ideological bent of individual legislators and their parties also play an important role in framing these debates. Ideology, it seems, is precisely what informs legislators of the potential impacts of trade on their districts. Democrats believe that increased trade would endanger jobs in the U.S. This view comports with the party's relationship with and support of the interests of labor unions and low-skilled workers. The Ricardo-Viner hypothesis suggests that these factors, which are relatively scarce in America, a capital-rich country, would be harmed by trade. Republicans, contrarily, consider industry an important interest to their party and, as a result, are more willing to support pro-trade policies. Additionally, the members of this party appear to vote in accordance with the Stolper-Samuelson hypothesis, which posits that export industries would benefit from trade, while import-competing sectors would be harmed; those members with high levels of employment in exporting sectors are more receptive to trade bills and those with employment in importing sectors are less inclined to do so.

These hypotheses are confirmed both by the statements that these parties make on trade policy and also by the data presented in this paper. These evidence for these hypotheses can be found in the coefficients of the jobs in export and import sectors for each party, unemployment, median household income, and the proportion of a district in a union variables.[6] The estimates of these effects take the expected signs, though they may be measured imprecisely. This could be due to measurement error in the trade exposure indicies, which acts both to increase standard errors and to generate attenuation bias that pushes the coefficients toward zero. Further research should be undertaken to improve these measures of district-level trade exposure in order to corroborate these relationships.

[6]To the degree that the proportions of blacks and Latinos in a district are correlated with low-skilled employee populations, evidence may be found in these variables as well.

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Table 5: Full logit and linear probability models of the NAFTA vote

	Logit		Linear probability	
Variable	Coefficients	Marginal effect	(1)	(2)
Intercept	6.328***	0.011	0.834***	1.591***
	(1.555)		(0.279)	(0.296)
Jobs in exports	-0.592	-0.147	-0.102	-0.094
	(0.411)		(0.059)	(0.054)
Jobs in imports	0.109	0.027	-0.136	0.006
	(0.999)		(0.148)	(0.163)
Jobs in exports	1.451*	0.361	0.235*	0.186*
× Republican	(0.687)		(0.098)	(0.090)
Jobs in imports	0.024	0.006	0.156	-0.068
× Republican	(1.621)		(0.350)	(0.331)
Unemployment	0.029	0.007	0.006	0.005
	(0.052)		(0.009)	(0.007)
Median household income	0.338	0.079	0.040	0.054
	(0.230)		(0.039)	(0.040)
Percent in labor unions	-0.058*	-0.014	-0.019***	-0.011*
	(0.027)		(0.004)	(0.004)
Percent black	-0.200	-0.005	-0.005*	-0.004
	(0.013)		(0.002)	(0.002)
Percent Latino	0.003	0.001	-0.001	0.001
	(0.013)		(0.003)	(0.003)
Percent rural	-0.010	-0.003	-0.001	-0.001
	(0.008)		(0.001)	(0.001)
Perot vote share	-0.039	-0.009	-0.005	-0.008
	(0.030)		(0.006)	(0.006)
Canada border state	0.403	0.101	0.013	0.060
	(0.375)		(0.086)	(0.073)
Mexican border state	0.596	0.149	0.112	0.061
	(0.449)		(0.082)	(0.085)
Republican indicator	-3.148***	-0.712	0.010	-0.457***
	(0.712)		(0.087)	(0.114)
Freshman indicator	-0.702*	0.175	-0.075	-0.107*
	(0.303)		(0.051)	(0.048)
Liberal ideology score	-0.072***	-0.007		-0.012***
	(0.012)			(0.002)
Corporate PAC donations	0.005	0.001	0.007*	0.001
	(0.019)		(0.003)	(0.003)
Labor PAC donations	-0.030	-0.008	-0.187***	-0.005
	(0.031)		(0.005)	(0.005)
Log likelihood	-209.65			
R^2			0.248	0.321

Notes: Marginal effects estimates for the logit model are calculated at the means of the covariates. Standard errors are given in parentheses and are clustered by state for the linear probability models.

Table 6: Multinomial logit model of announcement and voting choices

Variable	Announce for Vote against	Announce against Vote for	Announce for Vote for
Intercept	7.707**	4.601	6.187***
	(4.846)	(2.751)	(1.655)
Jobs in exports	-0.271	-1.683	-0.544
	(1.243)	(1.076)	(0.437)
Jobs in imports	-1.791	0.882	-0.196
	(3.658)	(1.808)	(1.111)
Jobs in exports	-6.171	1.277	1.117
× Republican	(3.427)	(1.593)	(0.717)
Jobs in imports	-0.794	-1.654	0.091
× Republican	(6.041)	(3.698)	(1.718)
Unemployment	-0.066	-0.062	0.464
	(0.170)	(0.107)	(0.055)
Median household income	1.803*	0.642	0.444
	(0.754)	(0.431)	(0.247)
Percent in labor unions	0.187*	-0.060	-0.038
	(0.073)	(0.058)	(0.029)
Percent black	0.098*	0.005	-0.020
	(0.041)	(0.022)	(0.014)
Percent Latino	0.042	0.012	0.004
	(0.057)	(0.022)	(0.014)
Percent rural	0.014	-0.016	-0.010
	(0.028)	(0.016)	(0.009)
Perot percent	0.184	-0.046	-0.019
	(0.098)	(0.061)	(0.032)
Mexican border state	0.8549	0.780	0.813
	(1.292)	(0.780)	(0.488)
Canadian border state	-0.887	0.067	0.398
	(1.185)	(0.934)	(0.397)
Republican indicator	-2.878	-3.579**	-3.507***
	(1.939)	(1.24)	(0.768)
Freshman indicator	-0.903	-0.269	-0.862**
	(0.930)	(0.560)	(0.326)
Liberal ideology	-0.103**	-0.075**	-0.085***
	(0.036)	(0.023)	(0.014)
Corporate PAC donations	0.075	0.016	0.011
	(0.043)	(0.040)	(0.020)
Labor PAC donations	-0.116	-0.061	-0.038
	(0.119)	(0.069)	(0.033)
Proportion of Congressmen	2.5%	5.5%	48.4%
Log likelihood: -302.12			

Notes: Coefficients are relative to those of members who announce and vote against NAFTA; 43.5% of members are in this category. Standard errors are given in parentheses. Announced position data are provided by Box-Steffensmeier, Arnold and Zorn (1997).

Table 7: Linear probability models of district-level jobs on the GATT vote

Variable	(1)	(2)	(3)	(4)
Intercept	0.626***	0.628***	0.529***	0.482***
	(0.031)	(0.032)	(0.083)	(0.101)
Jobs in exports	0.294***	0.207*		0.229***
	(0.067)	(0.081)		(0.086)
Jobs in imports	-0.189*	-0.158*		-0.171*
	(0.075)	(0.069)		(0.068)
Jobs in exports		0.173		0.141
× Republican		(0.114)		(0.118)
Jobs in imports		-0.052		-0.023
× Republican		(0.195)		(0.200)
Unemployment			0.021	0.022
			(0.012)	(0.011)
R^2	0.018	0.017	0.008	0.026

Notes: Standard errors clustered at the state level are given in parentheses.

Table 8: Full logit and linear probability models of the GATT vote

	Logit		Linear probability	
Variable	Coefficients	Marginal effect	(1)	(2)
Intercept	2.191	0.198	0.729***	1.020***
	(1.356)		(0.198)	(0.240)
Jobs in exports	0.805	0.201	0.118	0.152
	(0.700)		(0.096)	(0.096)
Jobs in imports	-0.993*	-0.247	-0.202**	-0.197**
	(0.453)		(0.068)	(0.071)
Jobs in exports	0.373	0.093	0.056	0.024
× Republican	(1.165)		(0.109)	(0.097)
Jobs in imports	0.245	0.061	0.116	0.047
× Republican	(1.192)		(0.251)	(0.257)
Unemployment	0.106	0.007	0.016	0.016
	(0.057)		(0.009)	(0.009)
Median household income	0.243	0.059	0.044	0.049
	(0.216)		(0.044)	(0.045)
Percent in labor unions	-0.001	-0.001	-0.005	-0.001
	(0.022)		(0.003)	(0.003)
Percent black	-0.022*	-0.006	-0.005***	-0.005***
	(0.011)		(0.001)	(0.001)
Percent Latino	-0.005	-0.001	-0.001	-0.001
	(0.010)		(0.002)	(0.002)
Percent rural	-0.017*	-0.004	-0.003*	-0.003*
	(0.008)		(0.001)	(0.001)
Perot vote share	-0.018	-0.004	-0.003	-0.004
	(0.027)		(0.004)	(0.004)
Republican indicator	-1.848**	-0.446	-0.173	0.354**
	(0.572)		(0.091)	(0.130)
Freshman indicator	0.026	0.007	0.010	-0.001
	(0.275)		(0.057)	(0.054)
Liberal ideology score	-0.023*	-0.005		-0.005*
	(0.010)			(0.002)
Corporate PAC donations	0.057**	0.014	0.011***	0.009***
	(0.022)		(0.002)	(0.002)
Labor PAC donations	-0.039	-0.010	-0.013	-0.007
	(0.029)		(0.007)	(0.007)
Log likelihood	-244.15			
R^2			0.079	0.090

Notes: Marginal effects estimates for the logit model are calculated at the means of the covariates. Standard errors are given in parentheses and are clustered by state for the linear probability models. Significance of the marginal effects is not indicated.

Table 9: Multinomial logit model of GATT fast track consideration and treaty voting choices

Variable	For FT Against treaty	Against FT For treaty	For FT For treaty
Intercept	2.745	2.240	4.800
	(2.660)	(2.660)	(2.719)
Jobs in exports	1.982	2.409*	1.368
	(1.189)	(1.144)	(0.946)
Jobs in imports	-0.891	-1.611	-1.304*
	(0.685)	(0.829)	(0.573)
Jobs in exports	-0.462	-5.127	1.576
× Republican	(2.684)	(5.769)	(2.504)
Jobs in imports	3.126	1.922	2.126
× Republican	(2.072)	(4.455)	(1.951)
Unemployment	-0.154	-0.065	0.052
	(0.103)	(0.106)	(0.077)
Median household income	0.523	0.302	0.501
	(0.385)	(0.422)	(0.321)
Percent in labor unions	-0.085*	-0.058	-0.028
	(0.039)	(0.042)	(0.030)
Percent black	0.003	-0.008	-0.034*
	(0.019)	(0.018)	(0.016)
Percent Latino	-0.007	0.005	-0.015
	(0.018)	(0.017)	(0.014)
Percent rural	-0.019	-0.005	-0.036**
	(0.014)	(0.015)	(0.011)
Perot percent	0.044	-0.074	0.023
	(0.046)	(0.051)	(0.037)
Republican indicator	-1.591	-1.800	-3.137***
	(1.007)	(1.284)	(0.867)
Freshman indicator	-0.267	0.883	-0.503
	(0.473)	(0.475)	(0.399)
Liberal ideology	-0.037*	-0.019	-0.052***
	(0.018)	(0.021)	(0.015)
Corporate PAC donations	0.048	0.077*	0.084**
	(0.039)	(0.038)	(0.032)
Labor PAC donations	-0.099	-0.041	-0.080*
	(0.053)	(0.049)	(0.037)
Proportion	14.6%	11.2%	55.5%
Log likelihood: -302.27			

Notes: Coefficients are relative to those of members who vote against fast track consideration of GATT and the treaty itself; 18.6% of members are in this category. Standard errors are given in parentheses.

Table 10: Linear probability models of district-level jobs on the NAFTA and GATT votes

Variable	(1)	(2)	(3)	(4)
Intercept	0.609***	0.608***	0.503***	0.517***
	(0.030)	(0.030)	(0.078)	(0.085)
Jobs in exports	-0.015	-0.215***		-0.216***
	(0.041)	(0.055)		(0.055)
Jobs in imports	-0.003	0.054		0.056
	(0.005)	(0.051)		(0.051)
Jobs in exports		0.464***		0.458***
× Republican		(0.074)		(0.073)
Jobs in imports		-0.084		-0.075
× Republican		(0.146)		(0.146)
Unemployment			0.014	0.013
			(0.012)	(0.012)
R^2	0.001	0.058	0.004	0.061

Notes: Standard errors clustered at the state level are given in parentheses.

Table 11: Linear probability models of the NAFTA and GATT votes with district fixed effects

Variable	(1)	(2)
Intercept	0.801***	1.312***
	(0.210)	(0.252)
Jobs in exports	-0.214***	-0.195**
	(0.055)	(0.060)
Jobs in imports	0.021	0.053
	(0.049)	(0.052)
Jobs in exports	0.335***	0.294***
× Republican	(0.062)	(0.062)
Jobs in imports	-0.033	-0.153
× Republican	(0.202)	(0.190)
Unemployment	0.005	0.005
	(0.008)	(0.007)
Median household income	0.048	0.057
	(0.038)	(0.041)
Percent in labor unions	-0.012***	-0.006
	(0.003)	(0.003)
Percent black	-0.005**	-0.004**
	(0.002)	(0.002)
Percent Latino	-0.001	-0.001
	(0.002)	(0.002)
Percent rural	-0.003*	-0.003**
	(0.001)	(0.001)
Perot vote share	-0.002	-0.004
	(0.005)	(0.005)
Republican indicator	-0.111	-0.427***
	(0.078)	(0.108)
Freshman indicator	-0.028	-0.046
	(0.047)	(0.044)
Liberal ideology score		-0.008***
		(0.002)
Corporate PAC donations	0.009***	0.005*
	(0.002)	(0.002)
Labor PAC donations	-0.015**	-0.006
	(0.005)	(0.005)
R^2	0.140	0.175

Notes: Standard errors are given in parentheses and are clustered by state. Logit specification is not included because the choice situation is no longer binary; see Table 13 for a multinomial logit analysis of the four potential voting permutations.

Table 12: Linear probability models of district-level jobs on the NAFTA and GATT votes with district fixed effects

Variable	(1)	(2)	(3)	(4)
Jobs in exports	-0.541***	-0.945***		-0.818***
	(0.139)	(0.198)		(0.208)
Jobs in imports	-0.426*	-0.713*		-0.652*
	(0.191)	(0.322)		(0.304)
Jobs in exports		0..898*		0.939**
× Republican		(0.359)		(0.341)
Jobs in imports		0.411		0.421
× Republican		(0.524)		(0.500)
Unemployment			-0.102***	-0.073*
			(0.030)	(0.032)
R^2	0.429	0.452	0.424	0.459

Notes: Each specification includes district-level fixed effects. Standard errors clustered at the state level are given in parentheses.

Table 13: Multinomial logit model of the NAFTA and GATT voting choices

Variable	For NAFTA Against GATT	Against NAFTA For GATT	For NAFTA For GATT
Intercept	9.988**	2.086	7.300***
	(2.663)	(2.663)	(1.862)
Jobs in exports, Canada-Mexico	2.929	1.424	-0.152
	(4.174)	(1.144)	(1.196)
Jobs in imports, Canada-Mexico	2.938	3.017	1.280
	(5.660)	(1.967)	(1.964)
Jobs in exports, Canada-Mexico	5.219	9.495	8.138**
× Republican	(5.261)	(3.784)	(3.016)
Jobs in imports, Canada-Mexico	4.469	10.475	7.453
× Republican	(7.540)	(6.095)	(4.409)
Jobs in exports, global	-3.336	-0.562	-0.210
	(5.454)	(1.729)	(1.742)
Jobs in imports, global	-5.196	-3.210*	-0.885
	(5.039)	(1.326)	(1.245)
Jobs in exports, global	-6.256	-11.225*	-7.706*
× Republican	(6.646)	(4.805)	(3.683)
Jobs in imports, global	-1.399	-12.855*	-7.960
× Republican	(7.142)	(6.370)	(4.162)
Unemployment, 1993	0.135	-0.090	-0.285
	(0.459)	(0.313)	(0.280)
Unemployment, 1994	-0.362	0.118	0.371
	(0.500)	(0.333)	(0.299)
Median household income	0.254	0.125	0.421
	(0.490)	(0.310)	(0.283)
Percent in labor unions	-0.237***	-0.041	-0.062*
	(0.064)	(0.031)	(0.029)
Percent black	-0.030	-0.033*	-0.035*
	(0.028)	(0.015)	(0.015)
Percent Latino	-0.002	-0.025	0.001
	(0.022)	(0.015)	(0.013)
Percent rural	-0.010	-0.021	-0.023*
	(0.017)	(0.011)	(0.010)
Perot percent	-0.080	-0.064	-0.054
	(0.057)	(0.040)	(0.036)
Republican indicator	-3.329**	-1.547	-3.987***
	(1.220)	(0.969)	(0.867)
Freshman indicator	-1.123	0.182	-0.568
	(0.615)	(0.386)	(0.366)
Liberal ideology	-0.072**	0.001	-0.070***
	(0.023)	(0.016)	(0.015)
Corporate PAC donations	-0.020	0.057*	0.047
	(0.048)	(0.027)	(0.027)
Labor PAC donations	-0.135	-0.039	-0.046
	(0.109)	(0.037)	(0.037)
Proportion	7.9%	20.7%	46.0%
Log likelihood: -397.86			

Notes: Coefficients are relative to those of members who vote against both NAFTA and GATT; 25.3% of members are in this category. Standard errors are given in parentheses.