TAKING THE LEAD ON TRADE: LEGISLATIVE PARTICIPATION, EFFECTIVENESS AND STRATEGY IN FOREIGN TRADE POLICY

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ABSTRACT

ROBERT GALANTUCCI: Taking the Lead on Trade: Legislative Participation, Effectiveness and Strategy in Foreign Trade Policy.
(Under the direction of Layna Mosley)

This dissertation examines international trade policy in the United States. Each of the four chapters addresses a theoretical or empirical weakness in the existing literature on trade policy, with a particular focus on Congressional behavior. Broadly, the chapters engage two key themes. Chapters 1 and 2 consider how changes to key political institutions affected legislative participation and effectiveness in the issue area. Chapters 3 and 4 explore underlying influences on legislators' positions on trade policy, and identify several overlooked drivers of Congressional behavior.

The first two chapters challenge conventional narratives regarding the purported decline of Congressional participation and influence in trade policy. Several key institutional changes in the 20th century are often said to have displaced Congress from its constitutionally granted role as the branch governing foreign trade policy. Scholarship regularly contends that the "burden" of trade policy would be shifted to the executive branch, and that Congress would be insulated from interest group pressures. Chapter 1 casts doubt on these assessments. Examining over a century of bill sponsorship trends, I show that Congress has not become less active in the issue area, notwithstanding substantial delegation to the president and the concomitant expansion of the executive branch trade apparatus. My statistical analysis demonstrates that delegation is actually accompanied by *greater* participation of the legislature. The analysis yields several other noteworthy results; in particular, I identify a number of additional political and economic factors that play a large role in shaping Congressional attention to trade policy. The results from these models are reinforced by a supplemental statistical analysis relying on USTR Congressional consultation data.

Chapter 2 similarly highlights continuity in legislative trade politics. Legislative reorganization in the 1970s is often identified as the point at which key trade committees "lost control over trade policy." In this chapter, I demonstrate that the power hierarchy, in many ways, remains intact. Through a quantitative analysis of legislative effectiveness in the post-war period, I find that many of the traditionally powerful players in trade policy retained their clout. These legislators – who, for example, serve on key committees or who enjoy seniority or leadership status within Congress – are far more likely to see their trade policy legislative proposals make it further along in the legislative process. Additionally, beyond standard measures of legislative effectiveness (i.e., bill success), these legislators have also increasingly exerted influence on policy through various oversight mechanisms.

Chapters 3 and 4 focus on identifying several often-overlooked influences on legislative behavior on trade policy. The extant literature frequently explores the underlying determinants of legislators' posture on particular policy proposals. This line of scholarship, for example, examines how constituency economic characteristics, campaign contributions and macroeconomic shifts influence elected representatives' stances on trade policy.[1] Chapter 3 identifies another important influence on trade-related behavior: inter-legislator connections. Although legislative behavior is, of course, largely shaped by factors such as constituency interests, the policymaking process takes place in an environment characterized by repeated interaction, reciprocity and a host of other group-based dynamics. Through an ERGM (network) analysis of cosponsorship behavior on trade legislation in several congresses, I highlight the ways in which these network effects can influence support for trade policy proposals.

Chapter 4 considers another important influence on legislative behavior on trade. In particular, I examine economic interdependence as a driver of trade and exchange rate policy

[1]Chapter 5 contains an analysis of how these considerations impact legislators' support for import regulating legislation. The appendix is organized as a research note, and I highlight the potential limitations of trade policy studies that focus extensively on roll call voting. I reexamine many of the most prominent explanations for legislators' positions in a novel empirical context – namely, by examining (co)sponsorship data. As discussed in the Appendix, I argue that these data are often better indicators of legislative priorities that the data relied upon in the overwhelming majority of existing analyses.

choice. Here, I focus on the pivotal U.S.-China bilateral relationship. I show that extensive U.S. reliance on the Chinese economy serves to constrain Congressional behavior. Although many industries and legislators voice concerns about China's efforts to artificially reduce the relative value of its currency, legislators recognize the potential implications of taking aggressive action against China. An exchange rate conflict – one that would spill over into trade policy, and possibly investment policy as well – would impose severe costs on both economies. A statistical analysis of legislators' support for currency realignment bills reveals that such considerations are reflected in Congressional behavior. Legislators whose constituencies rely on the Chinese economy were more likely to oppose currency realignment legislation, while legislators whose constituencies primarily compete with China supported the bills at a higher rate.

This dissertation contributes to several bodies of literature. First, this research engages with prominent historical treatments of trade policy that consider the implications of changes to key political institutions. Notwithstanding a number of seemingly drastic institutional shifts, I find that there is a great deal of continuity in Congressional participation and prerogatives in the issue area (Chapters 1 and 2). Second, this research helps to identify underlying drivers of trade-related behavior. Factors such as inter-legislator relationships (Chapter 3) and the integrated structure of the global economy (Chapter 4), prove to shape legislators' positions in meaningful ways. These factors, then, supplement existing explanations for legislative behavior (see the Appendix for a review and reanalysis of this literature). Finally, this dissertation offers a number of empirical advances by relying on novel data sources, and by applying a number of underutilized statistical approaches in the analysis.

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1 ACTIVITY OR ABDICATION? PATTERNS OF CONGRESSIONAL PARTICIPATION IN TRADE POLICY

The literature on U.S. trade policy often highlights executive predominance in the issue area. It is typically suggested or assumed that delegations of trade negotiating authority beginning in the 1930s led to a corresponding decline in Congressional participation. I demonstrate that, in contrast to the existing narrative, Congressional activity in trade policy has hardly declined over time. First, I show that – when looking at several measures of legislative activity – it is clear that Congress remains heavily involved in the policy-making process. In many periods of substantial delegation, in fact, Congressional activity reached historical heights. Through an examination of bill sponsorship patterns, I identify the economic and political factors that increase legislative activity on trade policy. These findings with respect to Congressional participation are reinforced by a supplemental statistical analysis relying on consultation data.

Studies of modern U.S. trade politics often focus on Congressional delegation of policymaking authority to the executive. The most well-known delegation came with passage of the Reciprocal Trade Agreements Act (RTAA) in 1934, where Congress granted the president authority over tariff negotiations (Hiscox 1999; Baily, Goldstein and Weingast 1997). The negotiating authority was renewed 11 times, and the president maintained this power into the 1960s. In the 1970s, a new procedural vehicle, called "fast track" or "trade promotion" authority, was created. In some ways, this grant of authority was even more broad, as it allowed the executive to negotiate international trade agreements that covered regulation in areas extending well beyond tariff policy.

Delegation did not just relate to trade agreement negotiations. Congress also transferred a great deal of day to day authority over temporary trade protection (Dür and De Biévre 2005). Administrative agencies, such as the International Trade Administration and the International Trade Commission were permitted to take steps to limit foreign import competition, for example, by permitting temporary duties on imports that threatened domestic injury.

This delegation to the executive, it was said, was tantamount to "the 'abrogation,' 'abdication,' 'surrender,' or 'relinquish[ment]' of congressional power, prerogatives, and responsibilities" in the issue area (Holmer and Belo 1992). Leading commentators concluded that these changes caused the trade policy of the United States to be "articulated and defended by the executive, with Congress left to complain and carp from the sidelines" (Peterson 1994: 223; see also Destler 1994). These same critiques have been leveled in every major episode of potential delegation of trade policymaking authority since the RTAA. And, the controversy continues to this day, as the U.S. once again debates the appropriate role for the legislature in two major trade negotiations – the Transatlantic Trade and Investment Partnership and the Trans-Pacific Partnership. Has the role of the legislature been undermined by the shifts in political institutions governing trade policy? Has the grant of power to the executive constituted, as one ardent opponent of delegation claimed, "a virtual abdication

of congressional authority and interest in the foreign trade area"?[1]

At first glance, there appears to be some truth to these claims. Figure 1.1 shows the number of trade bills enacted over time. During the post-WWII period there is a steady decline in the number of trade bills passed in Congress. During this same period, there was a sharp expansion of the executive's role in trade policy. The bottom portion of the figure illustrates the budget growth of the three key agencies that comprise the executive/administrative trade apparatus. These data certainly appear to be consistent with the notion that Congress was seeing its role in trade policy being replaced by the executive branch.

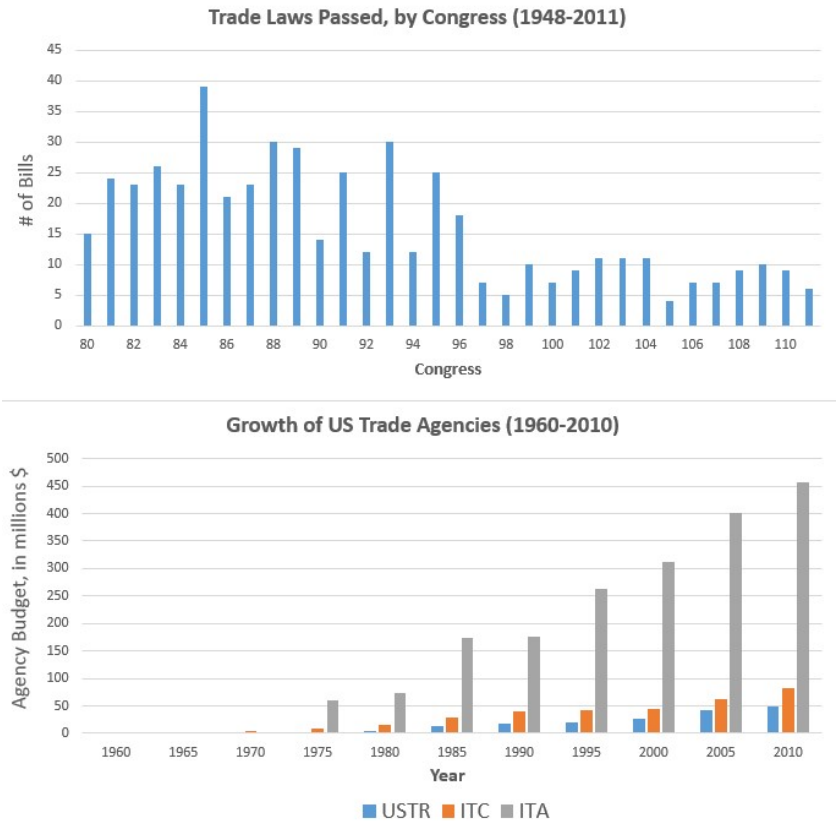
These data, however, fail to tell the whole story. In this chapter, I argue that Congress has continued to remain heavily involved in trade policy and, by many measures, legislative activity on trade policy has even *increased*. By examining a wide scope of legislative activity we can see that Congress continues to remain active, notwithstanding substantial delegation.

To more systematically consider legislative participation, I conduct a statistical analysis of congress-wide bill sponsorship rates. I find that delegation of trade policymaking authority to the executive actually has a positive relationship with the introduction of trade legislation in Congress. These results are consistent even when controlling for a host of other political and economic factors that influence the salience of trade policy as an issue area. I also conduct a statistical analysis of the factors that lead to increased presidential-congressional consultations on trade policy; this supplemental analysis confirms my key hypotheses regarding the complementary nature of the executive-legislative efforts in the isuse area.

The analysis here leads to several important conclusions. As an initial matter, these findings demonstrate that delegation does not amount to a renunciation of authority and

[1]Burke, James [D-MA], Cong. Rec 1974.

Figure 1.1: Trade Policy: Bills and Budgets



Data on bill passage are from the Congressional Bills Project, and agencies budgets are drawn from the annual accounts of the U.S. budget (available at http://fraser.stlouisfed.org/publication/?pid=54). Early figures for the Commerce Department's allocation for international trade related activities are not directly comparable from year to year. Prior to the formation of the ITA and its immediate predecessors, Commerce's trade operations were scattered across a number of sub-departments.

interest in the area of trade policy. Even the U.S. trade politics literature that rejects the notion that the president entirely dominates trade policymaking often relegates Congressional involvement to one of limited "fire alarm" oversight. This approach, however, risks understating levels of legislative attention to the issue area. Congress is actually more active during periods when authority had been delegated. As such, delegation is hardly designed to enable a Congressional retreat from the issue area.

These findings also highlight the importance of considering a wide variety of legislative

behavior when studying trade policy. Many studies of congressional activity rely on snapshots of legislative behavior; relying on this type of data, however, does not fully allow us to appreciate the level of activity to trade across Congresses. This research contributes to the recent efforts that have begun exploring non-roll call participation in trade policy (Allee and Miler 2013; Caddel 2014; Gulloty and Goldstein 2014).

Finally, I find substantial support for a number of prominent macro-level explanations for legislative behavior on trade. Factors such as the business cycle, and the role of trade in the national economy, prove to influence Congressional activity. Political considerations, such as divided government, also play a meaningful role in influencing sponsorship patterns. These results, then, identify the most paramount influences on trade-related legislative behavior, while also accounting for the substantial variation in the rate at which different Congresses participate in the policy area.

This chapter is organized as follows. In the next section, I consider the development of delegation in U.S. trade policy; I discuss several major changes to key trade policy institutions, and present some preliminary data on Congressional behavior. From there, I turn to a more systematic examination of legislative attention by examining bill sponsorship patterns over time. In the following two sections, I present my research design and data, and then discuss the results from my statistical models. Finally, I conclude and discuss the broader implications of my findings.

Delegation and Executive Expansion

Two major trends might lead us to expect a diminishing role for Congress in trade policy: delegation to the executive branch, and a corresponding increase in the size of the executive branch trade apparatus.

Starting in the late 1800s there were calls for greater delegation of tariff-setting authority to the executive. In 1890, Republican president Benjamin Harrison sought to expand presidential discretion in the area. With the help of pro-tariff William McKinley as

chair of the House Ways and Means Committee, the Administration secured passage of the McKinley Tariff Act. Although the Act permitted the president to reduce/raise tariffs, the aggregate effect of the legislation was a sharp increase in trade protection (Pastor 1980: 75; Smith, Shedd and Murrill 2013; Tucker and Wallach 2009). The Act was opposed by the more free trade oriented Democrats. One member of Congress, Rep. Benton McMillin (D-Tenn.), staunchly opposed the proposal, declaring that the executive delegation contained in the bill "was a cowardly surrender of the highest prerogative of the House. The bill gave the president power not exercised by the Czar of Russia." (Daily Globe 1890). Upon regaining power in the legislature, Democrats revoked the tariff negotiating authority; when their majorities slipped, however, similar provisions concerning delegation were reestablished in the context of the Dingley Tariff of 1897. In 1922, the Fordney-McCumber Tariff also permitted executive control over large portions of the country's tariff policy.

As these various grants of authority illustrate, delegation on trade policy was not an entirely novel development of the 1930s. These earlier grants, however, were limited in scope, and often specifically provided for negotiating power over a fairly circumscribed range of products.

The trend towards substantial delegation, however, took off in earnest in 1934 with the Reciprocal Trade Agreements Act. In the debate surrounding the RTAA, Senator Arthur Vandenburg of Michigan complained that the bill would entitle "Washington bureaucrats" to "identify so called 'inefficient industries' and to put them out of business by their fiat" (Haggard 1988: 112). Initially, this skepticism was shared by many other legislators, particularly in the then-protectionist Republican Party. Despite these critiques, Congress renewed the president's authority to negotiate reciprocal trade agreements on many occasions over the next several decades.

A number of political practicalities made such a move attractive. First, selecting a tariff rate that would meet the satisfaction of legislators representing a diverse set of economic interests in many cases proved to be difficult. Absent delegation, the effect of rampant

logrolling could generate a highly inefficient, protectionist national trade policy (see, e.g., Schattsneider 1934). Additionally, at the international level, a failure to have more centralized trade policy coordination might undermine the prospects for agreements between the U.S. and its trade partners. That is, an executive might be unable to strike an agreement if a trade partner was not confident that the negotiated deal would be acceptable to Congress. As Cordell Hull, Secretary of State, and one of the most ardent proponents of free trade in the early 20th century, reflected in his memoirs, "no American Senate had ever approved a trade treaty negotiated by the Executive which materially reduced tariffs" (Haggard 1988: 108). Delegating authority to the executive to negotiate an agreement, and limiting Congress's ability to override any such agreement, could make international trade agreements far more likely.

Second, many scholars have asserted that a major reason for the extensive delegations starting in the 1930s was specifically to reduce the immense amount of time that legislators were forced to spend on trade policy. Hundreds of pages of tariff legislation and countless hearings had, from many perspectives, become an unacceptable burden on Congressional resources (Bailey, Goldstein and Weingast 1997: 312; Goldstein 1993: 144).

In recent debates over the proper role for Congress in trade policy, the same concerns arose. Congress is regularly faced with considering bills on extremely specific topics, such as a bill on the appropriate tariff rate for a single product, such as the chemical "1,3-Dimethyl-2-imidazolidinone." This kind of bill often has implications primarily for a single industry, or in many cases even a single firm. Advocating for reform, in 2009 Senator Jim DeMint [R-SC] noted that "It's just ridiculous for hundreds of congressmen and senators every three years to be dealing with these [pieces of tariff legislation.] I can't really pronounce the chemicals and everything. We dont know anything about this stuff, and there is no reason why this should be a political process." (Lewis 2009).

After the initial passage of the RTAA in 1934, Congress voted 11 times to renew trade negotiating authority (in 1937, 1940, 1943, 1945, 1949, 1951, 1954, 1955, 1958 and twice

in 1962). These were eventful years in terms of trade policymaking; in the eleven years following the passage of the RTAA, for instance, 32 reciprocal trade agreements were negotiated (Destler 1986: 10).

The scope of congressional delegation changed in tandem with changes to the prevailing mechanisms of restricting trade. Tariff barriers and other border measures did not remain the most important obstacles to trade during the latter half of the 20th century. In the wake of the steep cuts in tariffs that accompanied the early GATT rounds, nontariff barriers (NTBs) to trade began to present a greater obstruction to international commerce.[2] Accordingly, a new variant of executive trade authority was created to facilitate international negotiations on NTBs as well. This new delegation took the form of "fast track" or "trade promotion authority" (TPA), and was first embodied in the Trade Act of 1974. Under these provisions, the executive was permitted to negotiate trade agreements that implicated a wide range of domestic laws. Potential changes included modifications to customs valuation, antidumping laws, intellectual property rights, foreign investment regulation, transparency rules and labor rights protections. In short, a broader scope of policies could be negotiated by executive branch officials, even including policy areas that are fairly tangential in their relationship to traditional trade policy. After the executive negotiated such an agreement, Congress was obligated to vote up or down on the deal, without amendment. Such delegation, once again, led many opponents to wonder whether Congress had effectively forfeited its role in trade policy. Representative James Burke [D-MA], arguing against the Trade Act, asserted that "the delegation of authority to the President was a 'domestic Gulf of Tonkin resolution"' (quoted in Pastor 1980).

Just as the tariff negotiating authority contained in the RTAA was repeatedly granted to the president, TPA was also renewed on multiple occasions. Although the shape of the delegation changed over time, the trend is clear. As Robert Pastor has explained, "one can follow a distinct, consistent, and clear line from the 1934 Trade Act to its 1974 successor

[2]Though, some industries, such as textiles and agriculture, retained protection through traditional trade policy measures such as quantitative restrictions and high tariffs.

in the desire by the Congress . . . for empowering the President to negotiate first bilateral and then multilateral agreements" (Pastor 1980: 191).

In addition to delegations relating to trade agreement negotiations, institutional shifts also enhanced the executive's role in administering temporary trade protection. The need for temporary stop-gap measures to protect industries harmed by competition is an important part of U.S. trade law, and these concerns were recognized in early domestic "trade remedies" programs, such as the Antidumping Act of 1921 (Irwin 2005). Antidumping procedures permit domestic industries to petition the Department of Commerce seeking temporary duties on foreign products that enter the U.S. market at "less than fair value." When these inexpensive foreign products cause harm to domestic producers, a duty is imposed.[3] Here too was an example of the executive branch playing an increasingly important role in day-to-day trade politics, especially in the 1970s as the use of administrative protection rose sharply (Irwin 2005).

Distressed firms and industries in the U.S. have also obtained temporary trade protection through other administrative avenues. For instance, "escape clause" actions permitted petitioners to seek a variety of relief (tariffs, quotas, adjustment assistance) to offset surges in imports from trade partners.[4] Beyond these general safeguards, there are similar avenues available for firms harmed by trade with China or countries with which the U.S. has a free trade agreement. Rather than lobbying members of Congress to introduce and pursue passage of favorable trade legislation – a highly uncertain and lengthy process – firms could increasingly turn to administrative agencies for relief from import competition.

[3]For a petition to be pursued by Commerce, the International Trade Commission (ITC), a separate quasi-judicial federal agency, must determine that the offending imports are causing material injury to domestic producers. Assuming that this stage results in an affirmative finding, then the calculation of the appropriate dumping rate is conducted by the International Trade Administration (ITA), within the Commerce Department. The ITA calculates a duty that is sufficient to offset the dumping of foreign products, i.e., the difference between the "fair value" and the actual price of the imported goods being sold in the U.S. (Another administrative form of protection, referred to as a countervailing duty, is obtained in a similar fashion, and is designed to offset subsidies received by foreign producers.).

[4]As with antidumping petitions, a petitioner must receive a favorable ruling from the ITC prior to obtaining relief from foreign competition. Even following a favorable ruling, the president has the discretion to determine whether the remedy is appropriate.

Taken together, these shifts demonstrate a greater role for the executive and related institutions. Competitive industries that sought to open foreign markets, or disadvantaged industries that desired protection from foreign competition, would increasing interact with executive/administrative agencies. The days of legislators hashing out trade policy on a product-by-product basis was generally past.

In many ways, the various efforts to delegate would seem to pose a threat to Congressional control over trade policy. While Congress was vested with the Constitutional authority "to regulate commerce with foreign nations" and to "lay and collect taxes [and] duties," related powers were increasingly exercised by the executive. As Stephen Haggard explains, "by delegating its authority, the Congress allowed new organizational interests and centers of expertise to develop within the executive," and, as a result "[e]xecutive influence over trade policy was obviously strengthened" (Haggard 1988: 108). Concerns regarding the executive's power relative to that of Congress have consistently been raised by many industries and legislators (Haggard 1988: 112; Pastor 1980; Holmer and Belo 1992; Hiscox 1999; Conley 1999).

Coinciding with its increased role in trade policy, executive branch institutions expanded to accommodate these new responsibilities. The three most important administrative/executive institutions are the International Trade Administration, the International Trade Commission and the United States Trade Representative (USTR). The ITA's key mission is to advance the interests of U.S. industry by providing safeguards from international competition while also facilitating exports and promoting international investment in the U.S. The agency was created in 1980, within the Department of Commerce, and assumed a number of functions that were previously spread out across various subdivisions within Commerce. The ITC (previously the Tariff Commission) is a quasi-judicial agency that is charged with determining whether foreign trade practices harm domestic industry through imports or intellectual property violations, while also providing advice regarding

the tariff schedule. Finally, the USTR handles the negotiations of trade agreements on behalf of the executive, and also administers a number of programs designed to enforce trade agreements and open foreign markets. The position was created in the 1960s and was, at the time, known as the Special Trade Representative. Previously, these functions had largely been served by State Department officials. As Figure 1.1 demonstrates, these three trade institutions have grown rapidly since their inception. Over the last 50 years, the missions of each of the three agencies have expanded substantially, and their budgets have grown accordingly.

Beyond the sharp increase in the number of employees responsible for trade-related activities within these government units, the executive has been active in other ways as well. For example, in the post-WWII period there has been an increase in the number of executive orders on trade. In the 1950s the executive issued 8 trade-related orders, and in the following decade, there was a jump up to 22. In 70s, 80s and 90s, the average number of executive orders per decade was in the upper 30s.[5]

Presidential proclamations on trade policy also increased substantially. Rottinghaus and Maier (2007), for example, argue that the increased use of presidential proclamations from the 1970s to the mid-2000s is consistent with an increasingly "unilateral" presidency. On trade policy, they conclude, "Congress has authorized the president to oversee these policy elements, energizing presidential power in that area" (2007: 342).

In every decade since the key delegations of authority contained in the RTAA, there have been dramatic warnings regarding the fate of Congress's evaporating role in setting trade policy. In 1940, during a debate over whether the RTAA should be extended, Senator Treadway vigorously opposed the continuation of tariff negotiating authority. He lamented the fact that the delegation had resulted in a number of trade agreements being negotiated and implemented without Congressional consent, asking,"Why should the Congress of the United States sit idly by and abdicate its constitutional authority over treaties and

[5]Data on executive orders were obtained from the Policy Agendas Project, http://www.policyagendas.org/

the regulations of foreign trade while foreign legislative bodies continue to exercise that prerogative" (Cong. Rec 1940: 1886).

In the 1950s, industry interests also called for a reassertion of congressional control over the tariff. A textile information service report laid out the key goals of the industry's trade association, highlighting that the U.S. must "Restore effective congressional control over trade policy" and push for the "Elimination of State Department domination of trade policy." (Cong. Rec. 1958, 1792). Many other industries similarly urged that the State Department was too insulated from industry concerns, and that a Congressional reassertion of power was necessary. In 1962, as Congress debated the Trade Expansion Act, Representative Moorehead [R-OH], argued against the trade negotiating authority, explaining that he did not "see any justification for the Congress to abdicate its power for so drastic a program as the President is proposing." In fact, he continued, "I believe legislation is required that will recover some of the control over trade policy that Congress has already given away." (Com. Rpt. 1962, 3033).

As the president's increased role in trade policy continued into the 1970s and 80s, a new set of questions emerged as to whether Congress's authority was being infringed upon. The precise form of the delegation changed with the advent of trade promotion authority, but this grant of authority allowed a wide scope of policies to be negotiated as part of a trade agreement. Trade promotion authority extended the president's ability to negotiate trade agreements to cover "domestic" issue areas well beyond the realm of traditional trade policy. As a result, a greater number of legislators saw their jurisdiction impinged by proposed trade agreements.

The extensive scope of this delegation was particularly highlighted in the trade negotiations taking place in the early 1990s, which were conducted pursuant to trade promotion authority. The Uruguay Round Agreement and the NAFTA both covered areas well beyond the traditional levers of trade policy. The president negotiated agreements that covered a wide array of policy areas relating to nontariff barriers to trade such as import licensing,

labeling requirements, product standards, customs procedures, subsidies and a host of other related policies.

Controversy over delegation to the executive remains controversial in 21st century trade policy. In 2007, the AFL-CIO, for example, lobbied against delegation, urging that "Congress must act now to reassert its voice and control over trade policy." (Comm. Rtp. 2007: 46). Robert Matsui [D-CA], a House Democrat, critiqued Trade Promotion Authority, noting that even in spite of his free trade orientation, he feared that Congress might "concede to the Executive Branch its constitutional authority over foreign commerce and domestic law without adequate assurances that Congress will be an active participant in the process." He warned, "Congress should be a partner, not a mere spectator or occasional consultant to the process." To what extent were his fears regarding executive authority justified? Has the continued expansion of the executive branch served to replace legislative activity in trade?

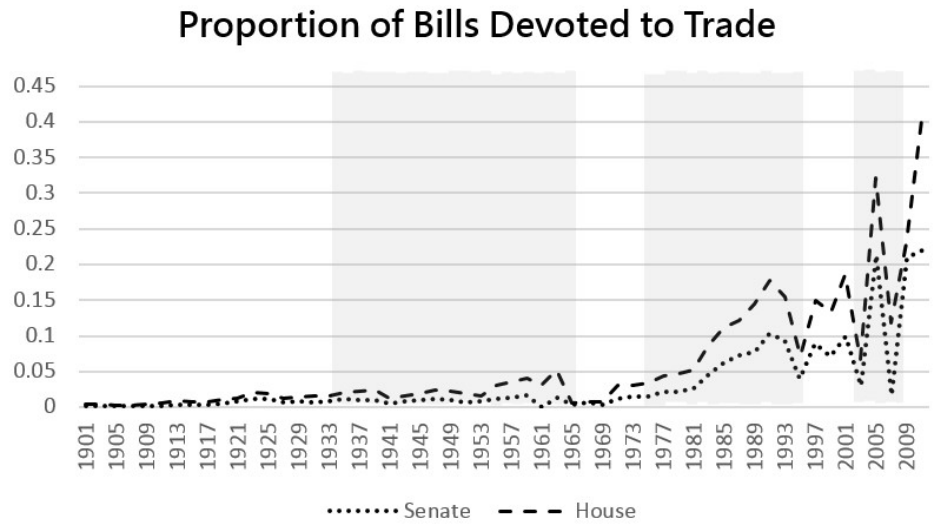
Patterns in Trade Policy

Despite the countless warnings of presidential dominance, an initial look at several indicators of Congressional activity reveals that the growth of the executive branch did not diminish legislators' level of participation in the policy area. In many ways, Congress actually dedicated increasingly large portions of its time to legislation relating to trade policy.

Figure 1.2 denotes the proportion of trade-related bills sponsored in Congress from 1901 to 2013. Periods where executive negotiating authority is in place are shaded in grey. As the figure shows, there is no apparent drop off in trade bill sponsorship during periods of delegation. Overall, over the course of the time period, there appears to be a rise in the proportion of trade bills sponsored (measured as a share of total Congressional activity). From the mid-1930s to the 1960s, there is a clear upward trend in attention to trade; a similar pattern appears from the 1970s through the 80s. Both periods are characterized by

delegated authority.

Figure 1.2: Trade Bills & Delegation Status, by Congress



We see similar fluctuations in terms of cosponsorship behavior as well. See Table 1.1. In the Senate, from the 93rd to the 111th Congress, the total number of cosponsors on trade legislation per congress ranged from a low of 182 to a high of 811. In the House, during this same period, figures ranged from 729 to 3141. Although these figures do not cover as extensive a time period as the data on sponsorship, they hardly suggest a Congressional retreat from the issue area. As above, executive authority did not lead to legislative inaction.[6]

Table 1.1: Cosponsorships, by party

	Total Cosponsors	Democrat	Republican	Cross Party
93rd	31	13	18	19
94th	98	55	43	46
95th	118	61	57	56
96th	90	52	38	54
97th	65	42	23	32
98th	165	87	78	88
99th	506	263	243	318
100th	290	177	113	168
101st	194	108	86	112
102nd	297	217	80	203
103rd	148	123	25	122
104th	76	35	41	45
105th	81	53	28	42
106th	183	93	90	118
107th	41	30	8	32
108th	151	90	61	83
109th	134	63	71	76
110th	69	53	16	45

The table shows the number of cosponsorships on all trade regulating bills in the subject congress.

[6]Additionally, the rise in legislative activity starting in the mid 1970s also coincides with a greater use of administrative forms of trade protection. At this time, institutional changes encouraged industries to rely to a greater extent on trade protection from the ITC/ITA process. Domestic firms sought protection through the application of temporary duties on "dumped" foreign goods, rather than by appealing to Congress for trade protection (Destler 1995; Oatley and Galantucci 2015). Notwithstanding the increased availability and use of such avenues for trade protection, this trend did not displace Congressional activity.

In short, although there are fluctuations over time,[7] the data reveal an unquestionable upward trend in activity since the 1940s. Taken together, these data suggest that even when trade agreement negotiating authority and trade protection had increasingly become the purview of the executive, Congressional activity levels remained high. There have been fluctuations in Congressional attention to trade, to be sure, but these patterns certainly do not represent a declining interest in the issue area. In the next section, I conduct a more systematic analysis of the relationship between executive delegation and patterns of Congressional activity on trade policy.

Research Design

To consider the relationship between Congressional activity on trade policy and executive delegation, I examine over a century of bill sponsorship. The period under consideration ranges from 1901-2013, and covers the 57th-112th Congresses.

The dependent variable in the analysis is the number of trade-related bills sponsored in each House or Senate, measured as a share of total bills introduced in the congress. To ascertain the number of trade-related bills, I relied on the ProQuest Congressional database. The database attributes "key terms" to each bill sponsored during the period under consideration. For each congress, I have included all bills that include terms directly related to trade policy measures.[8] The dependent variable in the Senate models has a mean value of approximately .033, and ranges from .001 to .220. In the House, the mean value for the variable is .026, and ranges from .001 to .182.[9]

[7] I explore the economic and political factors that drive these fluctuations in greater depth below.

[8] These criteria captured all bills that were characterized with the following: "import"; "export"; "tariff"; "trade agreement"; "foreign trade."

[9] Sponsorship constitutes an ideal, and widely used, measure of legislative attention to trade policy. As Woon (2009) explains, "An ideal measure of issue attention would consist of the total amount of a legislator's personal and staff time devoted to researching, discussing, thinking about, or working on a specific issue, perhaps weighted by the value of each person. ... Nonetheless, it would be very costly to collect for an adequately sized sample and time period. Even if collected, establishing the reliability of the measure, especially for any historical period, would be problematic at best. Instead, bill sponsorship provides a readily observable, albeit imperfect, indicator of issue attention." See also Schiller (1995); Koger (2003).

The independent variables in the analysis relate to the key drivers of Congressional interest in trade. The first two variables relate to the prevailing institutional setting in the congress in question. DELEGATION is coded as 1 in a congress when the executive branch has been granted trade negotiating authority. As noted above, the first major delegation of authority in the 20th century came with the RTAA in 1934. Although it was renewed many times subsequently, for several stretches there was a gap in this delegation (Cooper 2014). The authority lapsed during the late 1960s and first half of the 1970s, until it was renewed in 1975. This delegation lasted until 1994, ending with the conclusion of the Uruguay Round Agreement, and the creation of the WTO. For the next seven years, efforts to renew TPA were unsuccessful; key committees in Congress often voiced objections to the legislation, or, in the rare cases where TPA made it to the floor, Congress ultimately voted against the bills. In 2002, TPA was renewed once again for a period of 5 years, and President George W. Bush made trade agreement negotiation a significant portion of his legislative agenda, using the authority to negotiate a host of agreements. When this grant lapsed in 2008, it was not extended for the next seven years. At the time of this writing, a high profile debate is ongoing in Congress over the propriety of granting TPA to the Obama administration, as many legislators are concerned with the implications of greater trade with major European and Asian economies.

DIVIDED GOVT is coded as one in any instance where a single party did not control both the presidency and the chamber under consideration. Divided government may lead to a more active Congress as legislators seek to restrain or critique the trade policy preferences of a president from the opposing party. When the president (the agent of trade policy delegation) is not sufficiently attentive to Congressional demands, we can expect greater activity from the legislature, i.e., the principal (Lohmann and O'Halloran 1994; O'Halloran 1994).

The next two variables are designed to capture the economic environment in the Congress in question. GDP GROWTH is coded as the Congress-to-Congress change in GDP prior to

the congress in session. This variable accounts for the anticipated negative association between GDP growth an attentiveness to trade policy. Trade policies – in particular, trade policies designed to support vulnerable business interests – are likely to garner more attention during downswings in the business cycle (see, e.g., McKeown 1984; Gallarotti 1985). I also include TRADE SHARE, which is calculated as the proportion of the U.S. economy that is devoted to international trade. This variable, which steadily increases during the time period under consideration, controls for the likely positive association between trade's importance to the U.S. economy and Congressional attention to the issue area. Finally, I include TRADE DEFICIT. This variable accounts for the current account as a share of GDP, as large account imbalances are often hypothesized to fuel concerns over trade policy.

Results and Discussion

My models provide evidence consistent with my expectations. Congressional attention to trade does not decline with greater executive activity in the area, as many standard explanations would anticipate. In fact, Congressional attention actually increased during periods of delegation. A variety of economic factors also drove chamber-wide levels of attention to trade policy. The results are contained in Table 1.2

There is no evidence of executive participation replacing congressional activity in trade policy. In fact, the coefficient on DELEGATION is actually positive and statistically significant in both Models 1 and 2. The coefficient is significant at the .10 threshold in the Senate, and at .05 in the House.[10] The models demonstrate that congressional activity increases during periods of delegation, even while controlling for a host of other key influences on participation rates. This finding runs directly counter to a number of theories of principal-agent dynamics in trade policy. First, counter to the expectations of many legislators and commentators, legislative activity on trade policy is not simply subsumed by the

[10]Given that the effective N for these models is quite low, a finding of statistical significance at the .10 threshold is meaningful here.

executive during periods of delegation. If executive empowerment was designed to reduce legislative burden, it appears to have had the opposite effect. Similarly, delegation does not appear to operate as a mechanism through which legislators can insulate themselves from the pressures of interest groups (see also Hiscox 1999; Goldstein and Gulotty 2015). After all, legislators take *more* positions (as measured by bill sponsorships) once substantial trade policy authority has been delegated.

Before turning to the other variables, it is worth exploring this counter-intuitive finding a bit more. One potential explanation for the positive relationship between DELEGATION and sponsorship might be that Congress ramps up its activity in the wake of a legislative-executive battle surrounding delegation. In other words, because extending (or renewing) trade negotiation authority is often a highly contentious fight in U.S. trade policy, one might surmise that Congress is simply increasing its activity immediately after such an event to demonstrate a commitment to protecting domestic producers. However, in a robustness check, I included a dummy variable denoting the two Congresses following a grant of negotiating authority. Inclusion of such a term does not alter the reported results in any meaningful way. As such, the increase in Congress activity during periods of delegation is not simply a function of a brief post-delegation uptick in activity. Rather, there is a decisive positive relationship between delegation and rates of legislative activity.[11]

This finding is not purely a function of my primary focus on bill sponsorship. In Model 3, I used the number of trade-related Congressional hearings as the count for my dependent variable. There was no statistically significant association (in either direction) between delegation status and levels of congressional attention to trade while using this alternative measure. In an unreported model, I also experimented with another dependent variable denoting the number of trade bills enacted into law in each Congress. Again, there was

[11]I also ran the models while focusing exclusively on the post-war period. Doing so substantially reduced the N of the model. Nonetheless, it is worth noting that delegation never had a negative relationship with Congressional activity on trade. Nor did these results change when including a variable to denote the relative strength of the U.S. dollar.

Table 1.2: Models of Bill Sponsorship

	Model 1 coef/(se)	Model 2 coef/(se)	Model 3 coef/(se)
GDP Change	-0.141*	-0.084**	0.030
	(0.07)	(0.05)	(0.06)
Trade/GDP	0.652***	0.358***	0.152*
	(0.15)	(0.10)	(0.12)
Pres Party	0.014	0.007	-0.019**
	(0.01)	(0.01)	(0.01)
Divided Govt	0.002	-0.015**	0.001
	(0.02)	(0.01)	(0.01)
Delegation	0.019*	0.014**	0.003
	(0.01)	(0.01)	(0.01)
Trade Deficit	-0.006	-0.004*	0.000
	(0.00)	(0.00)	(0.00)
Intercept	0.094	0.059	0.015
	(0.08)	(0.05)	(0.06)
R^2	0.60	0.54	.17
N	56	56	57

Models 1-3 are OLS models.
* indicates significance at $p < 0.10$; ** at $p < 0.05$; *** at $p < 0.01$.

no statistical relationship between delegation and bill enactments.[12] Taken together, these findings undermine the "burden reduction" and "political insulation" arguments as to why Congress chooses to grant trade policy functions to the executive.

The results with respect to DIVIDED GOVT were largely consistent with explanations about congressional-executive tension leading to increased activity on trade. In the House (Model 2), there was a positive and statistically significant relationship between divided government and bill sponsorship. This finding suggests that the propensity of Congress to voice its concerns regarding trade policy increases when the sitting president is from a different party. In the Senate model, there was no relationship, and the variable was not close to reaching statistical significance.

[12] As noted above, a glance at the number of trade bills enacted into law over time shows a downward trend. See Figure 1.1. This trend, however, does not bear any statistical relationship to the status of executive delegation.

Other variables in the models generally performed as expected. GDP GROWTH had a negative and statistically significant relationship with trade bill sponsorship (p-value $<.01$). Trade policy is often hypothesized to take on increase importance, and thus attract more attention, in difficult economic environments. This expectation plays out during the period under consideration, as economic growth was associated with a reduction in trade bill sponsorship rates.

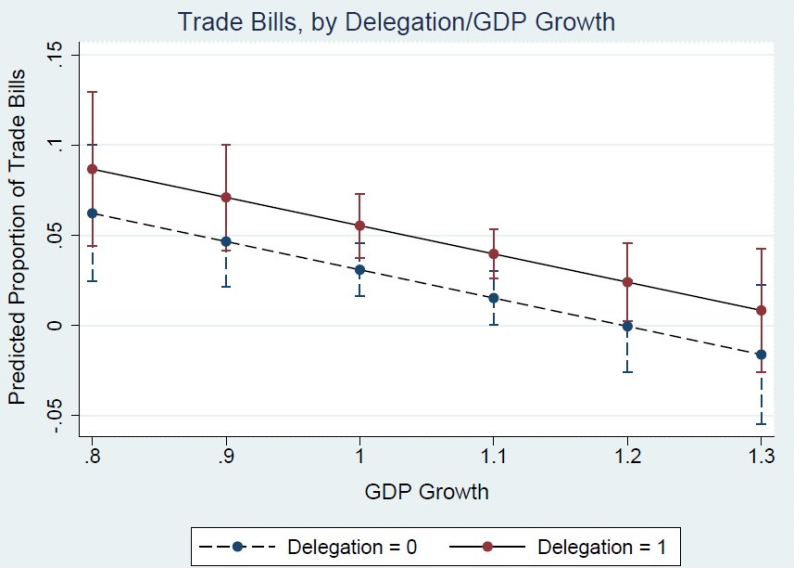
TRADE SHARE also had the anticipated relationship with trade policy activity. The coefficient was positive and statistically significant at the .01 level in Models 1/2. As international commerce came to represent a larger and larger share of the U.S. economy, trade policy represented a larger portion of Congressional activity.

To consider the substantive effects of my key variables, I calculated predicted probabilities. First, I calculate the predicted proportion of bills dedicated to trade policy, while changing the value of DELEGATION and holding all other variables at their means. The resulting change to Congressional behavior was substantial: during periods of delegated authority, the proportion of Congressional bills devoted to trade policy was nearly double that of periods where trade negotiating authority was not in place. In practice, this amounts to the proportion of trade bills increasing from 4 percent, to approximately 8 percent, of all bills introduced in a hypothetical congress.

The other variables had important substantive effects as well. A one-standard deviation increase to GDP GROWTH, for example, led to a 30 percent decline in the number of trade bills sponsored. Figure 1.3 provides a visual presentation of the effects of DELEGATION and GDP GROWTH.

Not surprisingly, as trade became an increasingly important component of the U.S. economy, trade policy was a more common subject of Congressional bill introductions. A one standard deviation increase to TRADE SHARE led to nearly a 100 percent increase in the proportion of trade bills sponsored, as a share of total Congressional bill introductions.

Figure 1.3: Proportion of Bills Devoted to Trade



Although I have focused on the Senate model for the calculations thus far, these variables had comparable effects regardless of whether the predicted probability calculations are based on the Senate (Model 1) or the House (Model 2). As noted above, divided government had a statistically significant and positive effect in the House. Accordingly, I calculated the substantive effect of this variable, based on Model 2. Divided government led to a 50 percent increase in the number of bills sponsored.

As these figures illustrate, political institutional changes and the macroeconomic environment are both critical drivers of attention to trade policy in Congress. Taken together, observed patterns of Congressional activity on trade policy have certain secular trends, but exhibit a strong cyclical element as well.

An Examination of Executive-Legislative Consultations

In the preceding analysis, the results suggest that Congressional participation in trade policy actually *rose* during periods when the executive was active in the issue area. Another way to examine this same dynamic is to assess patterns of consultations between the executive branch and the legislature. To do so, I conduct a statistical analysis relying on new data covering USTR consultations with Congress.

The dependent variable is a count of the number of USTR consultations with Congress during the month under consideration. The time period runs from January 2000 to February 2015, spanning various economic environments as well as two different presidential administrations. As above, I anticipate that when the executive branch steps up its activity in trade, it must lead to a corresponding increase in Congressional involvement. Specifically, the executive (agent) must more frequently consult the legislature (principal). Given the count outcome, I run a negative binomial model for the analysis.

The model bears out my expectations, and the results are contained in Table 1.3. The key independent variable, FTA VALUE, is a proxy for the current importance of the executive's trade negotiating agenda. The variable is measured as the combined GDP of all countries with which the U.S. had ongoing formal trade negotiations during the year-in-question. This variable is designed to account for both the number of ongoing negotiations, as well as the potential economic impact of the proposed agreements.

The coefficient on FTA VALUE is positive and statistically significant at the .01 threshold. As the trade negotiating activity of the president increased, Congress was far more involved in the process.

The performance of the other variables was largely consistent with expectations. GDP CHANGE, measuring the period-to-period change in national GDP, was negative and statistically significant. As the economy improved from one quarter to the next, the number of consultations decreased. This likely reflects the presence of greater skepticism of trade

liberalization during economic downturns. DIVIDED GOVT was also negative and statistically significant. This constitutes a departure from the above models, where this variable was positive. However, this result is not unexpected in this context. During periods of divided government, it may be more difficult to aggressively pursue trade agreements altogether, thus decreasing the overall need for inter-branch consultations.

Table 1.3: Models of USTR-Congress Consultations

	Model 1
	coef/(se)
FTA VALUE	0.390***
	(0.04)
DIVIDED GOVT	-0.186***
	(0.07)
GDP CHANGE	-0.102***
	(0.02)
CONG. RECESS	-0.615***
	(0.12)
INTERCEPT	4.075***
	(0.06)
AIC	1626.78
N	182

Model 4 is a negative binomial model.
* indicates significance at $p < 0.10$; ** at $p < 0.05$; *** at $p < 0.01$.

Conclusion

This chapter has demonstrated that Congress remains active in trade policy in spite of the growing role of the executive in foreign trade policy. The trade policy literature regularly treats delegation and the expansion of the executive branch trade apparatus as potential substitutes for Congressional action. Commentators also suggest that legislators strategically avoid the issue area as a matter of position avoidance or operational efficiency. In contrast to these narratives, I show that delegation has not amounted to a renunciation of legislative attention to the issue area. Importantly, these findings do not apply exclusively to sponsorship activity, which is often viewed largely as position taking behavior. Congress does not hold fewer trade-related hearings or enact fewer laws during periods of delegation. Additionally, executive-legislative consultations increased when the executive branch's trade agenda was at its most ambitious; under these conditions, the USTR met more regularly with Congressional officials.

These findings are consistent with a number of recent studies that have highlighted the continued engagement of Congress in U.S. trade politics. For example, research has emphasized that legislators remained responsive to economic constituencies in the wake of delegated authority (Goldstein and Gulotty 2015). Other research has noted that legislators are heavily involved in the policy making process even when standard indicators of legislative behavior would seem to suggest otherwise (see, e.g., Allee and Miler 2014; Caddel 2014).

It bears noting again that bill sponsorship activity actually *increased* in a meaningful way during periods of delegated trade negotiating authority. This was a particularly robust finding in the models here. Such a trend is consistent with the notion that members of Congress might increase the signaling of their preferences to the executive branch when the president's role is greatest (see, e.g., Lindsay 1994; Pastor 1980). Or, legislators may

increasingly sponsor legislation as a critique of executive action or inaction. These explanations receive preliminary support in light of my analysis of consultation data. Future research might usefully evaluate these explanations through a micro-level analysis of behavior focusing on individual legislators or policy proposals. As a preliminary matter, however, the consultations model demonstrates that Congressional involvement in the process constitutes more than mere "signaling."

Finally, this chapter provides a unique analysis in that it employs a quantitative examination of attention to trade policy over a long time horizon. Beyond exploring the role of delegation, this approach allows me to emphasize that other political institutional factors such as divided government also play a meaningful role in influencing patterns of Congressional behavior. I also find that economic factors, such as the business cycle and the trade dependence of the national economy, exert a clear influence on rates of legislative activity.

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2 STILL FOLLOWING THE LEADERS: INSTITUTIONAL POWER & EFFECTIVENESS IN TRADE POLICYMAKING

Contemporary studies of trade policy rarely consider the relative importance of key legislators in the trade policymaking process. The majority of research focuses on examining the various influences on the direction of legislators' trade preferences, without considering legislative effectiveness in the area. The limited trade politics research that does consider the roles of individual legislators often highlights the ways in which Congressional leaders largely saw their influence dwindle in the 1970s. In this chapter, I demonstrate that many of these leaders remained disproportionately critical to the passage and implementation of trade policy. In the first part of my analysis, I examine 33 Congresses of data and identify the factors that contribute to legislative success. The results indicate that, notwithstanding the "decentralization" of trade policy, Ways and Means membership, chamber seniority and party leadership status remained key predictors of effectiveness in the policymaking process. In the second stage of the analysis, I turn to a more qualitative discussion of the role of the trade committees in policymaking. Relying on a variety of government reports and committee transcripts, I show how key legislators retained much of their power in trade policy, although the shape of this influence changed over time.

Several key developments in the 1970s are largely credited with upsetting the traditional power structure of Congressional trade politics. As tariff rates dropped and trade policy became increasingly concerned with non-tariff barriers to trade, the underlying jurisdictional claim of Ways and Means was undermined. The committee originally derived its trade policy authority as a function of its responsibility for revenue bills, which includes most tariff legislation. However, modern trade policy began to implicate a far wider set of policy areas and congressional committees. These other committees began making a play for much of the jurisdiction of Ways and Means, and in many cases the inter-committee conflict was acute (Destler 1995; Gibson 2000; Nivola 1993). Taken together, these changes led many commentators to conclude that "trade policy had become less 'controllable' in Congress" (Nelson 2007; see also Destler 1995). No longer, they observed, could a small number of dominant legislators control trade policy outcomes by virtue of their positions and status within the institution.

In this chapter, I argue that there is substantial continuity in Congressional leadership on trade. Although the unrivaled power of the old guard of trade policymakers was challenged in the 1970s, much of the earlier power structure remains in place. First, I argue that key power brokers – such as committee members/chairs, party leaders and legislators with seniority – are still overwhelming likely to be the most effective legislators within the trade policy arena. Second, I emphasize that in many cases members of Congress simply saw their means of influence change. In particular, Congressional leaders often retained close supervisory roles over trade regulation, even where their ability to dominate the lawmaking process was challenged.

To assess my hypotheses, I examine legislative behavior in the House of Representatives during the post-war period (spanning the 80th-112th Congresses). My statistical analysis yields results consistent with my expectations. Holding key positions in the House is critical to a legislator's level of effectiveness in trade policy. Ways and Means member/chair status and chamber seniority were strongly associated with a higher rate of bill

success. Legislators in these positions were more likely to see their bills reported out of committee and passed into law; they were also more likely to garner support from their colleagues on their policy proposals. Other institutional considerations, such as serving in party leadership positions or being a member of the majority party, also proved to be determinative of legislative success. Importantly, these factors were powerful predictors of legislative effectiveness in both the pre and post-reform era.

Additionally, beyond introducing and seeking passage of legislation, there are a host of formal and informal roles that key legislators can play in the policymaking process. Members of Ways and Means, for example, are far more likely to be involved and influential in representing constituents' interests in consultations with the executive and administrative/quasi-judicial venues.

These findings demonstrate that legislators can have vastly different roles throughout the various stages of the legislation process. To the author's knowledge, this is the only effort to provide a quantitative and systematic examination of legislative leadership in trade policy across an extended period of time.

This chapter proceeds as follows. In the next section, I briefly discuss the existing literature on legislators' participation in the trade policymaking process, and describe the limitations associated with these research designs. In the following section, I explain how a more comprehensive treatment of the legislative process can allow us to better identify legislative effectiveness in the issue area; in this section, I also lay out my primary hypotheses. In the following section, I describe my research design and data. Finally, I turn to a discussion of the results and conclude.

Congressional Leadership on Trade Policy

Members of the House Committee on Ways and Means have historically played a disproportionately large role in setting trade policy. This authority was in many ways challenged in the 1970s.

In the pre-reform committee system, a series of powerful Ways and Means chairs essentially preempted any efforts at trade policymaking that did not meet their approval. Wilbur Mills, who chaired the committee from 1958 to 1974 was so powerful, for example, that other members complained that being on the committee was like being "on the tail of Mills' comet" (quoted in Pastor 1980: 151). He maintain such centralized control that other committee members often knew little about proposed pieces of legislation and did not even have the means to acquire the information (Pastor 1980: 155). Although Mills was notorious for his tight grip on trade policy, a similar description could be applied to previous chairs of Ways and Means (and Finance in the Senate). The clout of these legislators was enshrined in the titles of many general tariff bills in the late 1800s and early 1900s. The Payne-Aldrich Tariff of 1908, Underwood-Simmons Tariff of 1913 and the Fordney McCumber Act of 1922, for example, bore the name of the chairs of the Ways and Means and Finance committees (Eckes 1995: 104). Even earlier pieces of tariff legislation contained the name of the Ways and Means chair (see, e.g., the "Morrill," "Dingley," "McKinley" tariffs).

As trade policy became less about tariffs, and more about the wide variety of non-tariff barriers to trade, the underlying jurisdictional claim of Ways and Means was undermined. The committee originally derived its trade policy authority as a function of its chief responsibility for revenue bills – which includes most tariff legislation. But as tariff rates dropped and non-tariff barriers to trade expanded, trade legislation began to implicate a wider set of congressional committees.[1] One commentator described the changes,

> Now the cast of characters and the agendas they were trying to advance were becoming longer because of the new, more complicated policy requirements and because of increased staff support and opportunities for political aggrandizement. Participation spread to include the House Energy and Commerce Committee (domestic content, certification standards), the House Foreign Affairs and Senate Foreign Relations committees (foreign loans, exports controls), the Judiciary committees (antitrust reciprocity), the banking committees

[1]Additionally, during the post-war period, international institutions increasingly limited the extent to which tariff protection was a possible policy route for governments

> (financial services, foreign investment, the Export-Imports Bank), the agriculture committees (farm trade), the armed services committees (procurements codes), and so forth. (Nivola 1993).

In short, other committees started to encroach on the jurisdiction of Ways and Means (Destler 1995; Gibson 2000). These developments would serve to challenge the power of members serving on key committees, and more generally undermined the prerogatives of senior legislators.

Although several scholars have highlighted the potential implications of such major changes for trade policymaking, the existing literature has done little to systematically examine these effects. Nor has there been any systematic efforts to identify the most powerful legislators in the policy area. Studies of legislative behavior on trade policy typically examine how a host of member and constituency-level characteristics drive the *direction* of trade preferences. For example, these studies examine the ways in which trade policy behavior is influenced by state economic profiles (Krehbiel 1993; Bailey, Goldstein and Weingast 1997; Gilligan 1997; Rogowski 1987; Busch and Reinhardt 1999; Pincus 1975; Coughlin 1985; Allen and Hopkins 1997; Tosini and Tower 1987), the role of PAC contributions and interest group activity (Grossman and Helpman 1994; Hall and Deardorff 2006; Gawande and Bandyopadhyay 2000; Gawande and Hoekman 2006), and ideology and partisanship (Nollen and Quin 1994; Whalen and Whalen 1990; Baldwin 1984). These considerations are critical to identifying legislators' posture on trade liberalization, but do not provide much insight into legislative effectiveness.

In fact, the direction or intensity of trade preferences often bear little relationship with legislative success. An example can illustrate. In the 110th Congress, the Cato institute classified members of Congress according to their voting records on trade-related bills. Members who most consistently voted in favor of trade protection, i.e., voted for trade barriers and/or subsidies, were labeled as "interventionists"; legislators who consistently voted against these polices were "free traders." After compiling voting records, the researchers identified 15 legislators as being the most resolute in their respective trade preferences.

Among these 15 legislators were 7 hardline free traders, while 8 regularly voted for intervention in the economy. Despite having relatively consistent voting records on trade, however, these legislators were not among the most active or effective in terms of initiating legislation. In fact, they introduced fewer bills than their less hardline colleagues, and their bills were no more likely to make it out of committee or into law.[2] In short, even legislators who are consistent in terms of their support for particular trade policies are not necessarily better at obtaining favorable policies.

The trade policy literature has done little to explore legislative leadership or effectiveness in the issue area. And, because of an empirical focus on roll call voting, it is not currently well-positioned to do so. In the sections that follow, I present a number of hypotheses regarding legislative effectiveness, and propose various empirical strategies for examining these expectations.

Legislative Effectiveness in the Trade Policy Process

There is wide variation across legislators in terms of their ability to see their bills reported out of committee, passed in the chamber and signed into law. Holding a number of key positions within Congress can increase their likelihood of success.

Membership on committees of jurisdiction can make legislators effective sponsors for a number of reasons. Legislators on these committees have additional information on policy proposals, and their exposure to the issues gives them a greater level of expertise in the policy area under consideration (Krehbiel 1991). Importantly, these legislators are also able to participate in hearings, where industry and government experts offer testimony to identify the interests at stake. They also see the various markups of a bill to identify how legislation has progressed, and are present for the committee or subcommittee debate on legislation (see generally, Hall 1987, 1996; Evans 1991; Fenno 1973 for discussions of

[2]The same is true when examining legislators' pro-business rankings, based on the numerical score attributed to each legislator by the Club for Growth. Neither the legislators receiving the highest "pro-business" score, nor the ones receiving the lowest scores, were especially active/successful sponsors of trade legislation.

congressional committee membership and participation in constructing legislation).[3] These opportunities reduce costs associated with participation, and increase their comparative effectiveness in the area (e.g., Evans 1991; Hall 1996; Allee and Miler 2013).[4]

Legislators regularly stress the importance of obtaining allies on key committees if proposed legislation is to have any chance of success. Like any legislation, most trade bills never make it out of committee. To overcome this hurdle, sponsors of trade bills actively seek out the support of members of Ways and Means. In fact, in many cases where MCs are unsuccessful in obtaining the support of key committee members, potential bills may not be proposed in the first instance.

Archival materials from several legislative offices reveal the importance of such considerations. For example, during an effort to introduce a bill to amend the Trade Act's antidumping provisions, one legislative aide asserted "The bill is drafted, and we are presently attempting to obtain cosponsors. Our objective is to introduce it with as many from the [Ways and Means Committee] as we can get." In another instance, an aide advised his legislator that he was unable to amass sufficient support from committee members, and "without their [the committee's] blessing, no real point in even offering it on the floor."[5] Given the demonstrated importance of these committee members to the legislative process, I anticipate that they will be the most effective sponsors of trade legislation.[6]

Although legislative reform presented some challenges to key players on Ways and

[3]The importance of getting key committee members on board is, of course, not lost on interest groups as well. Frequently, they target committee members with communications and political contributions. This includes targeting members of the committee in general, with a special emphasis on committee/subcommittee chairs and ranking members (Grier and Munger 1986, 1991; Gwande and Hoeckman 2006).

[4]There are also a host of expectations associated with serving on Ways and Means. As Destler (1998: 98) notes, members of Ways and Means have a greater interest, and additional pressure, to legislate on trade-related issues when compared to non-committee members in the chamber (see also Destler 2005).

[5]Documents on file with author.

[6]Researchers have relied on various measures of relative legislative "success" (see, e.g., Matthews 1960; Frantzich 1979; Anderson et al. 2003; Cox and Terry 2008; Hasecke and Mycoff 2007; see Volden and Wiseman (2013) for a review of the literature). This includes, for example, examining which legislators see their bills reported out of committee or passed into legislation. Although the particular measures relied upon vary, they have similarly focused on the extent to which a MC is able to move his or her proposal through the legislative process. These measures are discussed further, below.

Means, their authority in the issue area was not undermined. Additionally, beyond shepherding legislation through the lawmaking process, I also anticipate that these legislators retain important advisory roles; I revisit this point below, following the statistical analysis.

Legislative Effectiveness: Bill Sponsorship/Success

To explore legislators' level of effectiveness in trade policy, I statistically examine bill success in the House of Representatives. My unit of analysis for the models is a legislator-congress, and the analysis spans from the 80th to the 112th Congress.

There are a number of dependent variables relied upon in the analysis. In Models 1 and 2, the dependent variable is a count of the number of trade bills that the MC-in-question sponsored that made it out of committee in each Congress. In Models 3 and 4, the dependent variable is the number of sponsored bills that became law. These dependent variables are all counts, and therefore I run a series of negative binomial models. (Models 5-6 rely on a different type of dependent variable, and I return to a discussion of this outcome variable below.) Table 2.1 contains a summary of the dependent variables for each of the models run here.

Table 2.1: Dependent Variables

Model	Dependent Variables
Models 1-2	# of sponsored bills reported out of committee
Models 3-4	# of sponsored bills passed into law
Models 5-6	subject legislator's centrality score

In determining the relevant legislation to include in the analysis, I rely on the Congressional Bills Project (CBP) and Policy Agendas Project bill coding system (see Adler and Wilkerson, 1973-2012; Baumgartner and Jones 1993). The CBP database contains all bills introduced during the period under consideration, and every bill is coded according to 19 substantive policy topics, each corresponding to a major policy area. The bills used

in the analysis here were drawn from the category of bills designated as relating to "foreign trade." This issue area covers bills concerning: trade negotiations/disputes, tariffs and import restrictions, export promotion and regulation, US competitiveness and productivity, balance of payments, exchange rates, and a variety of other related issues.

The independent variables contained in the analysis relate to member-level characteristics that are likely to influence legislative effectiveness on trade. The key independent variables relate to each MC's position within the institution. WAYS AND MEANS denotes membership on the key committee of jurisdiction for trade legislation. For certain models, I also relied on variables that denote committee chair and subcommittee chair status. I anticipate a positive relationship between this variable and legislative effectiveness. Similar variables were included to account for other committee memberships that are likely to be influential in trade policy, such as Foreign Affairs, Energy/Commerce and Agriculture. Committee data were obtained from Nelson (1973-1992) and Stewart and Woon (1993-2012).

Additional member-level institutional variables include majority party status (MAJ. PARTY), length of service in the chamber (SENIORITY) and leadership status (PARTY LEADER). I have also included a variable denoting each member's ideology (NOMINATE) and whether he or she is in the same party as the sitting president (PRES. PARTY). These data were obtained from Poole and Rosenthal (1997) and corresponding updates.

The results from my models provide support for my hypotheses. Key committee positions bear heavily on the extent to which a legislator is successful in the trade policymaking process. Other institutional factors, such as seniority, leadership status and majority party membership, also had decisive relationships with legislative success.

Before turning to the results of the statistical models, it is worth examining the raw data. Table 2.2 presents summary statistics denoting the propensity with which legislators were able to see their bills reported out of committee, passed in the House, and enacted into law. For Ways and Means members, the average number of bills that were introduced, and then

subsequently reported out of committee, was just under .22 per legislator-congress. For all other committees, this rate fell to well below .10. The likelihood that a non-Ways and Means member sponsors a trade bill and sees it out of committee appears to be extremely small. The same is, naturally, true for bill passage/enactment.

Table 2.2: Legislative Activity/Outcomes, by Committee

	Agriculture	Appropriations	Energy & Comm.	Foreign Affairs	Banking	Ways & Means	Judiciary
Bills Sponsored	0.65	0.63	0.79	1.034	0.965	2.763	1.277
Bills Cosponsored	3.337	3.264	3.829	5.187	4.103	4.97	4.169
Bills Reported Out	0.015	0.027	0.03	0.062	0.038	0.215	0.041
Bills Passed Chamber	0.009	0.02	0.021	0.08	0.034	0.191	0.036
Bills Enacted into Law	0.002	0.014	0.012	0.027	0.02	0.12	0.01

Rows 1 and 2 show the average number of trade bills sponsored and cosponsored, per Congress. Rows 3-5 show the average number of bills reported out of committee, passed the chamber, and passed into law, respectively. Data are drawn from the Congressional Bills Project as well as Fowler (2006a, 2006b).

I also briefly consider the outcomes associated with legislators that had substantial periods of service on and off the committee on Ways and Means. Table 2.3 shows that these legislators were substantially more likely to sponsor a trade bill and see it out of committee during their period of Ways and Means service. This comparison between performance while serving on and off the committee is an important one – this helps to demonstrate that it is not simply some underlying trait that is associated with selection to this committee that drives success in the trade policy realm.[7] Instead, it appears that committee membership *itself* increases legislators' ability to successfully pursue trade policy.

Table 2.3: Legislative Success, by Ways & Means Service

	Sponsored	Cosponsored	Cosponsors Obtained	Reported Out	Passed Chamber	Law
Ways/Means Members						
On Ways/Means	2.243	4.575	9.106	0.122	0.108	0.059
Off Ways/Means	1.540	3.904	7.123	0.082	0.079	0.035
Ways/Means (3 yrs min.)						
On Ways/Means	2.334	5.413	2.727	0.079	0.081	0.030
Off Ways/Means	1.661	6.202	6.405	0.021	0.008	0.008

Data are drawn from the Congressional Bills Project as well as Fowler (2006a, 2006b). The second set of row only includes legislators that served at least three years on/off of the committee.

I now turn to my regression models of legislative success. The results from these models are contained in Table 2.4. The variables performed in a manner that was broadly consistent with my initial analysis, and provide support for my hypotheses. With respect to the

[7] Such a comparison is useful, as selection to committees is clearly not random. Legislators have underlying priorities and motivations that lead them to seek and be qualified for committee membership in the first place (see, e.g., Strahan 1990: 78).

committee membership variable, Ways and Means had a robust positive relationship with legislative success. Members of this committee were more likely to see their bills reported out of committee (Model 1) and enacted into law (Models 3). The results are consistent when examining bills that are passed in the chamber, but that did not become law.[8]

Membership on Agriculture, Educations/Labor and Energy/Commerce had negative relationships with bill success over the full period. The coefficient on Foreign Affairs was positive across models, though the relationship never reached statistical significance. I interpret these findings as evidence of the primacy of Ways and Means on trade policy.

It is important to note that these findings were largely consistent when examining the pre and post-reform era. When splitting the sample to isolate the 80th-93rd Congresses, or the 94th-112th Congresses, the key variables performed as expected. WAYS&MEANS and WAYS&MEANS (CHAIR) were both statistically significant predictors of legislative success at the .001 threshold across time periods. There is, however, some evidence that their predominance was reduced. In the pre-reform period the predicted number of chair-sponsored trade bills that made it out of committee was 1.18, compared to just .04 for all other representatives; in the post-reform period these figures shifted to .411 and .022. There was a corresponding decrease for rank and file members of the committee, but they remained far more likely than their non-Ways and Means counterparts to successfully introduce legislation.

Another key change relates to the importance of other committees memberships. Membership on the Agriculture, Banking and Foreign Affairs committees prove to have a positive relationship with bill success when starting the sample in the 1970s, though their power

[8]Similarly, when relying on a variable denoting committee/subcommittee chair status, this variable also had a robust relationship with success (Models 2 and 4). Table 2.6 (contained in the appendix) shows the average level of activity and effectiveness of the Ways and Means Chair and the Trade Subcommittee Chair, and compares this performance to that of the average member of the chamber. That these two legislators were substantially more likely to see their bills reported out of committee is not surprising. That said, the stark difference of their success rate when compared to the average legislator is telling. The Chair of Ways and Means has historically held substantial power over the proposals that make it out of committee. In several crucial ways, committee system reform of the early 1970s weakened the position (Destler 1995: 69-70). That said, chairs still retain a host of agenda-setting powers, such as scheduling hearings and committee debates.

Table 2.4: Models of Legislative Effectiveness

	Model 1 (coef/se)	Model 2 (coef/se)	Model 3 (coef/se)	Model 4 (coef/se)
NOMINATE	-0.413**	-0.467*	-0.191	-0.298
	(0.18)	(0.25)	(0.19)	(0.30)
MAJORITY	-0.003*	-0.003	-0.001	0.000
	(0.00)	(0.00)	(0.00)	(0.00)
PARTY LEADER	1.432***	1.366***	1.884***	1.806***
	(0.44)	(0.44)	(0.54)	(0.42)
SENIORITY	0.109***	0.092***	0.115***	0.077***
	(0.02)	(0.02)	(0.02)	(0.02)
AGRICULTURE	-0.229	-0.938***	-0.717*	-1.505***
	(0.25)	(0.24)	(0.38)	(0.39)
ED./LABOR	-0.878***	-1.562***	-0.369	-1.156***
	(0.31)	(0.31)	(0.35)	(0.36)
FOR. AFFAIRS	0.479	-0.251	0.424	-0.366
	(0.31)	(0.30)	(0.33)	(0.31)
ENERGY/COMM	0.351	-0.440*	0.054	-0.841***
	(0.24)	(0.23)	(0.31)	(0.30)
WAYS&MEANS	2.642***		2.927***	
	(0.16)		(0.18)	
WAYS&MEANS (CHAIR)		3.243***		3.813***
		(0.32)		(0.29)
TOTAL BILLS	0.000***	0.000***	0.000***	0.000***
	(0.00)	(0.00)	(0.00)	(0.00)
INTERCEPT	-4.653***	-3.755***	-6.189***	-5.058***
	(0.39)	(0.40)	(0.44)	(0.43)
LN ALPHA	1.323***	2.300***	1.054***	2.059***
	(0.23)	(0.19)	(0.27)	(0.32)
N	14,128	14,128	14,128	14,128

Models 1-4 are negative binomial models.
* indicates significance at $p < 0.10$; ** at $p < 0.05$; *** at $p < 0.01$.

never approached that of Ways and Means.

That the legislators on Ways and Means retained such power in policymaking is especially noteworthy given the change to trade policy during the course of the period. Starting in the 1970s trade legislation was increasingly referred to multiple committees. This practice permitted a host of legislators from these other committees – who often had a different set of priorities than the typical MC serving on Ways and Means – to influence proposed trade policies. This included higher numbers of referrals to Foreign Affairs, Appropriations, Agriculture and Energy/Commerce. And, as trade policy increasingly concerned areas not traditionally tied to revenue policy, the jurisdictional basis of Ways and Means would seem to be undermined. The vast majority of trade bills in the period, however, were still referred to Ways and Means. From the mid 1940s to the 1970s, approximately 80 percent of the trade-related legislation introduced in Congress was referred to Ways and Means. The number actually increased to nearly 88 percent in the second half of the period (although multiple referrals did become far more common).[9] The results here, nonetheless, indicate that the Ways and Means committee was unparalleled in terms of containing legislators who were well-positioned to see trade legislation through the entire legislative process.

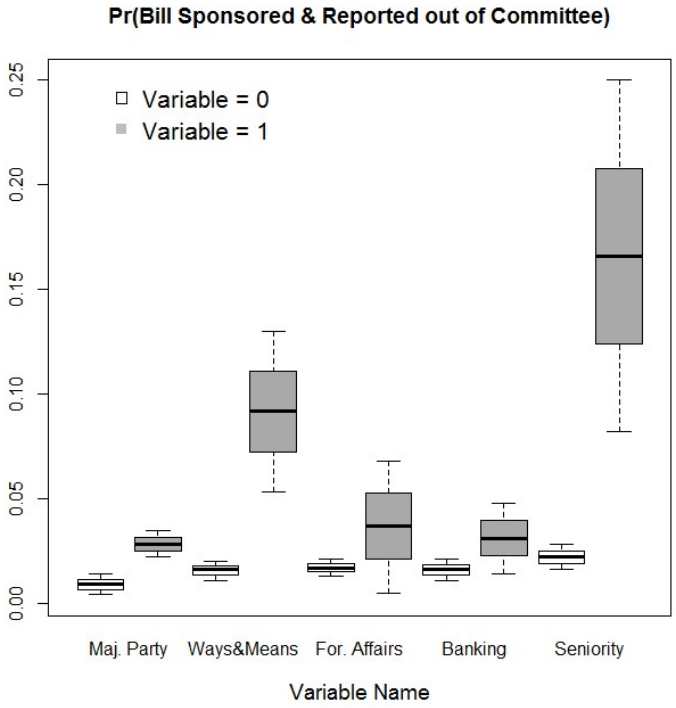
The other institutional variables performed largely as expected. MAJORITY PARTY was associated with increased legislative success, and the coefficient on the variable was positive and statistically significant across models. SENIORITY also had a significant and positive relationship with legislative success, regardless of specification.

In unreported models, I included variables related to the economic characteristics of MCs' districts. These variables are routinely included in trade policy analyses that seek primarily to explain the direction of trade preferences, and account for district employment in manufacturing sector, the agricultural sector, union membership and unemployment rates,

[9]This is not to argue that increasingly overlapping jurisdictions on trade policy were not important to legislative outcomes. For example, the increase of multiple referrals undoubtedly led to a higher likelihood that trade proposals would be modified during the committee process (see, e.g., Gibson 2000: 125-136; see also Destler 2004).

and educational attainment rates. These data were primarily drawn from the U.S. Census, and were compiled by Adler (1973-2005) and updated by the author. Inclusion of these variables did not modify the results reported here.

Figure 2.1: Predicted Probabilities



To get a sense of the substantive impact of the key variables, I calculated predicted probabilities based on Model 3. Specifically, I calculated the predicted number of trade bills that a legislator would see out of committee, while varying the values on the key variables discussed above (holding constant the values of the remaining variables). The predicted probabilities are plotted in Figure 2.1. As the plot demonstrates, holding critical institutional positions had a strong influence on legislative success. Here, I ran the analysis exclusively on the post reform era – thus isolating the period when Ways and Means membership should have its *weakest* impact. Despite this, Ways and Means membership was associated with a 600 percent increase in the number of trade bills a legislator saw reported

out of committee.[10] The impact was substantially less for members of FOREIGN AFFAIRS and BANKING, though they still saw approximately twice as many as a rank-and-file member. The only variable that had a greater substantive impact was SENIORITY, which led to a 7.5 times increase in the number of bills successfully reported out of committee. Finally, being a member of the majority party was associated with a 300 percent increase in the predicted count.

Importantly, these results hold when running the regressions while relying on the subset of trade bills that were *also* referred to a committee other than Ways and Means. In these robustness checks, WAYS AND MEANS remains significant at the .01 threshold, regardless of the measure of legislative success used (referred out of committee, passed in chamber, or enacted into law). Seniority and party leadership, once again, bore the anticipated positive relationship with bill passage success. The key difference from the models reported above is that membership on Foreign Relations was also a positive and significant predictor of bill success.

Taken together, the results demonstrate that a select group of legislators are overwhelming important in trade policymaking. Ways and Means membership, party leadership and seniority were the most consistent predictors of success in terms of advancing legislation.

An Illustration - Legislative Effectiveness, 103rd Congress

In this section, I examine the importance of institutional roles by examining a single Congress in greater depth. Specifically, I focus on the legislative network of bill sponsors and cosponsors in the 103rd Congress to identify the legislators that proved most central to the passage of trade legislation. This congress is a particularly useful one for consideration, as trade reemerged as a high salience issue at this time. Following the decline in attention to trade policy after the mid-1980s, the issue became critical given that the trade agenda featured bills relating to the WTO, NAFTA and several other import/export policy

[10]The impact was even more substantial when isolating the Ways and Means Chair and Trade Subcommittee Chair.

proposals.

Figure 2.2 displays the network of inter-legislator cosponsorship connections on all trade bills introduced in the congress under consideration. The legislators who serve on the House Ways and Means committee are labeled. As the figure illustrates, there is a relatively high level of activity in this policy area among both Democrats (in blue) and Republicans (in red). Trade was high on the legislative agenda during this term, and the density of (co)sponsorship ties probably does not come as a surprise.

Figure 2.3 shows the far less dense cosponsorship network for bills that were passed into law. There were 375 trade bills introduced in the 103rd Congress, which amassed a total of 1573 cosponsors. Of those bills, only nine ultimately became law. This network, in contrast to the one depicted in Figure 2.2, shows the overwhelming influence of key members of Congress. The large circles (i.e., "nodes") represent legislators who are on the Committee on Ways and Means or are party leaders.[11] As the figure suggests, approximately half of the sponsors/cosponsors on these "successful" bills were obtained from particular members of Congress – especially Ways and Means members, party leaders and senior legislators.

[11]The majority leader was Gephardt [D-MO], and the minority leader was Michel [R-Ill]. The rest of the leadership was Foley [D-Wa] (speaker), Bonior [D-MI] (majority whip) and Gingrich [R-Ga] (minority whip). The latter three legislators do not appear in the network, as they did not sponsor any trade bills that were ultimately enacted.

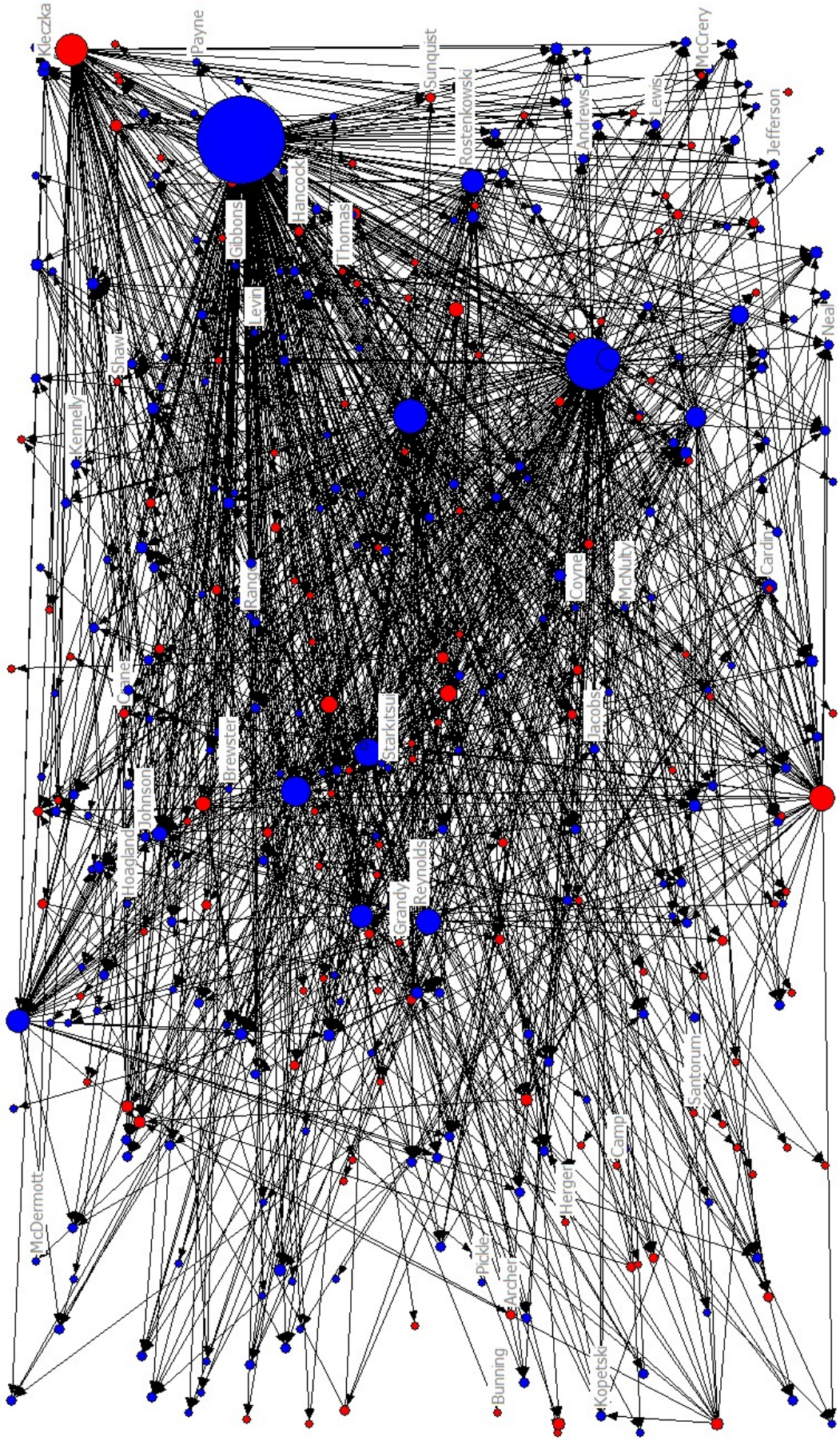


Figure 2.2: Trade Bill (Co)sponsorship Network; 103rd House

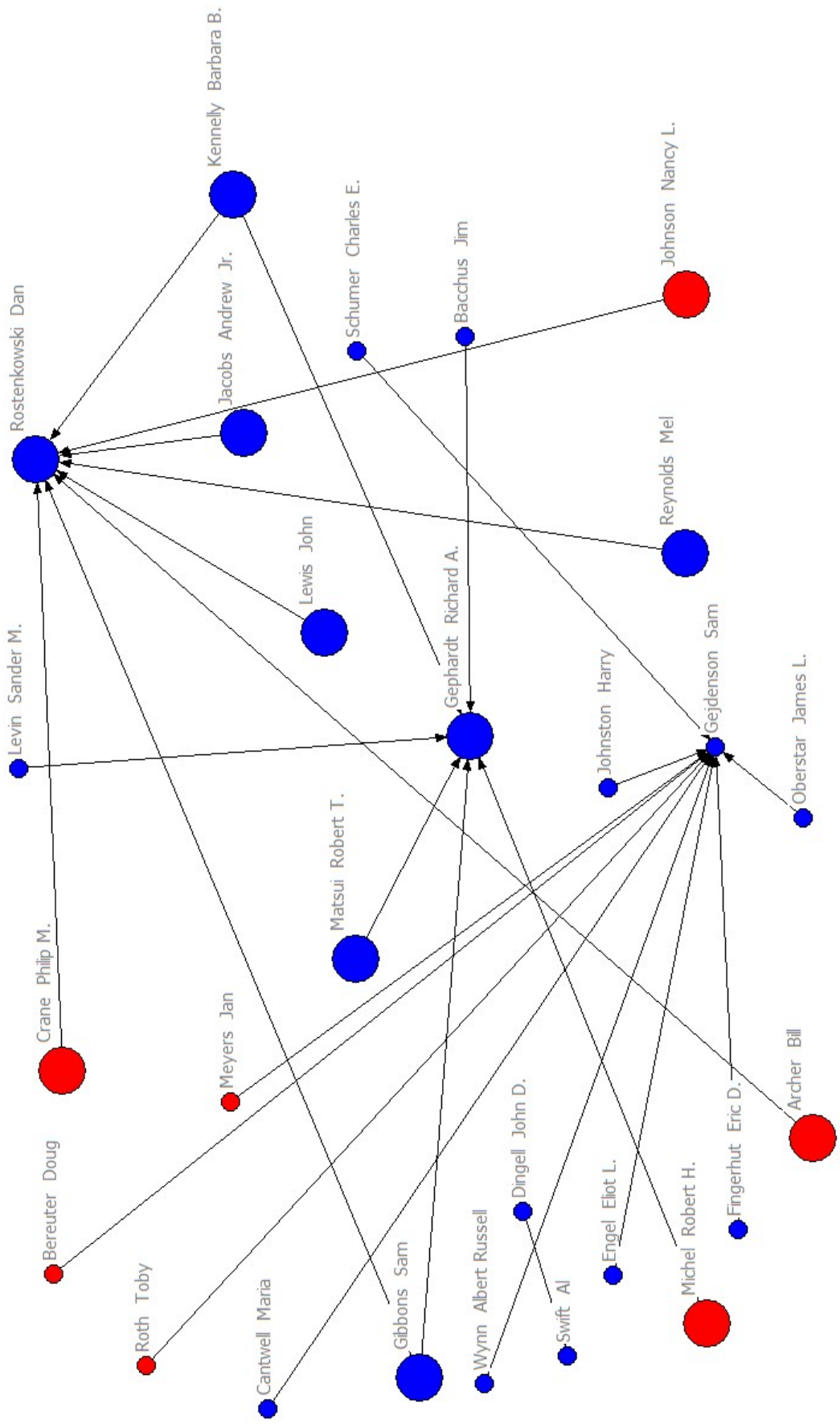


Figure 2.3: Sponsorship Network - Passed Trade Bills, 103rd Cong.

A statistical analysis of this cosponsorship network provides results consistent with my cursory visual interpretation. Here, I ran two regressions to assess the factors that made legislators "central" to the network of legislators involved in the passage of trade bills. The dependent variable, each legislator's centrality score, is measured two ways. First, the variable is measured as the total number of cosponsorship connections – on passed trade bills – to other members of congress; this figure includes all cosponsorships received on passed bills that he or she introduced, summed with the number of cosponsors he or she offered on colleagues' successful bills. The variable is alternatively measured as simply the number of cosponsorships each legislator obtained on his or her own bills (Models 7 and 8, respectively).[12] The results from these models are presented in Table 2.5.

As the results indicate, WAYS & MEANS had a positive and statistically significant relationship with centrality, and was significant at the .01 level in both models. PARTY LEADER was significant at the .01/.10 levels, depending on the model under consideration. SENIORITY also had a robust positive relationship with a legislator's centrality score. These results further demonstrate that holding key institutional positions remains critical to a legislator's effectiveness in the trade policymaking process.

[12]In the study of social networks, "centrality" captures an individual's relationships with other members of his or her network. These connections can represent an individual's level of popularity or power within the greater network. In the context of the Congressional bill sponsorship network, centrality indicates the extent to which legislators collaborate by introducing and cosponsoring each other's legislation (see, e.g., Fowler 2006a; 2006b; Victor and Ringe 2009; Gross, Kirkland and Shalizi 2012; Porter, Mucha, Newman and Warmbrand 2005; Ringe, Victor and Gross 2013; Koger 2003; Cho 2008; Kirkland 2011; Haar 2006).

Table 2.5: Centrality - Legislation and Enacted Bills

	Mod 7	Mod 8
	b/se	b/se
SENIORITY	0.085**	0.101***
	(0.04)	(0.04)
NOMINATE	-0.765	-3.270**
	(1.07)	(1.38)
DEMOCRAT	0.000	0.007
	(0.01)	(0.01)
SCHOOL ENROLL.	3.286	-15.373
	(7.24)	(8.22)
FARM EMPL.	-39.940	-20.978
	(37.23)	(33.97)
MFG EMPL.	-8.403	5.474
	(5.47)	(7.59)
UNEMPLOYMENT	-55.026*	-76.962
	(30.92)	(39.43)
UNIONIZATION	0.011	0.001
	(0.03)	(0.03)
WAYS & MEANS	2.045***	1.746***
	(0.40)	(0.40)
PARTY LEADER	2.347***	1.556*
	(0.67)	(0.40)
INTERCEPT	-2.180	-0.668
	(2.23)	(0.87)
R^2	0.24	0.26
N	435	435

Models 5-6 are OLS models.
* indicates significance at $p < 0.10$; ** at $p < 0.05$; *** at $p < 0.01$.

Maintaining Power Through Other Means

Thus far, I have demonstrated how MCs holding critical positions within Congress have retained substantial legislative power, notwithstanding the institutional/policy changes in the 1970s. These legislators remain intricately involved in setting trade policy by blocking/approving key trade appointments, and by financing and structuring the agencies that make trade policy. And, Congress, led by these members, has not hesitated to reassert itself vis-a-vis the executive.[13]

However, Congressional prerogatives can also be examined by exploring legislators' participation in areas beyond introducing and passing legislation. For example, MCs on Ways and Means also testify in support of their constituencies before the key trade institutions, such as the International Trade Commission. In the period from 1997-2010, over half of the antidumping/countervailing duty cases at the ITC saw a legislator testify on behalf of an industry seeking trade protection; members of the key trade committees were clearly the most active legislators in doing so (Caddel 2014).

Perhaps the most important role for these MCs is to be intricately involved in major trade agreement negotiations. For instance, the Trade Act of 1974, which delegated trade agreement negotiating authority to the president, "retained provisions initiated by the House that provided for direct participation throughout negotiations by members and staff of the House Ways and Means Committee and the Senate Finance Committee: five members from each committee (not more than three from any one party) were to be accredited as members of the negotiating delegation; they and designated staff were to receive briefings and documents and were to have full access to negotiating sessions" (Destler and Graham 1980: 58). These MCs, then, play a role that extends well beyond simply casting votes on implementing legislation following negotiations.

[13]In the last 120 years, Congress has passed 25 major trade laws dealing with delegation. In 8 of these cases, Congress acted to decrease the existing scope of delegation. And, of these 8 cases, 6 followed the RTAA and 3 followed the Trade Act of 1974 (O'Halloran 1994).

Nor did the 1974 Act constitute an isolated example of congressional-executive cooperation on trade. Both branches appear to take the consultation process very seriously. An excerpt from a Senate Finance committee report from 1980 well-illustrates this point. During a discussion surrounding the appropriate level of oversight and appropriations for the office of the Special Trade Representative (now known as the U.S. Trade Representative), several senators highlighted the close contact between the Trade Representative and the key Congressional trade committees. Senator Heinz specifically asked that the budget authorization for the Trade Representative take place at *less frequent* intervals. He argued, "I am inclined to believe that a one-year authorization or reauthorization is a little too frequent. ... I don't think we need to keep the STR [Special Trade Representative] on that short of a string." Heinz, the Chairman of the committee, also highlighted the historically high level of interaction between the Representative's office and committee member's offices. The following exchange took place prior to a vote:

> Senator Ribicoff: Hardly a week goes by that I don't receive a personal call from Mr. Askew [the sitting STR]. He comes by the office, keeps you informed, tells you what is going on. I don't think there is any agency that is in as close contact as STR.
>
> The Chairman: My impression is that STR stays closer than any of them.
>
> Senator Ribicoff: They do, and they want to. They realize a connection between this committee and themselves.

Following this discussion, the committee ultimately voted to reduce the authorization frequency for the Trade Representative (Finance Comm. Executive Meeting, Apr. 30, 1980).

Similarly, in the lead up to the passage of the Omnibus Trade Act in the late 1980s, the Chair of the Senate Finance Committee, Lloyd Bentson, emphasized that the bill would increase Congress's role in the administration's trade policy dealings. Other legislators similarly highlighted that broad support among key committee members would be critical

to securing the bill's passage – and this would ensure that Congress was not a mere "puppet" in setting trade policy (Schwab 1993: 260, 267). Ultimately, the bill reflected these concerns. The Omnibus Act, while extending "fast track authority" (i.e., executive negotiation power), also provided that Congress could revoke this fast track authority by passing a resolution of disapproval if Congress was dissatisfied with the level of consultation between itself and the United States Trade Representative (USTR) (Cooper 2014).

In 2002, the President was again granted fast-track (now called "trade promotion") authority pursuant to The Bipartisan Trade Promotion Authority Act. Just as in the 1988 grant of power, Congress made very clear that key players would stay involved with the negotiating process. Importantly, the Act created a new mechanism for congressional consultation, the Congressional Oversight Group (Cooper 2014). The executive was required to provide the advisory group with sufficient notice of intent to enter into a trade agreement to permit research and analysis prior to any formal consultation. And, even after an agreement was signed, this group was permitted to meet extensively before the drafting and passage of any implementing legislation.

It is important to note that while these reforms empowered Congress vis-a-vis the executive, it predominantly provided power to a select group of MCs. An examination of the operation of the Congressional oversight process suggests that the traditional trade committees were the primary beneficiaries. In the 4.5 year period between August 2002 and April 2007, the USTR met with members of Congress over 1600 times. By far the most common Congressional meetings occurred with the Senate Finance and House Ways and Means Committees (about 900); the second most frequently consulted committees were those relating to agriculture, which saw about 300 total meetings. The Ways and Means and Finance committees had consultations with USTR officials on a weekly basis, with meetings frequently lasting somewhere from an hour to an hour-and-a-half (GAO 2008).

Not only did the traditional trade committees have more frequent consultations than other committees, they also were far better positioned to process and act on the information.

Interviews from the Government Accountability Office reported that non-trade committee staff did not understand many of the issues, or the economics jargon, during briefings. One staff member who worked for a legislator on a trade committee explained that staff members "on the other committees of jurisdiction are at a disadvantage because trade is not their primary issue, and they don't have time to follow it." (GAO 2008).

For similar reasons, trade vs. non-trade Congressional staff had drastically different views regarding the timing of the consultations. Staff of the trade and agriculture committees said the timeliness of consultations was appropriate, and gave them sufficient time to prepare to develop their positions on the agreements. Staff from other committees often disagreed, complaining that there was inadequate time to prepare, and that "they felt briefed rather than consulted" (GAO 2008). Staff members with expertise in the area (typically Ways and Means, Finance and Agriculture) clearly required less time to respond to trade policy proposals and relevant market information. As a result, members of the trade committees had an overall more favorable view of the consultation process.

What this brief discussion illustrates is that, in many ways, the continued power of select legislators is actually understated in the statistical analysis above. Not only have the traditionally powerful trade legislators retained much of their influence in introducing and passing legislation, they also have an important role in other aspects of trade policymaking. These legislators are the most frequently consulted members of Congress, and importantly, are in the best position to receive and understand the information provided by the executive branch's trade negotiators.

Conclusion

Traditional analyses of legislative behavior on trade overwhelmingly focus on explaining the direction of legislators' positions. What these approaches do not do, however, is discriminate among legislators to identify the MCs that are most effective in influencing policy. The analysis here explores which legislators are most likely to be successful in

enacting legislation, and in influencing trade policy through formal/informal consulations.

The results suggest that a relatively small group of MCs are far and away most likely to be successful trade policymakers, despite major shifts in the 1970s that were expected to undermine these same legislators. Ways and Means members/chairs, and other legislators holding key roles in Congress, were the most effective legislators, regardless of the measure of effectiveness that was relied upon. These MCs saw their bills further through the legislative process at a far higher rate than their colleagues.

This is certainly not to downplay the importance of non-institutional factors as influences on trade policymaking. The import/export orientation of a legislator's district, and the macroeconomic climate, influence rates of legislative activity and voting behavior. However, such variables had little discernible relationship with legislators' direct policymaking capabilities.

Even when institutional changes appeared to open doors for new players in trade policy, various factors allowed for substantial continuity in Congressional trade leadership. Members of the key trade committees continue to enjoy formal relationships with the executive branch trade officials that give them agenda-setting/gate-keeping power when it comes to the most important trade policy proposals. A host of informal relationships also shape the behavior of key trade officials. It is a limited set of MCs that are privy to the most information regarding proposed trade policies, and these same legislators have the expertise to act on that information. In the contemporary negotiations concerning the Transatlantic Trade and Investment Partnership and the Trans-Pacific Partnership, the key discussions involve ranking members of the key trade committees and the executive. These legislators have the power to heavily shape, and even outright obstruct, executive efforts to pursue two major international trade agreements.

These findings highlight the institutional determinants of the trade policymaking process. Such considerations are obscured when research treats legislators as homogenous –

which is an especially common practice in the quantitative trade policy literature. The findings here illustrate that legislative influence, if not legislative activity, is overwhelmingly shaped by institutional criteria.

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Table 2.6: Trade-Related Activity - Ways & Means Chairs vs. Chamber Average

			Sponsor			Cosponsor			Rpt. Out		
Cong.	Committee	Trade SubC.	Avg.	WM Ch.	T.SC Ch.	Avg.	WM Ch.	T.SC Ch.	Avg.	WM Ch.	T.SC Ch.
93	Mills	NA	0.82	26.00	6.00	3.86	1.00	17.00	0.03	5.00	0.00
94	Ulman	Green	1.07	0.00	3.00	4.04	8.00	3.00	0.06	0.00	0.00
95	Ulman	Vanik	1.54	0.00	8.00	3.68	1.00	2.00	0.02	0.00	2.00
96	Ulman	Vanik	0.97	2.00	12.00	4.11	2.00	4.00	0.06	2.00	6.00
97	Rostenkowski	Gibbons	0.74	1.00	19.00	4.49	2.00	11.00	0.03	0.00	4.00
98	Rostenkowski	Gibbons	0.90	4.00	13.00	4.23	0.00	6.00	0.07	1.00	5.00
99	Rostenkowski	Gibbons	0.93	6.00	7.00	3.47	2.00	5.00	0.07	1.00	0.00
100	Rostenkowski	Gibbons	0.98	2.00	3.00	3.79	1.00	5.00	0.01	1.00	0.00
101	Rostenkowski	Gibbons	0.94	4.00	10.00	4.66	1.00	3.00	0.04	2.00	4.00
102	Rostenkowski	Gibbons	0.70	2.00	10.00	4.11	0.00	2.00	0.01	2.00	5.00
103	Rostenkowski	Gibbons	0.86	3.00	2.00	4.07	0.00	3.00	0.01	3.00	0.00
104	Archer	Crane	1.00	2.00	10.00	4.39	1.00	2.00	0.04	1.00	6.00
105	Archer	Crane	0.72	3.00	14.00	3.92	3.00	8.00	0.02	2.00	0.00
106	Archer	Crane	0.99	4.00	8.00	3.95	0.00	7.00	0.05	2.00	3.00
107	Thomas	Crane	0.86	4.00	8.00	3.52	2.00	5.00	0.03	2.00	3.00
108	Thomas	Crane	0.73	2.00	4.00	3.76	2.00	5.00	0.02	2.00	1.00
109	Thomas	Shaw	1.07	2.00	3.00	4.05	1.00	2.00	0.07	0.00	0.00
Avg.			0.93	3.94	8.24	4.01	1.59	5.29	0.04	1.52	2.29

Number of bills introduced, cosponsored, reported out of committee, passed into law. Gibbons served as Acting Chair starting in May 1994. Ulman took over for Mills in December 1974.

3 INTERNATIONAL COMMERCE & INSTITUTIONAL CONNECTIONS: CONGRESSIONAL NETWORKS AND FOREIGN TRADE POLICY

Inter-legislator coalitions have long been instrumental in formulating and implementing key pieces of international trade legislation. The existing literature on trade politics, however, typically highlights district and member-level characteristics as the key determinants of legislative behavior, to the exclusion of relational influences that may operate in the lawmaking process. Studies typically treat each legislator's choice to support a particular piece of trade legislation as independent from the choices of his or her colleagues. I argue, however, that a legislator's propensity to support a trade bill is often a function of his or her existing relationship with the bill's primary sponsor. Using standard regression techniques, as well as an exponential random graph (network) model, I find that inter-legislator connections have a substantial impact on observed patterns of support for trade bills introduced in the U.S. Congress. Relationships of reciprocity, and joint service on key committees, increase the likelihood that two legislators form a sponsor-cosponsor tie on a proposed trade bill, even when controlling for a host of legislator and district-level criteria. The results suggest that quantitative examinations of trade policy making should be careful to explore the potential interdependence of legislators' sponsorship decisions.

In 2005, the Central American Free Trade Agreement was passed in Congress by the slim margin of two votes. Although it initially appeared as though Republican leadership might fail to secure passage of the legislation, last-minute negotiating permitted CAFTA to make it through the House. In the end, there were even several notable pro-CAFTA votes from legislators representing districts with extensive import-competing industry. Nancy Pelosi, who opposed the bill, criticized the vote, saying that "Once again, the floor of the House of Representatives resembled the set of 'Let's Make a Deal'." The CAFTA legislation, however, is hardly unique in that its passage relied on legislative bargaining. One of the most infamous pieces of trade legislation in U.S. history, the Smoot-Hawley Tariff Act of 1930, is often cited as an archetypal example of log-rolling behavior. Legislators representing vastly different business interests struck deals to support major tariff increases on each other's products. Although this kind of inter-legislator bargaining is critical to the policy making process, much of the existing trade politics research fails to devote adequate attention to the relational determinants of policy outcomes.

The standard literature on trade politics extensively considers how the manufacturing profile and labor market characteristics of a legislator's constituency shapes his or her positions on trade. This work also explores how member-level factors, such as party, ideology and PAC contributions, influence trade policy preferences. Although these various considerations are undoubtedly important to explaining trade policy outcomes, reliance on these explanations alone provides only an atomistic view of the lawmaking process. Elected officials do not adopt policy positions in a vacuum, and inter-legislator relationships also influence policy choices.

In this chapter, I argue that previous collaboration and shared committee membership are two important types of legislator-to-legislator relationships that shape the trade policy making process. First, establishing ongoing collaborative cosponsorship relationships can give rise to legislative coalitions, and can facilitate future cooperation and expectations of reciprocity. In this regard, trading support for legislation through mutual cosponsorship is

essentially another version of the log-rolling dynamic that is often seen in the context of roll call votes. Second, joint committee membership serves as another type of inter-legislator connection that influences policy making. By jointly serving on trade-related committees (Senate Finance/House Ways and Means), legislators are able to use their shared expertise and key positions of authority to collaborate to effectively design and pursue passage of legislation. Accordingly, coalitions of legislators on these committees will be particularly likely to cooperate on trade legislation.

To examine my hypotheses, I run several statistical models of trade bill cosponsorship in both the Senate and the House. In the first step of my analysis, I run a set of logit regression models of cosponsorship choice, incorporating several variables to capture the effect of previous collaboration and joint committee membership on support for trade legislation. I then run an exponential random graph (network) model to more fully incorporate such effects in a context that allows me to directly address the non-independence of legislators' decisions. In addition to the quantitative analysis, I also draw on a variety of qualitative materials, such as Congressional papers and published accounts of legislative negotiations, that shed light on legislators' decision making when considering to cosponsor legislation.

The analysis yields results consistent with my hypotheses. Legislators that are highly connected in terms of previous collaboration have a higher propensity to support each other's pending trade legislation. This finding was robust to the inclusion of a host of control variables capturing the effect of member and constituency-level similarities and differences between legislators. Even controlling for commonalities in terms of ideology, partisanship, geography and district manufacturing profiles, prior cooperation was predictive of the formation of new cosponsorship ties. Additionally, common membership on committees of jurisdiction had a positive relationship with the likelihood of a cosponsorship tie forming. These results suggest that legislative connections are an important supplement to existing explanations for behavior in the context of trade policy. Although I

explore legislative collaboration in the context of trade policy, an area where such relationships have often been under-explored, my findings have more general implications. This research, then, also contributes to the growing literature on legislative networks as a source of cooperation and conflict at many stages of the policymaking process.

This chapter proceeds as follows. In the next section, I briefly discuss the main strands of the existing literature on trade policy making in the U.S. Congress. In the following section, I discuss the ways in which our models of legislative decision-making on trade policy could be improved by evaluating the potential role of inter-legislator connections. I next present my research design and the data I rely upon to test my hypotheses. In the final two sections, I discuss the results of my models, interpret these findings and conclude.

Trade Politics in Congress

The literature on trade politics extensively considers how constituency characteristics, interest group behavior and member-level traits influence elected officials' positions on trade policy. A well-established empirical literature has tested these various explanations, and has (to varying degrees) identified them as important determinants of trade policy making.

A large focus has been placed on exploring how the composition of industries in a district or state will lead a legislator to support particular policies (Krehbiel 1993; Bailey, Goldstein and Weingast 1997; Gilligan 1997; Rogowski 1987; Busch and Reinhardt 1999; Pincus 1975). For example, Coughlin (1985) noted that the presence of the automobile and steel industries in particular Congressional districts increased the likelihood that a legislator would vote in favor of a domestic content bill for automobile manufacturing. Allen and Hopkins (1997) found that the percentage of state employment dedicated to textile and apparel production had an impact on legislative voting on trade policy. Similarly, Tosini and Tower (1987) found that support for textile quota legislation reflected a district's overall orientation toward foreign trade, i.e., export-oriented vs. import-competing.

Although geographically-based constituencies are important, industry interests are also active at the national level (see Fordham and Mckeown 2003). This can readily be seen in the lobbying/PAC activity of manufacturers and trade associations. Campaign contributions are likely to motivate, or at least subsidize, support for policies that are favorable to donors and the industries they represent (Grossman and Helpman 1994; Hall and Deardorff 2006). A number of empirical studies have found support for the so-called "protection for sale" model of policy outcomes (Gawande and Bandyopadhyay 2000; Gawande and Hoekman 2006).

In addition to these district and interest group influences on trade policy making, a host of other member-specific characteristics are also determinative of legislative behavior on trade policy. Factors such as ideology and partisanship have been shown to influence positions on trade (Nollen and Quin 1994; Whalen and Whalen 1990). Baldwin (1984), for example, documents the partisan realignment on trade, as the Democratic party eventually became the party most closely associated with trade protection. Other research suggests that conservative members of Congress, who generally do not support an active role for the government in the economy, are less likely to support measures that distort trade.

Although it is critical to appreciate the various ways in which district characteristics and legislator attributes influence trade policy outcomes, the existing research often overlooks important dynamics within the Congressional policymaking environment. How do legislators' interactions with their colleagues influence their support for particular bills? The lack of attention to inter-legislator relationships is surprising in light of early trade politics research, which recognized the impact of intra-institutional dealings as a key determinant of policy outcomes (Schattschneider 1935).[1]

The omission of such considerations is especially surprising because trade policy is an

[1]In fact, the effect of log-rolling became so severe that Congress delegated many of its policymaking duties on trade issues to the executive branch. Line-by-line decisions on tariffs, for example, were in large part removed from the hands of legislators, who are more likely to be beholden to especially narrow interest groups. That said, Congress retained a great deal of policy influence on trade, as it participates in passing trade agreements, overseeing the administered protection process, and designing many trade policies of a broader scope.

issue area in which relational influences on legislative behavior may be particularly important. As Strattman (1992) explained in a discussion of log-rolling, legislative bargaining is most likely to take place in the context of policies that potentially provide large benefits to a minority group and impose relatively low costs on others. Stated differently, legislators facing low costs, i.e., those representing districts that are not directly affected by a policy, may very well be willing to offer (or trade) their support for a piece of legislation that has large economic implications for a select group of other legislators. This criteria applies in full force to many of the policy areas most relevant to international trade, such as tariffs, quotas, subsidies and price supports (Strattman 1992, 1995). A trade policy position that is fundamental for one legislator's agenda may very well be relatively unimportant to, and thus negotiable for, another legislator. As the passage of major trade bills like CAFTA, the Smoot-Hawley Tariff Act and many others illustrates, our understanding of trade policy outcomes can be at best incomplete, and at worst misleading, if we underestimate the role that inter-legislator relationships can play in the law making process.

To the extent that the trade politics literature has recognized the role of Congressional interactions as an influence on policy outcomes, it has done so in a limited way. First, this research has primarily focused on horse-trading exclusively in the context of roll call voting. In particular, this research is often focused on log-rolling on a single vote or a series of proximate votes, rather than exploring the effects of a broad range of legislative relationships that unfold over time.[2] This approach does not explain the role of other types of legislative relationships/coalitions. Does a legislator's long-term pattern of interaction with a particular member of the chamber affect whether he or she supports bills that the colleague introduces? Does shared membership in a Congressional grouping, such as a committee or a state delegation, lead legislators to support each other's policy proposals? To answer these questions, I consider how a broader set of ongoing relationships may impact support for trade policies.

[2]See, e.g., Schattschneider (1935); Strattman (1992); Irwin and Kroszner (1995, 1999).

Legislative Networks and Trade Policy

The growing literature on legislative networks has pointed to a number of channels through which legislators' interactions can impact policymaking. Research has examined the potential influence of institutional structures, such as caucus groupings (Victor and Ringe 2009), joint committee membership (Porter, Mucha, Newman and Warmbrand 2005), social relationships (Ringe, Victor and Gross 2012), and even members' seating assignments (Masket 2011). The legislative network variant that has received special attention relates to the relationships arising from bill sponsorship (Koger 2003; Fowler 2006a, 2006b; Sinclair 2008; Kirkland 2011). Studies considering (co)sponsorship have found that bill sponsorship relationships can give rise to a number of network-based effects on legislative behavior, such as coalition formation and reciprocity.

Cosponsorship provides an ideal setting to test these types of effects, as it is an inherently relational behavior. Primary bill sponsors devote time and resources to introducing bills (Schiller 1995; Sulkin 2005), and expend additional resources convincing other legislators to cosponsor legislation through personal contacts and "Dear Colleague" letters (Fowler 2006a). With respect to legislative outcomes, garnering cosponsorships can contribute to a bill's success, as research suggests that bills with a greater number of cosponsors are more likely to be considered (Wilson and Young 1997; Bratton and Rouse 2011; Krutz 2005; Woon 2008). When a bill's sponsor attracts cosponsorships, they are touted during floor debate, in constituency communications and in campaign settings (Campbell 1982).

Cosponsorship is also an important activity from the cosponsor's perspective. Although in terms of resources cosponsoring a bill can often be a low cost activity, providing a cosponsorship is properly viewed as more than mere cheap talk. First, cosponsorship is viewed as a stronger show of support for legislation (and its sponsor) when compared to simply providing a yea vote should the bill make it to the floor. Indeed, legislators may offer a roll call vote in support of a bill while specifically declining to cosponsor that same piece of legislation. Legislators have good reason not to take cosponsorship

decisions lightly, as bill (co)sponsorship is a highly public decision that is observed by other members of the legislature (Krehbiel 1995) and by electoral audiences (see, e.g., Goodliffe, Rothenberg and Sanders 2004).[3] This leads to a second, but related, point – cosponsorship is highly selective. Unlike voting, which generally includes nearly all members of the chamber, the average legislator cosponsors only a small percentage (approximately 2 or 3 percent) of all bills that are introduced (Hertherington 2001). As such, a show of support with a cosponsorship is especially meaningful. Third, there are consequences to reneging on a cosponsorship commitment. Bernhard and Sulkin (2013), for instance, find that a failure to uphold a cosponsorship pledge is often met with retaliation from other legislators. Providing support for legislation in this manner, then, is an important consideration for both primary sponsors and cosponsors.[4]

In light of the importance attached to a cosponsorship decision, and the fact that such decisions are inherently relational, recent research has begun to explore the ways in which cosponsorship ties can lead to a host of network-based effects on legislative behavior. One such effect is related to establishing trust and cooperative legislative relationships. By creating and maintaining allies in the chamber, legislators are better able to advance their own interests in the long term.

Beyond simply finding allies with compatible goals, however, legislators can also develop relationships based on reciprocity. When legislators support the policy initiatives of their colleagues, they increase the likelihood of receiving concomitant support for their own initiatives (Burkett and Skvoretz 2005). Bratton and Rouse (2011), for instance, find that

[3]Krehbiel (1995) emphasizes bill sponsorship as an intra-institutional signal to other legislators that the cosponsor supports the primary sponsor (see also Harward and Moffett 2010). Others emphasize the act of bill sponsorship as a position taking activity targeted to actors outside Congress (see, e.g., Goodliffe, Rothenberg and Sanders 2004).

[4]Sponsorship itself is an important area of study notwithstanding the fact that it takes places early in the legislative process. Bill sponsorship has been found to affect levels of campaign contributions (Hall and Deardorff 2006; Rocca and Gordon 2010) and may have an influence on a legislator's reputation as an effective representative (Weissert 1991). Even bills that do not ultimately get passed can influence the content of future legislation (Koger 2003; Kessler and Krehbiel 1996) and facilitate the formation of legislative coalitions (Bernhard and Sulkin 2013).

legislative cosponsorship networks are characterized by reciprocity. They find that when controlling for common ideology, common partisanship, district characteristics and a host of other variables, legislators are more likely to provide support for colleagues who have cosponsored a bill they have introduced. Similarly, Berhard and Sulkin (2013) emphasize the ways in which cosponsorship can lead to a log-rolling dynamic, as it can be used to create legislative coalitions. Several other recent empirical efforts arrive at results consistent with these findings (see, e.g., Clark and Caro 2013; Cranmer and Desmarais 2011).

Internal memoranda from the office of former Representative/Senator John Heinz [R-Pa] are instructive in this regard. Heinz, as an active participant in the trade policy making process, and ultimately a chairman of the Senate Subcommittee on International Trade, sponsored many trade bills during his tenure in office. His decisions relating to cosponsorship demonstrate that his office explicitly considered the ways in which supporting a proposed piece of legislation with a cosponsorship could impact longer-term legislative relationships. In one memo, a legislative aid advised Heinz to consider supporting a bill introduced by Ernest Hollings [D-SC], noting that "Hollings was quick to cosponsor and push your bill, and a return of the favor is appropriate." In another note regarding a potential cosponsorship, Heinz was advised: "I have no objections [to cosponsoring a proposed bill] but no interest either. If you have no problem with the concept I suggest you cosponsor it so they'll owe us one later on." A final memo well-illustrates the expectations of reciprocity that are part of cosponsorship choices. When Heinz was asked to cosponsor a bill on the U.S. Export-Import Bank, sponsored by Dixon [D-Ill.], the legislative aide writing the memo noted that

> Dixon did not go on your [export-import] bill, so you do not owe him one. However, the idea represents Dixon's entree to the export finance issue and forming an alliance with him has proven a successful strategy for circumventing the inaction/opposition of the Committee leadership on international issues in the past.[5]

[5]These memorandum/notes were obtained from the Senator H. John Heinz III Archives at the Carnegie Mellon University Libraries. Much of the collection is available in digital format at:

As these excerpts suggest, there are a number of key dynamics taking place in the context of bill cosponsorship decisions. There are certainly expectations of reciprocity. Just as in the context of roll call voting, cosponsorships appear to be the subject of log-rolling; though, in some cases this dynaimc may not be explicit. Importantly, legislators also use cosponsorship as a key mechanism through which to show support for colleagues and to form ongoing working relationships. Members of Congress, then, are concerned with the longer-term impact that their cosponsorship decisions may have on their legislative relationships with colleagues.

For these reasons, a legislator's propensity to sponsor a piece of trade legislation is in part determined by his or her relationship with the primary sponsor of that bill. As an initial matter, I anticipate that the trade bill sponsorship network will be characterized by reciprocity or "mutuality." That is, if legislator$_i$ cosponsors legislator$_j$'s trade bill in the current congress, I anticipate that legislator$_j$ will be more likely to be a cosponsor on a piece of legislator$_i$'s trade legislation. This leads to Hypothesis 1:

Hypothesis 1*: The trade legislation (co)sponsorship network will be characterized by reciprocity.*

Hypothesis 1b*: The trade legislation (co)sponsorship network will be characterized by a higher degree of reciprocity than the equivalent cosponsorship network of other issue areas.*

Hypothesis 1 is intended to cover reciprocity within the context of a single Congress's trade bill sponsorship network, i.e., reciprocity occurring only in the context of trade legislation introduced during this two-year period. Relationships of reciprocity, however, do not

http://digitalcollections.library.cmu.edu/portal/browse.jsp

necessarily manifest themselves in the context of a single congress or issue area. They may develop over a longer time frame and may cover additional issue areas. Legislators' collaboration in other issue areas beyond trade may also bear on their propensity to support trade legislation in the current Congress. Additionally, cooperation in a previous congress may be indicative of a cooperate relationship that is not captured in the sponsorship behavior in the current Congress. Such relationships make legislators more likely to extend support for each other's trade legislation in the present.

For this reason, I anticipate that prior collaboration will impact present cosponsorship choices. Even when controlling for the host of factors that influence the likelihood that a pair of legislators cooperate on a pending piece of trade legislation – such as similarities/ differences in ideology and constituency economic characteristics – I anticipate that high levels of previous cosponsorship ties (or "connectedness"[6]) between two legislators will be a strong predictor of their willingness to support a trade bill introduced by the other. This discussion leads to my second hypothesis:

Hypothesis 2*: A legislator that was highly connected to a trade bill's primary sponsor (in the previous Congress) is more likely to cosponsor the bill.*

Hypotheses 1 and 2 are concerned with cosponsorship-based ties between legislators. My third hypothesis concerns another type of connection between legislators that relates to their committee assignments. Shared membership on one or more committees provides an opportunity for the formation of working relationships, which may also affect sponsorship behavior (Bratton and Rouse 2011; Gross, Kirkland and Shalizi 2012). Unlike cosponsorship, membership on a committee does not necessarily reflect a legislator's selective decision to work with the other members of that committee. That said, shared committee

[6]Fowler uses the term "connectedness" to measure the extent of sponsorship-based cooperation between a pair of legislators (Fowler 2006a, 2006b). Connectedness encompasses more than simply the frequency of ties, but also accounts for the closeness of a given tie. I discuss this concept and the way that this variable is operationalized below.

membership can be viewed as a loose connection that might make the establishment of a legislative relationship more likely for several reasons.

First, a bill is likely to be referred to a committee on which its primary sponsor sits (Bratton and Rouse 2011). Accordingly, the primary sponsor has opportunities to secure the support of fellow members of the committee of jurisdiction, who can become involved with legislation in its early stages. Moreover, cosponsorships from relevant committee members are often pursued actively, as the support of these legislators can help the bill make it over early hurdles in the legislative process. Absent committee support, legislators may be not inclined to introduce a bill from the onset.

Additionally, by working together on certain policy areas, legislators with shared committee assignments are well-positioned to draft legislation together. Long periods of committee service can lead legislators to develop expertise and a reputation for effective policy making in an issue area (Kroszner and Stratmann 2000). Pairs of legislators who jointly served on committees, then, have increased opportunities for collaboration *and* shared knowledge of the relevant policy area. Several recent empirical studies have found support for the proposition that such relationships lead to collaboration outside the area of trade policy (Bratton and Rouse 2011; Gross, Kirkland and Shalizi 2012; Clark and Caro 2013; Cranmer and Desmarais 2011).

In the context of trade legislation, the most relevant committee in the Senate is the Committee on Finance. In the House, Ways and Means is the committee of jurisdiction for most trade legislation. Although many trade-related bills touch on the jurisdiction of other committees (e.g., Government Affairs, Commerce, Banking, Energy, etc.), legislation pertaining to tariffs, quotas, customs regulations and trade agreements necessarily makes it to Finance and Ways and Means (Whalen and Whalen 1990). As such, legislators who are on these committees are particularly critical partners if a proposed trade bill is to have a realistic chance of passage. For these reasons, I anticipate that two legislators who jointly serve on these committees will be more likely to cosponsor each other's legislation. This

leads to Hypothesis 3:

Hypothesis 3*: Joint membership on Finance/Ways and Means will increase the propensity that two legislators share a sponsor-cosponsor tie on a trade bill.*

I expect that inter-legislator connections – namely, previous patterns of (co)sponsorship cooperation as well as common committee membership – are important predictors of a legislator's decision to cosponsor a pending piece of trade legislation. Although such network-based considerations are likely to operate across many policy areas, such relational influences are particularly important in the context of trade policy. In this policy area, legislation often has considerable implications for a minority group and imposes low costs on others. Accordingly, unlike the many policy areas where legislators may be altogether hesitant to negotiate away their preferred positions, trade policy is ripe for relationship-based influences on policy making (Strattman 1992, 1995).

Research Design & Data

To explore the relationship between legislative connections and trade policy making, I run two types of statistical models. As an initial step, I run two sets of logit models of cosponsorship choice. In these models, I explore the various factors that influence the likelihood that a legislator chooses to cosponsor a piece of trade legislation. To preview the findings here, I find support for the proposition that network-based effects are influencing legislators' cosponsorship decisions. These results suggest that a modeling strategy that incorporates legislator-to-legislator interdependencies could more accurately capture the formation of the trade bill cosponsorship network. Accordingly, I next specify a series of exponential random graph models ("ERGMs" or "network models") to more directly consider the role of these relational processes.

Table 3.1: Bill (Co)sponsorship Summary Statistics

	103rd House	**110th Senate**
Total bills introduced	375	80
Bills introduced (Dem.)	202	46
Bills introduced (Rep.)	163	34
No. of Cosponsors	1573	282
Unique Sponsors	154	46

Figures are based upon the coding of the Congressional Bills Project Database.

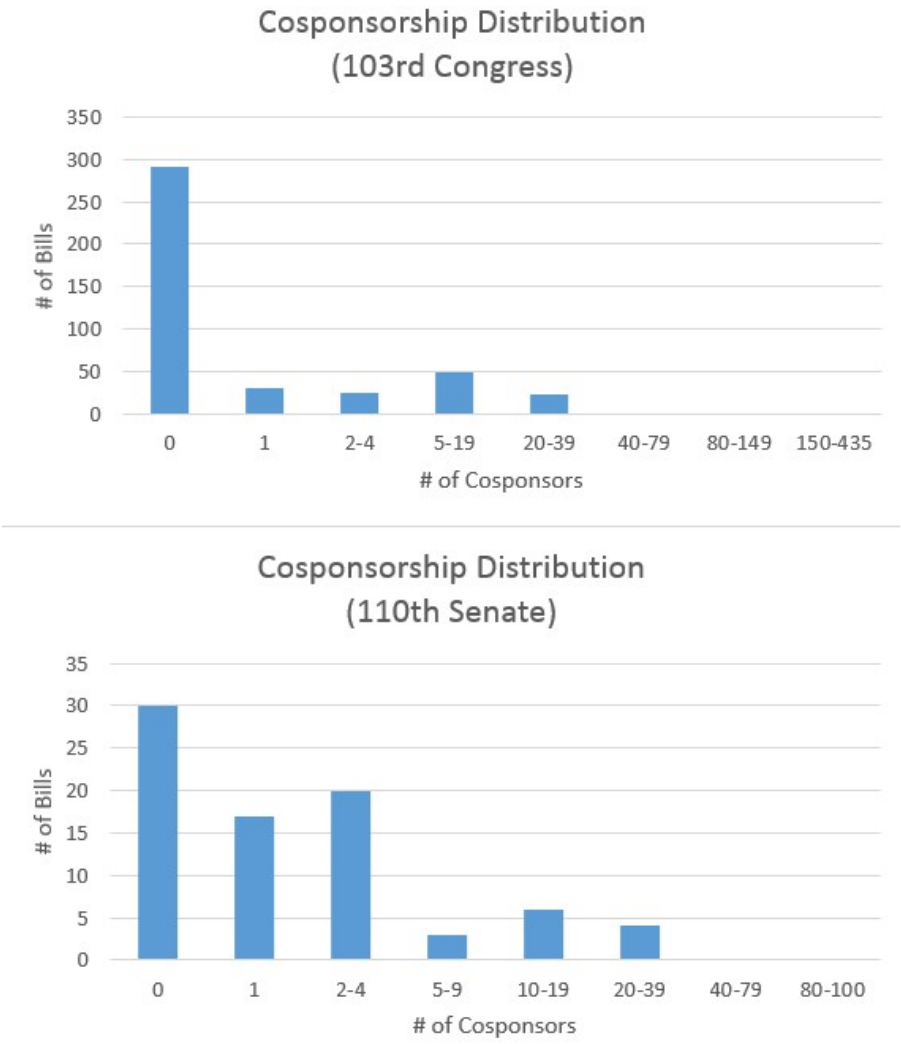
I test my hypotheses in the U.S. Congress, in both the Senate and the House of Representatives. My analysis includes both chambers, and two congresses that are separated by 12 years, to ensure that my hypotheses hold in varying economic/political environments. For the Senate model, I rely on the 110th Congress (2007-2008), where Democrats controlled Congress while the Republican Party held the Presidency. For the House models, I relied on the 103rd Congress (1993-1994), when there was a period of unified government under the Democrats. These periods also encompass some variation in terms of the prevailing macroeconomic climate.[7]

My models of legislators' cosponsorship choices are based on an analysis of all trade bills in each Congress. The relevant set of legislation under consideration includes all bills classified as "foreign trade" legislation, in accordance with the coding of the Policy Agendas Project/Congressional Bills Project. This includes bills that suspend or impose tariffs, quotas and import licensing requirements, and can include other trade-related measures, such as product standards and labeling requirements. The category also covers bills related to negotiating and implementing trade agreements, changes to the administrative provision of trade remedies, as well as bills related to currency regulation.

The data on (co)sponsorship were sourced from the THOMAS Congressional bills database,

[7]Models 1-3 are the logit models of Senate cosponsorship behavior, and Models 4-6 are logit models examining House behavior. Models 7-9 are the ERGMs of House behavior, and Models 10-12 are ERGMS covering Senate behavior.

Figure 3.1: Trade Bill Cosponsorship Distributions



and were compiled by Fowler (2006a, 2006b).[8] Summary statistics indicating the number of cosponsors per bill are summarized in Table 3.1 & Figure 3.1. Data on committee membership are from Stewart and Woon (2012). Information on the construction of the numerical ideology (NOMINATE) scores can be found in Poole and Rosenthal (1997). Data on the economic profiles of legislators' districts were obtained from a variety of sources, including: Baldwin and Magee (2000), the U.S. Department of Labor and the U.S. Census Bureau. Additional information regarding the data sources and the coding used in this chapter can be found in the appendix.

(A) Logit Models

As noted above, I test my expectations in two steps. In the first stage, I rely on a series of logit models. My unit of analysis is each legislator's individual cosponsorship opportunity – that is, each legislator's decision whether or not to cosponsor a piece of trade legislation. The unit of analysis is measured as a dyad, with each dyad containing a bill's primary sponsor and each of the potential cosponsors in the chamber. For instance, in the Senate models, for each of the trade-related bills introduced in the 110th Congress, there would be 99 cosponsorship opportunities (as the primary sponsor is excluded). Because there are 75 relevant bills in the congress under consideration, my N for these models is 99 x 75 = 7425 dyads. The same approach is relied upon for the analysis of cosponsorship decisions in the House. The dependent variable is coded as 1 if the potential cosponsor ultimately cosponsored the piece of legislation in question; 0 otherwise.

The first key independent variable of interest, CONNECTEDNESS, is dyadic, and measures the degree of (co)sponsorship-based connectivity between each potential sponsor and the legislator who sponsored the bill in question. I anticipate that previous cosponsorship ties are representative of a relationship between the legislators that is predictive of cooperation, even when controlling for underlying factors that may lead them to hold similar/divergent preferences on trade. CONNECTEDNESS is measured based on copsonsorship

[8]The data are available at: http://jhfowler.ucsd.edu/cosponsorship.htm.

cooperation during the previous session of Congress.[9]

CONNECTEDNESS, however, is not simply measured as a count of dyadic sponsor-cosponsor ties in the prior congress. Rather, each tie is weighted downward based on the number of other legislators who cosponsored that same bill. This weighting scheme captures the different level of "connectedness" that may arise from any given act of cosponsorship (Fowler 2006a). A number of bills, often ceremonial, or otherwise noncontroversial, frequently obtain a large number of cosponsors. These bills do not necessarily reflect a close relationship between the sponsor and all cosponsors. Where a bill has only 1 or a few cosponsors, in contrast, each of those cosponsorship ties is likely to be indicative of a more selective and higher intensity relationship between the cosponsor(s) and primary sponsor. CONNECTEDNESS, therefore, is calculated with a weighting scheme where each previous cosponsorship tie contributes $\frac{1}{total\#cosponsors}$ to the dyadic connectedness score.

I anticipate a positive relationship between CONNECTEDNESS and my dependent variable. Closer working relationships in the past are likely to impact a current decision whether or not to support pending trade legislation.

The next variables relate to relevant committee memberships. I include variables to denote shared committee assignments between each potential cosponsor and the bill's primary sponsor. In the Senate, the key committee of jurisdiction for trade legislation is Finance. JOINT FINANCE is coded as 1 if both the primary sponsor and the potential cosponsor sit on the committee. In the House, the key committee is Ways and Means, and JOINT WAYS AND MEANS is coded in the same manner. These committees are the most important for trade legislation in the two chambers. I anticipate that shared committee membership facilitates legislative relationships that are relevant to the trade bill sponsorship process. Accordingly, these variables should have a positive relationship with the formation of a bill

[9]Using cooperation in the current congress would be inappropriate for two reasons. First, if the entire Congress was considered, I would be improperly including connections that formed after the bill under consideration was introduced, see, e.g., Gross and Kirkland (2012). Second, to use only those connections that occurred before the bill in question would improperly suggest that there was little connectivity between legislators early in the Congress, as few bills would have been sponsored at that point.

cosponsorship tie.

I include a host of control variables related to district economic characteristics and member-level traits. In the discussion that follows, I describe the variables used in the model of cosponsorship choice in the Senate. Unless otherwise noted, the variables are calculated in an analogous manner for the House versions of the models.

The first four variables are included to capture similarities/differences between the two legislators in the dyad under consideration. NOMINATE DIFF. is included to account for the ideological distance between the subject legislator and the bill's primary sponsor. This variable is measured as the absolute difference between the two legislators' NOMINATE scores. I anticipate that higher values for this variable will have a negative effect on the likelihood of a cosponsorship tie forming. Another variable that measures a similar dynamic between legislators is SAME PARTY. SAME PARTY is coded as 1 if both legislators are members of the same political party. Naturally, I anticipate that common partisanship will have a positive relationship with the probability that two legislators cosponsor a trade bill. As these two variables were highly collinear, only one could be included in the models at a time. As discussed below, the results are comparable regardless of which variable is included.

EXP-IMP RATIO DIFF. captures the differences in manufacturing profile between two legislators' states. The export-import ratio for each state is measured as the number of jobs in exporting industries divided by the number of jobs in import-competing industries (Baldwin and Magee 2000). Industries were divided into export-oriented/import-competing categories based upon whether the U.S. is a net exporter in the related SIC (4-digit) category under consideration. EXP-IMP RATIO DIFF., then, is the absolute difference in the export-import ratio between the two legislators. I anticipate that two legislators that both represent states with internationally competitive manufacturing industries, or two legislators both representing less competitive industries, will be more likely to have common positions on

trade legislation. In contrast, where they represent dissimilar industries, i.e., EXP-IMP RATIO DIFF. is large, they will be less likely to collaborate on trade legislation. As such, I expect that this variable will have a negative relationship with a legislator's decision to cosponsor the bill in question.

SAME STATE is included to capture dynamics arising from representation of a single state (Gross 2008). Legislators from the same state could be more likely to support each other's legislation for a number of reasons. It could be that these legislators face similar constituency pressures as a result of representing adjacent or proximate (and thus potentially similar) districts. It might also be the case that the legislators have other types of ties to each other. In the House, for example, Matthews and Stimson (1975) note that, based on interviews with a randomly selected sample of representatives, a member's state party delegation was the most frequently mentioned source of policy-relevant cues. Kingdon (1989) notes that state delegations are a particularly valued source of information because of the trust that develops between legislators over time.[10] Similar dynamics might arise in the Senate, depending on the partisan balance of a state's Senate representation (Schiller 2000). A glance at overall levels of cosponsorship trends does suggest that there is localized grouping in terms of legislators' level of participation in trade policy. See Figure 3.2.

The next set of variables are monadic, and relate to attributes of individual legislators. I include LABOR PAC $ to account for the role of labor contributions on a legislator's propensity to participate in trade policy making. Organized labor has long been active in the trade policy arena, and a relationship with these interest groups might influence policy choices. For similar reasons, UNIONIZATION is included. The variable is coded as the number of unionized workers as a share of workers in the state. DISTRICT MFG. is

[10]In addition to shared information, there are practical reasons to act consistently with one's delegation. Delegation solidarity on an issue gives increased leverage for the delegation's position as it engages in House-wide bargaining. There are also "defensive" reasons to ensure that ones policy stance falls in line with other members of a state delegation; for example, doing so can make it easier to justify one's position to his or her constituency (see generally Matthews and Stimson 1975; Truman, 1956; Kingdon 1989).

included to account for the composition of a state's economy. States that rely heavily on manufacturing sectors for income and employment will typically be more affected by trade policy than districts that are more service oriented.[11] Accordingly, legislators representing these states should be more likely to take a leading role in sponsoring and supporting trade legislation. I anticipate that these three variables will have a positive relationship with cosponsorship.

In addition to the above variables, I experimented with several other controls to ensure the robustness of my findings. For example, I ran the models including 19 variables to denote the proportion of state employment in each of the 19 two-digit SIC manufacturing employment categories.[12] I also ran models including district UNEMPLOYMENT and EDUCATIONAL ATTAINMENT, as well as MAJORITY PARTY status of the potential cosponsor. Doing so did not alter the findings reported.

(B) Network Model (ERGM)

In stage two of my analysis, I rely on a network (ERGM) model to explore the factors that lead to a "tie" (i.e., a sponsorship-cosponsorship relationship) forming between two legislators in the context of trade legislation. In Models 1-6, I roughly approximated such network-type effects by including variables denoting several dyadic relationships in a regression analysis. In Models 7-12, I more directly test these relational effects in a context where unit independence is not assumed (see, e.g., Snijders et. al. 2006). This will permit me to fully assess the relative importance of network-based effects on bill cosponsorship

[11] Agricultural sectors also have their own relationship with the trade policy-making process. However, during the period under consideration, agri-trade policy is more prominent in the area of subsidy-related legislation than in the context of traditional trade measures that make up the bulk of the Congressional Bills Project's "foreign trade" category.

[12] The manufacturing employment data for each congressional district are aggregated at the two-digit Standard Industrial Classification code level. The manufacturing categories are: (20) Food & Kindred Products; (21) Tobacco Products; (22) Textile Mill Products; (23) Apparel & Other Textile Products; (24) Lumber & Wood Products; (25) Furniture & Fixtures; (26) Paper & Allied Products; (27) Printing & Publishing; (28) Chemical & Allied Products; (29) Petroleum & Coal Products; (30) Rubber & Miscellaneous Plastics Products; (31) Leather & Leather Products; (32) Stone, Clay, & Glass Products; (33) Primary Metal Industries; (34) Fabricated Metal Products; (35) Industrial Machinery & Equipment; (36) Electronic & Other Electric Equipment; (37) Transportation Equipment; (38) Instruments & Related Products.

choice while also accounting for the standard member/district-level characteristics. As above, the ERGMs presented here cover legisative (co)sponsorship behavior in the 103rd House and the 110th Senate.

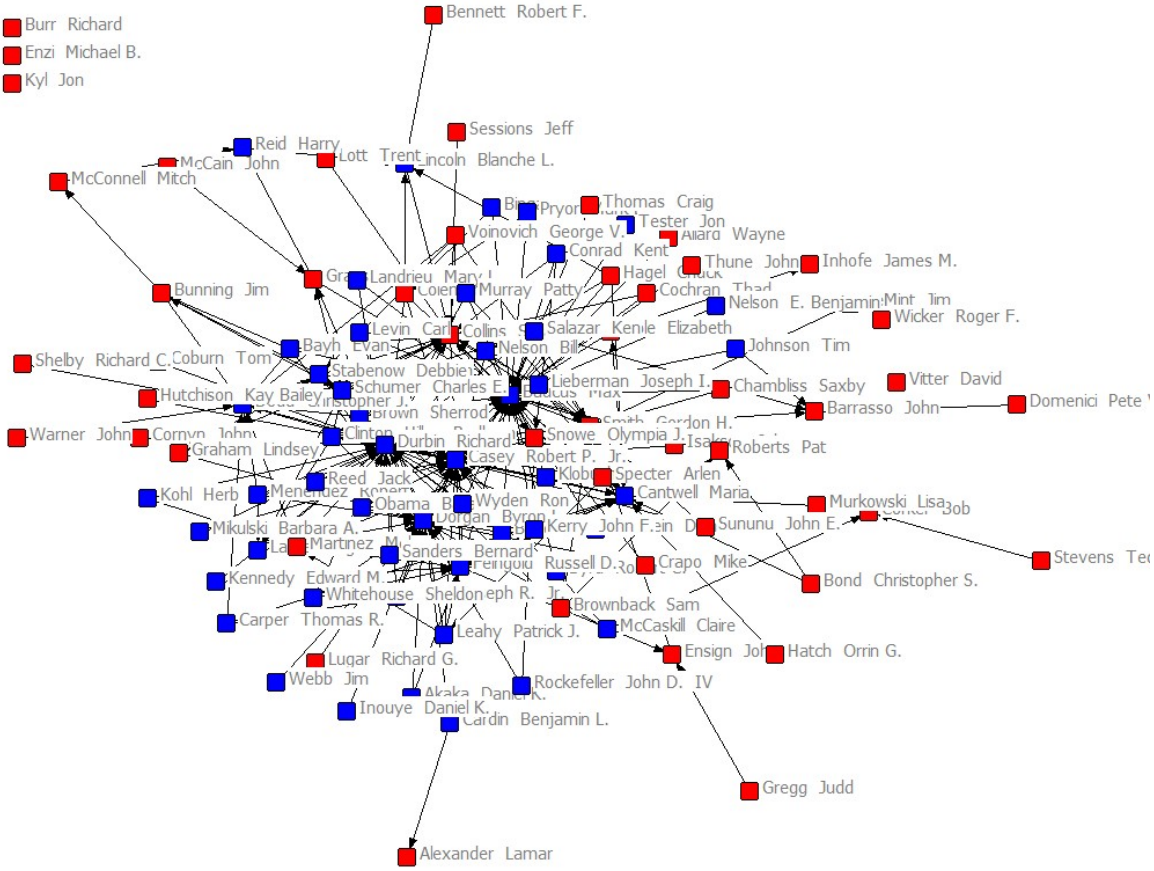
The dependent variable in the analysis is the sociomatrix representing the realized cosponsorship ties on all trade bills in the Congress under consideration. Therefore, the matrix is *n* x *n*, where *n* equals the number of legislators in the chamber being considered. A 1 in cell_{ij} within the matrix represents a tie between Legislator_i and Legislator_j. Ties are directed, and a 1 represents an outbound tie from the cosponsoring legislator (in the row) to the primary sponsor of the bill (column). Therefore, cell_{ij} is not necessarily equal to cell_{ji}. The network is dichotomized, and a tie (or "edge") between the legislators is counted as present as long there is at least one episode of cosponsorship on a trade bill between the two legislators during the Congress under consideration (Cho and Fowler 2010).[13] Figure 3.1 provides a visual representation of the trade bill cosponsorship network in the 110th Senate.

Ties within the observed network clearly do not form at random, and the independent variables in the analysis can be thought of as the factors that influence the probability of a tie forming between pairs of legislators. As above, several of these variables are measured dyadically, including the key independent variables CONNECTEDNESS and JOINT FINANCE. Several other dyadic variables account for the ways in which similarities or differences between two legislators impact their propensity to cosponsor legislation together (i.e., "homophily" effects). These include NOMINATE DIFF., EXP-IMP RATIO DIFF., SAME PARTY and SAME STATE. "Nodal" variables capture the factors that make an individual legislator more likely to form an edge (i.e., participate in cosponsorship episodes) with other legislators in general. These include variables such as DEMOCRAT and DISTRICT MFG.

Thus far, the variables discussed are analogous to those included in the logit models.

[13]The choice to dichotomize the network is not a controversial one here, as the vast majority of ties resulted from a small number of cosponsorships between the legislators.

Figure 3.2: Trade Bill Network; 110th Senate



I also include two network terms in the ERGM. EDGES is included to denote the overall number of ties in the trade bill sponsorship network, as this clearly bears on the odds of a tie forming between any two nodes. This can be thought of as an intercept term within the ERGM framework.

One of the advantages of network models is that we are able to include variables that relate to overall network tendencies. This type of term is often referred to as endogenous, as it captures the influence of the network on the behavior of nodes, as opposed to extra-network characteristics, such as district-level manufacturing characteristics or partisanship.

I include a term, MUTUALITY to capture reciprocity in the context of the trade bill sponsorship networks under consideration here. This variable accounts for the tendencies of nodes to "return the favor" when a legislator cosponsors a bill that they have introduced. I anticipate a positive coefficient on this variable. (As noted above, this variable captures reciprocity *specifically within the context of trade legislation with 110th Senate and the 103rd House*, while the CONNECTEDNESS variable accounts for log-rolling type behavior across time and issue areas.)

I also include a term denoted as GWESP, short for "geometrically weighted edgewise shared partners," that is designed to account for another higher-order dependency within the network structure. Specifically, the variable GWESP captures "transitivity" – or the propensity of triangles to close – within the cosponsorship network. In practice, this means that whenever two actors share a tie to a common partner, it is increasingly likely that those two actors will also share a tie between themselves: if Legislator$_j$ supports a bill introduced by Legislator$_i$, and Legislator$_h$ also supports a bill by Legislator$_i$, it is more likely that Legislators $_h$ and $_j$ will support each other's bills as well.[14]

A number of scholars have found support for the notion that there is transitivity in

[14]I include a parametric version of the GWESP term, which gives each additional "shared" partner a smaller positive impact on the probability of two persons forming a tie. This variable has fewer problems associated with model convergence compared with a standard "triangle" term (Goodreau, Kitts, and Morris 2009.). Relying on a GWESP term, the user can select the discount or decay rate of the influence of each additional shared partner. I experimented with multiple scaling parameters, and the results were consistent regardless of my choice of decay parameter (see Goodreau et al 2008)

cosponsorship behavior. As Bratton and Rouse (2011) explain, "we find that the associates of each legislator are relatively likely to cosponsor together, even after taking into account a host of other powerful effects" (445). Work by Cho and Fowler (2010) and Cranmer and Desmarais (2011) also find support for transitivity in cosponsorship networks. These friend-of-a-friend-is-my-friend dynamics could result from a host of social network influences. Perhaps transitivity reflects one legislator coordinating support among his or her colleagues by playing a leadership role (see Goodreau, Kitts, and Morris 2009 for a discussion of transitive processes). It could also reflect the propensity of Congressional groupings to form. This latter point is an especially important consideration in the context of trade legislation, as many legislators are members of key industry-level caucuses. The Congressional steel, coal and textile caucuses, for example, have often been very active in trade policy. Through these sub-network organizations, legislators are often lobbied as a group to support particular pieces of legislation. As a result of these types of social network dynamics, we may see groupings of two or three or more legislators sponsoring bills together at an increased rate (see Bratton and Rouse 2011; Cho and Fowler 2010). For my purposes here, the important point is that – regardless of the precise causal processes that fosters transitivity in a given case – I am able to control for these effects in the ERGM context.

Results & Analysis

The results of my models provide support for my hypotheses. Inter-legislator connections – namely, previous bill sponsorship collaboration and shared committee membership – can help us to explain legislators' propensity to support trade bills introduced by their colleagues. These findings are robust to a host of control variables, as well as substantially different modeling approaches.

I start by briefly considering the logit models. The results from these models (Models 1-6) are contained in TABLE 3.2. With respect to my key independent variables, CONNECTEDNESS is statistically significant at the .01 level. This result is consistent with my

expectation that legislators are more likely to have a sponsor-cosponsor tie form with colleagues that they have collaborated with in the past. Additionally, joint membership on relevant committees also increases the odds of a tie forming. JOINT FINANCE and JOINT WAYS AND MEANS were both positive and statistically significant at (at least) the .05 threshold.[15]

The other variables generally performed as expected. The coefficient on NOMINATE DIFF. is negative and statistically significant. As the ideological difference between the primary bill sponsor and a potential cosponsor increases, the likelihood of cosponsorship decreases. In an alternate specification, I used shared partisanship (SAME PARTY) as another measure of ideological similarity. This variable also performed as expected, yielding a positive and statistically significant coefficient. As the ideology and partisanship variables are highly collinear, only one could be included in the models at a time. I rely on the NOMINATE DIFFERENTIAL variable for subsequent models, as its inclusion led to slightly better model fit.

The export/import orientation of a legislator's district mattered as well. As the manufacturing profiles of two legislators' constituencies diverged (i.e., EXP-IMP RATIO DIFF. got larger), the legislators were less likely to cosponsor each other's legislation. This finding was statistically significant and robust across models. DEMOCRAT was positive as well, indicating that Democratic partisanship (regardless of the similarity or difference between legislators ideology/partisanship) had an independent positive effect on consponsoring trade legislation. The positive effect of this variable is likely attributable to the party's representation of vulnerable worker populations and its comparatively close relationship with organized labor (see Baldwin 1994). Additional evidence with respect to labor's posture towards trade policy is provided by the positive coefficients on UNIONIZATION and

[15]I also experimented with variables to explore whether joint membership on other committees appeared to make cosponsorship ties more likely. By and large, common service on other committees did not lead to a robust relationship with legislators' trade bill sponsorship propensities. Interestingly, however, joint membership on the House Foreign Affairs Committee was positive and significant, while joint membership on the Senate Committee on Foreign Relations was not.

Table 3.2: Logit Models of Cosponsorship

	Senate (110th)			House (103rd)		
	Mod. 1	Mod. 2	Mod. 3	Mod. 4	Mod. 5	Mod. 6
INTERCEPT	-3.30**	-3.45**	-4.40**	-4.73**	-4.77**	-6.14**
	(0.22)	(0.23)	(0.22)	(0.11)	(0.11)	(0.11)
Individual						
DEMOCRAT	0.47**	0.44**	0.58**	0.70**	0.71**	0.68**
	(0.14)	(0.14)	(0.13)	(0.07)	(0.07)	(0.07)
DISTRICT MFG.	3.50**	3.77**	3.70**	2.18**	2.21**	2.55**
	(1.14)	(1.15)	(1.15)	(0.83)	(0.84)	(0.84)
Dyadic						
NOMINATE DIFF.	-1.44**	-1.41**		-1.97**	-1.98**	
	(0.22)	(0.22)		(0.11)	(0.12)	
SAME PARTY			0.60**			1.02**
			(0.13)			(0.07)
EXP/IMP MFG. DIFF.	-0.23**	-0.21**	-0.22**	-0.17**	-0.18**	-0.16**
	(0.09)	(0.09)	(0.09)	(0.05)	(0.05)	(0.05)
SAME STATE	1.23**	0.14	0.11	1.43**	1.24**	1.29**
	(0.33)	(0.54)	(0.55)	(0.08)	(0.09)	(0.09)
CONNECTEDNESS		0.05**	0.05**		0.66**	0.66**
		(0.01)	(0.01)		(0.06)	(0.06)
JOINT COMMITTEE		0.03**	0.03**		0.38**	0.39**
		(0.01)	(0.01)		(0.17)	(0.17)
AIC	2203.4	2182.7	2209.7	13874	13775	13860
BIC	2245.0	2238.1	2265.1	13933	13854	13939
N	7425	7425	7425	150510	150510	150510

Models 1-6 are standard logit models. The dependent variable is binary, and is coded as 1 if the subject legislator cosponsored the bill in question, and 0 otherwise.
* indicates significance at $p < 0.05$; ** at < 0.01

LABOR CONTRIBUTIONS.

The most important conclusion from the logit models is that there are inter-legislator dynamics at work. Connections between legislators arising from previous legislative collaboration and joint committee membership facilitate cooperation on trade legislation. Including such variables led to a non-negligible increase in model fit.

In addition to the robustness of the relationship between CONNECTEDNESS and JOINT COMMITTEE and the dependent variable, it is worth noting that the effects are substantively meaningful. I calculated the predicted probability of cosponsorship ties forming while varying the values of the key variables. A one standard deviation increase in CONNECTEDNESS, holding other variables at their means/median values, led to a 12 percent increase in the odds of a legislator cosponsoring the bill. The substantive effect of joint committee membership was even higher. For instance, a pair of legislators that both served on Ways and Means were 66 percent more likely to cosponsor a trade bill together than a dyad composed of legislators not on the committee. To put these figures in perspective, a one standard deviation increase in NOMINATE DIFF. led to an 46 percent decrease in the probability of sponsorship; a one standard deviation increase in EXP/IMP RATIO DIFF. led to a 13 percent decrease in the probability of a cosponsorship. In short, connections between legislators appear to be important factors in determining cosponsorship decisions. With these dynamics in mind, I next turn to the network models, which permit me to directly account for these inter-legislator dependencies.

The results from Models 7-12 (ERGMs) provide evidence consistent with my earlier findings. For presentation of the results, I have sorted the variables by type, reflecting their nodal, dyadic or network-wide character. The models were fit using the R package "ERGM". See TABLES 3.3 AND 3.4.

My independent variables, by and large, performed as anticipated. CONNECTEDNESS was again positive and significant at the .05 threshold. A higher degree of connectedness between two legislators (measured in the previous congress) was associated with an increase in the odds of those legislators forming a sponsor-cosponsor tie on a trade bill in the current congress. This result provides strong support for Hypothesis 2. Even when controlling for a variety of factors that determine legislators' positions on trade policy, legislative relationships appear to exert an influence on sponsorship decisions. These results were consistent in both the House and Senate models.

Table 3.3: Network Models of Cosponsorship

	House (103rdth)		
	Mod. 7	Mod. 8	Mod. 9
Nodal Terms			
DEMOCRAT	0.70**	0.69**	0.37**
	(0.05)	(0.05)	(0.02)
Dyadic Terms			
NOMINATE DIFF.	-1.47**	-1.48**	-1.30**
	(0.21)	(0.12)	(0.05)
EXP/IMP RATIO DIFF.	-0.16**	-0.17**	-0.12**
	(0.04)	(0.04)	(0.02)
SAME STATE	1.01**	1.03**	1.30**
	(0.10)	(0.10)	(0.04)
CONNECTEDNESS		0.16**	0.12**
		(0.06)	(0.03)
JOINT COMMITTEE		1.40**	0.48**
		(0.18)	(0.13)
Network Terms			
EDGES	-5.48**	-5.54**	-3.64**
	(0.11)	(0.11)	(0.05)
MUTUAL			0.41**
			(0.06)
GWESP†			0.48**
			(0.04)
GW-INDEGREE			-6.78**
			(1.49)
AIC	1374	1304	1281
BIC	1418	1362	1346

Models 7-9 are exponential random graph models.
* indicates significance at $p < 0.05$; ** at $p < 0.01$.
† "geometrically weighted edgewise shared partner".

I received strong support for Hypothesis 3. Common membership on the key committees of jurisdiction, Ways and Means in the House and Finance in the Senate, had a positive effect on the probability of cosponsorship. The coefficient on JOINT FINANCE/JOINT

Table 3.4: Network Models of Cosponsorship

	Senate (110th)		
	Mod. 10	Mod. 11	Mod. 12
Nodal Terms			
DEMOCRAT	0.69**	0.72**	0.42**
	(0.13)	(0.13)	(0.12)
Dyadic Terms			
NOMINATE DIFF.	-1.06**		-0.70*
	(0.35)		(0.33)
EXP/IMP RATIO DIFF.	-0.28**	-0.25*	-0.17
	(0.12)	(0.12)	(0.11)
SAME STATE	1.31**	1.44**	1.60**
	(0.42)	(0.42)	(0.46)
CONNECTEDNESS		0.70**	0.49*
		(0.24)	(0.23)
JOINT COMMITTEE		1.41**	0.81**
		(0.23)	(0.18)
Network Terms			
EDGES	-4.56**	-5.30**	-5.29**
	(0.25)	(0.33)	(0.33)
MUTUAL			-1.78
			(1.08)
GWESP†		1.67**	1.73**
		(0.11)	(0.18)
AIC	1374	1304	1281
BIC	1418	1362	1346

Models 10-12 are exponential random graph models.
* indicates significance at $p < 0.05$; ** at $p < 0.01$.
† "geometrically weighted edgewise shared partner".

WAYS AND MEANS was positive and statistically significant across specifications. These results are consistent with my hypothesis that when legislators sit on committees together, the potential for collaboration and cooperation increases.

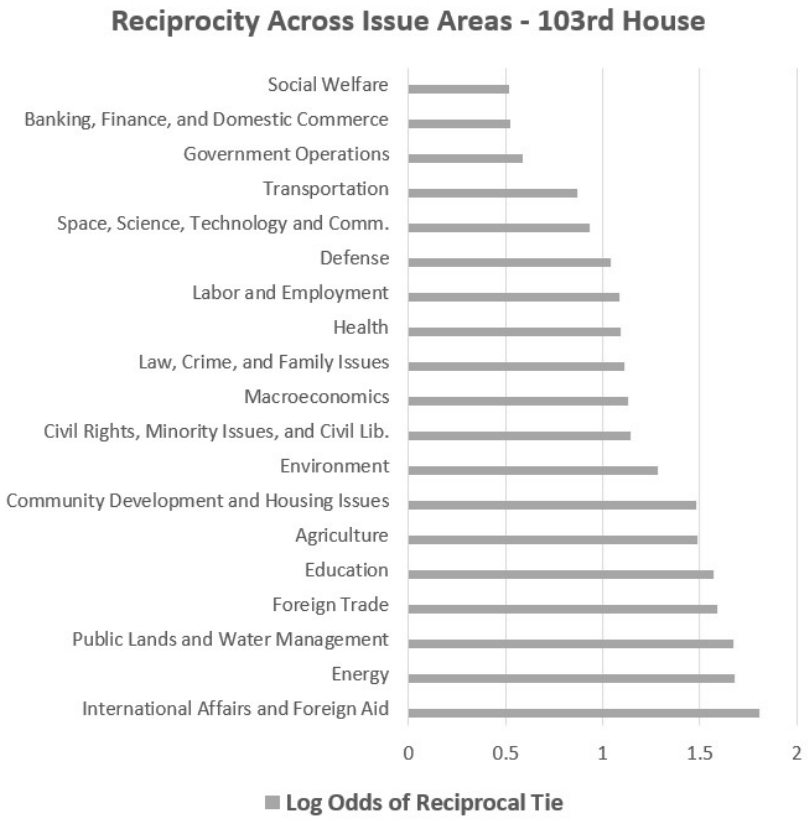
Hypothesis 1 received mixed support. In the House model, MUTUAL was positive and statistically significant at the .01 threshold, indicating the presence of a highly reciprocal

network. This finding was in accord with expectation. In the Senate model, however, the variable had a negative coefficient, though its p-value did not reach conventional levels of statistical significance. The difference between the performance of MUTUAL across chambers may be a function of the relative density of the two networks. In the House, far more trade bills are introduced on a per congress basis. Accordingly, there are an increased number of opportunities for this type of quid pro quo type behavior to emerge. In the Senate, in contrast, the number of opportunities to reciprocate are reduced. Additionally, a substantial portion of proposed change to trade policy can take the form of amendments. Taken together, these factors may explain the differences in levels of reciprocity in the trade bill network.

It also bears noting that reciprocity was particularly pronounced in the area of trade policy, consistent with Hypothesis 1b. Figure 3.3 shows the level of edgewise reciprocity, while controlling for the density of the network. Stated differently, for each issue area, the figure shows the log-odds that a tie (cosponsorship) is reciprocated, when accounting for the baseline probability of a tie forming in the network (Butts 2008). (Such a measure is critical, as there is high variation of network density across issue areas. Some issue areas resemble "small world" networks with relatively few participants; others see extremely broad rates of participation. See Figure 3.6 in the Appendix for an illustration) As the figure shows, the Foreign Trade legislation network is among the most reciprocated networks across the major issue areas. The traditionally most partisan issue areas, such as Social Welfare and Labor and Employment and related areas, were far less likely to see this level of reciprocity. This finding emphasizes the potential importance of relational effects in the trade policy context.

The other variables performed largely as anticipated. The coefficient on NOMINATE DIFF was negative and statistically significant at the .01 threshold. As the difference between two legislators' ideologies increased, the pair of legislators became increasingly unlikely to cosponsor a bill together. In an alternate model, relying on common partisanship

Figure 3.3: Reciprocity - A Cross-Issue Comparison



instead of a continuous ideology score, legislators of the same party were far more likely to form a sponsor-cosponsor tie. (As above, very high collinearity between these measures required that I include one term at a time. The results were consistent regardless of the variable used, see Models 8/9, 11/12). Being from the same state had a positive impact on legislators' propensity to sponsor bills together. This could be the result of district commonalities *or* potential inter-legislator influences (e.g., party delegation). The most critical point, here, is that notwithstanding the inclusion of these additional variables, there still appears to be significant network-based effects on cosponsorship.

I also note that several of the monadic variables that were part of the logit models were removed from the ERGM specification, as they did not contribute to model fit. In the ERGM context, including terms that do not contribute to replicating the underlying data generating process often leads to model degeneracy (Cranmer and Desmarais 2011). To

the extent that this is a limitation of network models (which is not necessarily clear), any potential concern regarding the omitted variables is limited here in light of the consistent results I achieved across numerous logit/ERMG specifications.

Other network-based processes appear to be at work as well. GWESP was positive and statistically significant across models. The positive and significant coefficient on this term is indicative of transitivity. In short, this result indicates that if two legislators share one (or more) cosponsorship partners, they are more likely to form a connection among themselves.

As in the context of logit models, we can interpret the coefficients in terms of log-odds. The odds of a cosponsorship tie forming between two legislators whose CONNECTEDNESS score was a standard deviation above the mean score was about 4.6 higher than a cosponsorship tie forming between two legislators of only average connectedness. The odds of a cosponsorship tie forming between two legislators who jointly serve on the key committee of jurisdiction was over 2 times higher than a pair of legislators that do not both sit on the committee. Consistent with the earlier models, then, the effects of network-based influences on sponsorship behavior are substantial.

With respect to the ERGMs' general performance, inclusion of the inter-legislator connections variables – i.e., CONNECTEDNESS and JOINT COMMITTEE – improved the model fit (as measured by AIC) over a baseline version of the model. Including the GWESP term to account for transitivity also had a large impact on the fit of the model. It appears that network effects are at work, and are important to understanding legislators' behavior when it comes to cosponsoring legislation.[16]

Another way to assess the goodness of fit of a network model is to examine how well the model specified generates a network that closely represents the underlying data. One way to do so is to simulate many networks and see how often global attributes that were

[16]The results with respect to two of the variables were slightly different in the ERGM model. Although they remained positive, EXP/IMP RATIO. DIFF. and DISTRICT MFG. were no longer statistically significant influences on cosponsorship behavior. This suggests that we have to be careful to account for relational influences when modeling trade-related legislative behavior.

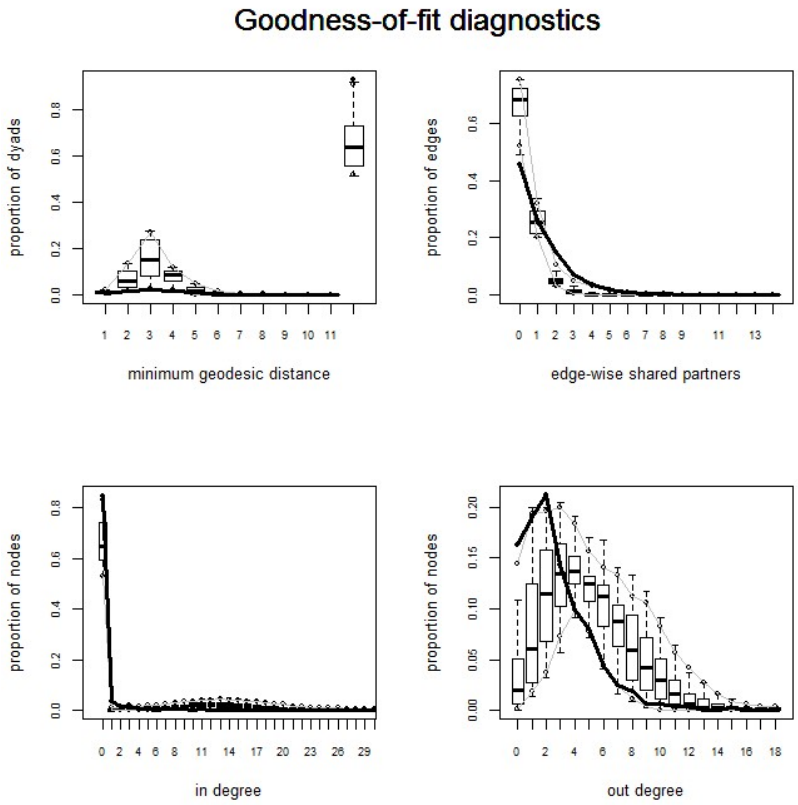
predicted by the model are reflected in the observed data. For instance, we might ask: does our model do a good job of approximating the average number of connections entered into by each legislator? Approximating the average number of shared partners between two nodes? To make such an assessment, I simulated 100 networks and compiled the in-degree, out-degree, edgewise shared-partner, and minimum geodesic distance statistics for these networks. I plotted the distribution of these global statistics from the simulated models against the observed values for each statistic. See Figures 3.4 and 3.5. In these figures, the thick line represents each of the four goodness of fit statistic's distribution in the original network. The plots represent the distribution across all 100 simulated networks of the statistic in question (with the 95 percent bounds on these distributions demarcated). The plots demonstrate that the estimated networks do a good job of approximating the underlying data, as the line denoting the "true" value falls within the estimated range.[17]

It is also worth noting that the models converged well by all accounts. Several diagnostic tools that are implemented in R are useful for assessing convergence (see Goodreau et al. 2008). I used the mcmc.diagnostics function in the R package "coda" (Plummer, Best, Cowles, and Vines 2007) to examine model statistics during the last iteration of the MCMC estimation procedure. The plots and histograms generated by the function show that the predicted values for my covariates are stable, as they vary stochastically around the mean value. Because the plots do not show any signs of trending we can be confident that the model properly converged. Additionally, the results indicate very low autocorrelation in the Markov chains.

To summarize, all of the models provide support for the proposition that inter-legislator connections have an important influence on the propensity of legislators to provide cosponsorship each other's bills. As the results of the ERGMs suggest, there are dyadic and higher-order network effects at work. Properly incorporating such dependencies in the cosponsorship network substantially increased the fit of the model. Accounting for these

[17]The plots were created with the "coda" package in R (Plummer, Best, Cowles, and Vines 2007).

Figure 3.4: 103rd House - True vs. Simulated Networks



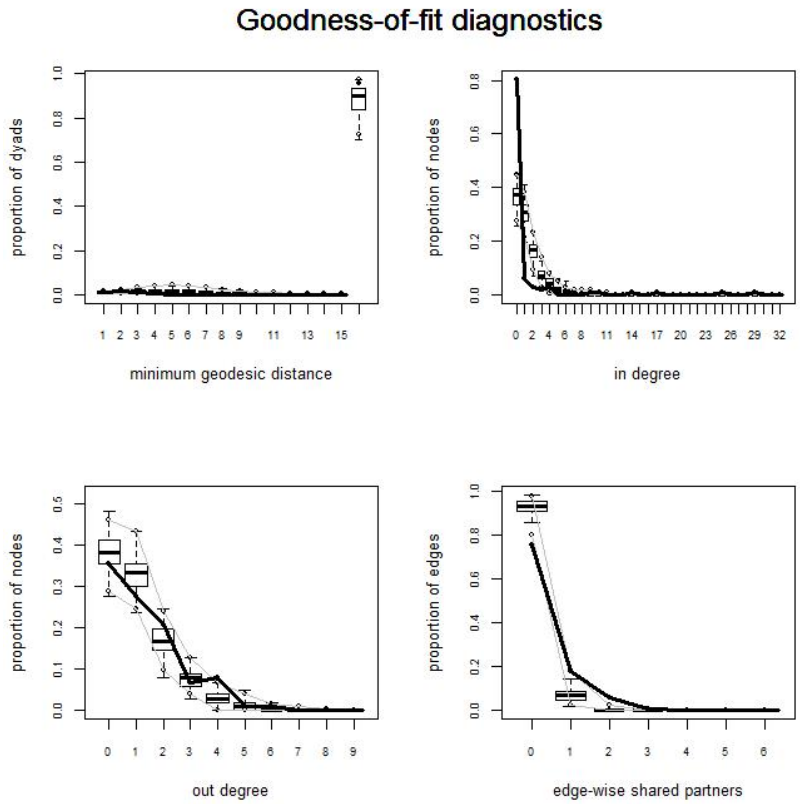
effects also had an impact on the performance of several variables that are typically relied upon to explain trade policy positions.

Conclusion

In this chapter, I have explored how legislators' ongoing relationships with colleagues impact their cosponsorship decisions. The literature on trade policy typically emphasizes member-level and constituency characteristics as key determinants of policy choice. These factors, however, should not be privileged to the exclusion of intra-institutional dynamics that influence policy making as well. Here, I draw attention to the ways in which working relationships between legislators can also contribute to explaining support for particular trade policies.

The level of connectedness between a primary bill sponsor and a potential cosponsor

Figure 3.5: 110th Senate - True vs. Simulated Networks



had a robust positive relationship with the propensity of a cosponsorship tie to form. Even when controlling for a host of constituency and ideological factors that influence trade policy positions, connectedness predicted cosponsorship. Legislators who work together to introduce legislation develop relationships, and once established, these relationships influence the likelihood of future cooperation. Other types of connections, such as those arising from common committee membership, also provide increased opportunities for collaboration. Two legislators' joint participation on a relevant legislative committee (specifically Finance and Ways and Means) increases the likelihood of sponsor-cosponsor tie forming on trade bills in the 103rd and 110th Congresses. These results were robust to numerous model specifications and alternate modeling strategies, including both standard logit and exponential random graph (network) models. In addition to helping to explain the trade policy making process, my findings also contribute to the recent work that highlights the

role of network-based effects on legislative behavior more generally.

By integrating models of legislator-level characteristics with models that account for relational determinants of policy choice, we are better able to approximate the actual legislative process. Because of my substantive focus on a single issue area (foreign trade), I was able to incorporate network-related considerations into a model containing several variables that are highlighted in the trade policy literature. This approach allowed me to examine the relative effect of these two sets of influences on trade-related legislative behavior. The analysis here suggests that we can improve upon existing models that ignore interdependencies in legislators' trade policy decisions.

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Figure 3.6: Network Density - Trade vs. Social Welfare

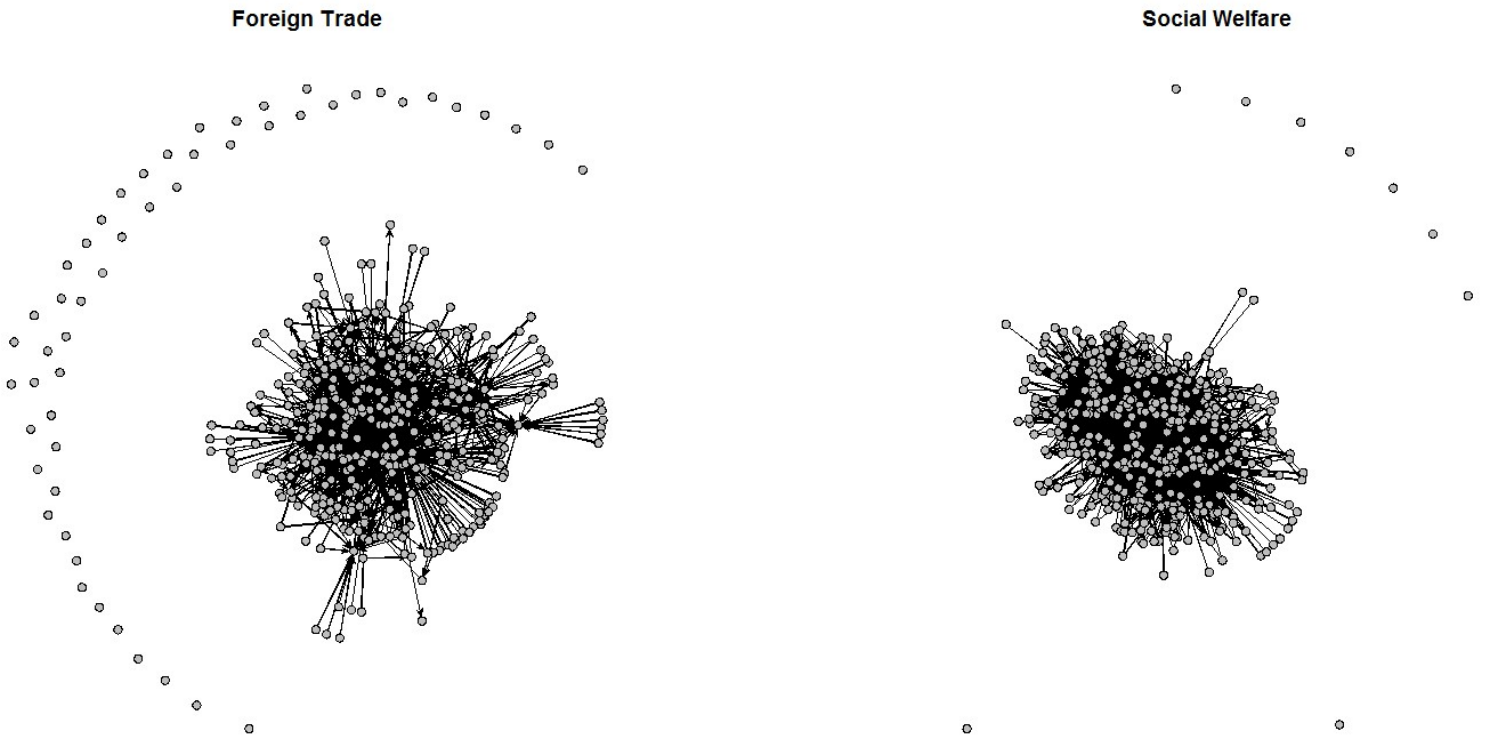
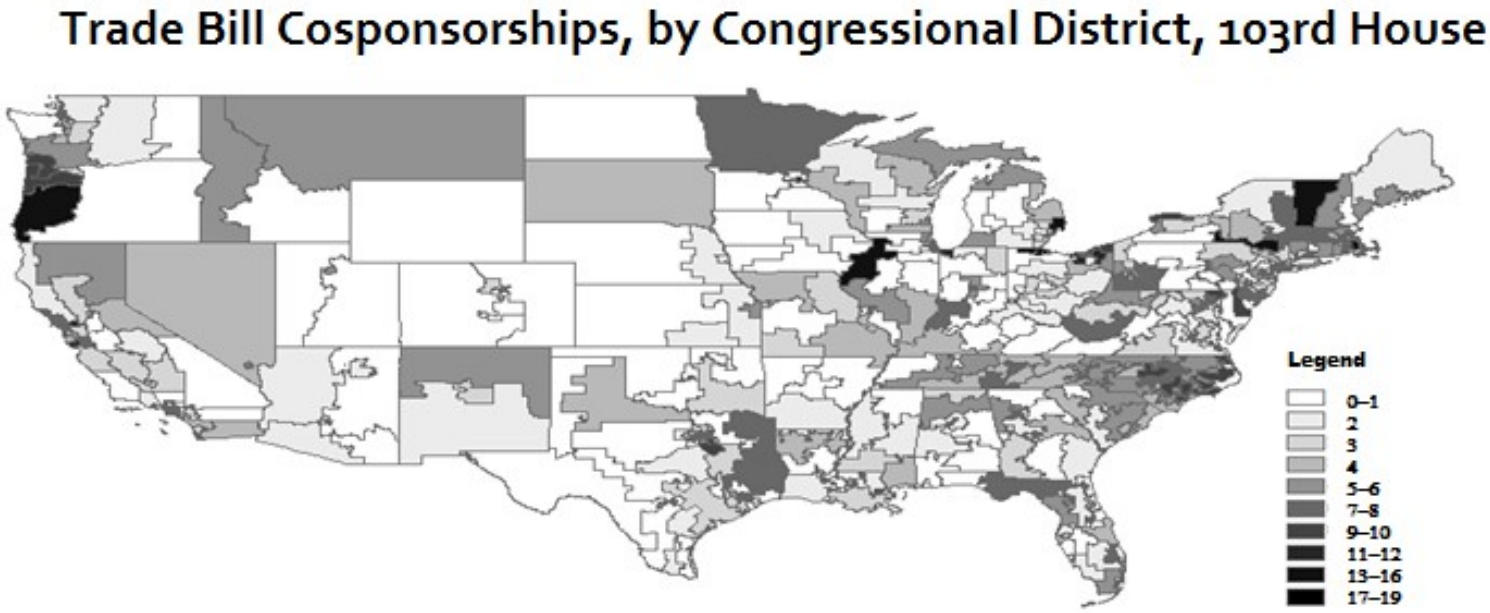


Figure 3.7: Regional Trade Bill Cosponsorship Patterns



4 THE REPERCUSSIONS OF REALIGNMENT: US-CHINA INTERDEPENDENCE AND EXCHANGE RATE POLITICS

Manufacturing and primary goods sectors are generally considered to be the principal beneficiaries of a weaker currency. Many of these industries and the elected officials who represent them, however, have opposed legislation designed to combat the dollar's overvaluation relative to the Chinese yuan. I argue that legislators are hesitant to take aggressive action on the exchange rate issue because doing so could lead to a disruption of the broader US-China economic relationship. The threat of an economic conflict is a particularly important consideration in the context of currency bills, where proposed legislation is linked to trade policy and other areas of international economic regulation. A Bayesian statistical analysis of legislative behavior on two recent exchange rate bills in the US Congress provides overall support for my hypotheses. Legislators with ties to business interests that rely heavily on the Chinese economy were likely to oppose the bills, while the strongest support came from legislators representing import-competing domestic producers. The results highlight the ways in which bilateral exchange rate politics, and US-China interactions more generally, are shaped by economic interdependencies.

In recent years, few US foreign economic policy issues have generated more attention than the role of currency movements on manufacturing sector competitiveness. As the Chinese economy became the second largest in the world, and the largest source of global exports, the relative value of the yuan took on increased importance. The economic environment also contributed to the heightened concerns, as the US dealt with the highest unemployment rates in decades and decreased job growth in many manufacturing industries. Elected officials decried the competitive disadvantages faced by US producers, arguing that currency misalignments harmed firms operating in domestic and foreign markets. In response to these concerns, Senator Sherrod Brown and a number of cosponsors introduced the Currency Exchange Rate Oversight Reform Act. The bill, not the first of its kind, sought to punish countries for artificially holding down currency values. Although the proposal received substantial support, legislators representing states with high levels of manufacturing and agricultural production were not uniformly behind the bill. What generated opposition to the legislation if dollar overvaluation is a chief concern for these sectors?

I argue that political alignments on exchange rate legislation reflect the importance of economic interdependencies between the US and China. Even if many sectors might benefit from a dollar that is weaker vis-à-vis the yuan and other major currencies, a battle on currency policy could lead to a costly economic conflict. This is a particularly important concern in the context of exchange rate bills, where proposed policies are tied (sometimes explicitly) to other areas of international economic policy.

Recent currency legislation, for instance, has contemplated imposing punitive tariffs on countries deemed to be "currency manipulators." Such an aggressive step might also lead to retaliatory trade protection from abroad, and these tit-for-tat policy measures would entail severe implications for a variety of US-based economic interests. First, many firms would face substantial costs if additional tariffs were placed on Chinese goods. For instance, these duties would harm US retailers who source goods from China. Second, beyond the

measures imposed by the US, China might respond with changes to its own trade and investment policy. This would have adverse consequences for industries that rely on China as an export market, a location for production or a source of capital. Legislative behavior on currency policy reflects these interdependencies between the two economies. Legislators whose constituencies rely heavily on China as an economic partner are likely to oppose such legislation. Importantly, even many US industries that might otherwise support the ostensible goals of realignment legislation – obtaining a relatively weaker dollar – actually find themselves opposing the proposed currency bills.

I test my hypotheses through a Bayesian statistical analysis of legislative behavior in the context of two recent pieces of high-profile currency legislation introduced in the US Congress. Using district and state-level economic data, as well as data on financial contributions to legislators, I find support for my expectations. Legislators who received contributions from US businesses that are economically dependent on China were more likely to withhold support for the legislation. Constituency economic characteristics were important factors as well; legislators from districts that export extensively to the Chinese market were less likely to support the bills. In contrast, legislators representing comparatively disadvantaged producers, many of which have a primarily competitive relationship with Chinese producers, often supported the legislation. These results were robust to a host of controls for district-level manufacturing profiles and labor market characteristics, as well as legislator-level variables. In addition to the results of the quantitative analysis, the floor debate on these currency bills indicates that members of Congress appreciated the potential costs associated with triggering an economic conflict with a critical trade partner.

Recent research has shown that factors such as international competitiveness and capital-intensity (Oatley 2010), reliance on foreign inputs and industry pass-through (Broz and Werfel 2014) and balance sheet criteria (Walter 2008) determine the extent to which firms are affected by currency movements. In addition to these considerations, this chapter highlights another way in which economic interdependence can shape political behavior on

the exchange rate. The potential for exchange rate conflicts to spill over into trade and investment policy is a key concern for legislators determining their positions on currency legislation.

Additionally, the connection between trade and exchange rate policy cannot be overstated. In many cases, these policies are substitutable, and it makes little sense to consider them in isolation. Doing so has long been a weakness in the exchange rate literature – a weakness that has only recently been receiving adequate attention (see, e.g., Broz and Werfel 2014; Jensen, Quinn and Weymouth 2013; Steinberg and Shih 2012; Oatley 2010; see also Broz and Frieden 2006 for a review of the literature). It also bears noting that political alignments on currency-related legislation will not precisely adhere to the predictions of the standard models of exchange rate preferences (anticipating a tradables vs. non-tradables divide); nor will political alignments necessarily resemble the coalitions predicted by standard models of trade policy preferences (comparatively disadvantaged vs. comparatively advantaged sectors).

Finally, these results highlight the implications of China's regional and systemic importance (Acharya 2014; Layne 2012; McNally 2012). China's rapid growth has altered the structure of the international system, leading to a realignment of many countries' foreign policies (Flores-Macìas and Kreps 2013). With respect to US foreign policy, research is increasingly considering how the codependent relationship between the US and China shapes policymaking (McNally 2012; Drezner 2009; Seo 2010). Despite extensive "China bashing" in the current political rhetoric (Ramirez 2012), the findings here strongly suggest that elected officials recognize the potential consequences associated with disrupting the US-China economic relationship. Explanations for political behavior that fail to account for international interdependencies may lead to a picture of policymaking that is at best incomplete, and at worst, inaccurate (Oatley 2011; Oatley et al. 2013; Farrell and Newman 2014).

This chapter proceeds as follows. In the next section, I briefly discuss the literature on

exchange rate preferences, and consider Congressional involvement on the currency issue. In the following section, I generate several hypotheses concerning the likely sources of political opposition to, and support for, currency realignment legislation. Then, I present my research design and describe the data used to test my hypotheses. In the final two sections, I discuss the results and conclude by exploring the implications of these findings.

Currency, Competitiveness and Congress

Every government faces two critical considerations regarding its country's exchange rate: the first relates to the level of fixity for the exchange rate regime (i.e., floating vs. fixed); the second concerns the relative strength of the currency. As the US has adhered to a floating rate regime since 1971, the former choice has been determined for the foreseeable future. The latter consideration, however, remains a subject of controversy. In recent years, the dollar's relative value vis-à-vis the yuan has become particularly important, as China emerged as a critical economic partner for the US.

At its most basic, any given choice on the level of the exchange rate is essentially a trade-off between competitiveness and purchasing power. A relatively depreciated currency encourages exports and expenditure switching from imports to domestic goods, thereby providing a boost to aggregate output (see generally Broz and Frieden 2006). As such, the traded goods sector, including domestic producers who export abroad as well as producers who compete with imported products, generally benefit from a weaker dollar. In contrast, an appreciated currency increases the purchasing power of consumers and firms in non-traded goods sectors, such as the finance and construction industries.[1] These initial observations generally lead us to expect that preferences on exchange rate legislation will generally break down along tradables/non-tradables lines (Frieden 1991).

[1]The extent to which manufacturers benefit from a depreciated currency, however, is a function of several factors. Under some conditions, e.g., heavy reliance on imported inputs, any gains to competitiveness could be offset by decreased purchasing power (Broz and Werfel 2014; Broz and Frieden 2006).

This prediction would certainly be in accord with much of the political rhetoric concerning the relative values of the dollar and the yuan. Out of concern for manufacturing competitiveness, legislators in the US have placed currency realignment on the legislative agenda. This development coincided with a less confrontational approach to the issue by the Bush and Obama Administrations. During both presidencies, the Treasury routinely asserted that the yuan was undervalued, though it declined to label China a "currency manipulator" (a stance often portrayed as taking a soft line). Although it is clear that China had taken some steps to allow a controlled appreciation of its currency, the yuan remained undervalued. Accordingly, members of Congress increasingly began addressing the issue by sponsoring exchange rate realignment legislation, often threatening to impose trade sanctions on Chinese goods in the absence of a sustained appreciation of the yuan.

In light of the general relationship between currency values and competitiveness, we might expect that Congressional support for realignment bills came from legislators who represent manufacturing and primary goods sectors. And, we did see vocal support from some senators and representatives with ties to these producers, including legislators from key manufacturing centers in Michigan, Pennsylvania and Ohio. This support, however, was hardly uniform. In fact, many legislators representing traded goods producers adamantly opposed the proposed legislation. In the next section, I develop a series of hypotheses concerning the observed behavior on exchange rate policy.

Theory and Hypotheses

Legislative behavior on currency policy is heavily influenced by concerns regarding the stability of the broader US-China economic relationship. The economic ties between the US and its key trade partner (and the vulnerabilities these ties create), led many economic interest groups and legislators to oppose the controversial currency legislation.

First, exchange rate choices are inextricably intertwined with other areas of international economic policy, especially trade policy. Many pieces of currency legislation have

provisions that directly affect trade. For example, recent currency bills in Congress contemplate imposing punitive tariffs against countries that are found to be manipulating the exchange rate. And, even when currency policy and trade regulation are not explicitly tied together, there is still a clear interplay between the policy areas, as a relative depreciation can often have the same practical effect as increasing trade barriers on foreign goods (Eichengreen and Irwin 2009; Corden 1997; Frieden 1997; Oatley 2010; Broz and Werfel 2014; Jensen, Quinn and Weymouth 2013).[2] Accordingly, industries and legislators staking out a position on a proposed currency realignment bill must consider how the bill could impact their interests through both exchange rate *and* trade policy.[3]

Second, there is a high level of economic interdependence between the US and its key trading partners, especially China, the presumptive target of much of the recent currency legislation. Given the vast interconnectedness between the two economies, the possibility of economic retaliation by the Chinese government looms in the background of any policy decision.[4] A protectionist policy adopted by the US might very well be responded to in kind; this possibility is a key consideration for economic interest groups and legislators.[5] The potential for retaliation is made even more likely given the linkages between the exchange rate and other international economic policy areas. A foreign government could respond to aggressive exchange rate legislation through any number of policy measures, perhaps most readily in the context of trade policy. This point is an important one, as the menu of options available to directly affect changes to another country's exchange rate/monetary policy are limited. In short, the interdependence of the US and Chinese economies – a mutual dependence that implicates many different policy areas – impacts actors' behavior on the exchange rate.

[2]Recognizing the interaction between trade and exchange rate policy, several studies have explored how the exchange rate influences industry demands for protection (Oatley 2010; Broz and Werfel 2014).

[3]See Davis (2005, 2009) for a discussion of the implications of issue linkage.

[4]See Hirschman (1979) and Keohane and Nye (1977) for a more general discussion of interdependence.

[5]See Frieden 1999 for a discussion of the ways in which strategic international interactions can influence political behavior on economic policy.

In the debate over recent currency legislation in the US, concerns regarding the potential effects of these bills were raised by a number of major economic interests. Industry groups openly recognized that the proposed currency legislation might lead to economic protectionism on the part of the US and/or its key trade partners. These concerns were echoed in Congress. Senators Robert Portman, Mark Kirk, Jim DeMint, Orin Hatch and Bob Corker, for example, all noted the costs associated with disruption to the US-China economic relationship. They highlighted the importance of China as an export market, a supplier, a destination for US investment and a growing source of inward foreign direct investment. Economic ministers in China similarly warned that tit-for-tat retaliation could ignite a trade war.[6]

In line with such concerns, some of the loudest critics of the legislation were US firms that export extensively to China, as they would potentially face retaliatory tariffs. Although most discussions of US-China trade emphasize the US's role as a critical export destination, aside from Canada and Mexico, no country receives more exports from the US than China. In the last decade, US-to-China trade has grown five-fold, a pace far faster than the US global export growth average (USCBC 2012). Continued access to the Chinese market is an especially important concern for agricultural industries, including producers of wheat, livestock and dairy goods, as well as certain high-end technology sectors, such as aerospace product manufacturers. In fact, in these sectors, the US has enjoyed a trade surplus with China. Moreover, it would seem that these are the types of industries that are ripe for potential Chinese retaliation, as they have been targeted by Chinese trade policy in the past (see Bown 2008; Zeng 2012).[7]

[6]In fact, Chinese retaliation might even be authorized by the WTO if the US's currency legislation was deemed non-compliant with international obligations. Regardless of the WTO-compliance of the parties' trade policies, there could be immediate measures implemented that would at the very least disrupt trade in the short term.

[7]Trying to determine the likelihood of Chinese retaliation in a particular sector is largely impossible, as its trade dispute strategy is still a "blank slate" (Bown 2008: 34). That said, we can identify certain areas where the Chinese government has considered imposing tariffs in the past. For instance, there has frequently been concern regarding import surges of agricultural products from the US (Bown 2008), specifically relating to poultry, beef and meat processing industries (Zeng 2012: 21). Similarly, the possibility that high-technology

Beyond exporters, a host of US-based economic interests in non-traded goods sectors – including retailers, as well as real estate and financial interests – have opposed the legislation. These groups would be substantially affected by the imposition of tariffs on Chinese goods or US exports. For instance, US retailers who carry finished goods from China would see the price of their inventory increase drastically. The same is true for sectors that rely on imported intermediate goods, such as the construction industry. Financial interests are likely to oppose a bilateral economic conflict for a host of reasons. Exports and capital flows from China ultimately facilitate cheap borrowing and consumption in the US; additionally, the banking sector would benefit from stable relations that lead to financial sector liberalization in China. These considerations hardly constitute an exhaustive list.

One might also argue that non-traded goods sectors oppose the legislation because they generally benefit from a stronger currency. While such considerations might be partially responsible for their opposition, this is only part of the story. First, the benefits these groups realize from an appreciated currency are fairly "indirect" (Frieden 1994: 86). As such, their preferences on the exchange rate are frequently less intense than those of the traded goods sectors, and they are less likely to mobilize on the issue (Henning 1994: 33). In fact, there is evidence to suggest that their political mobilization on the currency issue had *at least as much* to do with concerns over the US-China trade/investment relationship as their concerns regarding the relative value of the dollar. In a letter from the Business Roundtable to Congress, a number of groups representing non-traded goods sectors (including Financial Services Forum, Financial Services Roundtable, Retail Industry Leaders Association and the National Retail Federation) stressed that tariff legislation would ultimately be costly to the US in terms of job creation, could provoke trade retaliation, and was also potentially WTO-incompatible (Business Roundtable 2011). Similarly, an op-ed by the CEO of the Financial Services Forum highlighted the importance of China's 1.3 billion person market

goods might be the subject of retaliation is suggested by previous efforts to protect the semiconductor industry, as well as China's contemplation of protection on solar energy related products (Zeng 2012: 5, 25).

for financial services and traded goods exports (Nichols 2011). In both instances, the statements explicitly argued that the yuan should in fact be permitted to rise against the dollar – this indicates that maintaining the relative strength of the dollar may not have been a primary goal.

Taken together, exporters-to-China and a wide variety of interests outside of the traded goods sector all have incentives to oppose currency legislation. Whether the legislation resulted in punitive tariffs by the US and/or retaliatory tariffs by China, these firms could see an important relationship with a key economic partner disrupted. This discussion leads to Hypothesis 1:

Hypothesis 1*: Legislators who receive financial contributions from interests that are economically reliant on the Chinese economy will oppose currency realignment legislation.*

Hypothesis 1 is focused on legislators' ties to industries through financial contributions. Legislative behavior, however, is also driven by constituency economic characteristics. Accordingly, having a high level of China-bound exporters in a state or district is likely to drive opposition to currency legislation. Several members of Congress specifically suggested that this was an important consideration. In a floor speech in the Senate, for instance, Mark Kirk noted that exports to China from his state totaled $3.18 billion. He warned, "A trade war with China would put in jeopardy a number of jobs from my State of Illinois. ... I do not think we should put these jobs at risk with an unnecessary trade war" (Cong. Rec. - Kirk 2011).[8] Hypothesis 2 captures the relationship between export profile and legislative behavior:

Hypothesis 2*: Legislators from districts/states with high levels of exports destined for China will oppose currency realignment legislation.*

[8]A number of prominent studies have noted that exporting interests can create an important economic block of opposition to trade protection (Milner 1988; Bailey, Goldstein and Weingast 1997; Gilligan 1995).

Although currently still in its nascent stages, China-to-US FDI is rapidly increasing. This inbound investment serves as another source of economic interconnectedness between the countries. Because these investments are often geographically concentrated, for some regional economies they are significant. Locations that have clear potential for *future* Chinese FDI may be especially hesitant to see their investment relationships threatened. Indeed, Senator Bob Portman noted such considerations in his formal comments on the proposed currency legislation. He pointed to the importance of Chinese capital as a source of employment in Ohio, and observed that certain localities have been proactive in welcoming Chinese investors (Cong. Rec. - Portman 2011). This discussion suggests that even if a potential economic dispute is most likely to take place in the context of policies relating to trade, the conflict could very well spill over into other areas, such as investment policy. This is particularly true in the case of the US-China dispute, as the Chinese government plays a significant role in directing and funding investment projects.

Additionally, many US-based corporations rely on cross-national supply chains for their production processes. This development has led to an increase in bargaining position for FDI recipients, who are more integral than even to global value chains (see, e.g., Gereffi 2012, 2024). Multinational production has also been shown to affect the trade policy preferences of firms with higher levels of cross-national operations (Jensen, Quinn and Weymouth 2013). As a result, I anticipate that sectors that heavily rely on China for outsourcing might oppose an aggressive approach to pursuing currency realignment.

Hypothesis 3 concerns the relationship between inbound FDI and support for currency legislation:

Hypothesis 3*: Legislators whose constituencies rely on inbound or outbound Chinese FDI will be less likely to support currency realignment legislation.*

Thus far I have highlighted the ways in which mutual economic dependency can serve to create opposition to currency legislation. Of course, many comparatively disadvantaged

sectors are harmed by trade with China, and supported the legislation.

The steel industry is a prime example. The industry measures moderately below average on a scale of revealed comparative advantage for US manufacturing industries, and the disadvantage is exacerbated by China's enormous excess capacity in the industry. The industry also has a history of actively pursuing trade protection through administrative agencies and export restraints. A number of other comparatively disadvantaged manufacturing sectors, including portions of the auto industry and fabricated metals producers, supported the legislation. Firms in these industries would stand to benefit from restrictive trade policies, as is provided for in the realignment legislation. Alternatively, if the legislation ultimately resulted in a relative appreciation of the yuan, this would also benefit many of these industries. This discussion leads to Hypotheses 4 and 5:

Hypothesis 4*: Legislators who receive financial contributions from comparatively disadvantaged sectors will support currency realignment legislation.*

Hypothesis 5*: Legislators from districts/states with a high proportion of comparatively disadvantaged industry will support currency realignment legislation.*

In summary, although a large number of firms in the US are harmed by trade with China, there are substantial business interests that benefit greatly from ongoing cooperation. These firms and industries have every incentive to mobilize in opposition to proposed currency legislation that could serve as a source of conflict between the two countries, particularly as the dispute would implicate other areas of international economic relations, such as trade and investment policy. Legislative behavior on recent realignment legislation reflects these concerns.

Research Design and Data

To test my expectation that economic interdependence influences behavior on currency legislation, I run a series of Bayesian logit/ordered logit models. I consider legislative behavior in the context of the Currency Reform for Fair Trade Act, H.R. 2378, 111th Congress ("CRFTA"), and the Currency Exchange Rate Oversight Reform Act, S. 1619,

112th Congress ("CERORA"). Both bills proposed permitting domestic industries in the US to seek administrative trade remedies (i.e., antidumping/countervailing duties) to offset the advantage conferred on foreign producers by virtue of having an undervalued currency.

The CRFTA received 159 cosponsors (113 Democrat; 46 Republican), and the CERORA received 22 (16 Democrat; 5 Republican; 1 Independent).[9] Both bills were especially successful in drawing attention to the currency issue. Although there have been a number of currency realignment bills introduced in recent years, these two bills made it out of committee, and ultimately received roll call votes in their respective chambers. Because the bills made it far in the legislative process, they triggered a great deal of interest group mobilization.

The primary dependent variable in the analysis is each legislator's decision whether or not to sponsor/cosponsor the currency realignment legislation in question. The unit of analysis, therefore, is a legislator's (co)sponsorship-opportunity, and the dependent variable is coded as 1 if the legislator (co)sponsored the legislation, 0 otherwise. Models 1-2 examine House behavior on the CRFTA, and Models 4-5 examine the Senate's behavior on the CERORA. In Models 3 and 6, I run the models with an ordered dependent variable which incorporates legislators' roll call voting behavior as well.[10]

I rely on (co)sponsorship as the initial dependent variable here because it provides a reliable indicator of legislators' support for the bills. These bills were high-profile pieces of legislation, and the initial sponsors successfully sought out cosponsors in an effort to improve the proposed legislation's prospects. Accordingly, cosponsoring or choosing not to cosponsor these bills constituted an important decision for legislators. Although in some cases a decision not to cosponsor a bill may be a poor measure of a legislator's preferences on a proposed policy (see Alemán, Calvo, Jones and Kaplan 2009: 88), in this context

[9]The table on pages 3-5 of Appendix B, contained in the online-only supplementary files, denotes each legislator's (co)sponsorship choice, as well as his/her state and party.

[10]The N for the analysis ranges from 100 (in the Senate) to 433 (House), accounting for vacant seats during the relevant period. The relatively small sample size in the Senate partially motivated my use of Bayesian methods here (see Gill 2007; Western and Jackman 1994; Long 1997; Taylor, West and Aiken 2006).

these bills were extremely controversial and heavily sponsored. Under these conditions, it is appropriate to treat non-cosponsorship as an informative signal.[11]

My independent variables of interest are intended to capture legislators' connections to economic interests that are invested in the currency legislation; these connections may arise from interest groups' financial contributions or constituency economic profile. The first two variables test Hypotheses 1 and 4. ANTI-REALIGNMENT $ is measured as the contributions received from business interests that were likely to oppose passage of the legislation, as a share of total contributions. Anti-realignment interests include China-oriented exporters, such as many agriculture and technology producers. Such interests also include businesses that carry finished goods from China, financial firms and the real estate sector. These groups would be harmed by the imposition of tariffs on Chinese goods and any retaliatory protection that might be imposed on US products.[12]

PRO-REALIGNMENT $ is measured as the contributions each legislator received from interest groups that were likely to favor passage of currency legislation, as a share of total contribution receipts. This includes groups that typically fare poorly as a result of trade and investment competition with China, such as capital and labor in the steel and fabricated metals industries.

To construct the PRO-REALIGNMENT $ and ANTI-REALIGNMENT $ variables, I needed to identify the industries with a substantial stake in currency realignment legislation, and then determine whether they had an identifiable (*ex ante*) position on the proposed policy. The pro/anti-realignment interests identified in the preceding discussion are simply illustrative, and a more comprehensive treatment of key sectors' posture with respect to the

[11] I provide additional discussion of the decision to rely on (co)sponsorship behavior in the "Results and Discussion" section, below.

[12] Although there are numerous ways in which interest groups can influence legislators' behavior on foreign economic policy (see Fordham and McKeown 2003), the relationship between contributions and legislative behavior is widely acknowledged (see, e.g., Broz 2006, 2011; Broz and Hawes 2006; Milner and Tingley 2011; Baldwin and Magee 2000; Magee 2010). Such contributions can directly encourage particular policy positions (Grossman and Helpman 1994), or can constitute a reward or subsidy for maintaining a position (Hall and Deardorff 2006).

currency legislation is contained in Appendix A.

The next set of variables concern state/district economic characteristics. CHINA EXPORTS is included to capture the level of exports specifically destined for China that are produced in each legislator's district (Models 1-3) or state (Models 4-6). If many firms in a legislator's district are exporting to China, and these firms account for a large portion of local economic activity, it is likely that the legislator would be reluctant to support any policy that might risk a trade war. The variable is measured as merchandise exports to China as a share of state/district economic activity.

The presence of substantial Chinese investment in the local economy (and the potential for more of such investment in the future) should make legislators more likely to oppose currency legislation. CHINA FDI captures the importance of Chinese foreign direct investment in a given jurisdiction. The variable accounts for expenditures by Chinese-owned entities on US investments, including greenfield projects as well as acquisitions that grant investors at least 10 percent of a business's voting rights (Rhodium Group 2012). The variable is measured as Chinese FDI as a proportion of state GDP.

I also include a variable, OUTBOUND FDI, to denote how connected a legislator is to industries that heavily rely on China as a location for large parts of their production processes. Although many industries are likely to be affected in some way by investment (or potential investment) in the Chinese market, there are certain sectors that already maintain heavy reliance on the Chinese economy. As a report by the US-China Trade Deficit Commission noted, "Production shifts out of the U.S. into China are highly concentrated in certain industries: electronics and electrical equipment (37 percent) ... toys (8 percent), textiles (6 percent), plastics (6 percent), sporting goods (5 percent)" and others (Bronfenbrenner et al 2001). Accordingly, I measure OUTBOUND FDI as the sum of contributions from these various industries, as a share of total contributions.

I have included MFG EMPLOYMENT, a measure of manufacturing employment as a share of total district employment. This variable captures any general relationship between

manufacturing interests and support for currency legislation. I have also included MFG INCOME as a proxy for the capital intensity of the manufacturing sector in a given state or district.

To measure vulnerability to trade-related job loss, I rely on IMPORT PENETRATION, a measure of the number of workers displaced due to foreign trade (Kondo 2012), and JOBS LOST TO CHINA, which is coded as the proportion of job loss resulting from trade with China during the 2001-2008 period (Scott 2010). I have also included a measure of unionization rates in the private manufacturing sector (Hirsch and Macpherson 2003). These variables account for realized/potential job displacement due to competition with China, and also roughly account for the predictions of the standard models of trade preferences (Hiscox 2001, 2002). I expect a positive relationship between these variables and a legislator's propensity to support currency legislation.

Higher levels of unemployment might similarly increase demand for measures that are intended to stimulate job growth or protect existing jobs (Cassing, McKeown and Ochs 1986). For that reason, I also include a standard business cycle variable (UNEMPLOYMENT).

Democratic partisanship is often associated with greater support for trade protection. I therefore include DEMOCRAT, which is a dichotomous variable coded as 1 if the legislator is a Democrat (or caucuses with the Democrats), and 0 otherwise. To capture any relationship between a legislator's left-right ideology and his or her position on currency legislation, I also include IDEOLOGY. The variable is measured as each legislator's NOMINATE score (Poole and Rosenthal 1997). Descriptive statistics and data sources for each of the variables are contained in Table 4.1.

Table 4.1: Descriptive Statistics and Data Sources

Variable Name	Mean	Std. Dev.	Min	Max	Source
DEMOCRAT (House, "H")	.587	.493	0	1	http://clerk.house.gov/
DEMOCRAT (Senate, "S")	.530	.502	0	1	http://www.senate.gov/
IDEOLOGY (H)	.064	.517	-.731	1.226	Poole and Rosenthal (1997)
IDEOLOGY (S)	.036	.454	-.643	1.000	http://voteview.com/dwnomin.htm
JOBS LOST TO CHINA	1.554	.425	.74	2.35	Scott (2012) [state level]
IMPORT PENETRATION	.669	.319	.06	1.37	Kondo (2012) [state level]
UNEMPLOYMENT (H)	.110	.030	.039	.275	http://factfinder2.census.gov/ (ACS)
UNEMPLOYMENT (S)	.093	.021	.03	.13	http://factfinder2.census.gov/ (ACS)
MFG INCOME (H)	41473.64	11396.94	16092	100068	http://factfinder2.census.gov/ (ACS)
MFG INCOME (S)	45057.14	6484.52	33825	60642	http://factfinder2.census.gov/ (ACS)
MFG EMPLOYMENT (H)	.104	.043	.025	.256	http://factfinder2.census.gov/ (ACS)
MFG EMPLOYMENT (S)	.102	.037	.030	.180	http://factfinder2.census.gov/ (ACS)
MFG UNIONIZATION	10.493	5.355	2.4	25	Hirsch and Macpherson (2003)
CHINA EXPORTS (H)	.012	.018	.000	.223	Dept. of Commerce; USCBC (2012)
CHINA EXPORTS (S)	.006	.006	.000	.029	Dept. of Commerce; USCBC (2012)
PRO-REALIGNMENT $ (H)	.005	.008	-.001	.096	maplight.org
PRO-REALIGNMENT $ (S)	.003	.003	.000	.024	maplight.org
ANTI-REALIGNMENT $ (H)	.009	.010	.000	.110	maplight.org
ANTI-REALIGNMENT $ (S)	.025	.051	.003	.515	maplight.org
CHINA FDI	.000	.007	.000	.004	http://rhg.com/ (Rhodium Group)
OUTBOUND FDI (H)	0.084	.166	-0.005	1.609	maplight.org
OUTBOUND FDI (S)	.391	.288	.000	1.591	maplight.org

Results and Discussion

The results from my statistical models, which are contained in Tables 4.2-4.4, provide support for my hypotheses. Overall, the models indicate that US-China interdependence drives legislators' positions on currency realignment legislation.

Prior to turning to my results, I note that the output from a Bayesian statistical model is different from a standard maximum likelihood ("MLE") regression. A Bayesian analysis yields a full distribution for a parameter, as opposed to a single fixed point. The "posterior mean" is the mean value of the parameter's distribution, which amounts to the analogue of a maximum likelihood coefficient. Testing the effect of a variable in a Bayesian analysis is also different than in the MLE context. Instead of relying on p-values, a variable's effect can be interpreted by observing the proportion of its posterior distribution that falls on either side of zero (Gill 2007). The proportion of a variable's posterior distribution that falls above (below) zero corresponds to the probability that the variable's effect is positive (negative). These proportions yield results similar to frequentist hypothesis testing – having a posterior distribution with 95 (90) percent of the distribution on either side of zero is roughly akin to the variable being statistically significant at the .05 (.10) level.[13]

I begin the discussion of results with Models 1-2, which examine House behavior on the CRFTA. Models 1 and 2 are logit models; as noted above, the dependent variable is coded as 1 if the legislator in question (co)sponsored the bill, 0 otherwise. In both specifications, I find strong support for Hypotheses 1, 2, 4 and 5. As the results were comparable in Models 1 and 2, I focus my discussion on Model 1 unless otherwise noted.

[13]Bayesian results, however, are only directly comparable to maximum likelihood estimates with a sufficiently large sample size and the use of uninformative priors. The models here were run with uninformative priors, using MCMCpack in R (Martin, Quinn and Park 2011). Diagnostic tests, discussed below, were performed with the coda package (Plummer, Best and Cowles 2010).

Table 4.2: Currency Reform for Fair Trade Act (111th Congress)

	Model 1			Model 2			Model 3		
	Post. Mean	95% Cred. Intervals	Prob. > 0	Post. Mean	95% Cred. Intervals	Prob. > 0	Post. Mean	95% Cred. Intervals	Prob. > 0
INTERCEPT	-3.26	-6.33, -0.19	-0.19	-4.10	-7.20, -0.97	0.00	0.39	-0.97 , 1.77	0.71
DEMOCRAT				0.81	0.21, 1.41	1.00			
IDEOLOGY	-1.08	-1.71, -0.46	0.00				-1.14	-1.43, -0.85	0.00
JOBS LOST TO CHINA	0.61	-0.36, 1.49	0.92	0.69	-0.14, 1.54	0.94	-0.09	-0.47, 0.28	0.32
IMPORT PENETRATION	1.03	0.22, 1.84	1.00	0.98	0.19, 1.78	0.99	0.61	0.21, 1.02	1.00
UNEMPLOYMENT	-4.28	-13.35, 4.72	0.99	-3.05	-11.88, 5.97	0.25	0.25	-4.10, 4.62	0.54
MFG INCOME	0.01	-0.61, 0.57	0.49	-0.01	-0.57, 0.56	0.49	-0.02	-0.28, 0.25	0.46
MFG EMPLOYMENT	1.76	-0.42, 3.91	0.95	1.71	-0.35, 3.82	0.95	0.98	-0.02, 1.99	0.97
MFG UNIONIZATION	0.04	-0.01, 0.10	0.95	0.05	0.00, 0.11	0.98	0.01	-0.01, 0.03	0.79
CHINA EXPORTS	-0.36	-0.69, -0.10	0.00	-0.37	-0.68, -0.12	0.00	-0.21	-0.32, -0.10	0.00
PRO-REALIGNMENT $	0.37	0.00, 0.74	0.97	0.45	0.06, 0.82	0.99	0.23	0.06, 0.40	1.00
ANTI-REALIGNMENT $	-0.44	-0.81, -0.11	0.00	-0.48	-0.84, -0.17	0.00	-0.16	-0.29, -0.04	0.00
OUTBOUND FDI	-1.647	-3.55, 0.04	0.03						
MFG EMPL*MFG INC	-0.05	-0.54, 0.46	0.43	-0.07	-0.56, 0.40	0.39	-0.04	-0.27, 0.18	0.35
GAMMA							1.70	1.50, 1.92	1.00

Models 1-3 are Bayesian logit/ordered logit models with flat (uninformative) priors. The table contains the posterior means and 95 percent credible intervals for each parameter, as well as the proportion of the probability density on either side of zero, i.e., the probability that the parameter's effect is positive or negative.

Table 4.3: Currency Exchange Rate Oversight Reform Act (112th Congress)

	Model 4			Model 5			Model 6		
	Post. Mean	95% Cred. Intervals	Prob. > 0	Post. Mean	95% Cred. Intervals	Prob. > 0	Post. Mean	95% Cred. Intervals	Prob. > 0
INTERCEPT	-6.26	-25.45, 14.25	0.26	-7.59	-25.86, 10.01	0.20	1.10	-5.68, 7.84	0.63
IDEOLOGY	-4.43	-7.16, -1.99	0.00				-2.53	-3.36, -1.73	0.00
DEMOCRAT				3.08	1.25, 5.13	1.00			
IMPORT PENETRATION	5.24	2.21, 8.94	1.00	4.85	1.91, 8.19	1.00	1.11	0.09, 2.13	0.98
JOBS LOST TO CHINA	1.31	-1.86, 4.59	0.79	1.94	-0.73, 4.65	0.92	0.83	-0.17, 1.86	0.95
UNEMPLOYMENT	-1.25	-5.25, 2.89	0.28	-0.88	-4.68, 3.13	0.33	0.26	-1.06, 1.57	0.65
MFG INCOME	-0.23	-4.72, 3.96	0.47	-0.29	-4.04, 3.35	0.44	-0.55	-2.03, 0.91	0.23
MFG EMPLOYMENT	-0.17	-2.20, 1.81	0.44	-0.35	-2.01, 1.35	0.35	-0.06	-0.73, 0.61	0.43
MFG UNIONIZATION	0.16	0.01, 0.32	0.98	0.17	0.02, 0.32	0.99	0.04	-0.02, 0.10	0.90
CHINA EXPORTS	-1.84	-3.36, -0.48	0.00	-1.57	-2.99, -0.39	0.00	-0.44	-0.88, 0.00	0.02
PRO-REALIGNMENT $	1.49	-1.17, 4.17	0.86	2.01	-0.58, 4.67	0.94	0.39	-0.42, 1.19	0.83
ANTI-REALIGNMENT $	-0.72	-1.50, -0.10	0.00	-0.53	-1.26, -0.04	0.01	-0.02	-0.06, 0.03	0.24
INBOUND FDI	-0.53	-12.17, 9.07	0.48	-1.27	-11.32, 7.58	0.41	-0.52	-4.12, 3.03	0.39
OUTBOUND FDI	2.15	-0.62,5.00	0.55						
MFG EMPL*MFG INC	0.04	-0.38, 0.48	0.94	0.06	-0.31, 0.43	0.60	0.00	-0.15, 0.15	0.52
GAMMA							1.70	1.29, 2.10	1.00

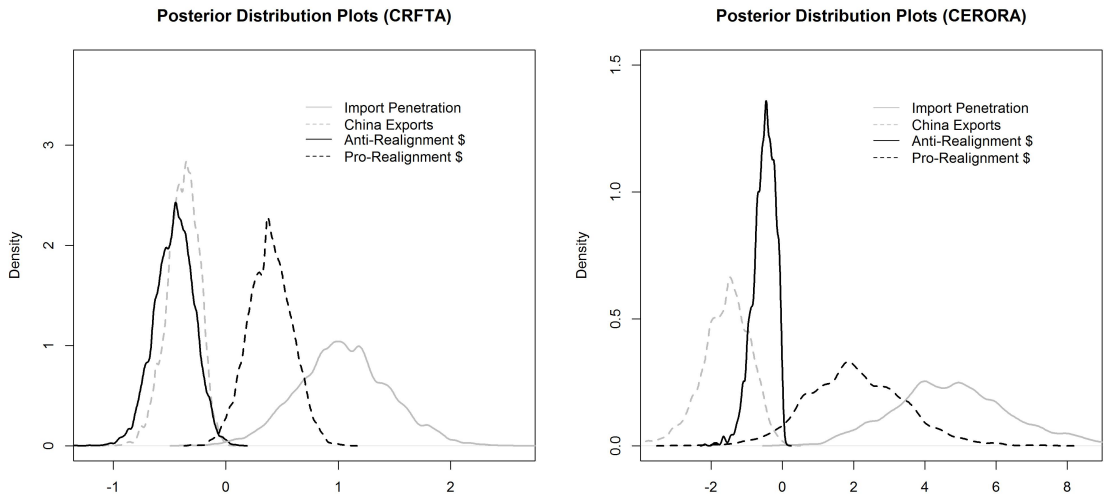
Models 4-6 are Bayesian logit/ordered logit models with flat (uninformative) priors.

First, the posterior distributions for the ANTI-REALIGNMENT $ and PRO-REALIGNMENT $ variables had the anticipated relationship (negative and positive, respectively) with a legislator's decision to cosponsor the legislation. ANTI-REALIGNMENT $'s posterior distribution was overwhelmingly negative, suggesting that legislators representing interests that rely on China as an economic partner were more likely to withhold support for the legislation. Representatives receiving funds from interests that directly compete with Chinese firms were more likely to support the bill. The distribution for PRO-REALIGNMENT $ was decisively positive, with 97 percent of the distribution greater than zero.

Consistent with Hypothesis 2, legislators from districts with high levels of exports destined for China were less likely to sponsor the legislation. This relationship was robust. Almost the entirety of CHINA EXPORTS's posterior distribution was less than zero, regardless of the model under consideration. In fact, the entirety of the distribution fell below zero (when rounding to two decimal places). These results are consistent with my expectation that legislators representing industries with extensive export interests in China would oppose the legislation, as realignment efforts could ultimately lead to restricted access to the Chinese market.

It bears noting that export-orientation can in many cases capture another characteristic of a district's manufacturing profile. In particular, export-oriented firms are often highly competitive and more resilient to exchange rate driven shocks to competitiveness (Oatley 2010). For this reason, legislators representing capital intensive industry may be less concerned with exchange rate alignments. Here, however, I include a host of variables that account for district-level sectoral composition (this includes an interaction between MFG WAGE LEVEL and MFG EMPLOYMENT). The fact that I control for these variables indicates that – even net of these characteristics – China-related export reliance still had a negative relationship with support for currency legislation. Stated differently, CHINA EXPORTS is not simply capturing capital intensity, but rather, export dependence. This finding provides strong support for Hypothesis 2.

Figure 4.1: Effect of Key Independent Variables - Posterior Distribution Plots



Consistent with Hypothesis 3, legislators who received contribution for industries that invest heavily in China were less likely to support the legislation. Unfortunately, because inbound FDI data is only available at the state level, I was only able to test one aspect of this Hypothesis in the House models.

In line with Hypothesis 5, legislators from import-competing states supported currency realignment legislation, as indicated by the performance of IMPORT PENETRATION. At least 99 percent of the variable's distribution was greater than zero across the three models. JOBS LOST TO CHINA and MFG UNIONIZATION were also positively associated with support for the legislation, as anticipated, though the relationships were less robust for these variables. To provide a visual illustration of the performance of my key variables, posterior distribution plots are contained in Figure 4.1.

The other variables performed largely as expected. IDEOLOGY was negative, with the majority of its distribution less than zero. This suggests that more conservative legislators were less likely to support the bill. Similarly, Democratic partisanship had an overall positive association with support for the bill. Because of very high colinearity, both variables could not be included in the model simultaneously. The results, however, are consistent

regardless of which variable is included (compare Models 1 and 2).

In another model, PRO-REALIGNMENT $ and ANTI-REALIGNMENT $ were disaggregated, and the analysis was run with more fine-grained sectoral contributions data (see Table 4.4 - Model 7). The results were consistent with those reported here: receipt of contributions from the agricultural sector (exporters to China), financial/real estate interests and the retail sector were negatively associated with support for realignment. Contributions from import-competing manufacturing industries (including interests within the steel and fabricated metals industries) were positively associated with support. These findings reinforce my conclusions with respect to the heterogeneity of industry positions on exchange rate legislation – including preference diversity within the traded goods sector.

Table 4.4: CRFTA/CERORA - Disaggregated Contribution Data

	Post. Mean	95% Cred. Intervals	Prob > 0	Post. Mean	95% Cred. Intervals	Prob > 0
CERORA		**Mod. 7**			**Mod. 8**	
INTERCEPT	-4.04	-7.06, -0.91	0.00	-8.32	-28.44, 9.91	0.20
DEMOCRAT	1.08	0.54, 1.63	1.00	3.63	1.47, 6.44	1.00
IMPORT PENETRATION	1.26	0.55, 2.03	1.00	5.10	1.96, 8.79	1.00
JOBS LOST TO CHINA	0.74	-0.15, 1.61	0.95	2.18	-0.80, 5.14	0.93
UNEMPLOYMENT	-2.90	-11.62, 6.11	0.26	-1.09	-4.92, 3.12	0.28
MFG INCOME	-0.05	-0.62, 0.52	0.43	-0.46	-4.26, 3.44	0.41
MFG EMPLOYMENT	1.42	-0.60, 3.50	0.91	-0.35	-2.14, 1.48	0.34
MFG EMPL*MFG INC	-0.03	-0.49, 0.45	0.45	0.06	-0.33, 0.45	0.63
MFG UNIONIZATION	0.07	0.02, 0.12	1.00	0.16	0.00, 0.32	0.98
CHINA EXPORTS	-0.41	-0.71, -0.15	0.00	-1.62	-3.31, -0.32	0.01
AGRICULTURE SECT. $	-0.40	-0.80, -0.04	0.01	-0.60	-2.40, 0.97	0.26
FINANCE/BUSINESS $	-1.16	-1.97, -0.40	0.00	-0.63	-1.68, 0.00	0.03
STEEL/METAL SECT. $	0.97	0.24, 1.70	0.99	1.91	-0.76, 4.84	0.91
RETAIL SECTOR $	-1.56	-3.12, -0.13	0.01	3.23	-2.69, 9.32	0.87
CHINA FDI				0.55	9.01, 9.15	0.56
		N = 433			N = 100	

Models 7 and 8 are specified comparably to Models 1 and 4, with the interest group contribution variables divided into subgroups.

The findings with respect to the financial, real estate and retail sectors might be interpreted as consistent with existing explanations for sectoral exchange rate preferences (see, e.g., Frieden 1991). That is, rather than through their trade/investment dependence on China, these groups might oppose currency realignment legislation as a function of their preferences for a stronger currency. As Henning (1994: 33) explains with respect to retail and real estate sectors, however, the exchange rate is "far more salient for producers of tradeable goods ... and thus a more important item on their political agenda," whereas, "[t]he nontradeable sector is rarely mobilized politically on external monetary issues." Additionally, the banking sector often does not have a unified preference on the exchange rate, as "bank preferences in general are highly variable, highly situationally dependent, and typically not held with high intensity" (Henning 1994: 26). Non-traded goods sectors *did* mobilize on the bills under consideration here, and their statements on the issue suggest that they were motivated in large part by considerations beyond the relative value of the dollar. In any case, it is worth highlighting that the explanation offered for these sectors' behavior – their commitment to maintaining stability in the US-China bilateral economic relationship – may constitute a complement to, rather than a substitute for, existing explanations for political behavior on the exchange rate.

I experimented with several additional specifications of the House models. I ran an alternate model where I allowed the intercept to vary by state to account for any geographic variation that was not captured by the model specified (Gelman and Hill 2006; Clark and Linzer 2012). The results are contained in the online-only supplementary files, and are consistent with those reported here.

In addition to exploring cosponsorship behavior, I included a set of models to account for roll call voting on the CRFTA. Model 3 is an ordered logit model with a dependent variable coded as 0 if the legislator did not support the bill; 1 if he or she voted yea on the bill; 2 if he or she (co)sponsored the bill and voted in favor of the legislation. The key variables – CHINA EXPORTS, PRO-REALIGNMENT $, ANTI-REALIGNMENT $, IMPORT

PENETRATION – all performed as they did in the (co)sponsorship models.

To examine the substantive importance of my findings, I calculated predicted probabilities to assess how varying the observed value on the variables of interest changed the probability of cosponsorship. These probabilities are based on Model 1.[14] A one-standard deviation increase in ANTI-REALIGNMENT $ led to an 8 percent decrease in the probability of cosponsorship. An increase of the same magnitude to CHINA EXPORTS decreased the predicted probability of supporting CRFTA by approximately 12 percent. A similar increase to PRO-REALIGNMENT $ led to over a 7 percent increase in the probability of a cosponsorship. Finally, an increase of the same magnitude to IMPORT PENETRATION led to an 8 percent increase in the probability of cosponsorship. The statistical relationships identified here, then, are both robust and substantively meaningful in terms of actual legislative behavior.

Next, I turn to Models 4 and 5, where I assess senators' behavior in the context of the CERORA. The results are similar to those reported above, with some important exceptions. PRO-REALIGNMENT $ was again positive, though less decisively so, with 84-94 percent of its distribution greater than zero. ANTI-REALIGNMENT $ was overwhelmingly negative, and only 1 percent of its distribution was greater than zero. Also consistent with the previous models, IMPORT PENETRATION had a clear positive relationship with support for the legislation.

As above, CHINA EXPORTS had a negative relationship with support for the realignment legislation, with the entirety of the variable's distribution falling below zero (with rounding). It is also worth noting that an alternate variable measuring total state exports (to all markets, not just China) did not return a robust negative relationship. This point is an important one, as the key driver of behavior was dependence on China, not simply the constituency's overall export orientation. Taken together, the performance of the key independent variables provides evidence consistent with Hypotheses 1, 2, 4 and 5.

[14]These predicted probabilities were calculated by using the posterior mean value as a point estimate.

The posterior distribution of CHINA FDI was fairly centered around zero, with approximately half of the distribution falling below zero. As such, the model does not indicate that there is a statistical relationship between inbound FDI and a legislator's position on the currency legislation, contrary to Hypothesis 3.[15] This result may reflect the still-growing role of Chinese FDI in the US economy. OUTBOUND FDI also led to an unexpected result; the variable appeared to have a positive relationship with support for the bill. This finding stands in sharp contrast to the performance of the equivalent variable in the House model, providing mixed support for Hypothesis 3.

I note that in several robustness checks the results in the CERORA models were somewhat less consistent when compared to the models in the House. In Model 8 (Table 4.4), for instance, contributions from steel/metals and business/finance had the anticipated relationship with support for the currency legislation (positive and negative, respectively). Other sectoral contributions did not have a strong statistical relationship with the outcome of interest, however. This result may be a function of the relationship between narrow sectoral interests and legislative behavior being less pronounced in the Senate, where legislators are generally representing a broader set of economic interests.[16]

Model 6 (ordered logit) considered both cosponsorship and roll call voting behavior on the CERORA. Some of the variables that explained cosponsorship decisions in Models 4 and 5 performed in a similar manner here. For example, CHINA EXPORTS and IMPORT PENETRATION had the anticipated relationships with the dependent variable. Others, namely PRO-REALIGNMENT $ and ANTI-REALIGNMENT $ did not. This result is not necessarily surprising. By the time the CERORA made it to the voting stage, a number of factors indicated that a House version of the bill was not going to have the support of leadership. In fact, key figures, including David Camp (chairman of the House Ways

[15]Because CHINA FDI is compiled at the state level, this variable was only included in the Senate models.

[16]Additionally, in Model 10, I ran Model 4 as a hierarchical model. Although the results (contained in the online only supplemental files) were largely consistent with those reported here, the CHINA EXPORTS variable had a less decisive relationship with the outcome of interest.

and Means Committee) and Speaker John Boehner, indicated that a currency-related bill was not a priority (Lesniewski and Weyl 2011). As a result, the fate of the CERORA was largely a foregone conclusion, potentially rendering the vote more about "China bashing" than legislators' genuine concern with the actual economic implications of the bill. Vote choice on such a bill, then, is largely a function of legislative position taking, rather than a genuine effort to impact policy (see, e.g., Seo 2010; Trubowitz 1998). Under these conditions, it is inappropriate to read too much into the model of voting behavior on this bill. Indeed, this concern partially motivated my focus on (co)sponsorship behavior here.

Extensive diagnostics suggest that the models performed well. With respect to mixing, trace plots and running mean plots showed no signs of trending. Geweke model diagnostics and Gelman-Rubin statistics were similarly favorable. Based on the results of these four tools, there is little reason to be concerned about non-convergence. The results from these tests are presented in Appendix B (online).

In sum, then, the models provide support for my hypotheses. I found consistent support for Hypotheses 1, 2, 4 and 5 in the context of legislative behavior related to the CRFTA in the House. My findings were largely consistent, with a number of important qualifications, in the context of the CERORA in the Senate.

Conclusion

Bilateral economic relationships can lead to dependencies that shape political behavior on the exchange rate. Given the various linkages between exchange rate policy and other areas of international economic policy, there are many potential sources of vulnerability stemming from the US's economic relationship with key trade partners. The ongoing conflict over the relative value of the dollar and the yuan epitomizes this dynamic. US industries that compete with Chinese producers often support aggressive efforts to seek currency realignment. Economic interdependencies, however, also lead many industries to oppose realignment legislation. Legislators who represent business interests that rely on

China for trade and investment opportunities were likely to withhold support for the legislation. Through an analysis of Congressional behavior on two major pieces of currency legislation, my statistical analysis provides evidence consistent with my central hypotheses.

Existing explanations for political behavior in the areas of exchange rate and trade policy do not fully capture actors' positions on currency legislation. The standard model of exchange rate preferences generally predicts that traded goods sectors prefer a weaker currency, while non-traded goods sectors prefer a stronger currency. The standard model of trade preferences suggests that comparatively advantaged industries will oppose currency bills as protectionist, and uncompetitive industries will support the legislation. Although some of the observed political mobilizations surrounding the currency bills were consistent with these expectations, many were not. The US agricultural sector serves as a useful example in this regard. As a comparatively disadvantaged traded goods sector, we might expect that this industry would be among the most ardent supporters of pursuing a weaker dollar or, failing that, imposing punitive tariffs against trade partners. Many agricultural interests, however, came out in strong opposition to the proposed legislation. The industry's reliance on China as a huge and growing export market – a market that could potentially be restricted in the event of an economic conflict – shaped the sector's political calculus on exchange rate legislation.

Recent work on the nuances of exchange rate preferences demonstrates that firm/industry-level factors determine how sensitive businesses are to exchange rate fluctuations (see, e.g., Broz and Werfel 2014; Jensen, Quinn and Weymouth 2013; Oatley 2010; Walter 2008). This research has begun to identify additional sources of heterogeneity with respect to exchange rate preferences across, and even within, industries. The findings here highlight several ways in which issue linkage and bilateral economic dependence drive political behavior on the exchange rate.

These results raise several considerations for future research. First, whether analyzing behavior at the firm, industry, legislator or country level, research must fully acknowledge

intersections between policy areas. Theoretical development and empirical analyses alike must recognize that political behavior in any issue area rarely takes place in an isolated arena. In international economic policy, for instance, the intersection between trade and exchange rate policy cannot be overstated.

Second, there is growing recognition that actors' preferences and strategies are heavily driven by international forces. Political economy research that neglects to fully account for the interdependence of the global economic environment may fail to accurately explain and anticipate political behavior (Oatley 2011; Farrell and Newman 2014), and may very well lead to short-sighted or suboptimal policy guidance. This is as true for studies of financial flows and labor market regulation as it is for exchange rate policy. Research must adequately consider the ways that retaliation, diffusion, contagion and other international influences can impact political behavior (see, e.g., Greenhill, Mosley and Prakash 2009; Manger and Peinhardt 2013; Oatley et al 2013).

The ongoing controversy surrounding currency legislation in the US illustrates the importance of recognizing the overlap between policy areas, as well as the pivotal role of mutual economic dependence. While currency conflicts are typically cast as an effort to fight on behalf of domestic producers against beggar-thy-neighbor economic policies abroad, this is only part of the story. In the recent US experience, even industries that frequently prefer a weaker currency (and those that often have weak preferences on the exchange rate) vigorously opposed realignment efforts; these industries would suffer from economic protectionism on the part of the US or its key economic partners. Despite the heated rhetoric suggesting that the US should take a hard line against China, many policymakers in the US and in China recognized the risks involved with such an approach. This included legislators representing economic interests that were vulnerable to the consequences of a trade war, as well as officials representing broader constituencies. After the introduction and subsequent vote on the CERORA, President Obama suggested that the legislation could

lead to Chinese retaliation. Similarly, Speaker John Boehner called the bill "pretty dangerous," warning that such legislation "could start a trade war" (Reuters 2011). US-China interdependencies constrain behavior on exchange rate legislation, and these constraints are recognized at the highest levels of policymaking.

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Appendix A - Data & Coding for Interest Group Contribution Variables

The data on legislators' contribution receipts were compiled by Maplight.org, and sourced from OpenSecrets.org. MapLight catalogs contributions to legislators and identifies the interest groups/sectors that were the source of the contributions.

With respect to the two bills covered here – the CRFTA and CERORA – MapLight identified over 40 groups as having taken positions on the legislation.[17] I restricted the list to groups with an identifiable *ex ante* preference for or against the legislation. This selection was based on several criteria. First, sectors that enjoy a substantial bilateral trade surplus with China, such as agriculture and certain high-tech industries, would be more likely to oppose any measures that might disrupt access to their key export market (see, e.g., Seo). Second, financial, real estate and retail interests should oppose the legislation. This opposition may be driven in part by their preference for a stronger currency; however they generally have a relatively weak preference when it comes to the level of the exchange rate (Henning 1994: 33). I argue that their behavior on the exchange rate is also substantially driven by their desire to maintain a strong bilateral economic relationship. Third, for reasons similar to those discussed above, "pro-market" organizations (e.g., Chamber of Commerce) would oppose the legislation. Fourth, sectors that compete with Chinese producers, *and are not highly integrated with China's market*, are more likely to support currency legislation to help boost their competitiveness. These sectors would benefit from a relatively weaker dollar or US-imposed trade protection; the steel and manufactured metals industries are good examples, as they have actively sought policy measures to improve competitiveness (Broz and Werfel 2014).

In Table 4.5, I list the interest groups that are invested in the legislation (as determined by MapLight.org), and then identify their posture with respect to the policy proposal. In

[17]For the Senate, the data include contributions during the period from January 1, 2006 to September 22, 2011 (the date of the introduction of the bill). For the House, the period ranged from January 1, 2006 to May 13, 2009. The date ranges were selected so as to cover a full election cycle for all legislators.

addition to considering the criteria discussed above, I also consulted press releases and various other documents from key interest groups and industry associations to ascertain their position on the legislation. Many of the anti-alignment interests, for instance, signed a letter to Congress opposing the legislation (see, e.g., Business Roundtable 2011). Others were members of the "Fair Currency Coalition," a group of industries that has been active on the currency issue. Such evidence was used to confirm my coding of interest groups' positions.

For some interest groups, determining their anticipated posture with respect to the legislation was relatively uncontroversial. In other cases, however, a number of cross-cutting factors within a single sector were simultaneously at work. For instance, the computer industry has a trade deficit with China, but also has a capital account surplus. A similar pattern is present in the apparel industry; domestic manufacturers are strongly import-competing, but many US-based firms perform production processes in China. For many of these "mixed" interest industries we can see different groups within the same sector taking opposing positions on the legislation. Accordingly, contributions from these groups were excluded from the models presented. In several robustness checks, however, I experimented with alternate codings for PRO-REALIGNMENT $ and ANTI-REALIGNMENT $ where I included contributions from these sectors. These modifications did not substantially alter the results presented.

Table 4.5: Interest Group Realignment Legislation Preferences

Interest Group	**Posture**	**Explanation**
Agr. services and related inds.	Oppose	Trade surplus with China†
Aircraft mfg.	Oppose	Trade surplus with China
Apparel and accessories stores	Mixed	Rely on consumer good imports from China; import-competing
Labor Unions (in import-competing sectors)	Support	Comparative disadvantage
Chambers of commerce	Oppose	Pro-market; see discussion in text
Communications and Electronics	Mixed	Heavy investment in China; import-competing
Computer mfg. and services	Mixed	Heavy investment in China; import-competing
Fabricated metal products	Support	Comparative disadvantage
Finance, Insurance and Real Estate	Oppose	Non-traded; see discussion in text
Financial services and consulting	Oppose	Non-traded; see discussion in text
Fishing	Oppose	Trade surplus with China†
Livestock	Oppose	Trade surplus with China†
Meat processing and products	Oppose	Trade surplus with China†
Milk and dairy producers	Oppose	Trade surplus with China†
Poultry and eggs	Oppose	Trade surplus with China†
Business Associations	Oppose	Pro-market; see discussion in text
Retail trade	Oppose	Rely on consumer good imports from China; see discussion in text
Securities, commodities and investment	Oppose	Pro-market; see discussion in text
Steel	Support	Comparative disadvantage
Telecommunications	Mixed	Heavy investment in China; import-competing
Wheat, corn, soybeans and cash grain	Oppose	Trade surplus with China†
Wine	Oppose	Trade surplus with China

†Trade surplus in NAICS Cat. 11, Agriculture, Forestry, Fishing and Hunting

5 EVALUATING LEGISLATORS' TRADE PRIORITIES – CONSIDERING (CO)SPONSORSHIP BEHAVIOR

For some members of Congress, trade policy is a centerpiece of their legislative agenda; for others, the policy area is of only marginal importance. Standard quantitative treatments of legislative behavior on trade policy, however, often fail to differentiate among legislators' various levels of attention to trade policy. This shortcoming is in part due to an overwhelming reliance on one type of data – roll call voting – that only captures a small portion of the lawmaking process. Analyses of voting behavior tell us little about the factors that make legislators most active and invested in trade policy. To overcome these limitations, I examine a more selective form of legislative activity: bill sponsorship/cosponsorship. In particular, I explore the legislative coalition that has supported policies related to import competition over the course of four decades. This approach provides three key benefits. First, it allows us to identify the members of Congress that prioritize legislation related to trade competitiveness. Second, the approach permits an assessment of how the salience of trade policy fluctuates over time. Third, this empirical strategy facilitates the testing of explanations for trade preferences without relying on a limited, and potentially unrepresentative, portion of the legislative process.

A substantial portion of the academic literature on trade politics explores the posture of members of Congress with respect to trade liberalization or protectionism. The most prominent approach for making this assessment is, by far, to examine roll call voting behavior (see, e.g., Bailey 2001; Baldwin and Magee 2000; Conley 1999; Fordham and McKeown 2003; Gartzke and Wrighton 1998; Hiscox 2002; Karol 2007; Keech and Pak 1995; Nollen and Quinn 1994; Sussman and Daynes 1995; Tosini and Tower 1987; Wink, Livingston, and Garand 1996).

An important limitation associated with such an approach is that it necessarily focuses on a truncated portion of the legislative process. Even studies that examine a compilation of many votes are analyzing a phenomenon that amounts to a minute portion of legislative behavior on trade policy. While hundreds of bills are regularly sponsored in a given congress – and even more cosponsorships offered on these bills – voting is rare. It is not at all uncommon for a full congress to entertain only a handful of votes that are primarily relating to trade policy (Allee and Miler 2012). During the last 20 congresses, the number of trade bills that have been passed in any given Senate has ranged from 0 to 9. In six of these Congresses, the number of bills passed numbered three or less. The rarity of such behavior raises serious concerns as to how much researchers can confidently glean from an overwhelming focus on this variant of legislative behavior.

Further adding to these concerns, there are several well-documented critiques of roll call voting analyses, many of which extend beyond the trade policy realm. For one, strategic behavior is common in voting. In some cases, party leadership or the executive branch may be very forceful in pushing legislators to vote a certain way. In other instances, perhaps where the fate of a bill is not in doubt, legislators may be "permitted" to vote their district.[1] Additionally, a legislator may cast seemingly inconsistent votes on the same piece of legislation; he or she may vote yea on a procedural vote in support of a bill, only to vote against

[1]Congressional leaders may monitor the progress of a vote and determine whether or not they will allow legislators to defect from the party position to satisfy constituency interests. Alternatively, a vote without serious prospects of passage may be arranged to permit politically attractive grandstanding (Galantucci 2014).

the bill on its substance, in an effort to engage in position taking and/or blame avoidance. Additionally, in some cases isolating a legislator's position on particular provisions within a bill is compromised by the inclusion of unrelated provisions attached to the same legislation. As a result, the vote under consideration may not be a "clean vote" on the issue of interest to researchers (see Broz and Hawes 2006). An extensive literature has established that factors relating to agenda control, procedural rules and strategic behavior have strong effects on voting decisions (see, e.g., Cox and McCubbins 2005; Roberts 2007; Clinton 2007; Shepsle and Weingast 1994).

Despite the various concerns associated with studies of roll call voting, there has been a glaring lack of attention devoted to exploring other forms of Congressional behavior on trade, with only very limited exceptions (see, e.g., Allee and Miler 2014; Box-Steffensmeier, Arnold and Zorn 1997).[2] Accordingly, an analysis of other types of legislative behavior is an important step in overcoming some of the weaknesses associated with roll call analyses. Indeed, in a recent review of the legislative trade policy literature, Todd Allee and Kristina Miler note that "in the same way that the broader congressional literature has shifted to incorporate a wide range of non-voting behavior, the literature on trade politics in Congress should expand the scope of research to include non-voting ways that legislators participate in trade policymaking" (2012: 5). One especially useful area for further research is bill cosponsorship.

[2]In a recent effort, Allee and Miler (2014) examine Congressional participation in the proceedings of the International Trade Commission. They note that members of Congress may assist domestic producers to secure administrative trade protection (i.e., antidumping duties), by testifying in person at ITC hearings, providing written testimony and writing/forwarding letters to ITC commissioners on behalf of an interested party (see also Caddel 2014). In an earlier study, researchers examined legislators' pre-voting announcement of their position on NAFTA (Box-Steffensmeier, Arnold and Zorn 1997). The authors found substantial variation among legislators in terms of their initial announcement on the landmark trade legislation; those who faced strong and unambiguous signals from constituents, interest groups and/or policy leaders were more likely to announce early.

Bill (Co)sponsorship

Bill (co)sponsorship presents an ideal context to explore Congressional behavior on trade. Sponsorship constitutes an avenue for position taking targeting voters and business interests (Arnold 1990; Fiorina 1974; Mayhew 1974; Schiller 2000; Sulkin 2005, 2011). And, because interest groups play a paramount role in trade policy (Grossman and Helpman 1994; Schiller 2000, 2006), sponsoring legislation that signals policy preferences that are favorable to these groups' interests may have substantial rewards in terms of campaign contributions (Rocco and Gordon 2010).

Beyond constituency oriented position taking, sponsorship also serves as a vehicle for legislators to signal their priorities to other policymakers (Kessler and Krehbiel 1996; Talbert and Potoski 2002; Wilson and Young 1997; Howell and Pevehouse 2007; Lindsay 1992-1993). A sponsor can introduce legislation to indicate to other legislators that he or she has a particular interest or expertise in the issue area under consideration, or to demonstrate shared policy preferences with these other legislators (Fowler 2006; Kessler and Krehbiel 1996; Talbert and Potoski 2002; Wilson and Young 1997). As such, introducing a bill might serve to suggest a high probability of support for certain types of policies in the future, thus facilitating the formation of legislative coalitions. Additionally, and especially in the context of foreign policy, sponsorship may signal preferences to policymakers in the executive branch (Howell and Pevehouse 2007; Lindsay 1992-1993).

Cosponsorship, although a comparatively inexpensive action when compared to primary sponsorship, is also more than mere position taking or cheap talk. A broad base of cosponsors can be used to demonstrate wide support for a bill. Such support can help a bill's prospects in committee, and may indicate that the bill in question will be resilient to filibustering or a presidential veto (Krehbiel 1995). And, cosponsorships are not taken lightly, as there are consequences to reneging on such a commitment (Bernhard and Sulkin 2013).

Importantly, cosponsorship serves as a key signal of legislative preferences because it is a highly selective act. The average legislator cosponsors only a small percentage (approximately 2 or 3 percent) of all bills that are introduced (Hertherington 2001). Accordingly, examining bill cosponsorship patterns can give a great deal of insight into legislators' preferences, and can help distinguish among preference intensity in a way that roll call behavior cannot. Roll call voting on trade bills – on the rare occasions when it takes place – includes nearly every member in the chamber.

While few trade bills make it to the floor for a vote, the legislative coalition involved in cosponsoring these bills changes drastically over time. As Figure 5.1 demonstrates, both the number of bills, as well as the number of legislators cosponsoring those bills, fluctuates from congress to congress. To illustrate, 43 unique senators sponsored bills related to trade policy in the 99th Congress, and 96 senators cosponsored at least one of these bills. In contrast, in the 107th Congress only 8 senators were primary sponsors of trade legislation, with 33 senators cosponsoring at least one of these 8 bills. This variation is overlooked in standard empirical treatments of trade politics that empirically focus on a small number of roll call votes.

Active Sponsors of Trade Legislation

Leveraging the wide variation in sponsorship activity, I will explore the various political economy factors that drive attention to trade policy. In this section, I present a number of hypotheses related to the factors that influence legislators to (co)sponsor bills related to import regulation. These explanations for trade policy preferences have been explored in other contexts, frequently through examinations of roll call voting. Such factors include district economic profiles, macroeconomic fluctuations and political institutional considerations.

The composition of industries in the local economy will influence a legislator's support for particular trade policies (Krehbiel 1993; Bailey, Goldstein and Weingast 1997; Gilligan 1997; Rogowski 1987; Busch and Reinhardt 1999; Pincus 1975). Industries can influence

policymakers' behavior by participating in the legislative process, and by helping legislators to get elected in the first instance (see, e.g., Fordham and Mckeown 2003; Grossman and Helpman 1994; Gawande and Bandyopadhyay 2000; Gawande and Hoekman 2006; Mayer 1984).

Among the most important and most studied economic characteristics are those relating to sectoral profile and factor endowment. The Ricardo-Viner, or "sectoral," model of trade preferences, predicts that the composition of local production will determine levels of support for trade protection. According to this model, a legislator from a region whose economy is heavily reliant on import-competing manufacturing is more likely to support trade protection. Industry interest groups, as well as individuals that are affected by the performance of these industries, are more likely to prefer trade policies that protect domestic businesses from international competition. In contrast, if a legislator's constituency is heavily reliant on industries that are export-oriented, he or she should be more likely to support trade openness. These internationally competitive firms do not require trade protection to remain competitive. Additionally, these groups seek access to open markets abroad, and this is frequently achieved through mutual liberalization (Bailey, Goldstein and Weingast 1997; Gilligan 1997; Milner 1988).[3]

Relative factor endowment has also been shown to influence trade policy preferences (Rogowski 1989; Mayda and Rodrik 2005; O'Rourke and Sinnott 2002; Hiscox 2002). Pursuant to the Heckscher-Ohlin model, a legislator whose constituency exploits the abundant factor of production (capital/high-skill labor in the U.S.) should be more likely to support free trade. Individuals and firms utilizing the abundant factor have a comparative advantage in the production and export of their goods, and thus prefer free trade. In contrast, if a legislator's constituency primarily comprises low-skilled labor (the scarce factor of production

[3]For example, Coughlin (1985) noted that the presence of the automobile and steel industries in particular Congressional districts increased the likelihood that a legislator voted in favor of a domestic content bill for automobile manufacturing. Tosini and Tower (1987) found that support for textile quota legislation reflected a district's overall orientation toward foreign trade, i.e., export-oriented vs. import-competing. Allen and Hopkins (1997) found that the percentage of state employment dedicated to textile and apparel production had an impact on legislative voting on trade policy (see also, Fordham 1998, Irwin and Kroszner 1999).

in the U.S.), he or she should be more likely to support trade protection, as firms/individuals exploiting the scarce factor produce goods that are likely to be uncompetitive in the face of import competition.

The predictions of the sectoral and factor-based models of trade preferences lead to my first set of hypotheses:

Hypothesis 1a*: Legislators from states with high levels of import-competing industry are more likely to cosponsor import regulation bills.*

Hypothesis 1b*: Legislators from states with high levels of export-oriented industry are less likely to cosponsor import regulation bills.*

Hypothesis 1c*: Legislators from states with increased levels of highly-skilled workers are less likely to cosponsor import regulation bills.*

Over-time variation in the macroeconomy also influences elected officials' behavior on trade. Two key aspects of the national economy are particularly important here – the first relates to the business cycle, and the second relates to currency movements. Both types of fluctuations have been used to explain changes in trade policy preferences.

Substantial research has demonstrated that downturns in the national economy stimulate demand for trade protection (Bagwell and Staiger 1995; Cassing, McKeown and Ochs 1985, Gallarotti 1985; McKeown 1984; Wallerstein 1987). As an economy contracts, producers respond to the concomitant drop in demand for their goods by seeking new trade barriers. As a result, it is often anticipated that legislators respond to (or potentially anticipate) these demands by cosponsoring trade legislation relating to import competition.

Additionally, appreciation of the real exchange rate has been shown to lead to an increase in industry demands for trade protection (Knetter, Michael and Prusa 2003; Oatley 2010). As the dollar appreciates, U.S. traded goods are rendered more expensive relative

to foreign goods. These periods of appreciation entail substantial costs to the competitiveness of many marginally competitive industries. Under these conditions, trade protection can help distressed firms to address the exchange rate driven decrease to competitiveness. Accordingly, tradables interests, and in turn the legislators who represent these interests, are likely to respond by increasing their support for trade protection. This discussion leads to my second set of hypotheses:

Hypothesis 2a*: Cosponsorship of import regulation bills will increase during periods of high unemployment.*

Hypothesis 2b*: Cosponsorship of import regulation bills will increase during periods of dollar appreciation.*

A number of institutional/political factors may also impact cosponsorship behavior. Research has highlighted the ways in which partisanship and the balance of power in government can shape legislative behavior on trade policy.

The institutional dominance of a particular party may impact the Congressional agenda on trade, as numerous scholars have identified a partisan alignment on trade policy (Karol 2000; Nollen and Quinn 1994; Baldwin 1985; Milner and Judkins 2005; Dutt and Mitra 2005; Epstein and O'Halloran 1996; Simmons 1994). In particular, it is often anticipated that, starting in the 1970s, the Democratic Party became relatively more supportive of trade protection. This may be due in part to closer ties to economic interests that are vulnerable to trade-related job loss. It might also be that the party's comparatively liberal ideology is more compatible with intervention in the economy. Whatever the primary determinant, the general consensus is that Democrats will be on balance more supportive of trade protection.[4] As such, when the balance of partisan power within Congress tilts towards the

[4]Although scholars differ as to the timing and extent of this realignment, the general consensus in the literature is that the transition was underway in the 1970s.

Democratic Party, this may have a positive relationship with support for trade protection.

Another institutional consideration is related to the distribution of power in Congress. Divided government has been found to have a positive association with trade protection. One explanation for this finding relates to Congress's desire to limit its delegation of authority. Under periods of divided government, Congress tends to limit the executive's authority to pursue trade liberalization (Lohmann and O'Halloran 1994; see also Gilligan 1997; Milner and Rosendorff 1997).

As these various explanations suggest, considerations related to the balance of power in the Congress/Presidency may impact trade policy making. This discussion leads to my final set of hypotheses:

Hypothesis 3a*: Cosponsorship of import regulation bills will be positively associated with Democratic partisanship.*

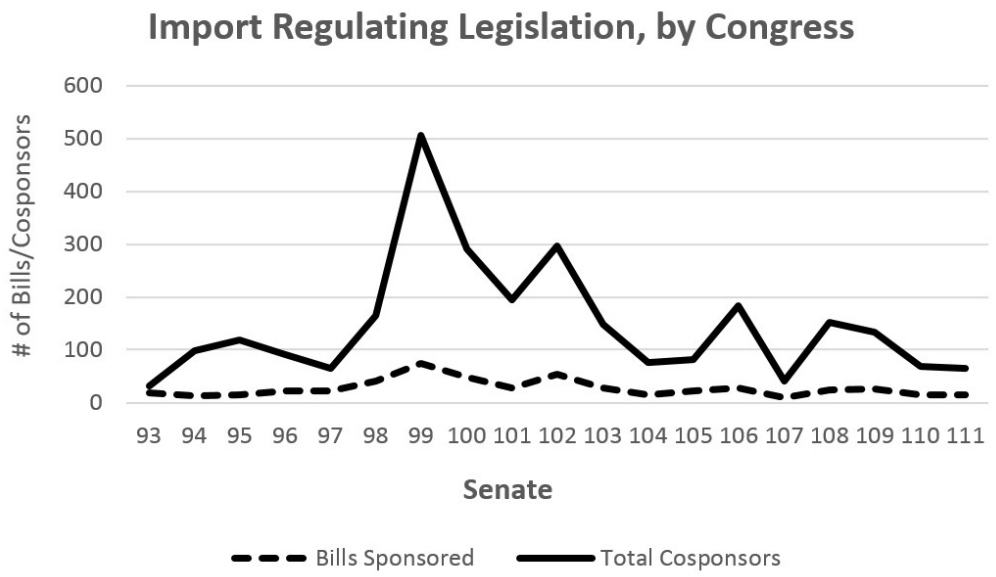
Hypothesis 3b*: Cosponsorship of import regulation bills will increase during periods of divided government.*

Research Design

I rely on a series of negative binomial models to identify the factors that influence legislators to cosponsor trade legislation related to import competition. The time period for the analysis runs from 1973 to 2012, covering 18 Senates. The period encompasses a broad set of political environments, such as varying partisan control over the chambers of Congress and the Presidency. This period also includes a number of important macroeconomic fluctuations related to the business cycle and exchange rate.

The primary dependent variable is COSPONSORSHIPS. This variable is a count, and is calculated as the number of cosponsorships that each legislator provided on bills relating

Figure 5.1: Import Regulations



to import competition in each congress under consideration. For these models, therefore, the unit of analysis is a senator-congress. The count ranges from a low of 0 to a high of 16, with a mean average value of approximately 1.6. [5]

To determine which bills qualified as import competition bills, I began with the list of all bills that were classified as "foreign trade" bills in the Policy Agendas Project (see Adler and Wilkerson, 1973-2012; Baumgartner and Jones 1993). From this set of legislation, I next identified the bills that dealt with import competition. To do so, I examined the bill summaries in the THOMAS Congressional database, and in many cases consulted the full text of the bill. Bills that proposed increases to tariff rates, set quantitative restrictions, or imposed additional requirements on imported goods (e.g., labeling or licensing requirements), were classified as import competition bills. Bills that could prospectively limit imports were included as well. This would, for instance, include bills that might restrict the ability of the president to pursue liberalization in a particular sector. This would also

[5]In a supplementary set of models, I explore influences on legislators' propensity to serve as primary sponsors of import regulation bills. This alternate dependent variable, SPONSORSHIPS, is coded as the number of import competition bills sponsored by each senator during the particular congress under consideration. I include the results and discussion of these models (Models 5/6) below.

include bills that permitted the executive to impose trade retaliation in the event that a set of trade negotiations were unsuccessful.[6] The sample also includes bills that provided for agency reorganization to better address import competition.

The independent variables included in the analysis are cast at the national, state and legislator levels. The national variables relate to the macroeconomic environment. The state-level variables relate to production and labor market profiles of the local economy in the state that each Senator represents. The final set of variables relates to criteria specific to the particular legislator under consideration. I will first discuss the state/national variables and then turn to the legislator-level variables.

The first four independent variables included in the analysis relate to the sectoral and factoral make-up of a legislator's constituency. Following a number of studies of Congressional economic policymaking (see for example Bailey and Brady 1998; Fordham 2008), I include two variables to account for the economic importance of export-oriented and import-competing manufacturing in each state. IMPORT-COMPETING is an index that measures the extent to which manufacturers in a given state produce goods that are heavily imported from abroad. The variable is measured as the state-level income generated by these industries as a proportion of state personal income. The variable EXPORT-ORIENTED is measured in a similar manner; it represents the percentage of income generated by net exporting industries as a share of total state personal income. These variables are designed to capture the predictions of the sectoral model of trade preferences.

The next variable, ED. ATTAINMENT, is designed to approximate the factoral endowment within a state. States with many high-skilled laborers and capital owners, as evidenced by higher average levels of education, are more likely to be engaged in export-oriented production, and will therefore prefer trade openness. Higher levels of education, then, should decrease support for bills related to import competition. Educational attainment may also

[6]Accordingly, the bills under consideration might relate to "fair trade" and market access abroad, providing that such bills also contain provisions relevant to domestic import competition.

capture any effect that increased levels of education have on individuals' free trade preferences (Hainmueller and Hiscox 2006; Mansfield and Mutz 2009). This variable is coded as the percentage of individuals who obtained a college degree in each senator's state.

To account for characteristics of the labor market in a state, I include UNIONIZATION. Organized labor has been among the constituencies that are most skeptical of trade liberalization. This is not surprising in light of the predictions of the factoral model of trade preferences, as labor is the relatively scarce factor of production in the U.S. As such, higher proportions of unionized employees in a state may be expected to increase support for import competition legislation. This variable is calculated as the percentage of the state's labor force that belonged to a union, and is measured in the first year of the congress in question.[7]

The next two independent variables are related to economic cycles. Research has found a positive relationship between economic contractions and demands for trade protection (Bagwell and Staiger 1995; Gallarotti 1985; McKeown 1984). Accordingly, I include NAT'L UNEMPLOYMENT, which is measured as the national unemployment rate during the first year of the congress in question. I anticipate a positive relationship between this variable and the propensity of legislators to cosponsor import regulating bills. (I also experiment with a state-level unemployment variable, STATE UNEMPLOYMENT, to account for local or regional business cycle contractions. My expectations for this variable are consistent with those for the national-level business cycle measure.)

The next macroeconomic variable relates to the real exchange rate, REER. The variable is included to capture the effect of exchange rate fluctuations on support for import competition legislation. I anticipate that demands for trade protection will rise as the dollar appreciates, as domestic tradables producers are rendered less competitive when compared

[7]Although the sectoral and factoral models of trade preferences lead to divergent predictions, including variables to capture both sets of explanations is common in the foreign economic policy literature. See, e.g., Broz and Hawes 2006; Baldwin and Magee 2000; and Beaulieu 2002.

to their foreign counterparts. As such, the cosponsorship of bills related to trade competitiveness will increase following an appreciation. This variable is an index of the dollar's real trade-weighted value against other major currencies (Oatley 2010).

I include a host of additional senator-level variables. Partisanship and ideology are often associated with preferences on trade (see, e.g., Nollen and Quinn 1994; Baldwin 1984). I have included a dummy variable, DEMOCRAT, coded as 1 if the legislator is a Democrat; 0 otherwise. I anticipate a positive relationship between this variable and cosponsorship. I also include IDEOLOGY, which is measured as the first dimension of each senator's NOMINATE score. Higher values on this variable indicate a more conservative legislator; accordingly, I expect a negative relationship between IDEOLOGY and the dependent variable.

I also include a dummy variable denoting membership on the Senate Committee on Finance. Legislators on this committee have special access to trade policy hearings and briefings, and are able to see the various markups of such bills to see how the legislation typically fairs in the lawmaking process. Additionally, they witness firsthand committee debate on legislative proposals (Krehbiel 1991; Evans 1991; Fenno 1973; Hall 1987, 1996; Allee and Miler 2013), and may face particular pressures to take the lead on legislation within the purview of their committee (see, e.g., Destler 1998, 2005). For these reasons, membership on this committee may make behavior on trade policy, in general, more likely.[8] Accordingly, I expect a positive relationship with the dependent variable here.

Finally, I included a variable, TOTAL BILLS, to control for the number of bills introduced by each senator in each congress. This variable serves as a proxy for a legislator's overall level of activity. I include this variable to ensure that any increase in the cosponsorship of trade protection is not simply a function of an overall elevated level of bill sponsorship activity. I expect a positive coefficient on this variable.

[8]However, there is no reason to anticipate that membership on the committee is associated with support for *import competition legislation* as opposed to other types of trade bills. As such, I do not have especially strong prior expectations as to how this variable will perform.

My statistical models provide results consistent with my key hypotheses. See Table 5.1. Importantly, several of the most prominent explanations for trade-related legislative behavior find support in an empirical analysis that relies on legislators' non-voting behavior.

As noted above, the unit of analysis for these models is the senator-congress, and the dependent variable is the number of import competition bills cosponsored by the legislator in the congress under consideration. All models were run with cluster robust standard errors, clustered on the individual senator.

The variables that were included to capture the predictions of the sectoral model of trade preferences behaved as anticipated. Legislators representing import-competing states were far more likely to cosponsor import regulations, while those representing export-oriented manufacturing interests were less likely to do so. The coefficient on IMPORT-COMPETING was positive and statistically significant at the .01 level; the EXPORT-ORIENTED parameter was negative and also significant at the .01 level. These results suggest that the sectoral explanation for trade preferences contributes to explaining legislative behavior, and provides evidence consistent with Hypotheses 1a/1b.

The factoral model of trade preferences did not receive support in the model. The coefficient on ED. ATTAINMENT was positive, contrary to expectations, though the variable did not come close to reaching statistical significance. Even more surprising was the negative and statistically significant coefficient on UNIONIZATION. I anticipated a positive relationship between a heavily unionized constituency and a legislator's support for import competition bills, as organized labor is often among the loudest critics of free trade. One explanation for this finding is that factor mobility in the contemporary U.S. economy is limited (see, e.g., Hiscox 2002a, 2002b). If so, this would undermine the fundamental assumption driving the factoral model of trade preferences, thus explaining the relatively stronger explanatory power of the sectoral model.

However, another potential explanation for the findings with respect to the ED. ATTAINMENT and UNIONIZATION variables relates to data limitations here. First, average

Table 5.1: Models of Cosponsorship Behavior

	Model 1	**Model 2**	**Model 3**	**Model 4**
	coef/se	coef/se	coef/se	coef/se
IMPORT-COMPETING	0.591***	0.570***	0.599***	0.576***
	(0.06)	(0.06)	(0.06)	(0.06)
EXPORT-ORIENTED	-0.552***	-0.539***	-0.543***	-0.528***
	(0.09)	(0.09)	(0.09)	(0.09)
NAT'L UNEMPLOYMENT	21.923***	21.669***	21.897***	21.712***
	(2.22)	(2.22)	(2.21)	(2.21)
REER	0.084***	0.084***	0.084***	0.084***
	(0.01)	(0.01)	(0.01)	(0.01)
DIVIDED	0.250***	0.248***	0.249***	0.248***
	(0.08)	(0.08)	(0.08)	(0.08)
SAME PARTY. PRES	-0.061	-0.069	-0.059	-0.067
	(0.06)	(0.06)	(0.06)	(0.06)
ED. ATTAINMENT	0.006	0.002	0.007	0.004
	(0.01)	(0.01)	(0.01)	(0.01)
UNIONIZATION	-0.016***	-0.020***	-0.016***	-0.020***
	(0.00)	(0.00)	(0.00)	(0.00)
MAJORITY	-0.073	-0.031	-0.081	-0.037
	(0.06)	(0.06)	(0.06)	(0.06)
DEMOCRAT	0.349***		0.357***	
	(0.06)		(0.06)	
NOMINATE		-0.476***		-0.491***
		(0.09)		(0.09)
TOTAL BILLS	0.008***	0.007***	0.008***	0.008***
	(0.00)	(0.00)	(0.00)	(0.00)
SENIORITY			-0.010	-0.008
			(0.01)	(0.01)
PARTY LEADER			-0.222	-0.243
			(0.16)	(0.16)
COMM. LEADER			-0.071	-0.080
			(0.07)	(0.07)
FINANCE			0.187***	0.188***
			(0.07)	(0.07)
FOR. RELATIONS			-0.090	-0.092
			(0.08)	(0.08)
LABOR			-0.098	-0.118
			(0.08)	(0.08)
INTERCEPT	-1.881***	-1.546***	-1.848***	-1.515***
	(0.25)	(0.25)	(0.26)	(0.26)
N	1452	1491	1483	1483
AIC	4732.7	4733.3	4703.8	4705.2

Models 1-4 are negative binomial models. * indicates significance at $p < 0.10$; ** at $p < 0.05$; *** at $p < 0.01$.

levels of educational attainment are admittedly loose proxies for the factoral composition of a state's economy. Second, with respect to the findings on unionization, the data on union membership rates is aggregated at a very high level. That is, the membership figures include all varieties of union members, including participants in service sector and public sector unions. Accordingly, UNIONIZATION may not effectively capture the prominence of unskilled (and thus comparatively disadvantaged) labor within a state. More fine-grained data is, unfortunately, not available for the full time period in question.[9] Therefore, while the results with respect to ED. ATTAINMENT and UNIONIZATION cast some doubt on the predictions of the H-O model of trade preferences (and Hypothesis 1c), for the reasons stated, these conclusions must be treated as somewhat tentative.

The variables relating to the national economy performed as expected, providing robust support for Hypotheses 2a/2b. Legislators were increasingly likely to cosponsor import competition bills during periods of high national unemployment. NAT'L UNEMPLOYMENT was positive and statistically significant at the .05 level. Using a state-level measure of unemployment (STATE UNEMPLOYMENT) led to consistent results, though the statistical relationship and model fit were slightly stronger using the national unemployment variable. This finding suggests that a legislator's assessment of economic performance may often be based on national level (sociotropic) considerations.

The real exchange rate variable (REER) also had a statistically significant and positive relationship with the outcome of interest. As the dollar strengthened against the currencies of key U.S. trading partners, legislators were more likely to cosponsor trade legislation. Consistent with my expectations, when the appreciated dollar decreased the competitiveness of U.S. traded goods sectors, legislators were more active in cosponsoring legislation that might assist these industries to remain profitable.

[9]When using data specifically on private manufacturing sector union membership, the unexpected negative relationship disappears. And, in fact, the sign on UNIONIZATION becomes positive (unreported). Relying on these more appropriate union data, however, reduces my effective sample size by about fifty percent.

Several of the legislator-level variables warrant discussion. Partisan affiliation and ideology had the anticipated relationships with cosponsorship patterns. DEMOCRAT was positive and robustly related to cosponsorship choice (see Model 1). In another specification, I replaced partisanship with a variable denoting ideology on a continuous scale, based on each senator's NOMINATE score. There too, more liberal senators (those with lower NOMINATE scores) were more likely to cosponsor import competition legislation (see Model 2). Although trade policy may be less partisan than a host of other issue areas,[10] party affiliation/ideology is still associated with particular orientations on economic liberalization.

The results with respect to the political institutional factors were mixed. DIVIDED GOV'T had a robust positive relationship with the number of import competition regulations introduced. This finding is consistent with earlier studies that examined the ways in which the balance of political power in the legislative and executive branches influences trade policy (see, e.g., Lohmann and O'Halloran 1994; Gilligan 1997). This finding provides support for Hypothesis 3b.

The models provide mixed support for Hypothesis 3a. On the one hand, Democratic control of the Senate was not associated with a greater number of legislators cosponsoring import regulation legislation. On the other hand, DEMOCRAT and NOMINATE were independently statistically significant. The performance of these variables indicated a strong relationship between Democratic partisanship or a liberal ideology and support for legislation concerning import competitiveness.[11] One potential explanation for this result is that there is a strategic dynamic at work, whereby the minority party makes an additional effort to obtain cosponsors to overcome committee opposition to a proposal. Under such circumstances, it might be that legislators are less driven to acquire Democratic cosponsors when

[10]Based on interviews of numerous members of Congress and their staffs, Strahan (1990) found that trade was among the least ideologically driven issues when compared to welfare, social security and tax policy.

[11]These variables were collinear at a fairly high level – greater than .75 – and were therefore not included in the model simultaneously. Use of either variable led to consistent results, however.

the party controls the Senate.

With respect to other institutional considerations, the partisanship of the president was not related to cosponsorship behavior on import regulating legislation. The sign on SAME PARTY PRES. was negative, though the coefficient was far from statistical significance. There is, therefore, no support for the proposition that common partisanship with the president increases a legislator's cosponsorship propensity. In an unreported model, I included a variable simply denoting the party of the president (coded 1 for a Democrat); this variable was positive but did not reach statistical significance. While a number of studies have identified particular presidencies as being more or less inclined to support free trade policies (see, e.g. Magee, Brock and Young 1989), the results here do not suggest that these tendencies are related to cosponsorship behavior. In terms of influencing legislators, perhaps the largest role for the executive is in the initial drafting process, as well as later in the legislative process when the push for roll call support is underway.[12]

To explore the substantive impact of the key variables, I calculated predicted probabilities. The variables relating to the sectoral profile of a legislator's state both had meaningful effects on cosponsorship behavior. Figure 5.2 contains plots of the predicted number of cosponsorships, per congress. In the first plot, the x-axis represents the level of import-competition in the state economy. As the plot indicates, for legislators in either party, the predicted number of cosponsorships rose sharply as these legislators represented states with increasingly large shares of import-competing industry. This effect was particularly strong for Democrats. The second plot in Figure 5.2 shows the predicted number of cosponsorships as the export-orientation of a legislator's state increases. As expected, the number of cosponsored import regulations drops off quite rapidly as the local economy becomes increasingly export-oriented. Both IMPORT-COMPETING and EXPORT-ORIENTED had a strong impact on a legislator's propensity to support the regulations considered here.

[12] As we would expect, TOTAL BILLS had a positive and statistically significant coefficient. This result suggests that cosponsorship rates in the area of trade policy correspond with the overall level of bill introduction activity in the Senate.

Figure 5.2: Predicted # of Cosponsorships, by Import-Export Orientation

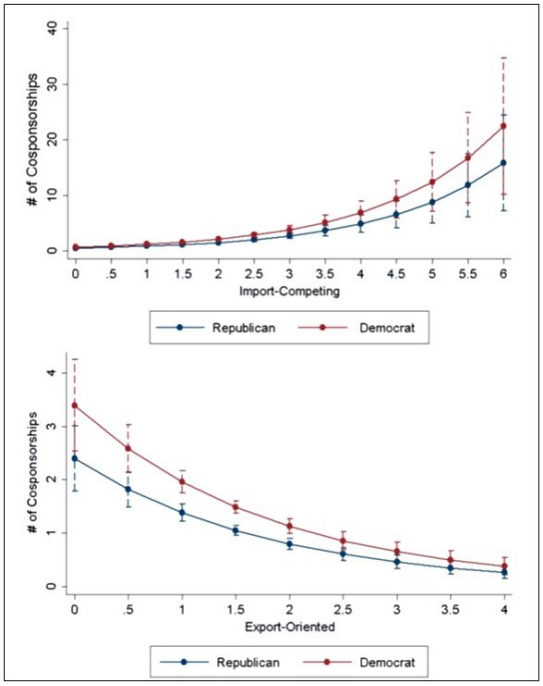


Figure 5.3: Predicted # of Cosponsorships, by Macroeconomic Climate

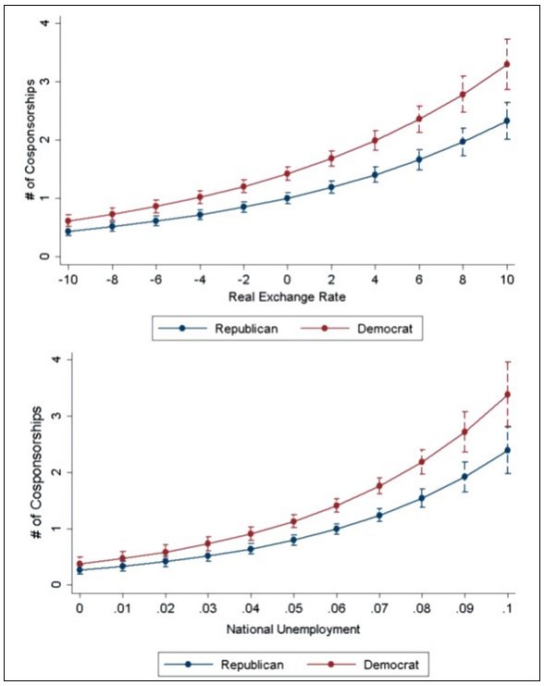


Figure 5.3 also contains predicted cosponsorship plots. Here, I show the predicted number of cosponsorships while varying the value of the key macroeconomic variables. The x-axis represents the real exchange rate in the first plot, and the national unemployment rate in the second plot. Both figures depict a similar pattern: cosponsorship of bills related to import competition escalated quickly as the dollar appreciated or unemployment rose. A move from the 25th percentile to the 75th percentile value on either of these variables led to approximately a threefold increase in the predicted number of cosponsorships per legislator.

DIVIDED GOV'T similarly had a meaningful impact on cosponsorship behavior. Senators cosponsored, on average, 30 percent more import competition bills during periods of divided government than during unified government. This is true for both Democrats and Republicans, though the former group of legislators sponsored bills at a rate 40 percent higher than their Republican counterparts in general. This finding is consistent with the notion that US trade policy is sometimes characterized by a "fire alarm" variant of oversight. That is, Congress (the principal) delegates much of the day-to-day authority to administrative units (agents). But, under such a system, Congress defines the scope of executive/administrative authority, and then legislators and industry monitor the performance of the system. When the system is not sufficiently attentive to Congressional demands, we can expect greater activity from the principal (Lohmann and O'Halloran 1994; O'Halloran 1994).

In terms of robustness, the performance of the key variables was consistent across specifications. Importantly, these findings were stable after the inclusion of a host of additional control variables. These include committee membership (FINANCE; FOREIGN AFFAIRS; LABOR), years of service (SENIORITY), committee leadership (COMM. LEADER) and party leadership (PARTY LEADER).

Of the additional variables, the only one that had a statistically significant relationship with cosponsorship rates was FINANCE; membership on the Senate Finance committee

was associated with a greater propensity to cosponsor import competition bills. While there is no *a priori* reason to believe that members of this committee are more likely to favor protectionism, they are overall more likely to participate in trade policy making. This factor is likely driving the result here.

In sum, the analysis provides evidence consistent with my primary hypotheses. Hypotheses 1a/1b, 2a/2b and 3b found strong support in the models. Not only did the variables designed to capture these hypotheses perform as expected, they also had large substantive impacts in terms of legislative cosponsorship behavior.

The focus of this analysis is on cosponsorship behavior. That said, the foundation of the legislative cosponsorship coalition is, of course, the set of underlying bills that were introduced. For this reason, and as a robustness check, I examine primary sponsorship behavior. The dependent variable in these models is a count of the number of import regulation bills that were introduced by each senator in each congress under consideration. Aside from the modified dependent variable, the models are specified in a manner equivalent to Models 1 and 2.

The performance of the variables in this set of models is generally consistent with the cosponsorship models presented above. The international orientation of local manufacturing sectors had a statistically significant relationship with primary bill sponsorship behavior. IMPORT-COMPETING was positively associated with sponsorship, while EXPORT-ORIENTED yielded a negative relationship. Both parameters were again significant at the .01 threshold. The macroeconomic variables performed as they did in the previous models as well. Both NAT'L UNEMPLOYMENT and REER had the anticipated positive relationship with sponsorship, and were statistically significant at the .01 level.

Table 5.2: Models of Primary Sponsorship

	Model 5	**Model 6**
	coef/se	coef/se
IMPORT COMPETING	0.776***	0.750***
	(0.14)	(0.14)
EXPORT-ORIENTED	-0.642***	-0.625***
	(0.19)	(0.19)
NAT'L UNEMPLOYMENT	16.803***	16.644***
	(4.86)	(4.85)
REER	0.044***	0.044***
	(0.01)	(0.01)
DIVIDED	0.261	0.280
	(0.18)	(0.18)
SAME PARTY PRES.	-0.065	-0.007
	(0.14)	(0.14)
ED. ATTAINMENT	-0.046***	-0.050***
	(0.02)	(0.02)
UNIONIZATION	-0.007	-0.011
	(0.01)	(0.01)
MAJORITY	-0.349**	-0.342**
	(0.14)	(0.14)
DEMOCRAT	0.169	
	(0.14)	
NOMINATE		-0.505**
		(0.21)
TOTAL BILLS	0.026***	0.025***
	(0.00)	(0.00)
INTERCEPT	-3.049***	-2.840***
	(0.58)	(0.57)
N	1497	1492
AIC	1863.9	1858.4

Models 5-6 are negative binomial models.
* indicates significance at $p < 0.10$; ** at $p < 0.05$; *** at $p < 0.01$.

Two key differences between these models and the models of cosponsorship behavior relate to the role of partisanship and divided government. DEMOCRAT was no longer statistically significant. This is a function of several individual Republican senators being very active primary sponsors of import competition legislation during the period under consideration. For instance, Senator John Heinz [R-PA] was among the most active sponsors of the subject legislation in either party. Nonetheless, IDEOLOGY was still negative and statistically significant at the .05 level, indicating that more conservative senators were generally less likely to introduce legislation relating to import competition.

Also unlike the previous models, the coefficient on DIVIDED GOV'T, while still positive, failed to reach statistical significance at conventional thresholds. The result with respect to DIVIDED GOV'T in these models suggests that divided government had an impact on members' propensity to cosponsor bills, but not on the introduction of bills in the first instance. Perhaps this indicates that legislators who are most invested in trade will sponsor such legislation even in spite of a low chance of passage. After all, bills that do not become law still serve an important signaling function.[13]

Although there are several variations between the models of cosponsorship behavior (Models 1-4) and the models of primary sponsorship (Models 5-6), overall the results are consistent with respect to Hypotheses 1a/1b and 2a/2b. The findings indicate that, as above, district economic profiles and the prevailing macroeconomic climate have an important impact on the (co)sponsorship of trade legislation. These factors explain the wide legislator-to-legislator variation in terms of participation in the area of trade policy.

Conclusion

The key contribution of this chapter is to examine the drivers of Congressional attention to trade at the legislator level. This chapter has used (co)sponsorship data to identify the

[13] Surprisingly, educational attainment had the anticipated relationship with the dependent variable in these models, but not in the models above.

factors that are most likely to influence support for legislation relating to import regulation, while accounting for the substantial differences in legislators' levels of activity in the area of trade policy. Unlike roll call voting, where all legislators essentially participate to the same degree (notwithstanding the occasional abstention), cosponsorship behavior is subject to wide variation in rates of activity. Some legislators cosponsored as many as 16 bills relating to import competition in a single congress, while in that same congress a number of legislators cosponsored 0 bills. Similarly, one legislator served as primary sponsor for 9 bills in a single session, while the vast majority of senators sponsored 0. This stark difference in legislators' level of involvement in pursuing import competition legislation was taken into account in my research design.

My results provide strong support for a number of prominent hypotheses for trade policy preferences. The economic composition of a constituency drives activity on import regulation legislation. Representing an import-competing state substantially increased support for such legislation; representing an export-oriented constituency had a strong negative relationship with cosponsorship propensity. These findings are consistent with the canonical sectoral model of trade preferences. The existing literature on macroeconomic cycles and support for policies designed to address trade competition found support as well. A higher unemployment rate and a stronger dollar both led to an increase in (co)sponsorship of such legislation.[14] Divided government also had the anticipated positive relationship with cosponsorship of trade competition bills.

Beyond the vast literature that focuses on analyzing roll call voting, there are only a very limited number of studies that systematically examine other forms of congressional behavior in the context of trade policy. And, as has recently been highlighted, this leads to several substantial weaknesses in the literature (Allee and Miler 2013). The results here contribute to overcoming these limitations. Examining a variety of non-voting behavior can provide us with greater insights into activity at the chamber and legislator level. Relying on

[14]The results on this score were confirmed when relying on primary sponsorship data as well.

such data, we can see that Congress's level of participation in trade policy has fluctuated, but certainly has not diminished.

Data Description

As noted in the main text, the sample of relevant legislation was drawn from the Congressional Bills Project database, which codes bills according to the policy topic areas of the Policy Agenda Project. The Policy Agendas Project codes each bill according to one major topic and one subtopic. Under the broad "foreign trade" major topic, the dataset further classifies bills into 8 substantive subtopics: (1) General, (2) Trade Negotiations, Disputes and Agreements, (3) Export Promotion and Regulation, Export-Import Bank, (4) International Private Business Investments, Overseas Private Investment Corporation, (5) Tariff and Import Restrictions, Import Regulation, (6) Productivity and Competitiveness of U.S. Business, U.S. Balance of Payments, (7) Exchange Rates and Related Issues, (8) Other. Bills relating to import competition could be drawn from any of these categories, though the bulk of the bills came from categories (1), (2), (5) and (6).

Categorizing a bill was based on its most important provisions. For example, if a bill was overwhelmingly designed to foster greater trade, but had one minor provision that might be regarded as potentially protectionist, the bill would not be categorized as an import regulating bill. Where there was a rough balance between provisions relating to import competition and greater liberalization, the bill was coded as an import regulation. Because trade bills are often extremely complex, and reflect negotiations and compromise provisions, there is necessarily some judgment associated with classification.

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