Ownership, Partisanship and Media Slant: Evidence from the U.S. Media during the Sino-U.S. Trade Conflict[*]

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October 18, 2021

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Abstract

I explore what determines media slant towards foreign nations using the 2018-2019 Sino-U.S. trade negotiation as a testing ground. Using an event study design and coverage by local U.S. newspapers, I analyze how stories about China respond to shifts of U.S. policy towards China, and how this media reaction is determined by owners' partisan affinity, controlling for readers' characteristics. I find that local newspapers with Republican-leaning owners on average increase the intensity of negative coverage following a shift towards hostile trade policies relative to papers of nonpartisan owners, and they decrease this slant following a conciliatory shift; the opposite is true for Democratic-leaning media owners. To address the potential endogeneity of diplomatic events, I select events that induced significant abnormal price fluctuations of trade-war-related financial securities. I further establish a causality of owners' preferences by exploiting mergers and acquisitions among national conglomerates as a source of variation in political orientation of owners. These findings imply a spillover from domestic policy in the formation of citizen sentiment towards other nations: the media, as their lens to view the world, is colored by domestic political polarization.

Keywords: Media slant; International relations; Political economy
JEL Codes: L82, F51, D72

1 Introduction

News provided by the mass media is an important source of information about both domestic and international affairs. Since reports on geopolitics can be difficult to verify(M. Gentzkow and Shapiro, 2010), the audience's views on foreign countries may rely heavily on how media outlets report on them (M. A. Gentzkow and Shapiro, 2004). However, as the lens to view the world, media coverage on foreign nations can be slanted. It is known that the incumbent government's attitude towards a foreign nation can distort the media coverage it receives from both government-led media outlets (H.

Liu and Ji, 2020) and commercial ones (Qian and Yanagizawa, 2009b). While it's clear that the state will push its agenda via state-owned or state-related news outlets (H. Liu and Ji, 2020), it is unclear why commercial media responds similarly (Qian and Yanagizawa, 2009b).

There are in general two types of hypotheses about what drives media slant by a commercial media outlet: audience-driven or owner-driven. That is, commercial media outlets, enjoying a considerable degree of discretion on what to cover, can either report what will interest their audience (M. A. Gentzkow and Shapiro, 2004; Mullainathan and Shleifer, 2005; Lu et al., 2018) or report what the media owners wish the audience to hear (Besley and Prat, 2006; Szeidl and Szucs, 2021; Ottinger and Winkler, 2020). While catering to the audience only reinforces and amplies their existing perceptions, if media ownership sets is own agenda, it may shape the general public's views according to the owners' preferences or allegiances, a possibility that is perhaps more troubling than simply catering to the audience's ex ante belief (Larcinese et al., 2011).

I gauge the extent of owner-driven bias in media coverage of foreign countries in the context of the Sino-U.S. trade dispute. I collect articles about China published in U.S. local newspapers, and proxy media slant by the fraction of text about Chinese human rights issues and non-democratic governance, which is viewed as negative from the perspective of Western societies (hereafter referred to as human rights coverage) on articles published around salient trade war events. Intuitively, when the trade negotiation makes remarkable progress, human rights is relatively unnewsworthy. To disentangle the influence of owners from that of readers, for each local newspaper, I define readers as the residents of the counties where it is circulated, and the owners as the top executives of its parent company.

The Trump Administration initiated the Sino-U.S. trade dispute in March 2018, which set the tone of American diplomatic attitude towards China during 2018-2019. Claiming that China has imposed significant threats to the economic development of the United States, the Trump Administration advanced protectionist trade policies against China, and China retaliated in equal measure. Accompanying this rise of bilateral trade tension has been the elevation of anti-China sentiment in the United States (Devlin et al., 2021; Devlin et al., 2020). During 2018 and 2019, there was much media coverage in the U.S. about China's human rights record and non-democratic governance, even though the Trump Administration assiduously avoided raising these topics directly (Carpenter, 2020; Ha et al., 2020). As most of these trade-irrelevant topics had been largely pre-existing, coverage of this kind *effectively* conveyed a negative sentiment about China and justified more protectionism against China (Qian and Yanagizawa, 2009b; Qian and Yanagizawa-Drott, 2017).

Following the logic of Larcinese et al. (2011) who have discovered that politically aligned media owners report domestic economic issues in favor of the incumbent party, in the context of the Sino-US trade dispute, Republican-leaning media owners may exhibit more alignment with the Trump Administration by reporting more human rights coverage following a hostile policy towards China and less human rights coverage following a conciliatory policy towards China. Conversely, the opposite is true for Democratic-leaning media owners. This hypothesis motivates an event study design: I use salient trade war policy updates as events to study how human rights coverage responds to events. More importantly, I examine how partisan bias of owners and readers affect how human rights coverage reacts to foreign policy. Readers' political leaning at the county level is measured by the corresponding fraction of votes cast in favor of Donald Trump in the 2016 presidential election, and owners' partisan bias is measured by the parent companies' executives' fraction of political contribution to Republican

candidates/PACs/Party over the total contribution to entities with a party affiliation.

To address the endogeneity concern that policy may respond to human rights coverage, among all the trade war events, I select those that induced significant abnormal price fluctuations of trade-war-related financial securities, specifically securities issued in the U.S. that had been adversely affected by the Sino-US trade conflict. Under the efficient market hypothesis, an abnormal stock market reaction implies the release of new and relevant information. I assume that a significant abnormal movement in prices of these securities signals an event with new information about the trade war that is predicted by neither media slant nor omitted trends. In the baseline analysis, events selected consist of bilateral meetings and US-initiated policy updates. Each event is deemed positive or negative according to the direction of the associated abnormal returns. I also manually verify that each event is indeed associated with conciliatory (hostile) policy changes initiated by either China or the United States, or both.

Using the selected positive and negative events, I find that compared with nonpartisan owners, newspapers with Republican-leaning owners increase their human rights coverage by a significantly larger amount following a hostile trade policy towards China, and decrease this coverage by a significantly larger amount following a conciliatory trade policy towards China. Conversely, Democratic-leaning owners increase their human rights coverage by a significantly larger amount following a conciliatory trade policy, and decrease it following a hostile policy. Effectively, Republican-leaning owners alter their coverage of human rights issues in ways that support the then-Republican administration's attitude towards China, while the Democratic-leaning owners time their coverage in the opposite direction.

To complement my main results, I causally establish the effect of the owner's partisan affiliation on media slant by exploiting variations in ownership following mergers and acquisitions. Since these transactions are among national conglomerates involving newspapers serving different markets, it is unlikely that they are triggered by local factors. Compared with newspapers unaffected by merger/acquisition activity, those sold to more conservative owners tend to report more negatively about China following negative events and more leniently following positive events. Consistent with the aforementioned pattern, this result reinforces the causal interpretation of the effect of ownership on media slant by addressing possible omitted variable bias resulting from a correlation between owners' preferences with omitted static readers' preferences.

The main finding can be most intuitively interpreted as voluntary efforts of conservative media owners to justify the foreign policies of the incumbent Trump Administration, while newspapers with liberal owners express their disapproval. Both justification and disapproval can be viewed as an attempt (conscious or unconscious) to persuade the audience in favor of the party they are aligned with. I provide suggestive evidence for this interpretation by investigating the heterogeneity in the strength of persuasion conditional on readers' preferences. The test is based on the intuition that persuasion is more necessary when readers' preferred party differs from that of the owners. Indeed, I find that the Republican-leaning owners exhibit more alignment with the Trump Administration when faced with more Democratic-leaning readers; I again document a symmetric pattern for Democratic-leaning owners and their interaction with the audiences political preferences.

Finally, I test whether media slant is associated with changes of the public attitudes towards China and Trump. Using the Corporative Congressional Election Survey data from 2017 to 2019

(Schaffner and Ansolabhere, 2019; Schaffner et al., 2019), I calculate the county-level average support for sanctions on China and average approval for Trump for each year. I define the exposure to slanted content about China by the cumulative human rights coverage throughout a year published in local newspapers circulated within each county. At the county-level, I find that exposure of media slant is positively correlated with an increase of public support for "China-bashing" policies and also an increase in Trump's approval. As a placebo test, more exposure to trade-related content is not associated with an increase of support for China or Trump, suggesting that slanted coverage might effectively justify the sanctions on China and Trump's presidency.

This research makes four contributions to the economics literature on media bias. On media coverage of foreign nations, while the literature has documented that commercial media can report biased content about foreign countries in favor of diplomatic strategies (Qian and Yanagizawa, 2009a; Qian and Yanagizawa, 2009b; Qian and Yanagizawa-Drott, 2017), I further confirm an owner-driven mechanism in such slanted coverage, building on and enriching the literature that confirms the existence of top-down bias in commercial media (Szeidl and Szucs, 2021; Larcinese et al., 2011; Ottinger and Winkler, 2020; Martin and McCrain, 2019). On the effect of politics on media slant, I implicitly show that domestic politics and polarization can not only distort media slant about domestic issues (Larcinese et al., 2011, M. Gentzkow and Shapiro, 2010), but also color the lens for the public to view the world. Methodologically, I also make two contributions that may be useful beyond this study. My definition of media slant is based on media response within a very short time window as opposed to other work that uses cumulative coverage to capture media slant (Qian and Yanagizawa, 2009b; Qian and Yanagizawa-Drott, 2017; M. Gentzkow and Shapiro, 2010; Groseclose and Milyo, 2005; Lu et al., 2018; Larcinese et al., 2011; Ramirez and Rong, 2012). This definition is intuitively justified by the relatively modest news value of the slanted stories when new and salient events occur[1]. Finally, I select salient and exogenous events using stock market reaction by assuming the semi-strong efficient market hypothesis. To my best knowledge, this methodology has not been used in the literature to justify an event study of non-financial variables. In general, it can be applied to any settingin which there is high responsiveness to events, not limited to media reporting.

The remainder of the paper is organized as follows. Section 2 provides a brief introduction on the Sino-US trade dispute, the data collection and measurement of variables. Section 4 provides a detailed description of the empirical strategy and the data. Section 5 presents the main findings: the role of owners and readers on determinig media slant and its effect on public sentiment towards China, of which the robustness is checked in Section 6. Section 7 complements the main findings by discussing the possible explanations. Section 9 provides a thorough discussion of the difference of my results from the existing literature and revisit the reverse causality issues. Finally Section 10 concludes.

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[1]Meanwhile, this measure is compatible with the common measure under a panel framework. While the common measures usually define media slant as the difference between the coverage of interested media outlets and an authentic or truth-revealing media outlet, the coefficient of the cross-sectional comparison of media responses is interpreted as the effect on slant defined by the difference from the truth-telling media, without choosing a proper media outlet as the truth-telling one.

2 Background

The Sino-US trade conflict was initiated officially in March, 2018, and it is still ongoing by the time when the draft was composed. Under the instructions of former President Donald Trump [2], on March 22, 2018, the office of United States Trade Representatives published a document that reported findings of the investigation into China's acts, policies, and practices related to technology transfer, intellectual property and innovation together with an announcement of sweeping tariffs on Chinese imports[3]. This action was then followed with a series of sanctions that were later mostly greeted with retaliatory actions from China.

Two main features of the Sino-US trade conflict makes it an advantageous testing ground. First, as the major event defining the diplomatic relationship between the two countries at that time[4], the Sino-U.S. trade dispute was not *always* justified with Chinese human rights violations if any. The initiation of the trade dispute by the Trump Administration was believed to have been initiated out of economic reasons rather than due to criticism of China's human rights records. (T. Liu and Woo, 2018; Kwan, 2020; Bhandari et al., 2019). According to the a government report[5], there are three major reasons for the imposition of tariffs on Chinese goods: huge deficit against China, potential threats on cyber security, and possible forced intellectual property rights transfers. Over the course of negotiation, at least the former President Trump had assiduously avoided associating his economic decisions with China's human rights records, viewing it an impediment to securing the deal with China (Wong, 2018; Rappeport and Wong, 2019).

Secondly, then President Trump was known for his unconventional diplomatic strategy (Mahmood and Cheema, 2018). His diplomatic style suggests that some trade policy changes are likely unpredicted, which makes the identification of exogeneous trade policy possible. Burggraf et al. (2019) shows that the Trump's tweets about Sino-US trade war can induce intra-day volatility of the S&P500 Index, suggesting that his announcements indeed carry new information.

3 Data and Measurements

I obtain the news data from the NewsLibrary database (newslibrary.com), a database that contains articles on more than 1500 local media outlets. With an automation script, I collect all articles that mention in their title or leading paragraph at least one of the following key words: "China", "Chinese", "Hong Kong" and "Beijing". Articles' title and first 500 digits (approximately) are extracted from the NewsLibrary webpage. Data on local newspapers' counties served, parent companies and their top executives is otained from the *Editor and Publisher Online DataBook* (https://www.editorandpublisher.com/databook/). I also use media companies' official webpage as a complement to ensure the executives were in charge during 2018 - 2019. Information on mergers

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[2]See the document page 9 section B: The President instructed USTR to determine under Section 301 whether to investigate Chinas law, policies, practices, or actions that may be unreasonable or discriminatory and that may be harming American intellectual property rights, innovation, or technology development

[3]For more details please refer to "Findings of the Investigation into China's Acts, Policies, and Practices Related to Technology Transfer, Intellectual Property, and Innovation under Section 301 of the Trade Act of 1974", 2018

[4]The other two events between the United States and China are the denuclearization negotiation between the United States and China, where China served as a mediator than a major player, and some conflicts in the South China Sea (on Foreign Relations, 2021). Both events are barely related to China's human rights records.

[5]"Findings of the Investigation into China's Acts, Policies, and Practices Related to Technology Transfer, Intellectual Property, and Innovation under Section 301 of the Trade Act of 1974", 2018

and acquisitions activity is extracted from the MergerStat M&A Database contained in the Nexis Uni. During 2018 to 2019, there were 39 transactions involving 57 media firms and 226 dailies experienced a change of ownership. Political donation data of firm executives is extracted from the Federal Election Commission (FEC) disclosure data base. For characteristics of readers, I use data from the United States Census Bureau. Data on prices of securities is obtained from the Center for Research in Security Price (CRSP).

Quantify media slant

I measure media slant about China by the intensity of media coverage of Chinese human rights record and the nondemocratic features about China's governance from the Western perspective, i.e. human rights coverage. To quantify the intensity of human rights coverage, I first define a set of keywords and phrases that describe either of the two topics, based on the Human Rights Watch Reports about China in 2018 and 2019 (see Section A for the list of keywords). Given the articles that mention China in the title or the leading paragraphs and the keywords, two measures for media slant are constructed for each China-related article.

The intensity is measured by the fraction of keywords contained in the text. Because the text available is truncated, I weigh the fraction of keywords by their number of digits, since the longer the keywords are, the less likely they will show up in a truncated text. Equation 1 shows the mathematical expression of this measure, where N_w represents the frequency of appearance of keyword w in report r, and $Length_w$ and $TotalLength_r$ are the numbers of digits contained in keyword w and article r respectively. Additionally, the fraction of China-related articles that mention at least a keyword serves a complementary measure (see Appendix for an example). Then the media slant of the newspaper i on day t is the average $HumanRights_r$ of articles published by i on day t.

$$HumanRights_r = \sum_w \frac{N_w \times Length_w}{TotalLength_r} \tag{1}$$

Owners and readers

I collect and sum up personal contributions of top members of the manage of each media firm, including chief executives, president and executive vice president, owner, chairman, general director and publisher to political entities, such as Party, PACs, and politicians. I then calculate the partisan affinity of a media firm as the fraction of contribution made to Republican political entities. This continuous measure is normalized to 0 for balanced contribution or no contribution. The construction of this measure largely follows Genzkow et al. (2010), except that I intentionally avoid using corporate political donations. Individuals' contribution is largely driven by ideology whereas corporate donations are more benefit-driven (Barber, 2016, Bonica, 2016).

In total there are 1032 dailies included in the sample, owned by 196 media firms[6]. As a typical media firm that owns 5 dailies in my sample, the Hagadone Corporation operates 5 dailies that are located in Idaho, Montana and Washington. Based on this continuous measure, I further create a discrete measure that categorize the owners into Republican-leaning, neutral and Democratic-leaning, using 0.1 and -0.1 as thresholds. Figure 3 shows the distribution of this measure.

I define the readers of a local newspaper as the residents in counties where it is circulated. The

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[6]9 dailies have unknown ownership, and owners' political stance is taken as neutral.

circulation data is obtained from the *Editor and Publisher Online DataBook*. For missing information, I fill in with the county headquartered. I create a continuous measure of readers' political stance by the fraction of votes to Trump over total votes to either Trump or Hilary during the 2016 presidential election. Based on this continous measure, symmetrically I define a discrete measure that categorize readers as Democratic-leaning, neutral or Republican-leaning (see Figure 4 for the statistical distribution of both the continuous and the discrete measure.) In addition, readers' average income, education, exposure to import and export tariffs[7], age and race are also included as controls.

4 Empirical Strategy

I adopt an event study design to explore how the media react to policy announcements. I will examine if the newspapers whose owners exhibit clear party affinity behave differently from the nonpartisan ones. Intuitively, Republican-leaning newspapers may exhibit this alignment with Trump Administration by covering more negatively about China following a shift to hostile trade policies and oppositely following a shift to benevolent trade policies. Without taking a pre-stance of what role readers' and owners' party affinity would play, I include both variables in the baseline specification.

The baseline specification is given by Equation 2a. $HumanRightsCoverage_{ite}$ measures the intensity of media coverage of China's human rights issues and nondemocratic features. $Post_{te}$ is an indicator variable that takes 1 if the observation is *after* the event and zero otherwise[8]. $OwnerRep$ is an indicator variable that take 1 if the owner of newspaper i is Republican-leaning around event e, and symmetrically for $OwnerDem$. This variable might vary with time because of merger and acquisition. Control variables, Z_{it}, include the cross term of $Post_{te}$ and characteristics of readers: readers' average income, exposure to import and export tariffs, and share of population with college degree. The cross of the $Post_{te}$ with the number of dailies owned by a parent company is also included as a supply-side control variable.

The variables of interest are β_0, β_1 and β_2. β_0 is interpreted as the pre-post change of human rights coverage on newspapers of politically neutral owners. Since the events are selected such that they carry new information, β_0 can be interpreted as the media response on policy changes instead of the policy responding to media. β_1 and β_2 capture the difference of pre-post change of human rights coverage on newspapers with politically inclined owners relative to papers with neutral owners. β_1 and β_2 both reflect how owners' political leaning affect media slant, with readers' characteristics

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[7]The construction of these variables follows the methodology of Fajgelbaum et al., 2020, which are the labor share in industries that are subject to sanction.

[8]There may be a disagreement on how fast newspapers can react to an event. This alternative definition of the treatment variable can alter the results only when any adjustment is due to event-driven attention (informative reporting), rather than an expression of attitude. To address this concern, in the robustness check I drop the observation on the day when events occur, which will not alter the main result.

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\begin{aligned}
HumanRightsCoverage_{ite} =&\alpha_{ie} + \beta_0 Post_{te} \\
&+ \beta_1 OwnerDem_{ie} \times Post_{te} \\
&+ \beta_2 OwnerRep_{ie} \times Post_{te} \\
&+ \beta_3 ReaderDem_{ie} \times Post_{te} \\
&+ \beta_4 ReaderRep_{ie} \times Post_{te} \\
&+ \gamma Z_{it} + u_{ite} \qquad\qquad\qquad (2a) \\
HumanRightsCoverage_{ite} =&\alpha_{ie} + \beta_0 Post_{te} \\
&+ \beta_1 OwnerRepublican_{ie} \times Post_{te} \\
&+ \beta_2 ReaderRepublican_{ie} \times Post_{te} \\
&+ \gamma Z_{it} + u_{ite} \qquad\qquad\qquad (2b)
\end{aligned}
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An alternative version of Equation 2a is Equation 2b, using the continuous measure of political leaning. $OwnerRepublican_{ie}$ is a continuous variable from -0.5 to 0.5, with 0 being neutral owners. The higher its value is, the more Republican-leaning the owners are. Similarly, $ReaderRepublican_{ie}$ is a continuous variable which is normalized to 0 for neutral readers. Both specifications carry very much the same intuition, and will be used interchangeably throughout the paper.

Selection and sentiment of events

To capture the media response on shifts of trade policies, the major challenge to overcome is the endogeneity of events. Specifically, policy shifts can be triggered by media slant, or other omitted variable(s) that affects media slant. To select events that *deliver salient and new information about the progress of the trade negotiation*, I utilize the stock market volatility of trade-war-related securities. To the extent that the efficient market hypothesis holds, that events deliver salient and new information implies that events are not predicted by media's report of human rights of China, or other omitted factors[9]. This directly implies that these events will induce stock market reactions of securies whose returns highly depends on the trade war progress. If an event does not induce any stock market reaction, then this event is predicted, ambiguous, or negligible, which should therefore be dropped.

The selection of candidate events using financial reactions proceeds in three steps. First, I select financial securities that are influenced by the U.S.-China trade dispute during 2018 and 2019. Note that to ensure the validity of the definition of media slant, I exclude three periods when China's human rights issues were officially used to justify trade war decisions: around Sep 10, 2018 when Trump was reported to consider sanctions over Uighur dispute[10]; around the meeting with Chairman Xi Jinping of China in June 2019 at G20 when a massive protest in Hong Kong took place, which was believed a center topic of the G20 Summit[11]; and in October of 2019 when the United States began to impose

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[9]See more discussion about this in Section 9.

[10]By then, the "Trump administration [had] confronted China over economic issues the two countries are in the middle of a prolonged trade war but [had] said little about rampant abuses by its security forces" (Wong, 2018).

[11]It is confirmed by US Secretary of State Mike Pompeo, in an interview with Fox News, that he expected President Donald Trump to raise the Hong Kong protests with Xi at the G20 talks on 17 June, 2019. Later on 24 June, Beijing said it wouldn't allow Hong Kong to be brought up at G20. The Vice President Mike Pence's public speech mentioning Chinese human rights was postponed by Trump, which was believed as part of the preparation for the G20 Summit on

multiple sanctions over Hong Kong and Uighur issues[12] (Ordonez, 2019). This is because when human rights are used as a justification for trade decisions by the policy issuer, human rights becomes highly newsworthy around trade war events. Second, I construct a model to calculate the abnormal returns for each stock on each day (Engelberg et al., 2012). Third, I calculate the cumulative abnormal return regarding all possible events and select those events that induce a significant (90% confidence) same-day jump of the cumulative abnormal returns.

To ensure the relevance of the financial securities, I include those United States financial securities that were adversely impacted directly due to the retaliatory sanctions from China. China imposed sanctions mainly in two sectors: agricultural products and automobiles. Correspondingly, I select securities in these two industries. For the agriculture sector, included securities are futures of agricultural commodities[13] and stocks of firms that intensively exported agricultural products to China, such as Archer Daniels Midland Co. and Bunge Ltd. Additionally, heavy agriculture equipment manufacturers, such as Deere & Co and Caterpillar, are also included. For the automobile sector, I include the Winnebago Industries Inc and the Harley-Davidson who traded intensively with China. All the above companies are U.S.-headquartered firms that are believed to be "losers" of the Sino-U.S. trade war (Staff, 2019).

Following the methods of Engelberg et al. (2012), I use Equation 3 to decompose the daily stock market returns of each public company into a market component and an idiocyncratic component. The idiosyncratic component, ϵ_{it}, is also the abnormal return of security i on day t.

$$FirmReturn_{it} = \alpha_i + \beta_i MarketReturn_t + \epsilon_{it} \tag{3}$$

$FirmReturn_{it}$ denotes firm-level stock-market returns of firm i on day t, which is measured by intraday percentage change of daily price. $MarketReturn_t$ denotes the return of the market, captured by the daily percentage change of the S&P500 index.

For a potential event e of interest that occurred on day t_0, the event window to calculate the cumulative abnormal returns is defined as $[t_0 - 4, t_0 + 4]$. The coefficient β_i is estimated using security prices and market prices within $[t - 610, t - 365]$. The cumulative abnormal return for stock i within the event window to time t is the sum of abnormal returns from $t_0 - 4$ up to t. I then average across all N firms the cumulative abnormal return to eliminate the idiocyncratic abnormality. Mathematically:

$$CAR_t = \frac{1}{N} \sum_{i=1}^{N} \sum_{\tau=t_0-4}^{t} \epsilon_{i\tau} \tag{4}$$

There are three categories of events that are potentially of interest: i) bilateral meetings[14]; ii) trade policy updates[15]; iii) presidential tweets. Trade policy updates includes impositions, modifications and

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June 29. In spite of the truce achieved at the G20 Summit, on the next day of threatening China with new tariffs on Jul 16, Trump hosted victims of religious persecution at White House, including a "Uighur Muslim victim who claimed the government has locked devotees in concentration camps." On Aug 13, Trump wrote on Twitter that Beijing was moving troops to the border with Hong Kong.

[12]See the government report, "Hong Kong Human Rights and Democracy Act of 2019", 2019, for more details.

[13]I include futures of soybeans, corns, cotton and sugar. These four products are specifically sufferred from retaliatory sanctions imposed by China.

[14]Events of this kind are obtained from "The US-China Trade War: A Timeline", n.d.

[15]Events of this kind are obtained from "The US-China Trade War: A Timeline", n.d., accompanied by news reports by Reuters, the New York Times and Fox News.

delay of tariffs. Presidential tweets include many tweets by Donald Trump published during 2018 and 2019 that mention China or Chinese officials. For each potential events of interest, I plot the cumulative abnormal return within the 9-day window. Only those that induced a statistically significant jump *on the day* of events are considered as candidates.

For each candidate event, I assign the sentiment by the stock market reaction triggered. Specifically, an event is positive if the cumulative abnormal return jumps from 0 to being significantly positive, and negative if it jumps downwards from 0. I also manually verify that the sentiment of the events is backed up by the narrative sentiment[16] in the way that positive events correspond to a conciliatory policy updates of the Trump Administration or China (or both), meaning that at least one of them strives to reach a deal or reduce/delay tariffs, and that negative events are associated with a hostile policy updates, meaning that either the Trump Administration or China escalates the tension.

Those that both i) induce a statistically significant jump *on the day* of events[17] and ii) have no other significant event of opposite sentiment occurred within the window are considered as candidates. In total there are 22 candidates events. Since selected securities are highly trade-war-related, I assume that they signal the shifts of trade policy or in general any events of bilateral relationship relevance that changes people's expectation of the trade policy. Events with their sentiment not backed up by its narative sentiment are dropped[18].

In the baseline, I analyze 6 positive events and 10 negative events. These are events initiated by the Trump Administration, of which the detailed description is listed in Table A11 and Table A12. As it is unclear that China-initiated policy changes and U.S.-initiated policy changes should trigger media response in the same way, 6 China-initiated events are separately analyzed.

5 Results

5.1 Owners' Political Alignment and Media Slant about China

Positive events induce an overall increase of local newspapers' coverage on human rights issues and nondemocratic features of Chinese governance. Column (1) of Table 1 provides a pre-post comparison of media coverage on China's human rights and nondemocratic features. The positive significant estimate implies that on average, a newspaper will increase its human rights coverage following a

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[16]The narative sentiment of events is defined as follows. For i) bilateral meetings, the sentiment are determined by the results of meeting. If a meeting ends up with reaching a deal or further negotiation then the meeting are marked positive. Announcements of rekindling or continuing meetings are considered positive. If a meeting ends up with no deal, then it is marked as negative. Announcements of canceling meetings will be considered negative. For ii) trade policy updates or claims initiated by the United States, the sentiment is defined as follows: imposition, implementation, increasing of tariffs/sanctions are marked negative, and lifts, delays or reductions of tariffs are marked positive. For those claims issued by Trump via tweets, I hired three U.S. voting age citizens to independently determine the sentiment of each tweet. Tweets with all three agreed positive (negative) are regarded as positive (negative), otherwise the sentiment is undetermined.

[17]Suppose an event took place during the weekend, a stock market price jump on the following weekday will be deemed a signal for this event carrying new information. Otherwise, if the stock market price jumps on the next day of an event, then the event will not be considered. This is because I use the intraday stock market return, which responds to any same-day information released. Regarding bilateral talks that lasted for multiple days, the day when stock market price jumps is considered as the day new decision of the meeting is made.

[18]Two events are dropped for this reason. Speaking of the reason for this discrepancy of narrative sentiment and stock market reaction, essentially, how policy changes by the U.S./China affect stock market price depends on investors' expectation about the outcome. Global market response on the policy shifts (see Durisin, 2018 for the case of Jul 6, 2018.), correction of expectations and investors expectation about the counterpart's reaction are all determinants of investors' expectation about the outcome.

positive event by approximately 22.7% the mean coverage intensity.

Relative to papers of nonpartisan owners, papers of Republican-leaning owners on average decrease human rights coverage by significantly more after a positive event and Democratic-leaning owners on average increase this coverage. Suggested by Column (2) of Table 1, nonpartisan owners increase their coverage on human rights issues towards China. On top of this increase, Democratic-leaning owners futher report significantly more following positive events. While left-wing and middle owners seem to share a consensus of increasing negative coverage about China following positive events, Republican-leaning owners distinguish themselves by reducing the human rights coverage by significantly more. Papers of Republican-leaning owners publish less by around 27.5% of the average intensity and papers of Democratic-leaning owners publish more by around 35.6% of the average intensity, compared with middle papers.

This differential response of papers of left-wing and right-wing owners following positive events remains robust after including readers' various characteristics and different model specifications. Column (3) controls readers' political stance. Despite the positive correlation of readers' and owners' ideological bias, the effect from owners is not eliminated. Column (4) further incorporates daily fixed effects, and demonstrates that controlling for all nationwide trends will not alter the results. Column (5) further controls other readers characteristics, including their exposure to import and export tariffs, mean income, share of college degree holders, share of white population, average age, share of labor in agriculture and manufacturing respectively. Surprisingly these readers' characteristics, even though relevant as they sound, have little significant effect on media's responsiveness of human rights coverage. Including them doesn't alter the magnitude and significance of β_1 and β_2 by much.

	(1) HumanRights(Intensity)	(2) HumanRights(Intensity)	(3) HumanRights(Intensity)	(4) HumanRights(Intensity)	(5) HumanRights(Intensity)
Post	1.100***	1.024***	1.274**	5.541*	-0.923
	(0.262)	(0.391)	(0.570)	(3.119)	(13.43)
Owner Dem × Post		1.571**	1.566**	1.635**	1.425**
		(0.703)	(0.697)	(0.688)	(0.685)
Owner Rep × Post		-1.295**	-1.220**	-1.341**	-1.285**
		(0.522)	(0.525)	(0.530)	(0.514)
Reader Dem × Post			-0.116	-0.117	-0.188
			(0.923)	(0.919)	(1.041)
Reader Rep × Post			-0.610	-0.591	-0.371
			(0.533)	(0.535)	(0.565)
Post × Exposure to Export Tariffs					-9.370
					(12.65)
Post × Exposure to Import Tariffs					35.33
					(29.09)
cluster	Newspaper	Newspaper	Newspaper	Newspaper	Newspaper
fixed effects	Newspaper-Event	Newspaper-Event	Newspaper-Event	Newspaper-Event&Day	Newspaper-Event
controls	N	N	N	N	Y
N obs	55728	55728	55728	55728	55728
F stat	45.23	15.13	11.50	3.629	7.403
adj. R2	0.0282	0.0286	0.0286	0.0303	0.0286

Standard errors in parentheses
* $p < .10$, ** $p < .05$, *** $p < .01$

Table 1: Media Reaction on Positive Trade Events

Note: Equation 2a is estimated with 6 positive events listed in Table A11. The dependent variable, the fraction of text about human rights, has been multiplied by 10,000 for illustration purposes. Main regressors of interest are the indicators for owner being Republican-leaning and Democratic-leaning. Control variables include readers' mean income (logged), exposure to import and export tariffs, share of college degree holders and number of dailies owned by a media company. Standard errors are clustered at newspaper-level. Column 4 controls daily fixed effects to exclude the effect from national trend.

Negative events induce all newspapers to increase their reporting on human rights issues and

nondemocratic features of China's political system, suggested by Column (1) of Table 2. Yet, this increase is not significant.

Nonpartisan newspapers are on average irresponsive following negative events, and the overall increase of human rights coverage is mainly driven by papers of Republican-leaning owners. Column 2 suggests that, papers of right-wing owners cover significantly more about China's human rights in the text about China than nonpartisan owners. The magnitude of such difference is approximately 37.6% of the average intensity of human rights coverage. By contrast, compared with nonpartisan owners, left-wing owners perform a significant downward adjustment of human rights coverage following negative events by around 21.9% of the average intensity. This pattern remains robust after adding readers' political stance (Column 3), daily fixed effects (Column 4), readers' democraphic characteristics and the exposure to import and export tariffs (Column 5).

	(1) HumanRights(Intensity)	(2) HumanRights(Intensity)	(3) HumanRights(Intensity)	(4) HumanRights(Intensity)	(5) HumanRights(Intensity)
Post	0.124	0.301	0.922*	-7.126***	50.27***
	(0.266)	(0.359)	(0.502)	(2.370)	(19.04)
Owner Dem × Post		-1.709***	-1.656***	-1.615***	-2.168***
		(0.632)	(0.620)	(0.617)	(0.680)
Owner Rep × Post		1.292**	1.305**	1.179*	1.169*
		(0.615)	(0.642)	(0.646)	(0.658)
Reader Dem × Post			-1.925**	-1.934**	-1.489
			(0.945)	(0.946)	(1.040)
Reader Rep × Post			-0.791	-0.772	-0.749
			(0.564)	(0.564)	(0.569)
Post × Exposure to Export Tariffs					-12.47
					(15.01)
Post × Exposure to Import Tariffs					-43.72
					(34.08)
cluster	Newspaper	Newspaper	Newspaper	Newspaper	Newspaper
fixed effects	Newspaper-Event	Newspaper-Event	Newspaper-Event	Newspaper-Event&Day	Newspaper-Event
controls	N	N	N	N	Y
N obs	92880	92880	92880	92880	92880
F stat	103.2	36.18	27.75	5.300	17.72
adj. R2	0.0458	0.0460	0.0461	0.0491	0.0462

Standard errors in parentheses
* $p < .10$, ** $p < .05$, *** $p < .01$

Table 2: Media Reaction on Negative Trade Events
Note: Equation 2a is estimated with 10 negative events listed in Table A12. The dependent variable, the fraction of text about human rights, has been multiplied by 10,000 to for illustration purposes. Main regressors of interest are the indicators for owner being Republican-leaning and Democratic-leaning. Control variables include readers' mean income (logged), exposure to import and export tariffs, share of college degree holders and number of newspapers owned by a media company. Standard errors are clustered at newspaper-level. To test robustness of results, Column 4 controls daily fixed effects to exclude the effect from national trend.

The pattern observed can be most intuitively explained as follows. When the Trump Administration demonstrates conciliation towards China, Republican-leaning papers will report significantly less human rights issues of China than middle owners. When the Trump administration demonstrates hostility to China, Republican-leaning papers will increase human rights coverage by significantly more than middle owners. Since human rights coverage portrays a negative image of China, the behavioral pattern can be interpreted as a justification of right-leaning owners with the Trump administration. Moreover, since the events selected are not justified by the Trump Administration per se by human rights violations of China if any, this justification behavior is substantially voluntary. The same logic applies to the Democratic-leaning owners: they seem to disapprove Trump's policy voluntarily.

I visualize the media responsiveness within the positive and negative event windows. Illustrated in Figure 1 shows the media responses of Republican-leaning and Democratic-leaning media owners

relative to nonpartisan owners, following positive and negative events. The construction of both figures is based on the estimation of Equation 5:

$$HumanRightsCoverage_{ite} = \alpha_{ie} + \sum_{\substack{\tau=-5 \\ \tau \neq -1}}^{\tau=5} \gamma_\tau OwnerRep_{ie} \times \mathbb{1}_\tau + \sum_{\substack{\tau=-5 \\ \tau \neq -1}}^{\tau=5} \theta_\tau OwnerDem_{ie} \times \mathbb{1}_\tau + u_{ite}$$

(5)

, where τ represents the relative day ($\tau = 0$ on the day when events took place). I plot γ_τ and θ_τ for τ = -5 to 5 to justify the selection of 9 days as the event window. They are the estimated difference of human rights coverage between partisan newspapers relative to middle papers on the relative day τ.

That the response occurs most intensively within the next two or three days after events took place, and that the spikes fade away from the fourth day justify the usage of 9-day windows for the event study. To further test the robustness, I perform the same analysis with window length being 7 or 11 days and the results preserve (see Table A21 and Table A22 in Appendix).

No significant trend or spikes is observed in front of these events, implying that it is unlikely that events are triggered by media coverage of Chinese human rights. For more discussion on reverse causality, please see Section 9.1.
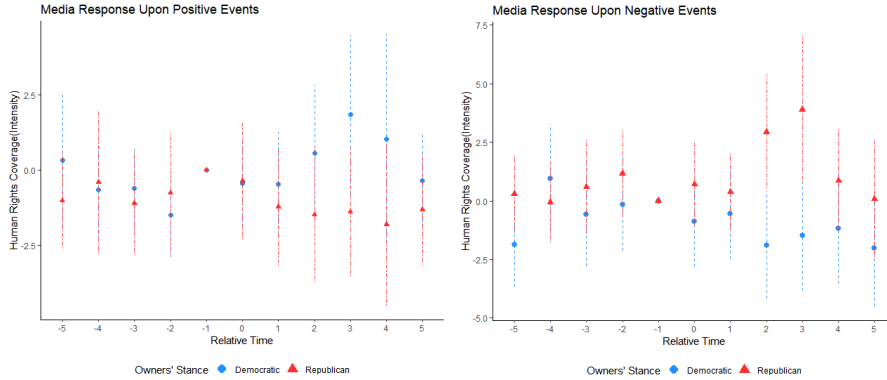

Figure 1: Media Response around Positive (left) and Negative (right) Events

Note: The construction of this plot is based on the estimation of Equation 5 taking $\tau = -1$ as the benchmark day, using 6 positive events. The window expands 5 days before and after the events, wider than the 9-day window for baseline analysis. γ_τs are the estimated differences of human rights coverage on papers of Republican-leaning owners from middle owners on the relative day τ, and θ_τ for Democratic-leaning owners. γ_τs and θ_τs are plotted with their 95% confidence interval. Errors are clustered at the newspaper level.

5.2 Changes of Ownership due to Mergers and Acquisitions

To causally establish the effect of owners' preferences on newspapers' responsiveness in media slant, I exploit the mergers and acquisitions took place in the 2018 to 2019 as an exogeneous variation of ownership. There are 37 mergers and acquisitions, involving 58 media firms and 229 traded dailies. All transactions are between 2 media giants, and the tradings involve more than one asset serving more than one local market. Thus, it is unlikely that tradings of this kind is triggered by local factors.

The traded newspapers serve 39 states, thus it is unlikely that their changes of ownership were driven by local events that also affect media slant about China. This is also confirmed by the left panel Figure 5 which illustrates the distribution of readers' political stance of these 226 newspapers. The similarity of this distribution with the distribution using the entire sample suggests that these traded dailies may very well be comparable with the nontraded ones.

Meanwhile, Meanwhile, suggested by the right panel of Figure 5, the change of ownership can be either to a more conservative and to a more liberal one. This helps address the potential issue of results driven by a single-direction shifts of ownership.

This identification strategy can help address the potential omitted variable bias due to a correlation between any uncaptured static readers' preferences and owners' preferences. Meanwhile, since the tradings of newspapers occurred with a bundle of other assets between two media firms, media responses of traded newspapers are unlikely a reason for them being traded.

I apply a difference-in-differences framework to study if change of ownership can change newspapers' response in human rights coverage around trade war events. Given positive events, $\Delta HumanRightsCoverage_{ie}$ captures the pre-post change of human rights coverage around event e in newspaper i. The control group consists of papers that are not (or not yet) traded and the treatment group consists of papers that are already traded. I estimate Equation 6. The change of political leaning of owners is captured by $\Delta OwnerRepublican_{ie}$. This variable is zero for pre-trade observations, and is positive (negative) after the newspaper i is transferred to a more Republican-leaning (Democratic-leaning) owner. The coefficient of interest is β_1, which measures how newspapers on average change their response due to a change of ownership. Suppose the omitted readers' traits do not vary with trading of newspapers, this identification strategy can isolate the effect from ownership.

$$\Delta HumanRightsCoverage_{ie} = \alpha_i + \gamma_e + \beta_1 \Delta OwnerRepublican_{ie} + u_{ie} \qquad (6)$$

The results are consistent with the main finding: shifting to a more conservative ownership will make the newspapers less critical towards China following positive events, and the opposite is true following negative events. Table 3 lists the results. Column (1) and (3) use all dailies, including those whose ownership once changed and those never changed during 2018 to 2019. When ownership becomes more conservative, positive events trigger less critical post-event human rights coverage and negative events trigger more. Column (2) and (4) use only the traded dailies[19]. Newspapers not yet traded and were traded in the end serve as the control group. While using all newspapers is subject to the criticism of unbalanced control and treatment groups due to the effect of omitted readers' characteristics on trading decisions, analyzing the ever-traded newspapers makes the control group much more comparable with the treatment group.

To summarise, I find a robust systematical reaction of media of Republican-leaning and Democratic-leaning owners around trade war events. Following positive events, newspapers with right-wing owners tend to decrease the negatively slanted coverage, and they tend to increase it following negative events. Contrarily, newspapers with left-wing owners tend to increase the negatively slanted coverage following

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[19]There are 226 newspapers traded. During the period investigated, there are 39 transactions, involving 57 parent companies of newspapers. Since most of these transactions are mergers and acquisitions at firm level, errors are clustered at parent firm level.

	Positive Events		Negative Events	
	(1)	(2)	(3)	(4)
	HumanRights(Intensity)	HumanRights(Intensity)	HumanRights(Intensity)	HumanRights(Intensity)
$\Delta OwnerRepublica$	-0.926***	-0.766***	1.816**	1.857**
	(0.200)	(0.191)	(0.702)	(0.707)
cluster	Parent Company	Parent Company	Parent Company	Parent Company
control group	Never Traded	Not Yet Traded	Never Traded	Not Yet Traded
N obs	55728	9450	92880	20340
adj. R2	0.0323	0.0392	0.0488	0.0537

Standard errors in parentheses

* $p < .10$, ** $p < .05$, *** $p < .01$

Table 3: Effect from Owners' Political Stance

Note: β_1 of Equation 6 is estimated and shown above. $\Delta OwnerRepublican_{iet}$ captures the change of political stance of owners due to mergers and acquisitions. It equals 0 when no merger and acquisitions take place, and it is measured by the difference between post-m&a and pre-m&a of owners' political stance. Column (1) and (3) use all dailies in the sample, including those once traded and those never traded during 2018 to 2019. Column (2) and (4) use only the traded dailies. Since most of them changed ownership due to mergers and acquisitions of media giants, suggesting a possible strong correlation among these papers, the standard error is clustered at the parent company level.

positive events, and decrease it following negative events. Since these events are not justified officially by any China's human rights violations, this pattern is most intuitively explained by an voluntary justification (disapproval) for trade policy towards China of the right-wing (left-wing) media owners.

6 Robustness Checks

In this section, I present the results of a variety of robustness checks to confirm the human rights reporting pattern as a function of media owners' political alignment. I focus on the main parameters of interest: the coefficients on the relative difference in the media responsiveness of partisan media owners compared with nonpartisan owners.

Consider first the potential concern of how fast a media can respond. While print media requires at least one day to respond, online media might be promptly respond within the day of events. To address the potential dispute on whether this effect is driven by differential attention on the day when the events take place, I drop the day when an event occurs. Column (6) of Table A15 and Table A16 lists the results. Neither magnitude nor inference of β_1 and β_2 differ from Column (5), indicating that the result is not driven by *on-the-day* differential attention.

Next, I examine whether the result is driven by a few prominent papers that pay extraordinary attention to China. Column (7) of Table A15 and Table A16 lists the results without papers report China the most. The sign and significance of β_2 still remain, despite the small changes of manitude.

Symmetrically, I ruling out the least responsive newspapers to test if Republican-leaning (Democratic-leaning) owners are in general not covering (covering much) China's human rights or trade war progress. Column (8) of Table A15 and Table A16 shows that the pattern still remains. Overall, the relative decrease of human rights coverage among Republican-leaning owners is a shared pattern among a variety of local newspapers. It is not driven by a few large media outlets, nor is it driven by an unbalanced distribution of irresponsive media outlets.

Is this pattern driven by a subset of selected events only? The 16 events selected can be deemed as 16 independent and repetitive trials to local newspapers. However, due to the lack of enough media coverage on China-related stories, given a single event, there are only a handful of media that cover such topics. Nevertheless, performing event study with respect to each event can help address at least two potential concerns: i) manipulative assignment of sentiment of events and ii) results above being

driven by a subset of baseline events.

Suggested by Figure 2, positive and negative events systematically exhibit the patterns shown in Table A19 and Table A20. Figure 2 plots the coefficient on the owners' political leaning (i.e., β_1 in Equation 2b) for each single event with its 95% confidence intervals. All positive events are such that, the more Republican-leaning owners are, the less Chinese-human-rights stories the media will cover. Oppositely, all negative events are roughly such that the more Republican-leaning owners are, the more human rights coverage will be presented. Similarly, Figure 6 and Figure 7 are plotted using estimates of β_1 and β_2 of Equation 2a, representing how Republican-leaning and Democratic-leaning owners' reactions differ from that of nonpartisan owners. Events consistently exhibit the patterns described in Table A15 and Table A16.
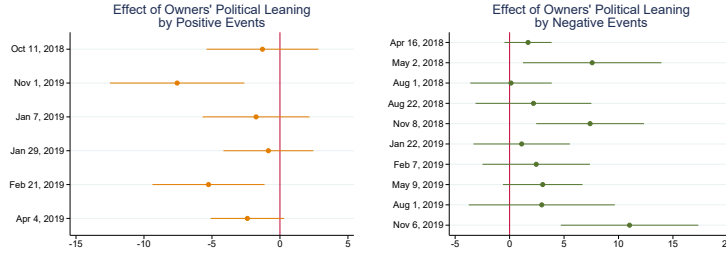

Figure 2: Event Study for Each Positive (left) and Negative (right) Events

Note: I plot the estimated β_1 of Equation 2b for each single positive event, with its 95% confidence interval. Errors are clustered at newspaper level.

Is the pattern sensitive to window length? Using the same set of events, Table A21 and Table A22 illustrate that changing to 6- or 10-day window length also exhibit the same pattern found in the baseline analysis.

I then examine the sensitivity of results to events selected and their sentiment. The assignment of sentiment is now based on the stock market reaction. 2 events are dropped due to inconsistent stock market reaction and the narrative sentiment. As Table[...] shows, incorporating them does not vary much the results.

Finally, to address any cherry picking concern of the event selection, I perform the same analysis using all bilateral talks or policy updates initiated from the Trump Administration as the events of interest. Results are shown in Table A26 and the pattern still exisits. Using the discrete measure, Table A27 shows the pattern driven by the increase of human rights coverage of Democratic-leaning media runners following positive events and Republican-leaning owners following negative events.

7 Alternative Explanations

7.1 Suggestive Evidence on Justification

The main finding presented in Section 5 can be most intuitively explained by a justification for the trade policy of Republican-leaning media owners and a disapproval of the trade policy of Democratic-leaning owners. In this section, I present more suggestive evidence on this explanation.

The logic of my approach is as follows. Suppose Republican-leaning newspaper owners consciously or unconsciously justify for the Trump Administration, if the readers are also supporters for Trump,

then the justification is less needed than if readers are opponents. Symmetrically, disapproval is less necessary when Democratic-leaning owners are faced with supporters for Trump than opponents. This intuition suggests the following hypothesis of interest: the main pattern discovered in Section 5.1 will be accentuated when readers' and owners' political stance disagree, and attenuated when agree.

To test this hypothesis, I consider the Equation 7, which is a modification of Equation 2b. The key difference between Equation 2a and Equation 7 is the incorporation of this tripple difference: $OwnerRep_{ie} \times ReaderRep_i \times Post_{te}$. It allows for heterogeneous media strategy facing different readers. $OwnerRep_{ie} \times ReaderRep_i$ is positive when readers' and owners' ideological stance agree, and negative when disagree.

$$
\begin{aligned}
HumanRightsCoverage_{ite} =& \alpha_{ie} + \beta_0 Post_{te} \\
&+ \beta_1 OwnerRep_{ie} \times Post_{te} \\
&+ \beta_2 ReaderRep_i \times Post_{te} \\
&+ \beta_3 OwnerRep_{ie} \times ReaderRep_i \times Post_{te} \\
&+ \gamma Z_{it} + u_{ite}
\end{aligned}
\tag{7}
$$

For stark comparison, Table 4 lists both the results with and without the tripple difference term. Column (1) and Column (4) list results of positive and negative events respectively, using Equation 2b and continuous measures[20]. The insignificance of the coefficient of readers' preferences suggests that the readers' tasted are not uniformly satisfied, in contrast to the results of M. Gentzkow and Shapiro, 2010.

On the other hand, β_1 and β_3 are significant and of opposite signs, which is aligned with the intuition that persuasion is more desirable when readers' preferred party differs from that the owners are affiliated with. Column (2) and Column (5) show the estimation results of Equation 7, and the tripple difference term captures the additional effect of the *ideological agreement* between readers and owners on media slant. Adding the cross term does not eliminate the sign and significance of β_1. Moreover, β_3 is also significant and of the opposite sign of β_1.

Table A23 in Appendix illustrates this regression results using subsamples to separately compare Republican-leaning and Democratic-leaning owners with middle owners. The pattern is mostly driven by a relative suppress of media slant by liberal newspaper owners around negative events and conservative newspaper owners around positive events.

An alternative explanation for the above finding is the editorial access to news sources. Republican-leaning media may have a better access of Republican-leaning writers (e.g. columnists) and parallely with Democratic-leaning media. The alignment of Republican-leaning media is nothing but a consistent publication of opinions of Republican-leaning writers, who may somehow present themselves more when they are surrounded by people of vastly different ideological preferences. However, the dataset observes many articles about China repetitively published on subsidiaries within a giant parent company, implying that subsidiaries share one editorial board. As a result, the "access-to-information" channel is hardly a reason why distribution of the a given article depends on whether readers have agreed political stance with the media owners, at least for media giants. Without solid evidence to

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[20]These are the same with Column (5) of Table A19 and Table A20.

	Positive Events			Negative Events		
	(1) HumanRights(Intensity)	(2) HumanRights(Intensity)	(3) HumanRights(Intensity)	(4) HumanRights(Intensity)	(5) HumanRights(Intensity)	(6) HumanRights(Intensity)
Post	0.929	4.872	1.001	42.14**	38.67**	-1.056
	(12.40)	(12.48)	(0.656)	(17.25)	(16.83)	(0.650)
Post × Republican Owners (continous)	-3.194***	-4.136***	-4.069***	3.275***	4.116***	4.204***
	(0.781)	(0.962)	(0.954)	(0.881)	(1.084)	(1.076)
Post × Republican Readers (continous)	-0.140	-0.0528	-0.0145	0.372	0.306	0.331
	(0.443)	(0.415)	(0.414)	(0.442)	(0.453)	(0.453)
Post × Republican Owners (continous) × Republican Readers (continous)		3.123***	2.794***		-2.776**	-2.839**
		(0.981)	(0.942)		(1.129)	(1.112)
Post × Republican Owners (continous) × Exposure to Export Tariffs			62.40			-58.39
			(39.27)			(43.66)
Post × Republican Owners (continous) × Exposure to Import Tariffs			-71.84			-261.0**
			(89.33)			(102.1)
cluster	Newspaper	Newspaper	Newspaper	Newspaper	Newspaper	Newspaper
fixed effects	Newspaper-Event	Newspaper-Event	Newspaper-Event	Newspaper-Event	Newspaper-Event	Newspaper-Event
controls	Y	Y	Y	Y	Y	Y
drop event day	N	N	N	N	N	N
N obs	55728	55728	55728	92880	92880	92880
F stat	10.19	9.340	7.898	27.64	25.68	21.64
adj. R2	0.0286	0.0288	0.0289	0.0448	0.0449	0.0450

Standard errors in parentheses
* $p < .10$, ** $p < .05$, *** $p < .01$

Table 4: Media Reaction Readership

Note: Column 1 and Column 4 list results of Equation 2b for positive and negative events respectively. Column 2 and Column 5 show results of Equation 7. Column 3 and Column 6 further incorporates tripple differences of owners' political leaning and readers' exposure to import and export tariffs.

rule out this explanation, I will leave it open as a possible mechanism.

7.2 Attention

Naturally when the media covers some topics more intensively than other media outlets, we believe that they pay more attention to these topic than the other. This suggests the following alternative explanation to justify the baseline results: conservative (liberal) owners pay closer (less) attention to the trade dispute when the policy is negative, and reversely when policy is positive. The pattern of human rights is a by-product of this heterogeneous attention to the trade war.

Do right-wing newspaper owners pay closer attention to the trade war when events are negative and reversely for left-wing newspaper owners? Suppose this is true, then the pattern of human rights coverage reflects owners' different attention to the trade war. Technically, this concern has been addressed as the results in Table 1 and Table 2 have controlled a rough measure of general attention to China. To address this issue more carefully, I run the same regression with benchmark events using the coverage intensity of trade-related topics instead of human rights. Naturally, if a newspaper pays more attention to the trade war than others around certain events, then it may also respond by covering more trade-related topics.

From Table 5, following positive events, the Democratic-leaning media runners exhibit more interests in trade related issues, compared with middle owners, and Republican-leaning owners show less interest. Despite its consistency with the pattern of human rights coverage, this pattern is not significant. Meanwhile, around negative events, partisan owners tend to exhibit more interest in covering more trade-related events, yet this pattern is also insignificant. Generally speaking, there is no significant differential attention paid to the trade war progress among dailies of conservative, liberal and nonpartisan owners.

7.3 Anti-China sentiment

Almost all 16 baseline events involve strategies from both China and the United States. As a result, one interpretation of the pattern found in Section 5.1 is the heterogeneous attitudes towards China,

	(1) Trade(Count)	(2) Trade(Intensity)	(3) Trade(Count)	(4) Trade(Intensity)
Post	91.87	27.58	7.516	-2.701
	(67.62)	(35.59)	(58.46)	(31.88)
Owner Dem × Post	3.216	2.647	2.008	0.591
	(2.736)	(1.632)	(2.133)	(1.137)
Owner Rep × Post	-2.142	-0.483	1.818	1.049
	(2.804)	(1.473)	(2.372)	(1.204)
Reader Dem × Post	-3.794	-3.128	0.473	1.526
	(3.725)	(1.938)	(3.383)	(1.857)
Reader Rep × Post	-5.845**	-2.357	5.104**	1.807*
	(2.783)	(1.595)	(2.055)	(1.005)
cluster	Newspaper	Newspaper	Newspaper	Newspaper
fixed effects	Newspaper-Event	Newspaper-Event	Newspaper-Event	Newspaper-Event
controls	Y	Y	Y	Y
drop event day	N	N	N	N
drop papers discussing China the most	N	N	N	N
drop papers never discussing China	N	N	N	N
N obs	55728	55728	92880	92880
F stat	53.59	53.81	61.05	55.51
adj. R2	0.306	0.251	0.427	0.329

Standard errors in parentheses
* $p < .10$, ** $p < .05$, *** $p < .01$

Table 5: Owners' Attention to Sino-US Trade War

Note: This table lists the results of Equation 2a for positive and negative events. Column (1) and (3) show the estimates using the number of articles as the dependent variable, and Column (2) and (4) show the estimates using the fraction of text about trade-war-related issues. This variable is winzorized. Keywords include names of representatives on both sides, names of products discussed, key decisions made, etc. The specification used in this table corresponds to that of Column (5) of Table 1 and Table 2. For estimation of all specifications, please see Table A24 and Table A25 in Appendix.

rather than towards the Trump Administration. To test how media responds to China, I hereby exploit those events initiated by China. Unlike the baseline analysis, events used here are such that China serves as the "attacker" and America as the "defender".

5 positive events and 1 negative events are listed in Table A13. Table 6 illustrates the media responsiveness of human rights coverage on China-initiated events. Following a conciliatory policy initiated by China, there is no significant difference of media responsiveness. Following a hostile policy initiated by China, both conservative and liberal media runners increase their human rights coverage relative to middle owners. Intuitively, conciliatory policy updates from China induce no substantially differential attention among media owners, and hostile policy induce a synchronized increase of human rights coverage among partisan media owners.

	(1) HumanRights(Intensity)	(2) HumanRights(Intensity)
Post	12.21	-97.17***
	(25.24)	(37.35)
Owner Dem × Post	-0.362	7.922***
	(1.089)	(1.548)
Owner Rep × Post	0.602	6.601***
	(0.995)	(1.473)
Reader Dem × Post	1.139	0.178
	(1.288)	(1.684)
Reader Rep × Post	2.113**	-0.406
	(0.929)	(1.226)
cluster	Newspaper	Newspaper
fixed effects	Newspaper-Event	Newspaper-Event
controls	Y	Y
events	Positive	Negative
N obs	18540	55620
F stat	2.005	17.73
adj. R2	0.0202	0.0601

Standard errors in parentheses
* $p < .10$, ** $p < .05$, *** $p < .01$

Table 6: Owners' Attention to Human Rights of China

Note: This table lists the results of Equation 2a for 5 positive (Column 1) and 1 negative (Column 2) China-initiated events. The list of events can be found in Table 6. Standard errors are clustered at the newspaper level and listed in the brackets.

8 Implications for Public Opinions

8.1 Sentiment towards China

How is human rights coverage related to changes of readers' attitude towards China? Without survey data on the attitudes of newspapers' readers, I use the Cooperative Congressional Election Survey (CCES) from 2018 to 2019 and aggregate respondents' attitudes to construct the county-level average support for sanctions on China for each year. I define the *exposure* to slanted coverage based on respondents' counties of residence. I analyze the correlation between the *exposure* to slanted coverage and the changes of public attitudes towards tariffs on China.

The main variable of interest — the change of public support for "China-bashing" policy — is constructed as follows. The variable that captures this attitude is obtained from the following survey question: "on the issue of trade, do you support or oppose the following proposed tariffs? $50 billion worth of tariffs on goods imported from China. 1 Support 2 Oppose". Observations are averaged at the county-level. For each year, the number of respondents representing a county ranges from 1 to 1148. To ensure enough representation, I keep only 244 counties where more than 40 respondents resided. Nevertheless, to avoid setting an ad hoc limit, I use the full sample with each county weighted by the number of respondents.

Is higher exposure to human rights coverage associated with an increase of public support for imposing tariffs on China? Equation 8 is estimated with a county-year panel data. For county c when the survey was conducted, $\Delta SupportSanction_{ct}$ measures the change of public support for sanctions from the *end* of year $t-1$ to the *end* of year t. $HumanRightsCoverage_{ct}$ captures how much negatively slanted media coverage of China individual i in county c is exposed throughout year t. This is measured by the sum of human rights coverage across year t[21] of all local newspapers circulated in the county c in year t.

The set of controls Z_{ct} includes county-level characteristics, such as the county's exposure of tariffs, support for Trump, average income, average age, race, ethnicity groups and state fixed effects. To address the potential concern that respondents' traits changed from year to year, Z_{ct} also contains the individual-level average personal traits of respondents, including voting choice in 2016, ideological preferences, age, education and family income level. A year fixed effect is included.

$$\Delta SupportSanction_{ct} = \beta_0 + \beta_1 HumanRightsCoverage_{ct} + \gamma Z_{ct} + \alpha_t + u_{it} \tag{8}$$

At county-level, higher exposure to human rights coverage is associtaed with an increase of public support for "China-bashing" trade policy. Table 7 lists the results. Without adding controls, more slanted coverage is uncorrelated with an increase of public support for tariffs on Chinese goods within a county. However, the correlations becomes positive when county-level characteristics are incorporated. The positive correlation remains when average respondents' personal traits are further included, despite the change of magnitude and the reduction of significance[22]. Finally, this result persists using

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[21]More accurately, it is measured by the sum of human rights coverage across year t up to Nov each year when the survey was conducted and finished.

[22]The changes of magnitude and significance of β_1 after incorporating county-level average personal traits indicate that the respondents' personal traits may systematical differ across counties and is an important factor to determine their attitudes. To address this concern, I first regress respondents' attitudes on various respondents' personal traits and construct the county-level average attitude using the residuals. Column 5 of Table A28 in the Appendix shows that the

the full sample weighted by the number of respondents.

	Δ Support for Sanctions on China			
	(1)	(2)	(3)	(4)
HumanRights(Intensity)	0.00342	0.0198***	0.0104*	0.0151***
	(0.00640)	(0.00522)	(0.00612)	(0.00404)
cluster		State	State	State
controls		County-level	Personal&County-level	County-level
fixed effects		State	State	State
weighting	N	N	N	Y
N obs	231	231	231	2154
adj. R2	0.0205	0.295	0.433	0.0441

Standard errors in parentheses

* $p < .10$, ** $p < .05$, *** $p < .01$

Table 7: Correlation of Slanted Coverage and Public Support for Sanctions on China
Note: This table lists results of estimation of equation 8. The dependent variable correponds to the following question from the CCES: "On the issue of trade, do you support or oppose the following proposed tariffs? $50 billion worth of tariffs on goods imported from China. 1 Support 2 Oppose". The 2018 and 2019 survey data was retrieved in November, 2018 and November, 2019 respectively. The construction of the $HumanRightsCoverage_{ct}$ is the summation of fraction of human rights text contained in China-mentioned articles, published on all local newspapers that cover the county c from January, 2018 to November, 2018 for the 2018-wave, and December 2018 to November 2019 for the 2019-wave. Column 2 includes the following enviromental characteristics, including the county's exposure of tariffs, support for Trump, average income, average age, fraction of white, fraction of college degree holders, and state fixed effects. Environmental variables are logarithmized. Column (3) further controls the averaged respondents' traits: voting choice in 2016, ideological preferences, age, education, and family income level. Column 3 further incorporates enviromental characteristicsA year fixed effect is included. Column 4 uses the full sample weighted by the number of respondents resided in each county.

The result can only be interpreted to the extent of a correlation. The major challenge to extend to a causal interpretation is the omitted variable bias. Intuitively, slanted coverage about China can be correlated with coverage about the trade war progress. As a placebo test, I construct a measure to capture the *exposure* to trade-related topics and examine if including this trade coverage will eliminate the significance of β_1. Evidence listed in Table A28 shows that this coverage will not affect the positive significance of β_1.

Note that the coefficient of interest reflect the correlation of the exposure to human rights coverage on the attitudes of survey respondents, who is only known to *reside* in the place where newspapers were circulated. They are not necessarily the readers of any of these newspapers. This implies that the coefficient can be underestimated if readers' attitudes are analyzed.

8.2 Approval for Trump

Meanwhile, human rights coverage in general is associated with an increase public approval for then President Trump. The construction of change of public attitudes towards Trump follows the same logic as that in the previous section, using the data corresponding to the following question in the CCES: "do you approve or disapprove of the way each is doing their job... ([former] President Trump) 1 Strongly approve 2 Somewhat approve 3 Somewhat disapprove 4 Strongly disapprove 5 Not sure". The empirical strategy follows as well.

Suggested by Table 8, after controlling for both individual and enviromental characteristics, more human rights coverage is associated with an increase of public approval for Trump. Again, the biggest

results still remains with this alternative measure.

challenge to make a causal inference is the potential omitted variable bias: content about China can be correlated with other coverage that might alter public attitudes towards China. Table A29 in the Appendix shows that including trade-related coverage does not undermine the positive correlation.

	Δ Job Approval for Trump			
	(1)	(2)	(3)	(4)
HumanRights(Intensity)	0.0227	0.0478***	0.0339**	0.0597***
	(0.0185)	(0.0119)	(0.0153)	(0.0132)
cluster		State	State	State
controls		County-level	Personal&County-level	County-level
fixed effects		State	State	State
weighting	N	N	N	Y
N obs	231	231	231	2159
adj. R2	0.0135	0.128	0.263	0.0144

Standard errors in parentheses

$^{*}\ p < .10,\ ^{**}\ p < .05,\ ^{***}\ p < .01$

Table 8: Correlation of Slanted Coverage on Approval for Trump

Note: This table lists results of estimation of Equation 8. The dependent variable correponds to the following question from the CCES: "Do you approve or disapprove of the way each is doing their job... ([former] President Trump) 1 Strongly approve 2 Somewhat approve 3 Somewhat disapprove 4 Strongly disapprove 5 Not sure". This measures is normalized such that 0 represents for "Not sure" and -2 represents for "Strongly disapprove". The 2018 and 2019 survey data was retrieved in November, 2018 and November, 2019 respectively. The construction of the $HumanRightsCoverage_{ct}$ is the summation of fraction of human rights text contained in China-mentioned articles, published on all local newspapers that cover the county c from January, 2018 to November, 2018 for the 2018-wave, and December 2018 to November 2019 for the 2019-wave. Column 2 incorporates enviromental characteristics, including the county's exposure of tariffs, support for Trump, average income, average age, fraction of white, fraction of college degree holders, and state fixed effects. Environmental variables are logarithmized. Column 3 further includes the following averaged personal traits: voting choice in 2016, ideological preferences, age, education, and family income level. A year fixed effect is included. Column 4 uses the full sample weighted by the number of respondents resided in each county.

9 Discussion

This paper sheds light on two dimensions. First, stock market reactions are used to facilitate the selection of events that carry new information. Second, using local media responsiveness in a very short time around macroeconomic events, an owner-driven mechanism is highlighted. This section discusses the two dimensions in details. I discuss the reasons why an owner-driven mechanism outstands the overwhelming evidence on demand-driven mechanism. I then discuss the external validity of applying this event-selection algorithm on other studies.

9.1 Event study algorithm

The selection procedure for exogenous and salient events is based on the efficient market hypothesis, of which the validity is of significant importance to justify the exogeneity of events. Efficient market hypothesis states that share prices reflect all information. To rephrase it using the *change of share prices* rather than prices, the efficient market hypothesis can be expressed as follows: *"Stock market price change cannot be predicted"*. Intuitively, if share prices on day t already reflect all preexisting knowledge up to time t, and the financial price on time $t + \Delta t$ reflects information up to day $t + \Delta t$, then the change of price from t to $t + \Delta t$ contains the information on day $t + \Delta t$, which is, by

definition, the news on $t + \Delta t$ (Timmermann and Granger, 2004). The dispute on its validity is systematically examined in Malkiel, 2003, which concludes that the stock markets are more efficient and less predictable than what critics believe.

To confirm its validity in this specific research framework, I test if stock market reactions can be predicted or not. Testing all omitted trends is obviously impossible, but for the necessity of addressing reverse causality, testing if media slant can drive stock market price is enough. Compared with local newspapers, nationally distributed media outlets have more power to trigger financial volatility, either because of their higher efficiency in dispersing relevant information or their potential power to induce government's policy change. I thus exercise a Granger Causality test on each national media outlet, testing two following hypotheses: i) media slant about China does not predict stock market reactions; ii) stock market reactions do not predict media slant about China.

	Media slant does not predict stock price changes		Stock price changes do not predict media slant	
	Returns	Volatility	Returns	Volatility
Fox News	1.1771	0.5020	0.0466	0.0822
The New York Times	1.1329	0.3288	0.2975	0.3355
The Wall Street Journal	0.6499	0.7780	0.6522	2.1170*
Los Angeles Times	0.4783	0.5782	1.0106	0.1991
The Washington Post	1.5091	0.1055	1.1821	0.8814
ABC	0.4819	0.3722	1.4185	0.9881
CNN	0.4911	1.2377	0.3312	2.5055**
New York Post	0.4078	0.6913	1.5278	1.7737

* $p < .10$, ** $p < .05$, *** $p < .01$

Table 9: Predictability of Stock Market Price by Media Slant

Note: This table displays the F statistics of Granger Causality tests, using the average abnormal returns and the absolute values of average abnormal returns as measures of stock market return and volatility respectively. Order for this Granger test is assigned to be 4 days, consistent with the baseline window length. Two null hypotheses are tested: i) Media slant about China does not predict stock market reactions; ii) Stock market reactions do not predict media slant about China. I measure the media coverage of human rights and trade content with the same sets of keywords used to measure coverage of local newspapers and the same method. For trade-war-related coverage, see Table A30 in Appendix.

I cannot reject the null hypothesis that media slant predicts stock price coverage among any of these media organizations. On the contrary, some evidence shows that media slant may follow stock market volatility. Table 9 displays the F-statistics of the Granger Causality test on each national newspaper. Given the F-stats, I cannot reject that media slant on any of these media organization can predict stock market reactions. Meanwhile, some evidence suggests that human rights coverage on the CNN and the *Wall Street Journal* can be predicted by the stock market jumps. Generally speaking, I find little evidence on media slant reversely causing abnormal financial mobility.

While testing the predictive power of *any* omitted trends is impossible, Google Trends makes it possible to test at least some highly relevant trends: the change of public attention to aspects of China. Without an accurate measure of public attention, I use Google Trends of relevant keywords as a proxy. I collect Google Trends searching intensity data for the following three topics: i) human rights and nondemocratic governance from the perspectives of Western societies; ii) trade war; iii) China. Table 10 shows the results. I find no evidence on the predictability of financial reactions by Google Trends of any of the three topics. Also, there is little evidence on Google Trends following stock market reactions.

	Google Trends do not predict stock price changes		Stock price changes do not predict Google Trends	
	Returns	Volatility	Returns	Volatility
Human Rights	1.3493	0.7889	0.2364	0.5847
Trade War	0.4002	1.1120	0.4441	1.4676
China	0.5364	2.0124	1.0564	0.1662

* $p < .10$, ** $p < .05$, *** $p < .01$

Table 10: Predictability of Stock Market Price by Google Trends

Note: This table displays the F statistics of Granger Causality tests, using the average abnormal returns and the absolute values of average abnormal returns as measures of stock market return and volatility respectively. Order for this Granger test is assigned to be 4 days, consistent with the baseline window length. Two null hypotheses are tested: i) Google Trends do not predict stock market reactions; ii) stock market reactions do not predict Google Trends. Google Trends are extracted using three sets of keywords: 1) keywords about human rights issues of China and nondemocratic features of China's governance from the Western perspectives 2) keywords about China's trade war 3) "China". Seasonality of Google Trends has been deleted by removing the weekday fixed effects.

9.2 Readers vs Owners

One major contribution of this paper is to illustrate a possible owner-driven mechanism, in contrast to the existing overwhelming evidence on the role of readers' preferences. How to reconcile this discrepancy? In this section, I discuss and present evidence to account for this discrepancy of roles played by readers versus owners on determining media slant, taking the results from Shapiro and Gentzkow as a benchmark. There are at least four possibilities why such difference exists. All these possibilities are compatible to allow coexistence. Note that all the papers cited below use media outlets in the United States as objects of study.

Firstly, media coverage on topics directly related to foreign countries may be determined by an editorial decision-making process that is different from that about coverage of domestic topics. On foreign issues, compared with domestic issues, the general public is likely to hold a ambiguous or weak stance and poorer prior knowledge, and also is less likely to pay attention. Therefore, catering to readers on foreign issues is less effective on building reputation than on domestic issues. However, some other evidence suggests that whether the topics are domestic or international may not be an essential root for this difference. Larcinese et al., 2011 documents an agenda bias on domestic economic conditions.

The second possibility is the period of study. While the Gentzkow and Shapiro's main conclusion was drawn using data comprised of news publised in 2005, this paper exploits media publications in 2018 to 2019. At least two aspects could have changed over these years: market condition and polarization. From 2005 to 2019, many media outlets tend to be sold to billionaires who might seek for more political influence (Hooker, 2018). Besides, the United States has witnessed an increasing trend of polarization over the last decades (Center, 2014; Martin and Yurukoglu, 2017). As the dichotomy between the conservative and the liberal grows, the severity of debates might also rises, in the way that it might stimulate the media owners to express their views on issues even unrelated to ideology per se. That being said, despite the evolution of market conditions and polarization, evidence on owners' imposing influence on media coverage straddles centuries. (Ottinger and Winkler, 2020; Larcinese et al., 2011)

Third, all the above papers mentioned suggest the importance of matching preferences of readers and owners with topics of media coverage. Combining Larcinese et al., 2011; M. Gentzkow and Shapiro, 2010; Ottinger and Winkler, 2020, it is possible that owners' political stance does not directly influence partisan lexical usage, but rather topics that are equivocally related to partisan differences, such as

economic conditions, racial conflicts, and foreign issues.

Last but not least, the difference can be rooted in the definition of media slant. While most research adopts a cumulative measure of media slant, using news coverage over a sufficiently long time span, mine is based on media responsiveness in a very short time (9 days). Short-term editorial decision may vastly differ from a long-term one. The most compelling reader-driven mechanism, built by Gentzkow and Shapiro, is essentially a reputation-builidng behavior of media, which is naturally relevant more in the long run than in the short run. In contrast, mechanisms proposed for agenda-setting/building behaviors can work intuitively both in the long run and in the short run.

10   Conclusion

This paper examines a type of media slant: media slant about foreign countries. Using the Sino-US trade conflict, I inspect the negatively slanted about China, measured by the intensity of coverage on China's human rights issues and nondemocratic features of Chinese governance from Western perspectives, in local U.S. newspapers. This media slant is itself of importance, as it may contribute to the growing anti-China sentiment across the United States. Moreover, it is a new definition based on media responsiveness within a very short time (9 days) following trade war events, which can shed new light on the role of owners and readers in determining media slant.

In this paper, I document an important role played by the media owners in determining this media slant. Specifically, effectively, Republican-leaning owners are significantly more likely to alter their coverage of human rights issues in ways that support the current U.S. administration's attitude towards China. By contrast, Democratic-leaning owners tend to emphasize human rights issues in ways that oppose the U.S. administration's attitude. Regarding the role of readers' preferences in determing media slant, I find that the above justification for or opposition to the incumbent U.S. Administration is attentuated when readers' and owners' disagree ideologically. This evidence support less the satisifaction mechanism described by M. Gentzkow and Shapiro, 2010, but rather support more the idea of persuasion: owners effectively feed information to readers who do not agree with them. This pattern is mostly intuitively explained by the a voluntary justification or opposition of the policy issued by the Trump Administration, yet an imposition of owners' attitutde towards China (not Trump) is also possible.

On the consequence of intensive negative coverage about China, with the Corporative Congressional Election Survey (Schaffner and Ansolabhere, 2019; Schaffner et al., 2019) data, I find that respondents resided in counties where circulated newspapers cover more intensitively about China's human rights records tend to support "China-bashing" trade policy.

This paper can be extended in at least two ways. First, this paper does not speak clearly about the intention behind. Szeidl and Szucs, 2021 has recorded a pro-governmental reporting of political scandals due to both ideological alignment and business connection. In this context, one need to collect data on business connections between media firms and the Trump Administration (or Donald Trump personally) to distinguish ideological preferences from business connections.

Second, this paper could be extended by exploiting a change of presidency. This exercise will help extend the results to an alignment with or opposition to the incumbency, rather than the Trump Administration. Specifically, the same analysis can be applied to the successor - the Biden Administration, and an opposite pattern is expected. However, one must overcome several challenges to

replicate this exercise using post-2019 data. First, during the Biden Administration, China-related diplomatic events are highly associated with Chinese human rights record. Second, the tariff policy is much inherited from the Trump Administration, meaning that updates of trade policy might suggest less wills of the incumbent government. Third, the Biden Administration overlaps the outbreak of Covid-19, which might alter either the public sentiment towards China or news coverage about China, or both. These features of the Biden-period China policy less comparable with that during the Trump Administration.

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10/world/asia/us-china-sanctions-muslim-camps.html?action=click&module=Top%
20Stories&pgtype=Homepage

A   Quantify media content

The keywords are listed according to the subtopics of World Report 2018 and World Report 2019 about China, issued by the Human Rights Watch.

Human Rights Defenders quan*zhang*, human right*, human*right*, liu xiaobo*, nobel peace, jiang tianyong*, wu gan*, su changlan*, huang qi*, wei jingsheng, ming*che, joshua wong*, Activists missing, Gui minhai*, li wangyang*, wang meiyu*, Ji Sizun*, bian xiaohui*, cao haibo*, Cao shunli*, chang boyang*, chen bing*, Ai weiwei*, chen guangcheng*, chen jianfang*, chen kegui*, chen shuqing*, chen wei*, chen xi*, chen yunfei*, cheng yuan*, choedar*, nathan lo, lu guang*, nazi*, facism, Li Baiguang*, Jiang Tao, zhou fengsuo*, tiananmen, falun, cultural revolution*, human right*, tank*man, tank man.

Freedom of Expression censor*, propaganda, disinformation, state*run, great firewall*, freedom* of speech*, free speech*, repressive society*, Wall* off the Internet, kill* internet*, kill* the internet*, control* the internet, control* internet, control* info*, internet control*, great firewall*

Hong Kong pro-democracy, peaceful protest, freedom, erosion

Xinjiang/Freedom of Religion uighur*, uyghur*, uigure*, Uyghar*, detainee, detention, concentra* camp*, edu* camp*, re*edu* camp*, internment camp*, detention camp*, brainwash*, brain*wash*, xinjiang document*, crackdown on muslim*,crackdown on Islam*, xinjiang camp*, crackdown on religion*, crackdown religion, crackdownon religion, xinjiang camp*, muslim minorit*, mosque*, muslim*minorit*, muslim majorit*, major*muslim

Tibet dalai*

Womens and Girls Rights one-child policy

Governance communist*, communism*, authorita*, dictator*, soviet*, Mao, Maoist, Mao's, winnie*the*pooh, autocratic*, autocracy*, orwell*, winnie the pooh, pooh bear, term limit*, surveillance regime*, totalitar*, red china, red army, pro-democra*, socialis*, fascism, political prisoner*, red guard, Mao Zedong*, mao tse tung*, mao tse*tung*, great leap forward.

These keywords mark 8587 articles about China's human rights issues or nondemocratic governance from the Western perspective, out of 71840 total number of articles that mention China in the title or the leading paragraph. Additional, to calculate the intensity, I further incorporate the following keywords:

Complementary Keywords savage, massacre*, victim, dark cloud, poverty, free, freedom, red flag, miseducated, stupid, genocid*, emperor*, slave*, prosecut*, persecut*, tortur*, dalai*, free*, coercive, murder*, starv*, detain*, detention, interrogat*, death*, protest*, arrest*, suppress*, repress*, oppress*, starv*, minorit*, majorit*, discriminat*, dalai, crackdown, crack* down, liberty*, cult, *democratic, *democracy, erosion, bullies, corrupt, evil, devil, cruelty, fear, ordeal, burn* bible*, destroy* bible*, Joint Declaration, ruthless, activist*, anarchy, arbitrary arrest*, abuse*, extrajudicial, imprison*, disappearance*, hostage, social* credit*, havoc ,wreak*, unhealth*, controvers*, hypocrisy, emperor*"

Note that these keywords will only be used to calculate coverage intensity when an article is marked about human rights issues.

To measure the trade war coverage, the following keywords are used:

Trade War auto tax, fentanyl, trade deficit*, Liu He*, trade*, Lighthizer*, Mnuchin*, Steven Mnuchin*, Trade Representative*, Treasury Secretary*, ZTE, telecom* giant*, tiktok, negotiat*, soybean*, tariff*, WTO, anti*satellite, Huawei, trade war, trade truce, truce, bilateral talk, cyberespionage
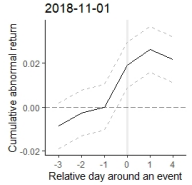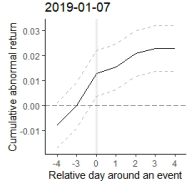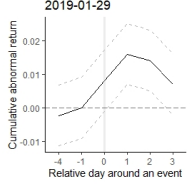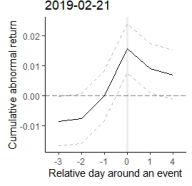
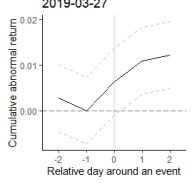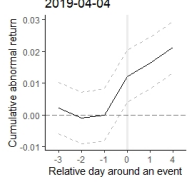# B Events

Date	Event Description	CAR
1nov2018	Former President Donald Trump has a "long and very good" conversation with Chairman Xi. Regarding this conversation, Trump tweets "We talked about many subjects, with a heavy emphasis on trade. Those discussions are moving along nicely with meetings being scheduled at the G-20 in Argentina."	
7jan2019	U.S. and China engage in 3-day trade talks in Beijing from Jan 7 to 9. Both sides have agreed to continue to keep in close contact.	
29jan2019	From Jan 30th to 31st, U.S. and China hold 2-day trade talks in Washington D.C. Trump announces that he will meet with Xi inperson in February.	
21feb2019	U.S. and China hold trade talks in Washington during Feb 21st to 24th. Trump extends tariff deadline.	
27mar2019	U.S. and China hold trade talks in Beijing during Mar 28th to 29th.	
4apr2019	U.S. and China hold trade talks in Washington. Negotiators from both sides agree to continue talks the following week.	

Table A11: Positive Events

Note: This table lists all the positive events. Description of events are extracted from "The US-China Trade War: A Timeline", n.d. Cumulative abnormal returns around each return is constructed by the estimation of Equation **??** and Equation 4. The horizontal axis denotes the relative day around the events, ranging from -4 to 4. Some days are dropped due to missing observations. For each point, the 90% confidence interval is plotted. The standard deviation is constructed using abnormal returns throughout 2018 and 2019.
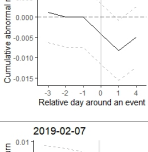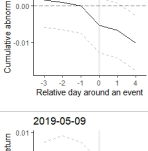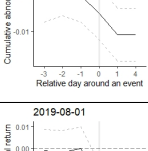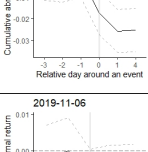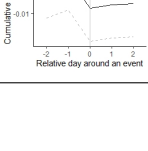
Date	Event Description	CAR
16apr2018	U.S. department of Commerce concludes that Chinese telecom company ZTE voilated U.S. sanctions. U.S. companies are banned from doing business with ZTE for seven years. Trump claims that China is devaluating its currency as U.S. keeps raising interest rates.	
2may2018	U.S.-China engage in trade talks in Beijing. U.S. demands that China reduce the trade gap by $200 billion within two years.	
1aug2018	The USTR, at the direction of Trump, considers a 25 percent tariff rather than a 10 percent one on List 3, which was originally announced on July 10, 2018.	
22aug2018	U.S. and Chinese mid-level representatives meet from Aug 22nd to 23rd.	
8nov2018	U.S. accuses China of violating bilateral antihacking deal.	
7feb2019	Trump says he will not meet with Xi before trade deal deadline.	
9may2019	U.S. increases tariff from 10 percent to 25 percent. Trump threatened to raise tariffs on May 5th, and on May 9th, Customs published an annoucement claiming that the increase of tariffs would be implemented the very next day as scheduled.	
1aug2019	Trump says that U.S. would impose 10 percent tariffs on another US$300 billion of Chinese goods starting September 1.	
6nov2019	US and China talk tariff rollback.	

Table A12: Negative Events

Note: This table lists all the negative events. Description of events are extracted from "The US-China Trade War: A Timeline", n.d. Cumulative abnormal returns around each return is constructed by the estimation of Equation **??** and Equation 4. The horizontal axis denotes the relative day around the events, ranging from -4 to 4. Some days are dropped due to missing observations. For each point, the 90% confidence interval is plotted. The standard deviation is constructed using abnormal returns throughout 2018 and 2019.
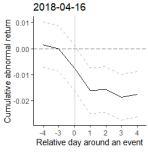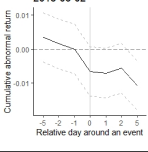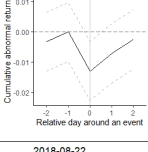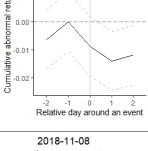
Date	Event Description	CAR
25apr2018	China accepts the invitation from the U.S. to talk over the WTO.	
18may2018	Chinas Commerce Ministry announces that it will stop tariffs on US sorghum at negotiations.	
10aug2018	US Navy plane is warned by over South China Sea to "leave immediately".	
2oct2018	American and Chinese warships narrowly avoid high-seas collision.	
13may2019	China announces tariff hikes on U.S. products, and meanwhile China launches tariff exemption system. Three days later, US places Huawei on its 'entity list', banning it from purchasing from US companies.	
2jun2019	China announces the release of a white paper. The white paper denounces US unilateral and protectionist measures, criticizes its backtracking on Sino-US trade talks, and demonstrates China's stance on trade consultations and the pursuit of reasonable solutions.	
21oct2019	China asks the WTO for $2.4 billion sanctions against the USA.	

Table A13: China-initiated events

Note: This table lists all the China-initiated events. Description of events are extracted from "The US-China Trade War: A Timeline", n.d. Cumulative abnormal returns around each return is constructed by the estimation of Equation **??** and Equation 4. The horizontal axis denotes the relative day around the events, ranging from -4 to 4. Some days are dropped due to missing observations. For each point, the 90% confidence interval is plotted. The standard deviation is constructed using abnormal returns throughout 2018 and 2019.

Date	Event Description	CAR
29jun2019	Trade talks to restart, ban on Huawei relaxed.	
12aug2019	US delays tariffs on certain products and removes items from the list.	
30sep2019	Trump tweets "Congratulations to President Xi and the Chinese people on the 70th Anniversary of the Peoples Republic of China!", which is deemed as "congratulating China on 70 years of communist rule".	
11oct2019	US announces "Phase 1" deal, delays tariff increase for Chinese goods.	

Table A14: Events officially associated with human rights

Note: This table lists all the events officially associated with China's human rights records. Description of events are extracted from "The US-China Trade War: A Timeline", n.d. Cumulative abnormal returns around each return is constructed by the estimation of Equation **??** and Equation 4. The horizontal axis denotes the relative day around the events, ranging from -4 to 4. Some days are dropped due to missing observations. For each point, the 90% confidence interval is plotted. The standard deviation is constructed using abnormal returns throughout 2018 and 2019.
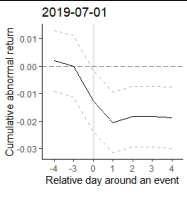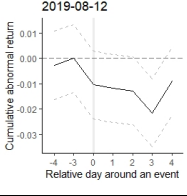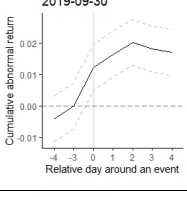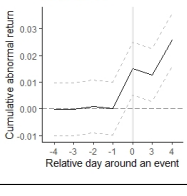
C Regression Tables

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
	HumanRights(Intensity)	HumanRights(Intensity)	HumanRights(Intensity)	HumanRights(Intensity)	HumanRights(Intensity)	HumanRights(Intensity)	HumanRights(Intensity)	HumanRights(Intensity)
Post	1.100***	1.024***	1.274**	5.541*	-0.923	1.973	-15.22	0.117
	(0.262)	(0.391)	(0.570)	(3.119)	(13.43)	(14.20)	(18.13)	(13.12)
Owner Dem × Post		1.571**	1.566**	1.635**	1.425**	1.394**	1.369*	1.881***
		(0.703)	(0.697)	(0.688)	(0.685)	(0.698)	(0.822)	(0.660)
Owner Rep × Post		-1.295**	-1.220**	-1.341**	-1.285**	-1.322**	-1.878***	-0.807*
		(0.522)	(0.525)	(0.530)	(0.514)	(0.554)	(0.667)	(0.430)
Reader Dem × Post			-0.116	-0.117	-0.188	-0.337	0.294	0.167
			(0.923)	(0.919)	(1.041)	(1.074)	(1.311)	(1.018)
Reader Rep × Post			-0.610	-0.591	-0.371	-0.283	-0.236	-0.129
			(0.533)	(0.535)	(0.565)	(0.581)	(0.660)	(0.542)
Post × Log Mean Income					0.102	-0.191	1.426	-0.0412
					(1.277)	(1.348)	(1.725)	(1.241)
Post × Exposure to Export Tariffs					-9.370	-10.59	-8.006	-10.81
					(12.65)	(12.88)	(16.08)	(12.43)
Post × Exposure to Import Tariffs					35.33	29.66	49.14	34.39
					(29.09)	(31.14)	(37.54)	(25.32)
Post × Share of College Degree Holders					0.0240	0.0438	-0.00955	0.0338
					(0.0752)	(0.0788)	(0.0939)	(0.0751)
cluster	Newspaper-Event&Day	Newspaper-Event&Day	Newspaper-Event&Day	Newspaper-Event&Day	Newspaper-Event&Day	Newspaper-Event&Day	Newspaper-Event&Day	Newspaper-Event&Day
fixed effects	Newspaper-Event&Day	Newspaper-Event&Day	Newspaper-Event&Day	Newspaper-Event&Day	Newspaper-Event&Day	Newspaper-Event&Day	Newspaper-Event&Day	Newspaper-Event&Day
controls	N	N	N	N	Y	Y	Y	Y
drop event day	N	N	N	N	N	Y	N	N
drop papers discussing China the most	N	N	N	N	N	N	N	Y
drop papers never discussing China	N	N	N	N	N	N	Y	N
N obs	55728	55728	55728	55728	55728	49536	44658	54540
F stat	45.23	15.13	11.50	3.629	7.403	6.745	7.365	7.007
adj. R2	0.0282	0.0286	0.0286	0.0303	0.0286	0.0280	0.0290	0.0324

Standard errors in parentheses
* $p < .10$, ** $p < .05$, *** $p < .01$

Table A15: Media Reaction on Positive Trade Events

s *Note:* Equation 2a is estimated with 6 positive events listed in Table A11. The dependent variable, the fraction of text about human rights, has been multiplied by 10,000 for illustration purposes. Main regressors of interest are the indicators for owner being Republican-leaning and Democratic-leaning. Control variables include readers' political stance, mean income (logged), exposure to import and export tariffs, share of college degree holders and number of newspapers owned by a media company. Standard errors are clustered at newspaper-level. To test robustness of results, Column 4 controls daily fixed effects to exclude the effect from national trend, Column 6 drops observations on the day when the events took place, Column 7 drops newspapers that cover China the least and Column 8 drops those papers that cover China the most.

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
	HumanRights(Intensity)	HumanRights(Intensity)	HumanRights(Intensity)	HumanRights(Intensity)	HumanRights(Intensity)	HumanRights(Intensity)	HumanRights(Intensity)	HumanRights(Intensity)
Post	0.124	0.301	0.922*	-7.126***	50.27***	55.55***	74.73***	46.74**
	(0.266)	(0.359)	(0.502)	(2.370)	(19.04)	(19.96)	(26.33)	(18.76)
Owner Dem × Post		-1.709***	-1.656***	-1.615***	-2.168***	-2.533***	-2.391***	-1.679***
		(0.632)	(0.620)	(0.617)	(0.680)	(0.732)	(0.802)	(0.616)
Owner Rep × Post		1.292**	1.305**	1.179*	1.169*	0.961	1.682**	1.145*
		(0.615)	(0.642)	(0.646)	(0.658)	(0.672)	(0.802)	(0.617)
Reader Dem × Post			-1.925**	-1.934**	-1.489	-1.596	-2.014	-2.204**
			(0.945)	(0.946)	(1.040)	(1.113)	(1.328)	(1.011)
Reader Rep × Post			-0.791	-0.772	-0.749	-0.664	-0.987	-0.733
			(0.564)	(0.564)	(0.569)	(0.605)	(0.673)	(0.517)
Post × Log Mean Income					-4.676***	-5.159***	-6.941***	-4.356**
					(1.774)	(1.864)	(2.451)	(1.745)
Post × Exposure to Export Tariffs					-12.47	-15.05	-15.16	-13.70
					(15.01)	(16.44)	(19.15)	(14.81)
Post × Exposure to Import Tariffs					-43.72	-46.51	-55.92	-38.01
					(34.08)	(38.32)	(43.83)	(32.65)
Post × Share of College Degree Holders					0.181**	0.199**	0.243**	0.189**
					(0.0811)	(0.0870)	(0.102)	(0.0790)
cluster	Newspaper	Newspaper	Newspaper	Newspaper	Newspaper	Newspaper	Newspaper	Newspaper
fixed effects	Newspaper-Event&Day	Newspaper-Event&Day	Newspaper-Event&Day	Newspaper-Event&Day	Newspaper-Event&Day	Newspaper-Event&Day	Newspaper-Event&Day	Newspaper-Event&Day
controls	N	N	N	N	Y	Y	Y	Y
drop event day	N	N	N	N	N	Y	N	N
drop papers discussing China the most	N	N	N	N	N	N	N	Y
drop papers never discussing China	N	N	N	N	N	N	Y	N
N obs	92880	92880	92880	92880	92880	82560	74430	90900
F stat	103.2	36.18	27.75	5.300	17.72	15.60	17.69	15.09
adj. R2	0.0458	0.0460	0.0461	0.0491	0.0462	0.0450	0.0469	0.0536

Standard errors in parentheses
* $p < .10$, ** $p < .05$, *** $p < .01$

Table A16: Media Reaction on Negative Trade Events

Note: Equation 2a is estimated with 10 negative events listed in Table A12. The dependent variable, the fraction of text about human rights, has been multiplied by 10,000 to for illustration purposes. Main regressors of interest are the indicators for owner being Republican-leaning and Democratic-leaning. Control variables include readers' political stance, mean income (logged), exposure to import and export tariffs, share of college degree holders and number of newspapers owned by a media company. Standard errors are clustered at newspaper-level. To test robustness of results, Column 4 controls daily fixed effects to exclude the effect from national trend, Column 6 drops observations on the day when the events took place, Column 7 drops newspapers that cover China the least and Column 8 drops those papers that cover China the most.

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
	HumanRights(Count)	HumanRights(Count)	HumanRights(Count)	HumanRights(Count)	HumanRights(Count)	HumanRights(Count)	HumanRights(Count)	HumanRights(Count)
Post	0.881	1.569*	1.887*	0.993	55.54	59.46*	70.70	37.43
	(0.600)	(0.802)	(1.103)	(4.263)	(34.63)	(36.06)	(49.14)	(32.15)
Owner Dem × Post		1.166	1.185	1.227	1.152	1.031	1.377	1.662
		(1.314)	(1.313)	(1.320)	(1.477)	(1.474)	(1.837)	(1.337)
Owner Rep × Post		-2.737**	-2.746*	-2.843**	-2.696*	-2.207	-3.257	-2.285**
		(1.394)	(1.449)	(1.438)	(1.619)	(1.694)	(2.009)	(1.120)
Reader Dem × Post			-0.995	-0.993	-0.594	-1.067	-0.568	0.235
			(1.905)	(1.903)	(2.005)	(2.041)	(2.623)	(1.748)
Reader Rep × Post			-0.381	-0.367	0.435	0.283	0.696	1.349
			(1.334)	(1.335)	(1.286)	(1.334)	(1.540)	(1.158)
Post × Log Mean Income					-5.407*	-5.790*	-6.921	-3.817
					(3.272)	(3.390)	(4.627)	(3.053)
Post × Exposure to Export Tariffs					14.00	8.296	23.91	10.51
					(28.43)	(27.89)	(36.94)	(26.24)
Post × Exposure to Import Tariffs					101.6	72.09	138.4	105.5*
					(71.68)	(73.36)	(93.33)	(57.81)
Post × Share of College Degree Holders					0.301*	0.338*	0.377*	0.290*
					(0.177)	(0.176)	(0.227)	(0.164)
cluster	Newspaper	Newspaper	Newspaper	Newspaper	Newspaper	Newspaper	Newspaper	Newspaper
fixed effects	Newspaper-Event	Newspaper-Event	Newspaper-Event	Newspaper-Event&Day	Newspaper-Event	Newspaper-Event	Newspaper-Event	Newspaper-Event
controls	N	N	N	N	Y	Y	Y	Y
drop event day	N	N	N	N	N	N	N	N
drop papers discussing China the most	N	N	N	N	N	N	Y	N
drop papers never discussing China	N	N	N	N	N	N	N	Y
N obs	55728	55728	55728	55728	55728	49536	44658	54540
F stat	90.03	30.43	23.15	4.738	14.73	13.47	14.72	11.35
adj. R2	0.0780	0.0782	0.0782	0.0796	0.0782	0.0790	0.0789	0.0758

Standard errors in parentheses
* $p < .10$, ** $p < .05$, *** $p < .01$

Table A17: Media Reaction on Positive Trade Events

Note: Equation 2a is estimated with 6 positive events listed in Table A11. The dependent variable, the number of articles mentioning Chinese human rights issues, has been multiplied by 1,000 for illustration purposes. Main regressors of interest are the indicators for owner being Republican-leaning and Democratic-leaning. Control variables include readers' political stance, mean income (logged), exposure to import and export tariffs, share of college degree holders and number of newspapers owned by a media company. Standard errors are clustered at newspaper-level. To test robustness of results, Column 4 controls daily fixed effects to exclude the effect from national trend, Column 6 drops observations on the day when the events took place, Column 7 drops newspapers that cover China the least and Column 8 drops those papers that cover China the most.

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
	HumanRights(Count)	HumanRights(Count)	HumanRights(Count)	HumanRights(Count)	HumanRights(Count)	HumanRights(Count)	HumanRights(Count)	HumanRights(Count)
Post	-0.211	-1.006	-0.432	-13.13***	86.07**	88.90**	129.7**	70.23*
	(0.556)	(0.759)	(1.040)	(3.972)	(38.23)	(39.81)	(53.86)	(36.96)
Owner Dem × Post		-2.359*	-2.306*	-2.147*	-2.744**	-1.940	-3.004*	-1.748
		(1.238)	(1.228)	(1.215)	(1.378)	(1.421)	(1.640)	(1.305)
Owner Rep × Post		5.029***	5.032***	4.788***	4.916***	5.399***	6.354***	5.506***
		(1.410)	(1.475)	(1.480)	(1.523)	(1.544)	(1.858)	(1.351)
Reader Dem × Post			-1.861	-1.884	-1.284	-0.751	-1.903	-1.582
			(1.713)	(1.716)	(1.882)	(1.967)	(2.365)	(1.767)
Reader Rep × Post			-0.695	-0.654	-0.243	-0.326	-0.537	-0.111
			(1.271)	(1.272)	(1.265)	(1.284)	(1.504)	(1.114)
Post × Log Mean Income					-8.117**	-8.283**	-12.19**	-6.712*
					(3.594)	(3.749)	(5.050)	(3.470)
Post × Exposure to Export Tariffs					-31.63	-45.29	-37.85	-32.00
					(28.29)	(29.95)	(36.32)	(26.92)
Post × Exposure to Import Tariffs					-77.29	-93.06	-101.2	-49.25
					(67.42)	(71.69)	(86.86)	(59.01)
Post × Share of College Degree Holders					0.353**	0.365**	0.476**	0.367**
					(0.164)	(0.174)	(0.208)	(0.157)
cluster	Newspaper	Newspaper	Newspaper	Newspaper	Newspaper	Newspaper	Newspaper	Newspaper
fixed effects	Newspaper-Event	Newspaper-Event	Newspaper-Event	Newspaper-Event&Day	Newspaper-Event	Newspaper-Event	Newspaper-Event	Newspaper-Event
controls	N	N	N	N	Y	Y	Y	Y
drop event day	N	N	N	N	N	Y	N	N
drop papers discussing China the most	N	N	N	N	N	N	N	Y
drop papers never discussing China	N	N	N	N	N	N	Y	N
N obs	92880	92880	92880	92880	92880	82560	74430	90900
F stat	204.2	70.27	52.72	7.817	33.07	27.47	33.03	25.77
adj. R2	0.113	0.113	0.113	0.118	0.113	0.109	0.115	0.117

Standard errors in parentheses
* $p < .10$, ** $p < .05$, *** $p < .01$

Table A18: Media Reaction on Negative Trade Events

Note: Equation 2a is estimated with 10 negative events listed in Table A12plied by 1,000 for illustration purposes. Main regressors of interest are the indicators for owner being Republican-leaning and Democratic-leaning. Control variables include readers' political stance, mean income (logged), exposure to import and export tariffs, share of college degree holders and number of newspapers owned by a media company. Standard errors are clustered at newspaper-level. To test robustness of results, Column 4 controls daily fixed effects to exclude the effect from national trend, Column 6 drops observations on the day when the events took place, Column 7 drops newspapers that cover China the least and Column 8 drops those papers that cover China the most.

	(1) HumanRights(Intensity)	(2) HumanRights(Intensity)	(3) HumanRights(Intensity)	(4) HumanRights(Intensity)	(5) HumanRights(Intensity)	(6) HumanRights(Intensity)	(7) HumanRights(Intensity)	(8) HumanRights(Intensity)
Post	1.100*** (0.262)	1.072*** (0.257)	1.160*** (0.313)	0.591 (2.126)	1.451 (12.39)	4.354 (13.17)	-14.19 (17.86)	3.381 (12.05)
Post × Republican Owners (continous)		-3.424*** (0.812)	-3.312*** (0.793)	-3.473*** (0.774)	-3.216*** (0.783)	-3.176*** (0.839)	-3.843*** (0.933)	-3.155*** (0.758)
Post × Republican Readers (continous)			-0.299 (0.328)	-0.288 (0.326)	-0.159 (0.446)	-0.00895 (0.461)	-0.200 (0.559)	-0.236 (0.447)
Post × Log Mean Income					-0.117 (1.168)	-0.424 (1.240)	1.338 (1.686)	-0.291 (1.128)
Post × Exposure to Export Tariffs					-8.838 (12.57)	-10.17 (12.81)	-7.092 (16.03)	-10.17 (12.36)
Post × Exposure to Import Tariffs					37.21 (29.09)	32.00 (31.34)	47.83 (37.39)	34.87 (24.94)
Post × Share of College Degree Holders					0.0236 (0.0777)	0.0491 (0.0818)	-0.0138 (0.0969)	0.0237 (0.0768)
cluster	Newspaper	Newspaper	Newspaper	Newspaper	Newspaper	Newspaper	Newspaper	Newspaper
fixed effects	Newspaper-Event&Day	Newspaper-Event&Day	Newspaper-Event&Day	Newspaper-Event&Day	Newspaper-Event&Day	Newspaper-Event&Day	Newspaper-Event&Day	Newspaper-Event&Day
controls	N	N	N	N	Y	Y	Y	Y
drop event day	N	N	N	N	N	Y	N	N
drop papers discussing China the most	N	N	N	N	N	N	Y	N
drop papers never discussing China	N	N	N	N	N	N	N	Y
N obs	55728	55728	55728	55728	55728	49536	44658	54540
F stat	45.23	22.62	18.10	3.835	9.233	8.427	9.194	8.757
adj. R2	0.0282	0.0287	0.0287	0.0303	0.0286	0.0280	0.0290	0.0325

Standard errors in parentheses
* $p < .10$, ** $p < .05$, *** $p < .01$

Table A19: Media Reaction on Positive Trade Events

Note: Equation 2b is estimated with 6 positive events listed in Table A11. The dependent variable, the fraction of text about human rights, has been multiplied by 10,000 for illustration purposes. Main regressors of interest are continuous measures for owners political stance, captured by the fraction of political donations made to Republican entities. Control variables include readers' political stance, mean income (logged), exposure to import and export tariffs, share of college degree holders and number of newspapers owned by a media company. Standard errors are clustered at newspaper-level. To test robustness of results, Column 4 controls daily fixed effects to exclude the effect from national trend, Column 6 drops observations on the day when the events took place, Column 7 drops newspapers that cover China the least and Column 8 drops those papers that cover China the most.

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
	HumanRights(Intensity)	HumanRights(Intensity)	HumanRights(Intensity)	HumanRights(Intensity)	HumanRights(Intensity)	HumanRights(Intensity)	HumanRights(Intensity)	HumanRights(Intensity)
Post	0.124	0.181	0.0810	-8.014***	52.89***	56.55***	75.27***	54.56***
	(0.266)	(0.262)	(0.328)	(2.269)	(17.37)	(18.24)	(26.32)	(17.09)
Post × Republican Owners (continous)		3.488***	3.358***	3.177***	3.833***	4.126***	4.645***	3.339***
		(0.817)	(0.827)	(0.830)	(0.847)	(0.898)	(1.012)	(0.791)
Post × Republican Readers (continous)			0.334	0.350	0.369	0.544	0.493	0.473
			(0.358)	(0.358)	(0.440)	(0.475)	(0.551)	(0.433)
Post × Log Mean Income					-5.071***	-5.434***	-7.181***	-5.231***
					(1.621)	(1.712)	(2.457)	(1.593)
Post × Exposure to Export Tariffs					-14.49	-17.32	-16.32	-15.94
					(14.75)	(16.17)	(18.87)	(14.51)
Post × Exposure to Import Tariffs					-37.55	-40.38	-44.26	-29.13
					(34.18)	(38.26)	(43.80)	(32.90)
Post × Share of College Degree Holders					0.232***	0.256***	0.301***	0.245***
					(0.0817)	(0.0893)	(0.104)	(0.0801)
cluster	Newspaper-Event&Day	Newspaper-Event&Day	Newspaper-Event&Day	Newspaper-Event&Day	Newspaper-Event&Day	Newspaper-Event&Day	Newspaper-Event&Day	Newspaper-Event&Day
fixed effects	Newspaper-Event&Day	Newspaper-Event&Day	Newspaper-Event&Day	Newspaper-Event&Day	Newspaper-Event&Day	Newspaper-Event&Day	Newspaper-Event&Day	Newspaper-Event&Day
controls	N	N	N	N	Y	Y	Y	Y
drop event day	N	N	N	N	N	Y	N	N
drop papers discussing China the most	N	N	N	N	N	N	N	Y
drop papers never discussing China	N	N	N	N	N	N	Y	N
N obs	92880	92880	92880	92880	92880	82560	74430	90900
F stat	103.2	53.36	42.85	5.319	22.34	19.62	22.30	19.37
adj. R2	0.0458	0.0460	0.0460	0.0490	0.0461	0.0450	0.0469	0.0535

Standard errors in parentheses
* $p < .10$, ** $p < .05$, *** $p < .01$

Table A20: Media Reaction on Negative Trade Events

Note: Equation 2b is estimated with 10 negative events listed in Table A12. The dependent variable, the fraction of text about human rights, has been multiplied by 10,000 for illustration purposes. Main regressors of interest are continuous measures for owners political stance, captured by the fraction of political donations made to Republican entities. Control variables include readers' political stance, mean income (logged), exposure to import and export tariffs, share of college degree holders and number of newspapers owned by a media company. Standard errors are clustered at newspaper-level. To test robustness of results, Column 4 controls daily fixed effects to exclude the effect from national trend, Column 6 drops observations on the day when the events took place, Column 7 drops newspapers that cover China the least and Column 8 drops those papers that cover China the most.

	(1)	(2)
	HumanRights(Intensity)	HumanRights(Intensity)
Post	-4.511	19.11
	(13.01)	(15.63)
Owner Dem × Post	1.822***	-1.204**
	(0.645)	(0.575)
Owner Rep × Post	-0.913*	1.407**
	(0.490)	(0.646)
Reader Dem × Post	-0.266	-1.028
	(0.891)	(0.767)
Reader Rep × Post	-0.186	0.412
	(0.593)	(0.612)
cluster	Newspaper	Newspaper
fixed effects	Newspaper-Event	Newspaper-Event
controls	Y	Y
drop event day	N	N
drop papers discussing China the most	N	N
drop papers never discussing China	N	N
N obs	55728	118680
F stat	6.642	17.95
adj. R2	0.0280	0.0392

Standard errors in parentheses
* $p < .10$, ** $p < .05$, *** $p < .01$

Table A21: Media Reaction of 6-day Window Width

Note: This table lists the estimation results of Equation 2a with 6-day window length. Errors are shown in the brackets beneath the point estimates, clustered at newspaper-level.

	(1)	(2)
	HumanRights(Intensity)	HumanRights(Intensity)
Post	-4.511	19.12
	(13.01)	(15.12)
Owner Dem × Post	1.822***	-1.182**
	(0.645)	(0.551)
Owner Rep × Post	-0.913*	1.437**
	(0.490)	(0.628)
Reader Dem × Post	-0.266	-0.869
	(0.891)	(0.737)
Reader Rep × Post	-0.186	0.440
	(0.593)	(0.591)
cluster	Newspaper	Newspaper
fixed effects	Newspaper-Event	Newspaper-Event
controls	Y	Y
drop event day	N	N
drop papers discussing China the most	N	N
drop papers never discussing China	N	N
N obs	55728	122808
F stat	6.642	18.45
adj. R2	0.0280	0.0381

Standard errors in parentheses
* $p < .10$, ** $p < .05$, *** $p < .01$

Table A22: Media Reaction of 10-day Window Width

Note: This table lists the estimation results of Equation 2a with 10-day window length. Errors are shown in the brackets beneath the point estimates, clustered at newspaper-level.

D Figures

	Positive Events		Negative Events	
	(1)	(2)	(3)	(4)
	HumanRights(Intensity)	HumanRights(Intensity)	HumanRights(Intensity)	HumanRights(Intensity)
Post × Republican Owners (continous)	-4.647***	-4.149**	4.635***	3.710*
	(1.787)	(1.613)	(1.682)	(2.075)
Post × Republican Readers (continous)	-0.0483	-0.0742	-0.300	-0.0428
	(0.472)	(0.432)	(0.512)	(0.557)
Post × Republican Owners (continous) × Republican Readers (continous)	2.771	3.658**	-4.234**	-1.368
	(1.965)	(1.531)	(1.971)	(2.058)
cluster	Newspaper	Newspaper	Newspaper	Newspaper
fixed effects	Newspaper-Event	Newspaper-Event	Newspaper-Event	Newspaper-Event
controls	Y	Y	Y	Y
owners' stance	Democratic	Republican	Democratic	Republican
N obs	35782	36060	63099	60759
F stat	5.069	6.979	13.98	17.57
adj. R2	0.0301	0.0268	0.0400	0.0481

Standard errors in parentheses
* $p < .10$, ** $p < .05$, *** $p < .01$

Table A23: Media Reaction Readership by Owners' Political Stance

Note: This table shows results of estimation of Equation 2b with $Post_{et} \times OwnerRepublican$ omitted. Column 1 and Column 2 list results of for positive events and Column 3 and Column 4 for negative events. Column 1 and Column 3 use the subsample consisting of papers of Democratic-leaning owners only, whereas Column 2 and 4 consist of papers of Republican-leaning owners.
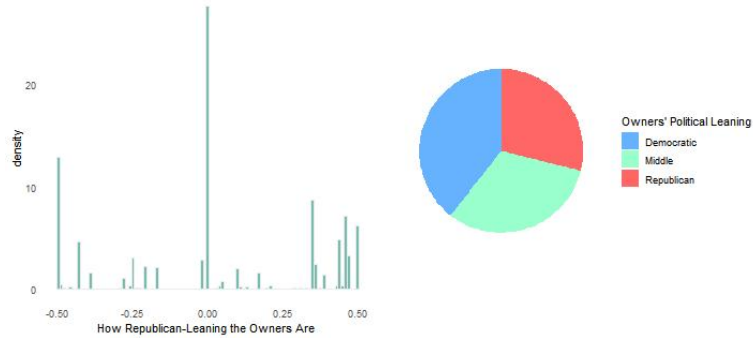

Figure 3: Distribution of Political Stance of Owners

Note: This figure shows the sample distribution of the continous (left) and discrete (right) measures of political stance of media owners. The continuous measure is established by the fraction of donations to Republican-leaning entities over the total amount of donations made to partisan entities, normalized to 0 for balanced donations or null donation records. This measure if roughly symmetrically distributed. Based on this continuous measure, I define a discrete measure using 0.2 and -0.1 as thresholds. Specifically, those continous measure greater than 0.2 are marked as Republican-leaning and those below -0.1 are marked Democratic-leaning. The distribution of this discrete measure is also roughly balanced.

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	(1) Trade(Intensity)	(2) Trade(Intensity)	(3) Trade(Intensity)	(4) Trade(Intensity)	(5) Trade(Intensity)	(6) Trade(Intensity)	(7) Trade(Intensity)	(8) Trade(Intensity)
Post	1.071* (0.645)	0.907 (0.648)	1.153 (0.744)	-12.91*** (3.314)	57.22 (35.84)	80.55** (36.31)	80.41 (53.48)	17.00 (30.00)
Post × Republican Owners (continous)		-2.877 (1.934)	-2.566 (2.015)	-1.877 (2.068)	-3.314 (2.077)	-1.404 (2.146)	-4.096 (2.497)	-3.168** (1.345)
Post × Republican Readers (continous)			-0.829 (0.855)	-0.886 (0.858)	-0.994 (0.970)	-1.585 (1.006)	-1.200 (1.236)	-0.898 (0.837)
Post × Log Mean Income					-4.877 (3.401)	-7.033** (3.447)	-6.934 (5.063)	-1.230 (2.851)
Post × Exposure to Export Tariffs					-32.51 (27.65)	-29.18 (29.52)	-39.53 (36.20)	-25.08 (25.56)
Post × Exposure to Import Tariffs					98.48 (73.91)	124.9 (78.73)	123.1 (96.30)	51.56 (58.83)
Post × Share of College Degree Holders					0.0525 (0.172)	0.0894 (0.178)	0.0768 (0.221)	-0.102 (0.146)
cluster	Newspaper	Newspaper	Newspaper	Newspaper	Newspaper	Newspaper	Newspaper	Newspaper
fixed effects	Newspaper-Event	Newspaper-Event	Newspaper-Event	Newspaper-Event&Day	Newspaper-Event	Newspaper-Event	Newspaper-Event	Newspaper-Event
controls	Y	Y	Y	Y	Y	Y	Y	Y
drop event day	N	N	N	N	N	Y	N	N
drop papers discussing China the most	N	N	N	N	N	N	N	Y
drop papers never discussing China	N	N	N	N	N	N	Y	N
N obs	55728	55728	55728	55728	55728	49536	44658	54540
F stat	300.7	157.6	127.0	17.74	68.01	58.81	67.89	66.06
adj. R2	0.251	0.251	0.251	0.253	0.251	0.242	0.253	0.245

Standard errors in parentheses
* $p < .10$, ** $p < .05$, *** $p < .01$

Table A24: Media Reaction on Positive Trade Events

Note: Equation 2b is estimated with 10 negative events listed in Table A11. The dependent variable, the fraction of text about human rights, has been multiplied by 10,000 for illustration purposes. Main regressors of interest are continuous measures for owners political stance, captured by the fraction of political donations made to Republican entities. Control variables include readers' political stance, mean income (logged), exposure to import and export tariffs, share of college degree holders and number of newspapers owned by a media company. Standard errors are clustered at newspaper-level. To test robustness of results, Column 4 controls daily fixed effects to exclude the effect from national trend, Column 6 drops observations on the day when the events took place, Column 7 drops newspapers that cover China the least and Column 8 drops those papers that cover China the most.

	(1) Trade(Intensity)	(2) Trade(Intensity)	(3) Trade(Intensity)	(4) Trade(Intensity)	(5) Trade(Intensity)	(6) Trade(Intensity)	(7) Trade(Intensity)	(8) Trade(Intensity)
Post	-0.0632	-0.0445	0.0213	27.86***	-7.774	-1.823	-45.57	8.285
	(0.466)	(0.468)	(0.634)	(4.366)	(29.32)	(31.21)	(45.00)	(27.60)
Post × Republican Owners (continous)		1.028	1.114	1.694	0.733	-1.147	0.963	0.427
		(1.425)	(1.517)	(1.512)	(1.518)	(1.557)	(1.832)	(1.336)
Post × Republican Readers (continous)			-0.221	-0.272	0.292	0.227	0.215	0.967
			(0.910)	(0.908)	(1.092)	(1.074)	(1.388)	(0.811)
Post × Log Mean Income					0.752	0.248	4.252	-0.815
					(2.763)	(2.945)	(4.243)	(2.586)
Post × Exposure to Export Tariffs					-6.247	-8.808	-0.811	-0.785
					(25.66)	(28.49)	(33.38)	(24.88)
Post × Exposure to Import Tariffs					-12.86	-17.32	-24.48	-4.313
					(53.84)	(61.49)	(69.38)	(51.56)
Post × Share of College Degree Holders					0.0668	0.0694	0.00512	0.0804
					(0.154)	(0.164)	(0.200)	(0.139)
cluster	Newspaper	Newspaper	Newspaper	Newspaper	Newspaper	Newspaper	Newspaper	Newspaper
fixed effects	Newspaper-Event	Newspaper-Event	Newspaper-Event	Newspaper-Event&Day	Newspaper-Event	Newspaper-Event	Newspaper-Event	Newspaper-Event
controls	Y	Y	Y	Y	Y	Y	Y	Y
drop event day	N	N	N	N	N	Y	N	N
drop papers discussing China the most	N	N	N	N	N	N	N	Y
drop papers never discussing China	N	N	N	N	N	N	Y	N
N obs	92880	92880	92880	92880	92880	82560	74430	90900
F stat	342.3	176.1	141.8	18.31	72.23	74.20	70.57	67.80
adj. R2	0.329	0.329	0.329	0.331	0.329	0.332	0.333	0.327

Standard errors in parentheses
* $p < .10$, ** $p < .05$, *** $p < .01$

Table A25: Media Reaction on Negative Trade Events

Note: Equation 2b is estimated with 10 negative events listed in Table A12. The dependent variable, the fraction of text about human rights, has been multiplied by 10,000 for illustration purposes. Main regressors of interest are continuous measures for owners political stance, captured by the fraction of political donations made to Republican entities. Control variables include readers' political stance, mean income (logged), exposure to import and export tariffs, share of college degree holders and number of newspapers owned by a media company. Standard errors are clustered at newspaper-level. To test robustness of results, Column 4 controls daily fixed effects to exclude the effect from national trend, Column 6 drops observations on the day when the events took place, Column 7 drops newspapers that cover China the least and Column 8 drops those papers that cover China the most.

	Positive Events	Negative Events
	(1)	(2)
	HumanRights(Intensity)	HumanRights(Intensity)
Post × Republican Owners (continous)	-2.127*	2.042***
	(1.181)	(0.725)
Post × Republican Readers (continous)	0.643	-0.230
	(0.590)	(0.361)
Post × Republican Readers (continous) × Republican Owners (continous)	2.093	-0.238
	(1.511)	(0.852)
cluster	Newspaper	Newspaper
controls	Y	Y
fixed effects	Newspaper	Newspaper
China's attitudes controlled	Y	Y
N obs	181632	263160
F stat	24.84	30.06
adj. R2	0.0715	0.0412

Standard errors in parentheses
* $p < .10$, ** $p < .05$, *** $p < .01$

Table A26: Media reaction using all trade war events

Note: Equation 2b is estimated with all trade war events listed in "The US-China Trade War: A Timeline", n.d., which is to my best knowledge the most detailed summary of trade war timeline. The dependent variable, the fraction of text about human rights, has been multiplied by 10,000 to enlarge the effect. Main regressors of interest are dummy variables for owners political stance. Chinese diplomatic policy and its cross term with owners' political stance are included. Control variables include readers' political stance, mean income (logged), exposure to import and export tariffs, share of college degree holders and number of newspapers owned by a media company. Standard errors are clustered at newspaper-level. To test robustness of results, Column 4 controls daily fixed effects to exclude the effect from national trend, Column 6 drops observations on the day when the events took place, Column 7 drops newspapers that cover China the least and Column 8 drops those papers that cover China the most.

	Positive Events	Negative Events
	(1)	(2)
	HumanRights(Intensity)	HumanRights(Intensity)
Owner Dem × Post	-0.613	-2.564***
	(0.598)	(0.521)
Owner Rep × Post	-1.887**	-0.853
	(0.736)	(0.524)
Reader Dem × Post	0.148	0.334
	(0.996)	(0.696)
Reader Rep × Post	0.431	-0.288
	(0.593)	(0.454)
cluster	Newspaper	Newspaper
controls	Y	Y
fixed effects	Newspaper	Newspaper
China's attitudes controlled	Y	Y
N obs	181632	263160
F stat	21.47	23.47
adj. R2	0.0715	0.0413

Standard errors in parentheses
* $p < .10$, ** $p < .05$, *** $p < .01$

Table A27: Media reaction using all trade war events

Note: Equation 2b is estimated with all trade war events listed in "The US-China Trade War: A Timeline", n.d., which is to my best knowledge the most detailed summary of trade war timeline. The dependent variable, the fraction of text about human rights, has been multiplied by 10,000 to enlarge the effect. Main regressors of interest are dummy variables for owners political stance. Chinese diplomatic policy and its cross term with owners' political stance are included. Control variables include readers' political stance, mean income (logged), exposure to import and export tariffs, share of college degree holders and number of newspapers owned by a media company. Standard errors are clustered at newspaper-level. To test robustness of results, Column 4 controls daily fixed effects to exclude the effect from national trend, Column 6 drops observations on the day when the events took place, Column 7 drops newspapers that cover China the least and Column 8 drops those papers that cover China the most.

			Δ Support for Sanctions on China		
	(1)	(2)	(3)	(4)	(5)
HumanRights(Intensity)	0.00909	0.0167**	0.00387	0.0177**	0.0121**
	(0.00866)	(0.00684)	(0.00691)	(0.00730)	(0.00545)
Trade(Intensity)	-0.00565	0.00460	0.00883	-0.00332	0.0000521
	(0.00580)	(0.00606)	(0.00594)	(0.00450)	(0.00401)
cluster		State	State	State	State
controls		County-level	Personal&County-level	County-level	County-level
fixed effects		State	State	State	State
weighting	N	N	N	Y	Y
N obs	231	231	231	2154	2082
adj. R2	0.0203	0.292	0.436	0.0440	0.0676

Standard errors in parentheses

* $p < .10$, ** $p < .05$, *** $p < .01$

Table A28: Correlation of Trade-related Coverage and Support for Sanctions on China

Note: This table lists results of estimation of equation 8, with *HumanRightsCoverage*$_{ct}$ replaced by *TradeCoverage*$_{ct}$. The dependent variable correponds to the following question from the CCES: "On the issue of trade, do you support or oppose the following proposed tariffs? $50 billion worth of tariffs on goods imported from China. 1 Support 2 Oppose". The 2018 and 2019 survey data was retrieved in November, 2018 and November, 2019 respectively. The construction of the *TradeCoverage*$_{ct}$ is the summation of fraction of trade-related text contained in China-mentioned articles, published on all local newspapers that cover the county *c* from January, 2018 to November, 2018 for the 2018-wave, and December 2018 to November 2019 for the 2019-wave. Column 2 includes the enviromental characteristics, including the county's exposure of tariffs, support for Trump, average income, average age, fraction of white, fraction of college degree holders, and state fixed effects. Environmental variables are logarithmized. A year fixed effect is included. Column 2 further includes the following average personal traits: voting choice in 2016, ideological preferences, age, education, industry of occupation, and family income level. Column 4 uses the full sample, weighing each county by the number of respondents. Column 5 shows the results using the adjuste attitudes using respondents' traits. Specifically, I first regress respondents' attitudes on various respondents' personal traits and construct the county-level average attitude using the residuals.
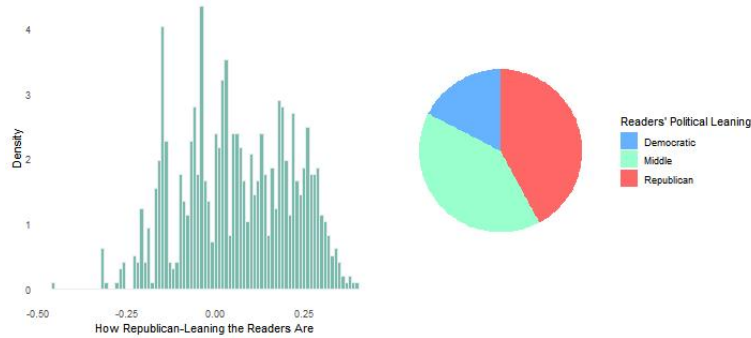

Figure 4: Distribution of Political Stance of Readers

Note: This figure shows the sample distribution of the continous (left) and discrete (right) measures of political stance of media readers. Given a newspaper, its readership is defined as the county or counties where it is circulated. For those with zip-level circulation data, readership is defined as the zip-level areas. The continuous measure is established by the fraction of votes to Donald Trump over the total number of votes to either Trump or Hilary Clinton, normalized to 0 for balanced votes. This measure if roughly symmetrically distributed. Based on this continuous measure, I define a discrete measure using 0.1 and -0.1 as thresholds. Specifically, those continous measure greater than 0.1 are marked as Republican-leaning and those below -0.1 are marked Democratic-leaning. The distribution of this discrete measure is also roughly balanced.

	Δ Job Approval for Trump				
	(1)	(2)	(3)	(4)	(5)
HumanRights(Intensity)	0.0417*	0.0657***	0.0509**	0.0889***	0.0400***
	(0.0251)	(0.0174)	(0.0201)	(0.0171)	(0.00915)
Trade(Intensity)	-0.0190	-0.0259*	-0.0230*	-0.0362***	-0.0112
	(0.0168)	(0.0135)	(0.0127)	(0.0103)	(0.00766)
cluster		State	State	State	State
controls		County-level	Personal&County-level	County-level	County-level
fixed effects		State	State	State	State
weighting	N	N	N	Y	Y
N obs	231	231	231	2159	2085
adj. R2	0.0147	0.129	0.264	0.0170	0.0312

Standard errors in parentheses

* $p < .10$, ** $p < .05$, *** $p < .01$

Table A29: Correlation of Trade-related Coverage and Public Approval for Trump

Note: This table lists results of estimation of equation 8, with $HumanRightsCoverage_{ct}$ replaced by $TradeCoverage_{ct}$. The dependent variable correponds to the following question from the CCES: "Do you approve or disapprove of the way each is doing their job... ([former] President Trump) 1 Strongly approve 2 Somewhat approve 3 Somewhat disapprove 4 Strongly disapprove 5 Not sure". This measures is normalized such that 0 represents for "Not sure" and -2 represents for "Strongly disapprove". The 2018 and 2019 survey data was retrieved in November, 2018 and November, 2019 respectively. The construction of the $TradeCoverage_{ct}$ is the summation of fraction of trade-related text contained in China-mentioned articles, published on all local newspapers that cover the county c from January, 2018 to November, 2018 for the 2018-wave, and December 2018 to November 2019 for the 2019-wave. Column 2 includes the enviromental characteristics, including the county's exposure of tariffs, support for Trump, average income, average age, fraction of white, fraction of college degree holders, and state fixed effects. Environmental variables are logarithmized. A year fixed effect is included. Column 2 further includes the following average personal traits: voting choice in 2016, ideological preferences, age, education, industry of occupation, and family income level. Column 4 uses the full sample, weighing each county by the number of respondents. Column 5 shows the results using the adjuste attitudes using respondents' traits. Specifically, I first regress respondents' attitudes on various respondents' personal traits and construct the county-level average attitude using the residuals.

	Media slant does not predict stock price changes		Stock price changes do not predict media slant	
	Returns	Volatility	Returns	Volatility
Fox News	1.5370	0.4446	0.5773	1.8617
New York Times	0.7761	1.1818	1.5774	1.2896
Wall Street Journal	1.1951	1.6838	0.7142	0.9259
Los Angeles Times	1.4535	3.2984**	0.6193	1.4283
Washington Post	0.3681	0.6425	0.7160	0.7730
ABC	3.5919***	3.6590***	1.6946	5.0097***
CNN	0.8938	0.1333	0.1478	0.5499
New York Post	0.9826	1.7554	0.2635	0.3758

* $p < .10$, ** $p < .05$, *** $p < .01$

Table A30: Predictability of Stock Market Price by Trade War Coverage

Note: This table displays the F statistics of Granger Causality tests, using average abnormal returns and the absolute value of average abnormal returns as measures of stock market return and volatility respectively. Two null hypotheses are tested: i) trade coverage does not predict stock market reactions; ii) stock market reactions do not predict trade coverage. Four lags are incorporated. I measure the media coverage of trade-related content with the same sets of keywords used to measure coverage of local newspapers and the same method. Unlike the results illustrated in Table 9, trade coverage can predict stock reactions. This is intuitive because stock market often react upon bilateral talks, of which the schedules are often settled before taking place. It is not suprising to observe coverage when bilateral meetings are pending. This predictability of trade-related coverage confirms the validity of the measure of media content on national newspapers.

	(1)	(2)	(3)
	HumanRights(Intensity)	HumanRights(Intensity)	HumanRights(Intensity)
U.S. policy	0.906***	-9.271**	-5.248
	(0.105)	(4.447)	(5.247)
U.S. policy × Republican Owners (continous)	-0.402	-0.355	-0.401
	(0.263)	(0.274)	(0.267)
U.S. policy × Republican Readers (continous)	-0.255*	-0.294*	-0.125
	(0.144)	(0.164)	(0.175)
U.S. policy × Exposure to Export Tariffs		5.122	-2.775
		(4.007)	(4.493)
U.S. policy × Exposure to Import Tariffs		2.381	12.61
		(7.695)	(9.565)
cluster	Newspaper	Newspaper	Newspaper
controls	N	Y	Y
fixed effects			Newspaper
N obs	678024	678024	678024
F stat	19.98	13.49	13.94
adj. R2	0.00112	0.00101	0.000247

Standard errors in parentheses
* $p < .10$, ** $p < .05$, *** $p < .01$

Table A31: Replication of M. Gentzkow and Shapiro, 2010

Note: This table replicates the M. Gentzkow and Shapiro, 2010 using the continous measures of political stance of readers and owners. Equation **??** is estimated. Errors are displayed in brackets beneath the point estimates, which are clustered at newspaper-level. Column (1) excludes control variables. Column (2) includes control variables. Column (3) includes newspaper fixed effects.
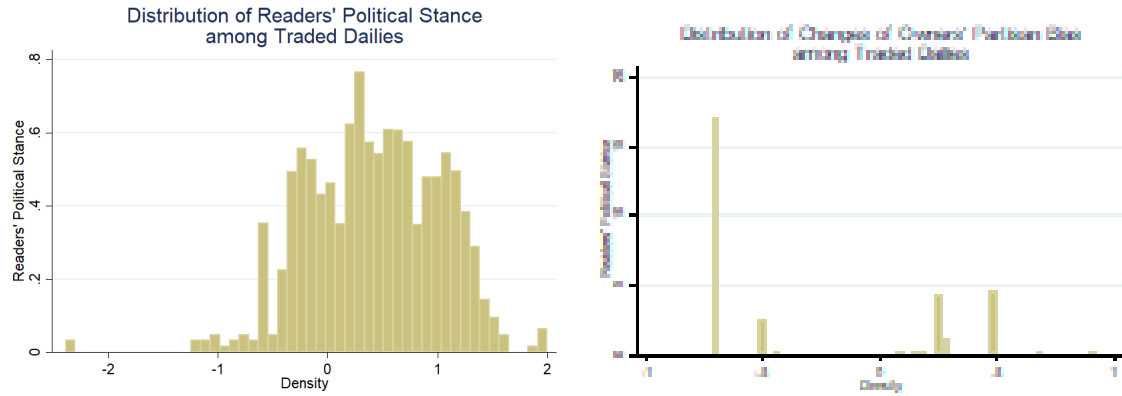

Figure 5: Distribution of Readers' Political Stance and Change of Owners Political Stance among Traded Dailies

Note: The left panel shows the distribution of readers' political preferences among traded dailies due to mergers and acquisitions. The right panel shows the distribution of change of owners' political bias among traded dailies due to mergers and acquisitions.
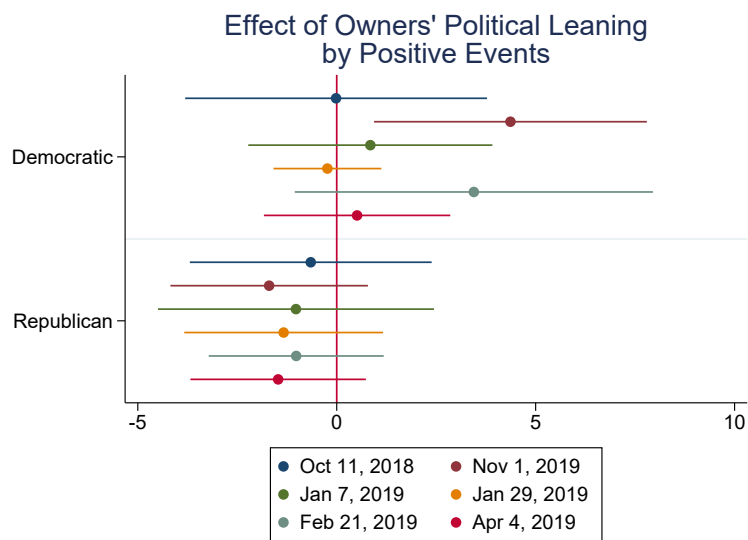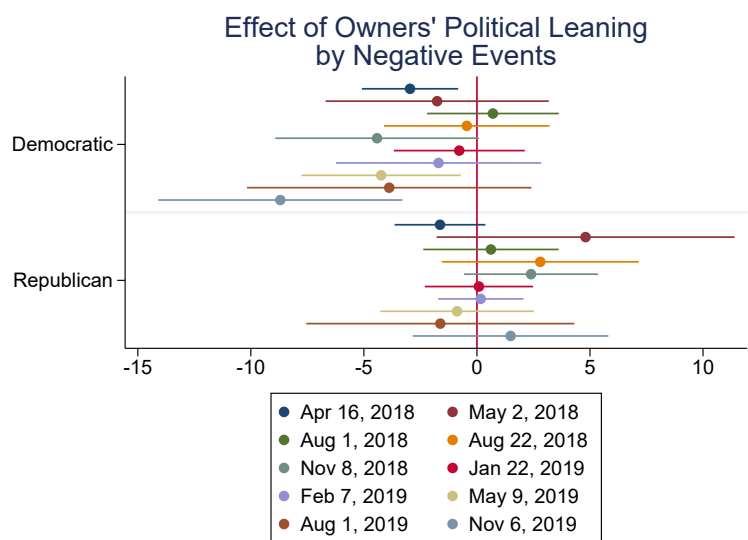
Figure 6: Event study using individual positive events
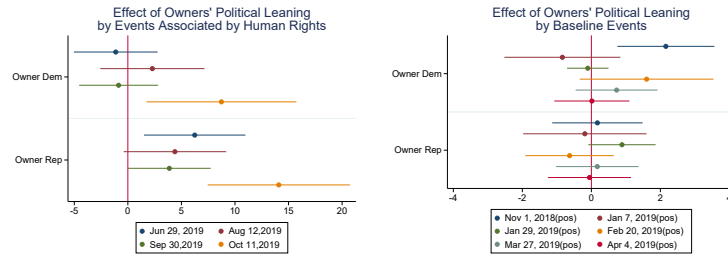

Figure 7: Event study using individual negative events

Figure 8: Event study using individual negative events

Note: I plot the estimated β_1 of Equation 2b for each single event officially associated with human rights, with its 95% confidence interval. Errors are clustered at newspaper level.