An Extension of ‘Who Passes Restrictive Labor Policy’

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Abstract: In this paper, I will be extending the findings of a study conducted on restrictive labor policy. The original paper investigated the effects of unified Republican governments on restrictive labor policy. The original paper also tested an interaction effect of unified Republican governments and union membership on restrictive labor policy. I repeated the regression models from the original paper, this time accounting for another variable that described the liberalism of the mass public. Additionally, I tested an interaction effect of unified Republican governments and liberalism of the mass public on restrictive labor policy. I found that liberalism of the mass public is statistically significant to all the models as is t4he new interaction of unified Republican governments and liberalism of the mass public on restrictive labor policy.

Keywords: restrictive, labor, policy, liberalism, unified

INTRODUCTION

Restrictive labor policy is a topic of interest because those whom are affected are the American laborers who spend most of their lives at work. Restrictive labor policy can lead to political and economic inequality when unionization is restricted (Bucci 2018) or when there is no change to minimum wage (Franko and Witko 2017). For those reasons, it is important to understand the factors that influence the passage of restrictive labor policy.

LITERATURE REVIEW

Current literature states that Republicans tend to adopt more restrictive policy (Skocpol and Hertel-Fernandez 2016; Lafer 2017; Hertel-Fernandez 2018). The original paper I am extending research on, investigated the effect of unified Republican governments on restrictive labor policy and the interaction between unified Republican governments and the different types of unionization on restrictive labor policy (Bucci and Jansa 2020). One of the hypotheses for the original paper stated that unified Republican governments will be more likely to adopt more restrictive labor policy than divided or unified Democratic governments. The paper also hypothesized that unified Republican state governments will be less likely to adopt restrictive labor policy when union membership is high (Bucci and Jansa 2020). The researchers found that Republican governments do pass more restrictive labor policy, however, they are less likely to adopt restrictive labor policy when unionization was high, which is the opposite of the literature on restrictive labor policy (Bucci and Jansa 2020). I decided to investigate further on the factors influencing the passage of restrictive labor policy. I took data from Bucci and Jansa's "Who Passes Restrictive Labor Policy" and extended their study introducing another variable to their regression models to test the statistical significance of the measure of liberalism of the mass public on restrictive labor policy and to test the interaction between unified Republican governments and the measure of liberalism of the mass public on restrictive labor policy (Bucci and Jansa 2020).

RESEARCH DESIGN

Dependent Variable

The unit of observation is state labor policy restrictivness. Party control, opinion, and unionization are all factors used to establish labor policy restrictiveness. In Table A.1, the labor policies used to construct the dependent variable are available with a more detailed description of how the policies were coded (Bucci and Jansa 2020). The policies vary from restrictive and non-restrictive. The higher the outcome for labor policy, the more restrictive the state is. This way of coding was taken from Witko and Newmark (2005).

Independent Variables

Mass Ideology (Liberalism) is a variable that measures the liberalism of the mass public in each state year. This measuring scale was taken from Caughey and Warshaw (2018). Bucci and Jansa (2020) stated that Republican Party Control is a variable that indicates whether a state government is controlled by the Republican party ("1") or otherwise ("0"). In order to establish the rate of unionization in each state, Bucci and Jansa (2020) used the Current Population Survey by Hirsch and Macpherson (2003). Bucci and Jansa (2020) discussed how conservative policy networks likely influenced the adoption of Restrictive Labor Policy. They decided to measure if the establishment of an American For Prosperity (AFP) office in a particular state influenced the labor policy ("1" for yes, and "0" for no). Unemployment was used in accordance to Skocopol and Hertel-Fernandez (2016) which stated that the unemployment rate of a state could influence the adoption of restrictive labor policy. Bucci and Jansa (2020) used a variable that measured the Average Union Support in each state; they did this by using multilevel regression poststratification. Bucci and Jansa (2020) used two-way fixed effects for the state and year variables.

Methods

Though Bucci and Jansa (2020) have a strong model, I wondered if there were other variables in their research that could add to the model strength and aid in understanding the factors that influence the adoption of Restrictive Labor Policy. That is why I decided to incorporate the variable of Mass Ideology (Liberalism). I expect that *Liberalism of a state will have an indirect effect on Restrictive Labor Policy* (H1) in all three previous models tested by Bucci and Jansa (2020). I also expect that *unified Republican governments are less likely to adopt Restrictive Labor Policy when there is a higher level of Liberalism (H2)*, which would refute the hypothesis of Bucci and Jansa (2020) that unified Republican governments are more likely to pass Restrictive Labor Policy. I also edited the margins plots for the three models in the original paper to make it more detailed (Figure A.1.a, Figure A.1.b, and Figure A.1.c). In Table 1, I present the same three models as Bucci and Jansa (2020) that examined the conditional relationship between Republican party control, different types of unionization, and labor policy restrictiveness but have added liberalism to each model to show the influence of liberalism to restrictive labor policy; average labor support, AFP presence and unemployment are being controlled for in these models. In Table 2, I present the conditional relationship between liberalism, Republican party control, and restrictive labor policy while controlling average labor support, AFP presence and unemployment. Bucci and Jansa (2020) stated there was some multicollinearity between some of the types of unionization. They ran the different types of unionization in different models as did I when I added liberalism to the models (H1). In Table A.2 and Table A.3, I present the Variance Inflation Factor (VIF) and the Tolerance of the factors in order to rule out any multicollinearity between the predictor variables in the conditional hypothesis (H2). Table A.4 has the correlations between all of the variables in H2. In Bucci and Jansa's (2020) models, there was missing data on the variable AFP and party control (other variable not important to any of the models). To fix the missing data problem, I

conducted a Variable Mean Imputation (VMI) on AFP and ran all the models once again to see if there were any changes to the statistical significance of any of the variables in question. In Table A.5 and Table A.6, I present the H1 models and H2 model with the variable mean imputations. By conducting a VMI on AFP I was able to increase the number of observations further strengthening the models.

RESULTS

Table 1 confirms and supports the first hypothesis that Liberalism of a state will have an indirect effect on Restrictive Labor Policy. The results show that liberalism is negative and significant across all three models. States with higher levels of liberalism are statistically less likely to adopt

Table 1 Effect of Liberalism on Restrictive Labor Policy (H1)

	Dependent Variable		
	Restrictive Labor Policy		
	Model 1	Model 2	Model 3
Republican Control	0.7***	0.6***	0.8***
	(0.1)	(0.1)	(0.1)
Total Unionization	-0.5***		
	(0.01)		
Private Sector		-0.1***	
		(0.01)	
Public Sector			-0.01***
			(0.002)
AFP	-0.04	-0.03	-0.01
	(0.05)	(0.05)	(0.1)
Unemployment	0.01	0.01	-0.002
	(0.01)	(0.01)	(0.01)
Average Union Support	0.000	0.01	-0.002
	(0.2)	(0.2)	(0.01)
State	-0.003**	-0.003**	-0.003***
	(0.001)	(0.001)	(0.001)
Year	-0.01***	-0.01***	-0.000
	(0.003)	(0.003)	(0.003)
Mass Ideology (Liberalism)	-0.5***	-0.5***	-0.5***
	(0.02)	(0.02)	(0.03)
Republican Control*Total Unionization	-0.1***		
	(0.01)		
Republican Control*Private Sector		-0.1***	
		(0.01)	
Republican Control*Public Sector			-0.02***
			(0.003)
Constant	19.8***	26.1***	1.2
	(6.7)	(6.7)	(6.7)
Observations	1,103	1,104	1,104
R-squared	0.7	0.7	0.7
Adjusted R-squared	0.7	0.7	0.7
Residual Standard Error	0.5 (df = 1093)	0.5 (df = 1094)	0.6 (df = 1094)
F Statistic	299.4*** (df = 9; 1093)	308.4*** (df = 9; 1094)	262.8*** (df = 9; 1094)
Note:			*p<0.1; **p<0.05; ***p<0.01

restrictive labor policy than states with higher levels of conservativism, all else equal. By adding liberalism to the model, the r-squared (R2) increased on all three models as well from R2= 0.6 to 0.7 (Model 1), R2= 0.5 to 0.7 (Model 2) and R2= 0.6 to 0.7 (Model 3). The table with the models from the original paper can be found in Table A.7 in the Appendix.

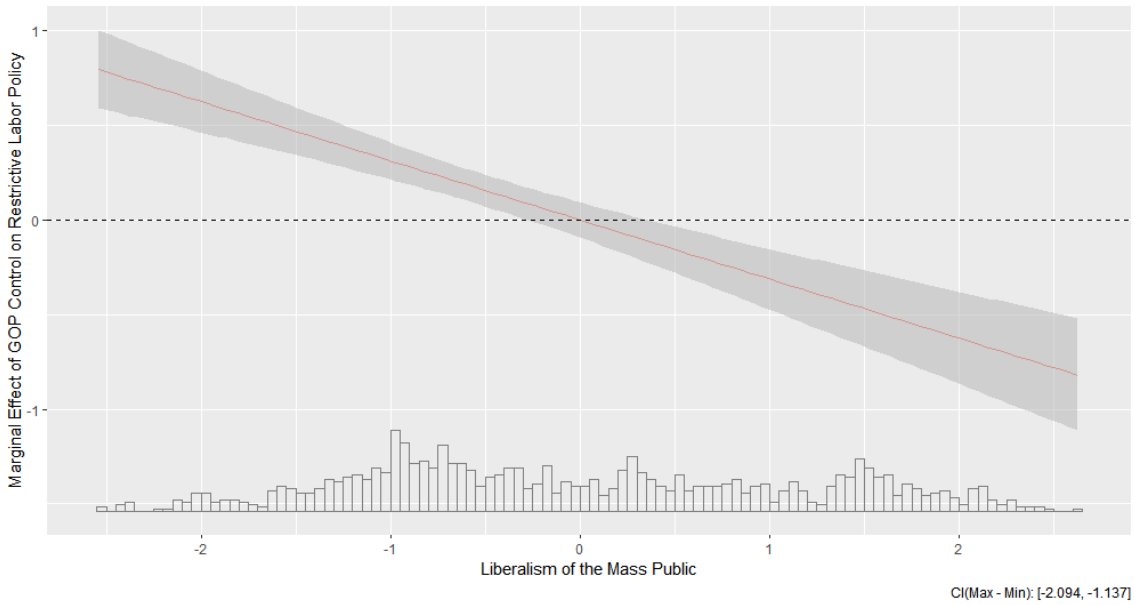
Table 2 confirms and supports the second hypothesis that unified Republican governments are less likely to adopt Restrictive Labor Policy when there is a higher level of Liberalism. The interaction of Republican party control and liberalism is negative and significant in the model. States that are controlled by the Republican party, but have a high levels of mass public support for liberalism are less likely to pass restrictive labor policy than states with Republican party control and low

Table 2 Effect of Liberalism and Republican Party Control on Restrictive Labor Policy

	Dependent Variable
	Restrictive Labor Policy
	Model 1
Republican Control	0.001
	(0.05)
Mass Ideology (Liberalism)	-0.6***
	(0.02)
AFP	-0.01
	(0.1)
Unemployment	-0.01
	(0.01)
Average Union Support	-0.1
	(0.2)
State	-0.003***
	(0.001)
Year	0.001
	(0.004)
Constant	-2.4
	(7.0)
Observations	1,104
R-squared	0.7
Adjusted R-squared	0.7
Residual Standard Error	0.6 (df = 1095)
F Statistic	271.7*** (df = 8; 1095)
Note:	*p<0.1; **p<0.05; ***p<0.01

mass public support for liberalism. Another change is that of Republican party control. In this new model, Republican party control is no longer statistically significant while liberalism is significant

Figure 1 Marginal Effect of GOP Control on Restrictive Labor Policy by Liberalism of the Mass Public



The effect is illustrated in Figure 1. The figure shows that states at low and mid-levels of liberalism, Republican governments are much more likely to adopt restrictive labor policy, but are no more likely than low level liberalism states adopt them liberalism is high.

Additional Results

In the Appendix, Table A.5 shows the models for H1 with the variable mean imputations available. The number of observations go from N= 1,103 (Model 1), N= 1,104 (Model 2), and N= 1,104 (Model 3) to N= 1,148 (Model 1 with VMI), N= 1,149 (Model 2 with VMI) and N= 1,149 (Model 3 with VMI). Liberalism continues to be negative and significant through all three models. The R2 remained the same. Additionally, in the Appendix, Table A.6 shows the model for H2 with the variable mean imputations available. The number of observations increases from Model 1 (N= 1,104) to Model 2 (N= 1,149). The R2 does not change. The interaction between Republican party control and liberalism continues to be statistically significant throughout both models but as seen

before, when this interaction is present, Republican party control alone is not significant on either model even though liberalism is significant in both models. Both Tables A.5 and Table A.6, which are available in the Appendix, continue to show evidence and support for both hypotheses studied in this article.

CONCLUSION

In the article, we investigated the factors that influence the adoption of restrictive labor policy. When there is a high level of mass public support for liberalism in a state, the state government is less likely to adopt restrictive labor policy. We also saw that States that are controlled by the Republican party, but have a high levels of mass public support for liberalism are less likely to pass restrictive labor policy than states with Republican party control and low mass public support for liberalism. This finding opposes the literature which states that states whom are controlled by the Republican party are more likely to adopt restrictive labor policy. This may be due to the fact that leaders in a state are at the will of the laborers who are also the voting body. Legislators might care more about the public support than their political agenda. Based on the r-squared of all of the models shown in the article, there are other variables that are not accounted for in these models. There needs to be more research done to find the other factors that influence the adoption and passage of restrictive labor policy.

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Appendix

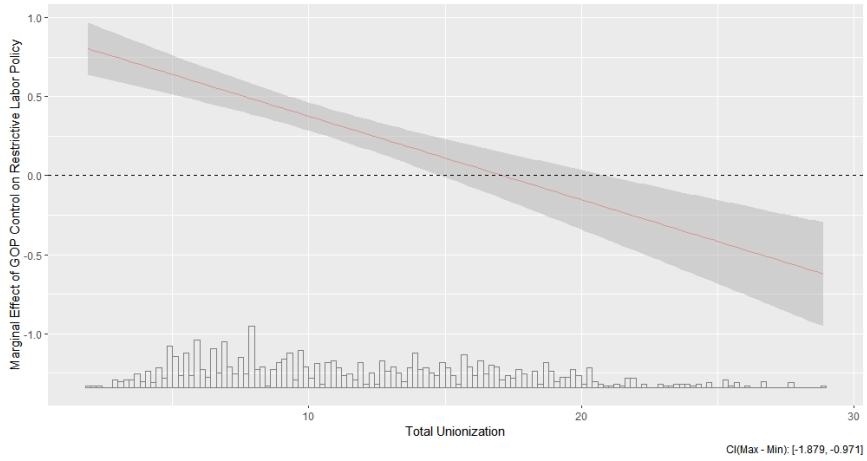
Table A.1 Labour policies and coding scheme for measuring restrictiveness

Policy	Description	Factor Loading
Right to work	Prevents unions from requiring workers to contribute to the cost of representation in contract negotiations. Coded "1" if state has right-to-work law. Source: National Right to Work Committee (2019)	0.75
Prevailing wage	Rules that require employers to pay workers the highest wage typically paid to workers in a given area. Coded "1" if the state does not have a prevailing wage law. Source: Economic Policy Institute (2019)	0.70
Prevailing wage preemption	Laws that prevent localities from requiring employers to pay workers the highest wage typically paid in the locality. Coded "1" if the state adopted such a law. Source: Economic Policy Institute (2019)	0.41
Wage bargaining	Laws defining whether or not public employees have the right to collectively bargain higher wages or better benefits. Coded "1" if the state has not given this right to public employees. Source: Sanes and Schmitt (2014)	0.70
PLA restrictions	Bans the state or its localities from mandating PLAs, which require contractors to come to a single, collectively bargained contract governing all workers on a worksite. Coded "1" if the state adopted such a law Source: Economic Policy Institute (2019) and Brubeck (2019)	0.31
Minimum wage preemption	Laws that prevent localities from raising the minimum wage above state minimum. Coded "1" if the state adopted such a law. This policy only included in second measure of restrictiveness. Source: Economic Policy Institute (2019)	0.38
Leave policy preemption	Laws that prevent localities from expanding the workers' rights to paid personal sick time or parental leave. Coded "1" if the state adopted such a law. This policy only included in second measure of restrictiveness. Source: Economic Policy Institute (2019)	0.33

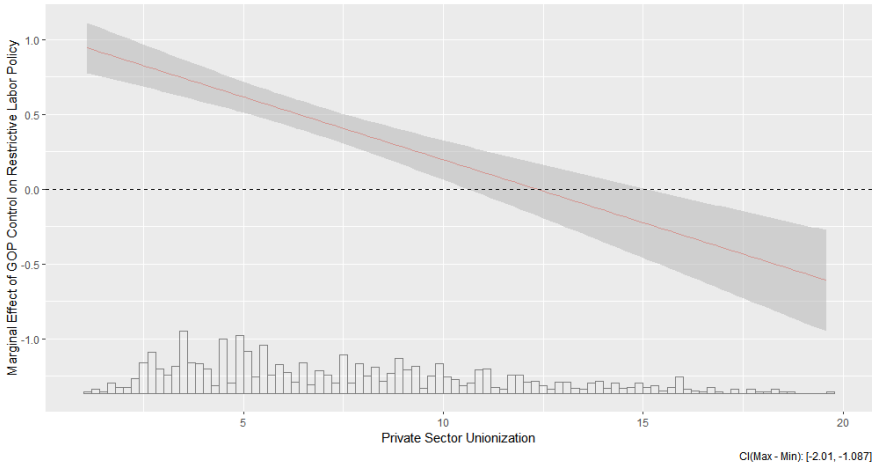
Note: Eigenvalue = 1.80. Cronbach's $\alpha = 0.72$.

Source: Bucci and Jansa (2020)

(a)



(b)



(c)

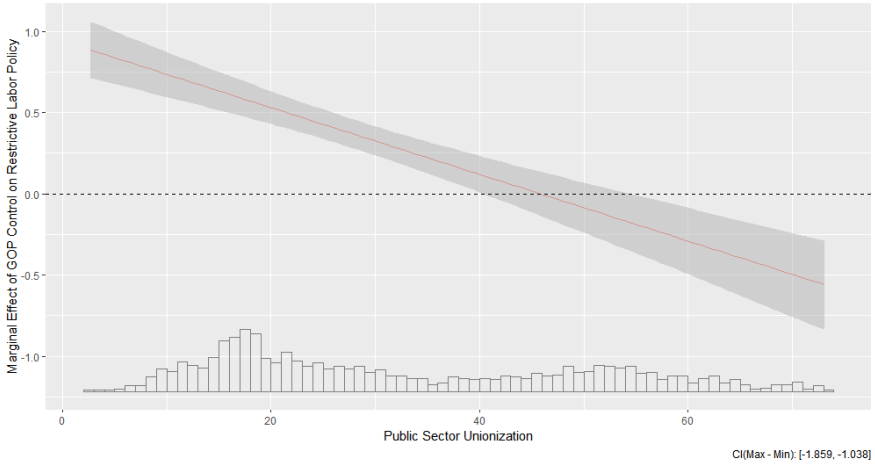


Figure A.1 Effect of GOP control on restrictive labor policy by unionization (a) Total Unionization. (b) Private Sector Unionization. (c) Public Sector Unionization.

Table A.2 VIF Scores

Republican Control	Mass Ideology (Liberalism)	AFP	Unemployment	Average Union Support	State	Year
1.192	1.171	1.584	1.236	1.098	1.029	1.583

Table A.3 Tolerance Scores

Republican Control	Mass Ideology (Liberalism)	AFP	Unemployment	Average Union Support	State	Year
0.839	0.854	0.631	0.809	0.910	0.972	0.632

Table A.4 Correlations

	1	2	3	4	5	6	7
1. Republican Control	1.00						
2. Liberalism	-0.35	1.00					
3. AFP	0.16	-0.10	1.00				
4. Unemployment	0.01	0.05	0.31	1.00			
5. Average Union Support	-0.09	0.11	-0.14	-0.26	1.00		
6. State	0.07	0.02	-0.06	-0.09	-0.06	1.00	
7. Year	0.17	0.00	0.58	0.31	-0.08	0.00	1.00

Table A.5 Effect of Liberalism on Restrictive Labor Policy (H1 with VMI on AFP)

	Dependent Variable		
	Restrictive Labor Policy		
	Model 1	Model 2	Model 3
Republican Control	0.7***	0.6***	0.8***
	(0.1)	(0.1)	(0.1)
Total Unionization	-0.04***		
	(0.005)		
Private Sector		-0.1***	
		(0.01)	
Public Sector			-0.01***
			(0.002)
AFP (with VMI)	-0.03	-0.01	-0.001
	(0.05)	(0.05)	(0.5)
Unemployment	0.01	0.01	-0.01
	(0.01)	(0.01)	(0.01)
Average Union Support	0.04	0.01	-0.04
	(0.2)	(0.01)	(0.2)
State	-0.003***	-0.003**	-0.002**
	(0.001)	(0.001)	(0.001)
Year	-0.01***	-0.01***	-0.000
	(0.003)	(0.003)	(0.003)
Mass Ideology (Liberalism)	-0.5***	-0.5***	-0.5***
	(0.02)	(0.02)	(0.03)
Republican Control*Total Unionization	-0.1***		
	(0.01)		
Republican Control*Private Sector		-0.1***	
		(0.01)	
Republican Control*Public Sector			-0.02***
			(0.002)
Constant	16.9***	24.2***	1.2
	(6.3)	(6.4)	(6.4)
Observations	1,148	1,149	1,149
R-squared	0.7	0.7	0.7
Adjusted R-squared	0.7	0.7	0.7
Residual Standard Error	0.5 (df = 1138)	0.5 (df = 1139)	0.6 (df = 1139)
F Statistic	318.1*** (df = 9; 1138)	321.1*** (df = 9; 1139)	280.3*** (df = 9; 1139)
Note:			*p<0.1; **p<0.05; ***p<0.01

Table A.6 Effect of Liberalism and Republican Party Control on Restrictive Labor Policy

	Dependent Variable	
	Restrictive Labor Policy	
	Model 1	Model 2
Republican Control	0.001	-0.03
	(0.05)	(0.05)
Mass Ideology (Liberalism)	-0.6***	-0.6***
	(0.02)	(0.02)
AFP	-0.01	
	(0.1)	
AFP (with VMI)		0.01
		(0.1)
Unemployment	-0.01	-0.02**
	(0.01)	(0.01)
Average Union Support	-0.1	-0.1
	(0.2)	(0.2)
State	-0.003***	-0.002
	(0.001)	(0.001)
Year	0.001	0.000
	(0.004)	(0.003)
Constant	-2.4	-0.5
	(7.0)	(6.7)
Observations	1,104	1,149
R-squared	0.7	0.7
Adjusted R-squared	0.7	0.7
Residual Standard Error	0.6 (df = 1095)	0.6 (df = 1140)
F Statistic	271.7*** (df = 8; 1095)	285.6*** (df = 8; 1140)
Note:		*p<0.1; **p<0.05; ***p<0.01

Table A.7 Effect of Party Control and Unionization on Restrictive Labor Policy (Original Paper)

	Dependent Variable		
	Restrictive Labor Policy		
	Model 1	Model 2	Model 3
Republican Control	0.9***	1.0***	0.9***
	(0.1)	(0.1)	(0.1)
Total Unionization	-0.1***		
	(0.004)		
Private Sector		-0.1***	
		(0.01)	
Public Sector			-0.04***
			(0.001)
AFP	0.04	0.1*	0.1
	(0.1)	(0.1)	(0.1)
Unemployment	0.04***	0.03**	0.01
	(0.01)	(0.01)	(0.01)
Average Union Support	-0.1	-0.2	-0.1
	(0.2)	(0.2)	(0.2)
State	-0.003**	-0.01***	-0.005***
	(0.001)	(0.002)	(0.001)
Year	-0.03***	-0.04***	-0.01**
	(0.004)	(0.004)	(0.004)
Republican Control*Total Unionization	-0.01***		
	(0.01)		
Republican Control*Private Sector		-0.1***	
		(0.01)	
Republican Control*Public Sector			-0.2***
			(0.003)
Constant	62.6***	82.2***	19.6***
	(7.5)	(8.7)	(7.5)
Observations	1,103	1,104	1,104
R-squared	0.6	0.5	0.6
Adjusted R-squared	0.6	0.5	0.6
Residual Standard Error	0.6 (df = 1094)	0.7 (df = 1095)	0.6 (df = 1095)
F Statistic	204.2*** (df = 8; 1094)	128.1*** (df = 8; 1095)	200.1*** (df = 8; 1095)
Note:			*p<0.1; **p<0.05; ***p<0.01