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Who votes for free trade and when? Geopolitics as the source of legislative preferences on free trade agreements

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ABSTRACT

Why do legislators support some free trade agreements but oppose others? Despite a wide variation in legislative support for free trade agreements, the heterogeneous preferences of legislators have received little attention in the literature, which largely focuses on general trade policy preferences of legislators and individual voters. We bring in geopolitical factors as a key source of legislative preferences on specific free trade agreements. Using voting records of the U.S. House representatives on all major bills related to free trade agreements, we find that the geostrategic importance of potential trading partner has a substantial effect on voting for trade agreements. We find that legislators become less sensitive to their constituents' economic interests when considering trade agreements with allies or countries with closely aligned interests. This highlights the importance of examining security externalities of trade cooperation.

Introduction

A government's decision to expand or restrict international trade often hinges on geopolitical considerations. Gowa (1994: 6) provides a compelling logic for this linkage: "[T]he real income gains that motivate free trade are also the source of the security externalities that can either impede or facilitate trade: Trade with an adversary produces a security diseconomy; trade with an ally produces a positive externality." Morrow, Siverson, and Tabares (1998: 650) also state, "All else equal, pairs of states with good political relations should have more trade than states with poor political relations."

This logic frequently appears in public debate over trade policy. Supporters of the US trade agreement with South Korea emphasized a security rationale that it would consolidate the alliance (Lee & Kim, 2011). More recently, many foreign

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policy experts have recommended isolating China from international commerce in order to stop fueling its economic ascendance (Kim, 2017). During the Obama administration, foreign policy elites in Washington viewed the Trans-Pacific Partnership as a policy aimed at China, one that Defense Secretary Ashton Carter considered "as important to the military as a new aircraft carrier."[1]

Despite the prominent role of security logic in trade policy discussions, the literature on legislative trade preferences has paid limited attention to how legislators consider the security implications of trade policy, focusing instead on the effects of ideology, constituent economic interests or interest group influences on legislators' support for free trade (e.g. Hiscox, 2002; Milner & Tingley, 2011; Osgood, 2022; Owen, 2017). While Milner and Tingley (2011) demonstrate that legislators respond to foreign policy concerns, they focus on whether legislators yield to the president's foreign policy priorities, rather than examining legislators' own foreign policy preferences. Yet a series of empirical anecdotes suggest that geopolitics is an important consideration for legislators. For instance, Representative Gregory Meeks emphasized the importance of security considerations with regard to free trade agreements (FTAs) with South Korea and Colombia: "Trade is never just about economics. It's also about our relationships with other nations, our allies. It's about strengthening the rule of law, and it's about deepening ties."[2]

To examine whether geopolitical factors indeed influence legislative trade policy preferences, we explore the security externality hypothesis at the legislator level. We argue that geopolitical factors *moderate* the effects of economic concerns on legislative trade preferences. While geopolitical factors do not *trump* economic considerations, the effects of economic concerns become less influential when legislators consider an FTA with strategically important countries. We propose two possible explanations. First, geopolitical factors can *directly* shape individual legislators' trade policy preferences. Legislators are more likely to favor expanding trade when they expect a positive security externality from the trade agreement. Second, geopolitical factors can *indirectly* influence legislative positions by shaping public opinion on trade deals. Carnegie and Gaikwad (2022) show that voters evaluate the security implications of trade policies and exhibit preferences for trade with allies. Thus, legislators would be less (more) concerned about the economic effects of an FTA with allies (non-allies) because the public is generally more (less) supportive of such a trade deal.

We test this expectation by analyzing all major roll-call votes on the implementation of trade agreements in the US House. From the 108th to the 112th Congress, the US House voted on one multilateral trade agreement with the Dominican Republic and Central America (DR-CAFTA) and ten bilateral trade agreements. The partner countries in these agreements vary considerably across economic and political dimensions. Exploiting this partner-level variation, we examine how security concerns and constituents' economic interests interact to shape legislators' positions on international trade. We measure security concerns by alliance status and foreign policy preferences as revealed through the voting patterns at the United Nations General Assembly. In order to measure constituents' economic interests related to a specific trade agreement, we construct a partner-specific measure of constituent economic interests. We consider whether an industry is export-oriented or import-competing vis-à-vis the same industry of partner countries and calculate the share of employment in export-oriented and import-

competing sectors in each congressional district, which varies significantly across different trade agreements within the same district. With these measures, we examine whether and to what extent geopolitical factors *moderate* the effects of economic interests on legislators' votes on trade agreements.

Our analysis finds that legislators are less sensitive to their constituents' economic interests when considering trade agreements with allies or countries with closely aligned interests. In contrast, the effects of economic interests are more pronounced when legislators vote on trade agreements with non-allies or countries with less closely aligned interests. Specifically, our estimation suggests that a one percent increase in employment in import-competing (export-oriented) industries in a congressional district is associated with about a 3-percentage point decrease (2 percentage point increase) in the probability that the district's member of Congress would support an FTA when the partner country is a non-ally. Such economic interests have a substantially weaker effect on support for an FTA with an ally partner (less than 1 percentage point decrease in the probability of supporting an FTA with a one percent increase in import-competing industries). On the whole, the evidence is consistent with the security externalities hypothesis. When legislators expect a positive (negative) security externality, they become less (more) concerned about the agreement's economic implications for their constituents.

We find further evidence for the security externalities hypothesis through an analysis of congressional speeches. We review all floor speeches by members of the House about trade agreements during the examined period. Our analysis finds that legislators indeed mention security benefits in about 20% of their floor speeches on trade agreements. In particular, legislators emphasize that trade agreements with allies strengthen the ties between the US and the partner countries. Not surprisingly, legislators are more likely to mention the security benefits when considering trade agreements with allies or countries with aligned strategic interests. These findings corroborate the evidence from the roll-call vote analysis by illuminating the logic of legislators' roll-call voting behavior with regard to trade policy.

Our findings contribute to the literature on the role of security concerns in trade policy making. The international political economy literature has long recognized the importance of security considerations not only for bilateral economic relations (e.g., Gowa & Edward, 1993; Mansfield & Bronson 1997) but also for economic cooperation in the multilateral context (Davis & Pratt, 2021). Yet, empirical studies on the interaction between security and economic interests have mostly focused on correlations at the country level using the gravity model (e.g. Glick & Taylor, 2010; Long, 2008). While these studies suggest that trade generally follows the flag, it remains unclear whether security concerns trump economic considerations in shaping legislative preferences. We find that legislators are responsive to their constituents' economic interests, but the effects of economic considerations are less pronounced when they consider trade deals with countries with closely aligned interests in military and political cooperation. The findings offer micro-level evidence for the security externality hypothesis.

The rest of the paper is structured as follows. We discuss the literature on the linkage between security and trade and develop our theoretical expectation for how security and economic considerations interact to shape legislators' positions on international trade. We then present our data and empirical approach. The subsequent section presents the findings and a series of robustness tests, followed by an

analysis of legislators' floor speeches on trade bills. The final section discusses the implications of our findings.

Geopolitics and legislative support for trade agreements

The connection between security and trade has long drawn the attention of scholars and practitioners of international relations. The "commercial peace" hypothesis posits that economic integration reduces interstate conflict (e.g. Russett & Oneal, 2001), but there is a greater consensus on the reverse proposition that trade tends to follow the flag (Schultz, 2015). A series of empirical studies have shown that wars, militarized interstate disputes, and diplomatic conflicts negatively affect trade relations between states (e.g. Keshk, Pollins, & Reuveny, 2004; Long, 2008; Pollins, 1989). Among a number of underlying mechanisms, Gowa and Edward (1993) suggest the "security externalities" hypothesis, that economic gains from trade can be diverted to military resources. That is to say, countries prefer less trade with adversaries than with allies because trade with adversaries (allies) produces a negative (positive) externality.

Empirical evidence for the effects of security on trade (or vice versa) draws almost entirely from country-level analysis. For instance, Glick and Taylor (2010) demonstrate large negative effects of war on bilateral trade over the period 1870–1997 using a gravity model of international trade. In a similar vein, Long (2008) shows that expectations of domestic or interstate conflict are negatively correlated with bilateral trade levels, again using the gravity model. Empirical support for the "security externalities" hypothesis also comes mostly from country-level analysis. Gowa and Edward (1993), drawing on bilateral trade flows data of an 80-year period, find that alliances have a markedly large and direct impact on bilateral trade flows, especially in bipolar (rather than multipolar) systems. Relatedly, Mansfield and Bronson (1997) find an interaction effect between alliances and preferential trading arrangements, both of which independently exert a positive effect on trade flows and, in combination, generate more trade than does either alone.

Recently, a few studies began to examine the effects of security concerns on individual preferences about international economic integration. DiGiuseppe and Kleinberg (2019) demonstrate through conjoint analysis in the US that individuals are more likely to support preferential trade agreement with allies than with rivals. They also find that individuals are less likely to consider economic arguments for trade liberalization when primed to consider security-related implications of trade relations. Carnegie and Gaikwad (2022) also add other micro-level evidence on the effects of security concerns on trade preferences. Drawing on a series of survey experiments in the US and India, they find that citizens consistently prefer trading with allies over adversaries by a large margin, especially when informed that trade will benefit the partner country's military. This serves as micro-level evidence for the "security externalities" hypothesis.

While the relationship between security and trade has long drawn scholarly interest, there has been little exploration of how security considerations shape legislative preferences with regard to trade policy. Do legislators take geopolitical factors into account when evaluating trade policy? Answering this question is critical for understanding how democratic governments expand or reduce trade with foreign countries depending on security interests. Presidents are free to propose and

negotiate trade agreements with foreign countries, but due to the separation of powers in democracies, they need legislative support for their proposed trade agreements. It is in this context that Milner and Tingley (2011) examine the influence of a president's foreign policy concerns on legislators. They find that legislators are more likely to support trade liberalization when endorsed by a president who shares their party affiliation. Yet this evidence still leaves open the question of whether security concerns influence legislative voting decisions regardless of the president's endorsement.

The previous literature on legislative position on trade has largely focused on the consequences of trade on constituents' interests. Legislators pay attention to whether import-competing or export-oriented industries are concentrated in their districts because geographically concentrated industries are more likely to mobilize politically, although the effects depend on political institutions (Busch & Reinhardt, 2000; Rickard, 2018). A host of studies examine the economic interests of constituents as the main determinants of legislators' support for free trade, drawing on the Stolper-Samuelson or the Ricardo-Viner models. For instance, Hiscox's (2002) analysis of legislative votes on trade legislation focuses on domestic political economy sources to test the predictions of the two models. Owen (2017) adds to the literature by demonstrating the effects of constituents' vulnerability to offshoring on legislative support for free trade. Overall, the literature consistently finds that constituents' material interests are the key predictor of legislative preferences on trade, with only limited attention paid to how security concerns shape legislative positions on trade.

As to the effects of security concerns on trade preferences, several studies offer insight from historical examples. For instance, in the study of trade policy making in Britain, France and the US from 1860 to 1990, Verdier (1995: p.42) notes that "when security becomes a salient, consensual issue, trade is likely to follow it in its wake. Voters are thus rallied as a nation on one side or the other of the trade debate; and either protectionists or free traders are offered a unique opportunity to rout the other side." In a similar vein, Bailey (2003: p.171) suggests that "when the public is very concerned about a foreign policy issue […] the entire system is fundamentally changed and many foreign policies that are difficult in "normal" times gather support from all corners, including significant support from Congress." Seo (2015) examines the security-economy nexus in "normal" times, focusing on House representatives' roll-call votes on the Korea-US Free Trade Agreement (KORUS FTA). The analysis finds that security considerations, measured in terms of each legislator's foreign policy conservatism, were positively associated with an increased likelihood of voting for the trade agreement.

Two related questions emerge from the literature. First, do legislators prefer to trade more with allies than with adversaries? Second, how do legislators balance domestic and international pressures when considering trade policy? While Aldrich et al. (2006) suggest that both economic interests and national security concerns shape public opinion towards foreign policies, it remains under-explored how legislators respond to economic interests and national security concerns. Facing the public's dual preferences—material interests and security concerns, legislators may consider both when making voting decisions. Given the often-competing pressures of economic and security considerations, the answers to these questions are not obvious.

On the one hand, national security considerations may trump the economic interests of constituents. As voters are often not very well informed about trade and are thus unlikely to hold politicians accountable for trade policy (Guisinger, 2009; Rho & Tomz, 2017), legislators may prioritize security considerations, especially when foreign policy concerns become salient in public debate (Verdier, 1995). Also, legislators are likely to prioritize security considerations due to presidential influence (Milner & Tingley, 2011). Presidents often stoke national security concerns to draw legislative support for trade deals, which constitutes another channel through which legislative voting may be affected.[3]

On the other hand, it is also plausible to expect that legislators put greater weights on economic considerations over security concerns. Even when voters are not informed about trade policy, going against their interests can be risky because other actors such as electoral challengers or interest groups may mobilize in favor of their interests (Bailey, 2001). With both perspectives in mind, we next turn to develop our theoretical conjecture as to how geopolitical concerns interact with constituents' interests to shape legislative voting on trade policy.

Theoretical framework

In deriving legislative preferences with regard to trade agreements, we consider two main factors—distributive politics and geopolitical considerations. Here, we are primarily interested in how the two considerations interact in shaping legislative voting on trade agreements. While geopolitical factors are an important consideration for voters and legislators, our theoretical and empirical focus is to determine how the effects of economic considerations change conditional on the political relationship with the trade partner, instead of examining the independent effects of security considerations.[4] Legislators' concerns about economic benefits or costs from the trade agreements may become less pronounced if they expect other political benefits from the trade agreements. This section provides our reasoning on how the two factors together influence legislative preferences over trade agreements.

We consider the consequences of trade agreements in two dimensions—economic gains/losses and geopolitical outcomes. While trade policy generates concentrated economic gains and losses for domestic groups, the signing of trade agreements also has geopolitical consequences that affect the general population. For instance, a country can expect positive security externalities from trade expansion with allies (Gowa, 1994; Gowa & Edward, 1993). As everyone is expected to benefit from these positive externalities, the security benefits are diffuse across the population. In this sense, the economic benefits and costs of trade are concentrated, while its security benefits and costs are more diffuse across a country.

Combining these two dimensions, we argue that geopolitical considerations *moderate* the effects of economic concerns on legislative trade preferences. While economic effects on constituents shape legislators' attitudes toward trade policy, these effects are less influential when the legislators consider free trade with allies or countries that share security interests compared to with non-allies.

To begin with the economic dimension, trade policy generates concentrated economic gains and losses that are distributed unevenly across the country. While traditional trade models such as the Stolper-Samuelson and Ricardo-Viner models provide divergent predictions about which groups would support trade

liberalization, both models predict concentrated distributive consequences of trade liberalization. In both models, trade creates winners and losers.[5] The expected economic effects of trade liberalization, determined by direct export opportunities, import competition or the globalization of supply chains, are the important drivers of economic actors' preferences over trade (Milner, 1988; Osgood, 2018). As the geographic concentration of winners and losers is unevenly distributed, the expected effects of trade liberalization vary significantly across districts. As legislators reflect their constituents' interests in their trade policy decisions, they become more (less) likely to support trade liberalization when winners (losers) from trade are concentrated in their districts.[6] In particular, geographically concentrated industries are better able to mobilize politically and exert a considerable influence over legislators' decision making (Busch & Reinhardt, 2000; Rickard, 2018). This leads to the following hypothesis:

> **Hypothesis 1.** Legislators are more likely to vote for (against) a trade agreement when industries in their districts are more likely to gain (lose) from the agreement.

In addition to distributive considerations, legislators take into account the strategic implications of trade policy. The security externalities hypothesis suggests that countries tend to trade more with each other when they share security interests. As trade produces economic gains for trade partners, countries can expect positive security externalities from trade expansion with allies (Gowa, 1994; Gowa & Edward, 1993). Pollins (1989: 740) also suggest other mechanisms through which political alignments or political climates affect trade flows: "the desire to reward friends, to punish adversaries, and to minimize risk." Pollins (1989: 740) notes that trade expansion often follows diplomatic ties because "consumers may wish to express goodwill or solidarity toward those whom they identify as friends." In other words, there are diffuse political benefits from signing trade agreements with countries that have favorable political relationship.

Legislators may consider a trade policy's geopolitical implications in their voting decisions for two reasons—policy-seeking and office-seeking. First, the expectation of positive security and geopolitical benefits may shape legislators' personal policy preferences. As legislators evaluate the implications of a trade policy at the national level, they may show more support for trade agreements with allies or countries that share security interests. Second, voters are more likely to reward legislators for supporting a trade agreement with allies. In voters' minds, the importance of geopolitical factors appears to be highly salient. Carnegie and Gaikwad's (2022) analysis offers micro-level evidence for the security externality hypothesis, showing that voters consistently prefer trading with allies over trading with adversaries. Though trade itself is frequently a low salient topic, it tends to become a highly salient issue when its geopolitical considerations and implications on national security are acknowledged, motivating legislators to take public preferences seriously into account when making trade policy decisions (Bailey, 2003; Carnegie & Gaikwad, 2022).[77]

How then do legislators balance economic concerns of their constituents and geopolitical considerations? We expect that geopolitical considerations do not necessarily *trump* economic considerations with regard to constituents' interests. The expected winners and losers from international trade tend to mobilize and exert significant political pressure on their representatives (Milner & Tingley,

2011). Even when legislators see security benefits from the FTA deal, the presence of strong political pressure at the constituency-level can still motivate them to take the constituents' economic interests into account. Nevertheless, the expectation of positive security externalities and political benefits can reduce the relative influence of economic considerations of concentrated interests.

Consider a trade agreement with non-allies. While the average voter would gain from the trade agreement, legislators would still be concerned about domestic groups that expect salient gains or losses from the agreement. Since the benefits and costs of trade are concentrated, interest groups easily mobilize and lobby legislators. Legislators would then take into the interests of concentrated winners or losers in their voting decisions. Now consider a trade agreement with allies. Legislators are still concerned about its distributive consequences and economic interests of winners and losers. Yet, given the same level of economic benefits or costs for their constituents, legislators would be more likely to vote for a trade agreement with allies than non-allies because of the expectation of positive security externalities. The benefits for the average voter become larger when considering the agreement with allies than with non-allies given security benefits that are diffuse across individual voters.[8] This reduces the relative influence of concentrated interests, which leads to the following hypothesis:

> **Hypothesis 2.** The effects of economic interests are moderated when liberalizing trade with coun- tries sharing security interests.

It should be noted that we expect a symmetric influence of security concerns on the effects of import-competing and export-oriented industries. We expect that economic considerations are the main driver of legislative policy preferences when signing a trade agreement with a non-ally, with concentration of import-competing (export-oriented) interests decreasing (increasing) the possibility of supporting trade agreement.[9] Yet, the effects become reduced when considering a trade agreement with an ally. All else equal, legislators representing districts with import-competing industries would become more likely to support the trade agreement with an ally than the one with a non-ally, which will have the effect of moderating the influence of import-competing industries. Similarly, legislators would be more likely to support the trade agreement with an ally than with a non-ally, even when their districts do not have export-oriented interests, which reduces the influence of import-competing or export-oriented interests in shaping legislative voting decisions.

In order to test the hypothesis, we examine how the effects of economic interests interact with geopolitical considerations to shape legislative voting decisions on trade agreements. The following section discusses our empirical strategy.

Data and empirical strategy

To test the effects of geopolitical considerations on legislative support for trade liberalization, we construct an original dataset of roll-call voting records on all free trade agreement bills. We develop a district-level measure of the economic effects of trade agreements for each trade bill and examine how geopolitical considerations moderate the effects of economic interests on legislative support.

Roll-call votes on the trade agreements

Our analysis examines roll-call votes on the implementation of trade agreements in the US House of Representatives from the 108th Congress (2003-4) to the 112th Congress (2011-2). As our theoretical expectation centers on the effects of US geopolitical interests with regard to particular countries, we consider votes on specific FTAs, excluding votes on trade liberalization in general (e.g. Trade Promotion Authority).[10]

Also, we only examine votes on the final passage of FTA bills that are high profile and consequential to overall trade patterns (Chaudoin, Milner, & Tingley, 2010; Theriault, 2008). Examining the PIPC Roll Call Datasets by Crespin and Rohde (2019), we identified the set of relevant roll-call votes by reviewing all votes classified as relating to foreign trade.[11]

Our dataset includes twelve bills on FTAs, listed in Table 1. These are a complete list of the FTAs signed by the US after the Trade Promotion Authority (or the fast-track) was approved in 2001. An exception is the FTA with Jordan, which is not included because the agreement waspassed by a voice vote with bipartisan support. The US entered into these trade agreements with countries located in different regions, with various regime types and economic sizes and varying degrees of strategic importance to the US. This wide variation allows us to examine the effects of different country-level factors on legislative voting decisions. Our dataset also covers periods with a Republican President (from the 108th to the 110th Congress) and a Democratic President (from the 111th to the 112th Congress).

Table 1 shows the vote outcomes for each bill included in the analysis. All the agreements passed with a majority voting for the FTA, but there appears to be considerable variation in legislative support across the bills. The agreement with Bahrain was the most widely supported in the House, with 75.7% of legislators voting for its implementation. The US–Morocco FTA and the US–Australia FTA also passed with strong support in the House, with 74.3% and 72.5% of legislators respectively voting 'yea' on the implementation bills. The most contested bill was the DR-CAFTA, which passed by a narrow margin of two votes (a vote of 217–215). For each legislator across the twelve bills, we construct a binary dependent variable coded '1' if the legislator voted 'yea' and '0' if 'nay'. Abstentions are treated as missing.

Measuring geopolitical concerns

We measure the varying degree of geopolitical alignment using two indicators: (1) military alliances and (2) similarity in foreign policy preferences. First, the presence of an alliance treaty is a clear indication that member states' geopolitical concerns are aligned. As member states are obliged to defend their allies, they have shared interests in military and political cooperation. Using the Correlates of War (COW) data (Gibler, 2009), we code a country as an ally ('1') if the US has a defense pact with the country and as a non-ally ('0') otherwise. When the FTA includes multiple partner countries, we average the values across the states. This is the case for the DR- CAFTA, the only multilateral treaty in our dataset. As all partner countries of the DR-CAFTA have defense treaties with the US, the value is coded 1.[12] Among the others, six FTAs include US allies (Australia, Chile, Colombia, Panama, Peru

Table 1. List of FTA bills.

Title	Congress	RollCall Num.	Year	Yea (%)	Nay (%)	Abstention (%)
United States-Singapore Free Trade Agreement	108th (2003-4)	432	2003	62.5	35.6	1.8
United States-Chile Free Trade Agreement	108th (2003-4)	436	2003	62.1	35.9	2.1
United States-Australia Free Trade Agreement	108th (2003-4)	375	2004	72.5	25.17	2.3
United States-Morocco Free Trade Agreement	108th (2003-4)	413	2004	74.3	22.8	3.0
Dominican Republic-Central America-United States Free Trade Agreement	109th (2005-6)	443	2005	50.0	49.5	0.5
United States-Bahrain Free Trade Agreement	109th (2005-6)	616	2005	75.7	22.0	2.3
United States-Oman Free Trade Agreement	109th (2005-6)	392	2006	51.0	47.3	1.6
United States-Peru Trade Promotion Agreement	110th (2007-8)	1060	2007	65.8	30.5	3.7
United States-Colombia Trade Promotion Agreement	112th (2011-2)	781	2011	60.5	38.6	0.9
United States-Panama Trade Promotion Agreement	112th (2011-2)	782	2011	69.3	29.8	0.9
United States-Korea Free Trade Agreement	112th (2011-2)	783	2011	64.2	34.9	0.9

and South Korea), and the rest are with non-allies (Bahrain, Morocco, Oman, and Singapore).

Second, we consider similarity in foreign policy preferences between the US and other states. While the military alliance indicator captures alignment in geopolitical concerns, there is still considerable variation in foreign policy preferences even among allies. To capture such variation, we examine states' foreign policy preferences revealed through their voting patterns in the United Nations General Assembly. Bailey, Strezhnev, and Voeten (2017) developed an estimate of state ideal points along a single dimension on a position vis-à-vis the US-led liberal order from 1946 to 2012. We use the absolute distance between a given state's ideal point and the US ideal point, with a closer distance indicating greater alignment in foreign policy interests. In our data, the average absolute distance from the US ideal point is 2.84. Australia is the most closely aligned with the US, followed by South Korea and Panama. Bahrain's ideal point is furthest from the US ideal point, followed by Morocco and Oman. For CAFTA, we utilize an average of the US ideal points across the members.

As we examine those trade partners that receive roll-call votes after successfully negotiating trade agreements with the US, all trade partners can be considered to share geostrategic interests with the US to some extent. As geostrategic considerations also play an important role in the decision to start negotiating trade agreements with partner countries, there is a selection into this subset of countries that reach to the roll-call voting stage. While the variation in security externality among trade partners subject to roll-call votes is therefore smaller than the variation across all countries, there still exists a variation in the degree of geopolitical alignment in our sample countries, as captured by different indicators of geopolitical concerns such as alliance status, UN voting alignment or the US troop deployment. We exploit this variation and explore how the variation affects legislators' voting decisions.

Measuring economic interests

Our primary measures of economic interests are the partner-specific share of employment in export-oriented (*Export Employment*) and import-competing sectors (*Import Employment*). We construct the measures separately for each trade bill in question because the degree of export orientation and import competition may differ depending on the trade partner(s).[13] We first determine a given industry to be export oriented (import competing) vis-à-vis the trade partner's industry when the US trade balance is positive (negative).[14] We then calculate the share of employment in export oriented and import competing sectors at the NAICS 2-digit level.[15] We also check the results using the measures based on the NAICS 3- and 4-digit levels and find that the main findings remain substantively unchanged.[16] We repeat this step for all trade bills in question.[17] We also alternatively use the net export employment share (*Net Export Employment*), calculated as the net difference between *Export Employment* and *Import Employment*.

Figure 1 depicts the geographical variation in employment in export-oriented and import-competing industries in each congressional district per trading partner.[18] The top panel illustrates the variation in the shares of employment in industries with a trade surplus with regard to Australia (left) and in industries with a trade deficit with Australia (right). The middle and bottom panels show the regional variation in trade-related employment with Colombia and South Korea as trading partners, respectively. Comparing the figures for Australia, Colombia and South Korea demonstrates that regional interests in trade liberalization vary significantly depending on trade partner. For instance, Wyoming has more workers employed in industries that compete with imports from Colombia (7.3%) than in industries with a trade surplus vis-à-vis Colombia (4.1%), but the opposite pattern is observed when we consider its trade relationship with South Korea (1.1% in import competing and 10.4% in export-oriented industries). By using this partner-specific measure, we capture the extent to which each district was expected to gain or lose specifically from the proposed trade agreement.

We also consider trade-related job losses as a supplementary measure of import competition in each district. Workers can apply for Trade Adjustment Assistance (TAA), a program designed to compensate workers whose employment has been harmed by trade-related competition. The number of TAA petitioners can therefore capture the extent to which districts are exposed to import competition. While this is an imperfect proxy for import competition given that workers' decisions to apply for TAA are shaped not only by import competition but also by the political environment (Kim & Pelc, 2021a, 2021b), legislators representing districts with more TAA applications are likely to be more concerned about economic losses related to the trade bills. We thus include the logged number of workers who filed TAA petitions in a given year. Our district-level data come from Kim and Pelc (2021b).

Estimation

Based on this collection of information, we estimate the following binary probit model:[19]
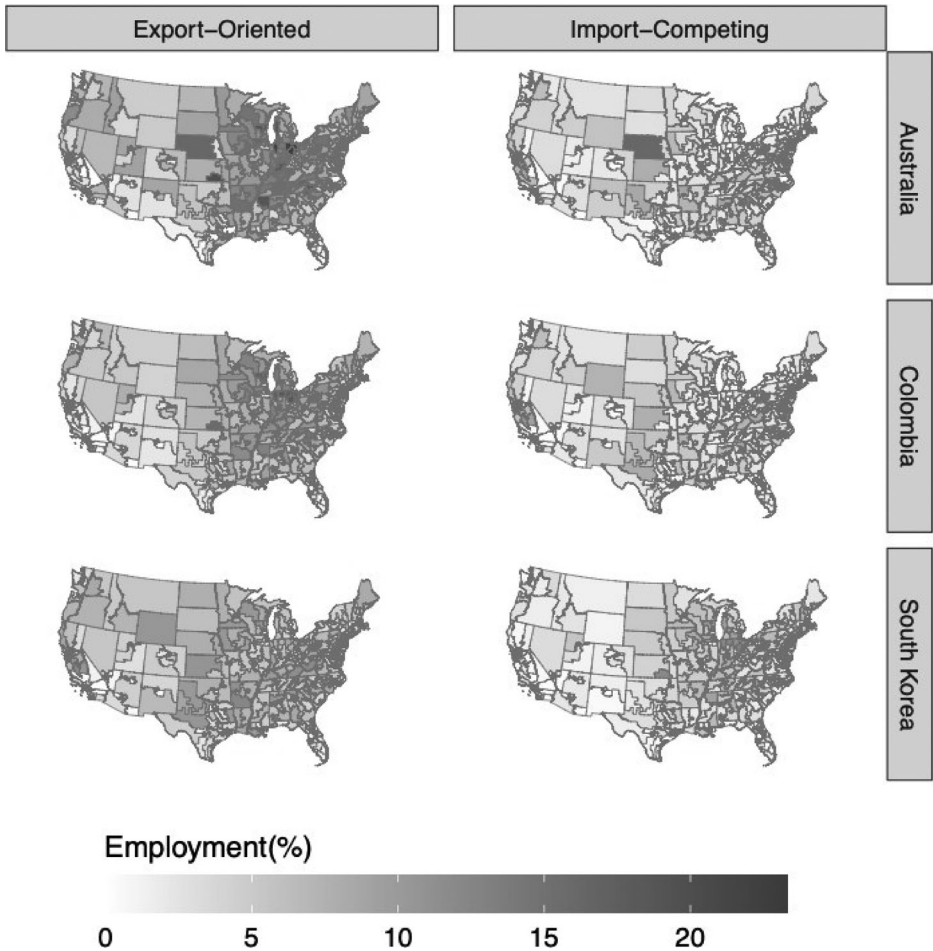
Figure 1. Geographical variation in employment in export-oriented and import-competing Industries vis-à-vis Australia (top), Colombia (middle) and South Korea (bottom).

$$Probit(Y_i) = \alpha + \beta_1 ExportEmployment_{ijt} + \beta_2 ImportEmployment_{ijt}$$
$$+ \beta_3 ExportEmployment_{ijt} * Ally_{jt} + \beta_4 ImportEmployment_{ijt} * Ally_{jt}$$
$$+ \theta Controls_{ijt} + \gamma_j + c_i,$$

where Y_{ijt} is a binary variable coded 1 if a legislator from district i in year t voted for the FTA bill with partner country j and 0 otherwise.[20] For each district i in year t, we include two indicators for economic interests related to the trade bill in question with partner country j: *Export Employment*$_{ijt}$ and *Import Employment*$_{ijt}$. We interact these variables with $Ally_{jt}$ because we are primarily interested in how geopolitical concerns moderate the effects of economic interests. The constitutive term for *Ally*, which is invariant across the legislators in a given bill, is omitted because the fixed effects (γ_j) absorb it.

We also include a set of control variables following existing studies on the legislative voting on the trade issues (e.g., Milner & Tingley, 2011; Owen, 2017). Specifically, we control for educational attainment (the percentage of the

population in the district with a college degree), the district's economic characteristics (unemployment rate and the logarithmic value of the median income in each district), legislator ideology (DW-Nominate scores), the influence of interest groups on legislators (the logged amount of total political action committees (PAC) contributions to each legislator during the previous election cycle), a series of demographic variables, and binary indicators for the Midwest, the South and the West to account for regional variation in voting patterns. Details on control variables are presented in Appendix Section A2.

We expect β_1 to be positive because a higher concentration of export-oriented industries is likely to increase legislative support for the FTA. Conversely, we expect β_2 to be negative because a higher concentration of import-competing industries would decrease legislative support for the FTA. Our primary parameters of interest are β_3 and β_4. We expect that the effects of economic concerns would decrease when a legislator considers an FTA with an ally. As the US expects a positive security externality from an FTA with an ally, the effects of economic concerns on legislative support for the FTA should decrease. We thus expect β_3, the coefficient on the interaction term between *Export Employment* and *Ally*, to be negative because the positive effect of export interests would be reduced. On the other hand, β_4 is expected to be positive because the negative effects of import interests would be smaller when an FTA is signed with an ally.

We also estimate the same models by replacing $Ally_{jt}$ with *Distance from US Ideal Point*$_{jt}$, the absolute distance between the US and a state j's ideal points in a given year t. Here, if the constituencies' economic interests are moderated by geopolitical concerns, the interaction term between *Distance from US Ideal Point*$_{jt}$ and *Export Employment*$_{ijt}$ (*Import Employment*$_{ijt}$) is expected to have positive (negative) coefficient, given that the higher value of *Distance from US Ideal Point*$_{jt}$ represent the less-aligned foreign policy preferences.

Findings

In this section, we present the main empirical findings that legislators are less sensitive to their constituents' economic interests when considering trade agreements with allies or countries with closely aligned interests. Next, we briefly demonstrate the results from a battery of robustness checks.

Effects of the partner country's geostrategic importance

Table 2 presents the estimation results. In Model (1), we begin by including the measures of employment in export-oriented (*Exp. Empl. Share*) and import-competing sectors (*Imp. Empl. Share*) in the districts, as well as their interaction terms with an indicator for ally (*Ally*). We do not include the variable *Ally* independently because we include fixed effects for each vote across the models. We also include the logged number of workers who filed TAA claims as another proxy for trade-related job losses in the district and its interaction with *Ally*. In Model (2), we include the measure of net employment share (*Net. Empl. Share*) and its interaction with *Ally*, instead of two separate measures of export and import interests. We

Table 2. Probit estimation results on legislative roll-call votes on free trade agreements, 2003–2011.

	(1)	(2)	(3)	(4)
Exp.Empl.Share*Ally	−0.053***			
	(0.014)			
Imp.Empl.Share*Ally	0.065***			
	(0.023)			
Net.Empl.Share*Ally		−0.053***		
		(0.014)		
Petition (logged, workers)*Ally	0.220***	0.234***		
	(0.078)	(0.077)		
Exp.Empl.Share*Distance from US ideal point			0.029***	
			(0.008)	
Imp.Empl.Share*Distance from US ideal point			−0.031*	
			(0.017)	
Net.Empl.Share*Distance from US ideal point				0.029***
				(0.008)
Petition (logged, workers)*Distance from US ideal point			−0.125**	−0.129**
			(0.051)	(0.051)
Export Industry Employment Percentage	0.068***		−0.049**	
	(0.012)		(0.022)	
Import Industry Employment Percentage	−0.091***		0.040	
	(0.019)		(0.049)	
Net Export Industry Employment Percentage		0.072***		−0.046**
		(0.012)		(0.022)
Petition (logged, workers)	−0.247***	−0.264***	0.246	0.251
	(0.061)	(0.060)	(0.157)	(0.156)
Median Income (logged)	−0.464***	−0.429***	−0.454***	−0.424**
	(0.168)	(0.166)	(0.168)	(0.166)
College Degree (%)	0.022***	0.023***	0.022***	0.022***
	(0.004)	(0.004)	(0.004)	(0.004)
Unemployment Rate (%)	−0.045***	−0.043***	−0.043***	−0.041***
	(0.015)	(0.015)	(0.015)	(0.015)
Foreign Born Population (%)	0.012***	0.013***	0.012***	0.013***
	(0.003)	(0.003)	(0.003)	(0.003)
Black	0.060	0.081	0.050	0.068
	(0.095)	(0.095)	(0.095)	(0.095)
Hispanic	0.023	0.049	0.025	0.047
	(0.111)	(0.111)	(0.111)	(0.111)
Female	−0.074	−0.067	−0.073	−0.067
	(0.064)	(0.063)	(0.064)	(0.063)
DW Nominate	2.033***	2.028***	2.030***	2.026***
	(0.071)	(0.071)	(0.071)	(0.070)
Total PAC Contribution (logged)	0.128***	0.131***	0.129***	0.131***
	(0.024)	(0.024)	(0.024)	(0.024)
MidWest	0.084	0.073	0.085	0.075
	(0.071)	(0.071)	(0.071)	(0.071)
South	0.246***	0.233***	0.245***	0.235***
	(0.068)	(0.067)	(0.068)	(0.067)
West	0.281***	0.272***	0.283***	0.274***
	(0.076)	(0.075)	(0.076)	(0.075)
Observations	4525	4525	4525	4525
Pseudo R^2	0.377	0.377	0.377	0.377

Robust standard errors in parentheses.
Bill fixed effects are included across all models.
*$p < 0.10$, **$p < 0.05$, ***$p < 0.01$.

estimate the same models in Models (3)–(4) except that we replace *Ally* with *Distance from US Ideal Point* to examine the effects of political relations in general.

The results indicate that geopolitical concerns indeed moderate the effects of economic concerns on legislative voting on FTAs. Beginning with Model (1), we find that the signs of the coefficients on the interaction terms are in the expected
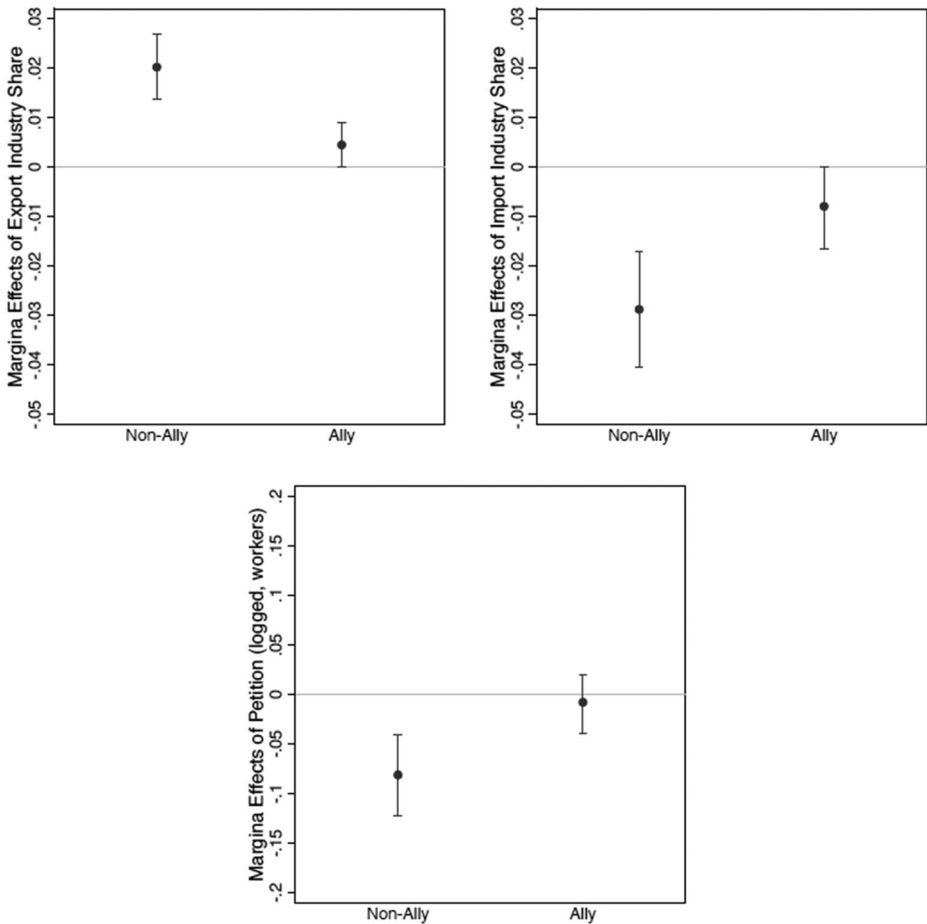
Figure 2. Marginal effects of export industry employment share (top left), import industry employment share (top right) and petition (bottom) with 95% Confidence Intervals, conditional on whether the partner country is an ally or not.

direction and statistically significant. While legislators from districts with more employees in export (import) industries are more (less) likely to vote for an FTA bill, as indicated by the coefficients on *Export Employment* and *Import Employment*, the effects are less pronounced when the FTA is with a US ally. Similarly, the number of workers who filed TAA petitions is negatively associated with the probability of voting for an FTA, indicated by the coefficient on *TAA petitions*, but the effects become smaller when the partner country in the FTA is a US ally. The effects are similar when we consider *Net Employment Share* in Model (2).

As the coefficients from the probit models are not intuitive to interpret, we present the marginal effects of *Export Employment*, *Import Employment*, and *TAA Petitions* separately for an FTA with an ally and a non-ally. Figure 2 illustrates that the marginal effects of economic concerns are indeed smaller when the FTA is with an ally than with other countries. The first panel compares the marginal effects of export employment on the probability of voting for an FTA. For the case of an FTA with a non-ally, a one percent increase in employment in export-
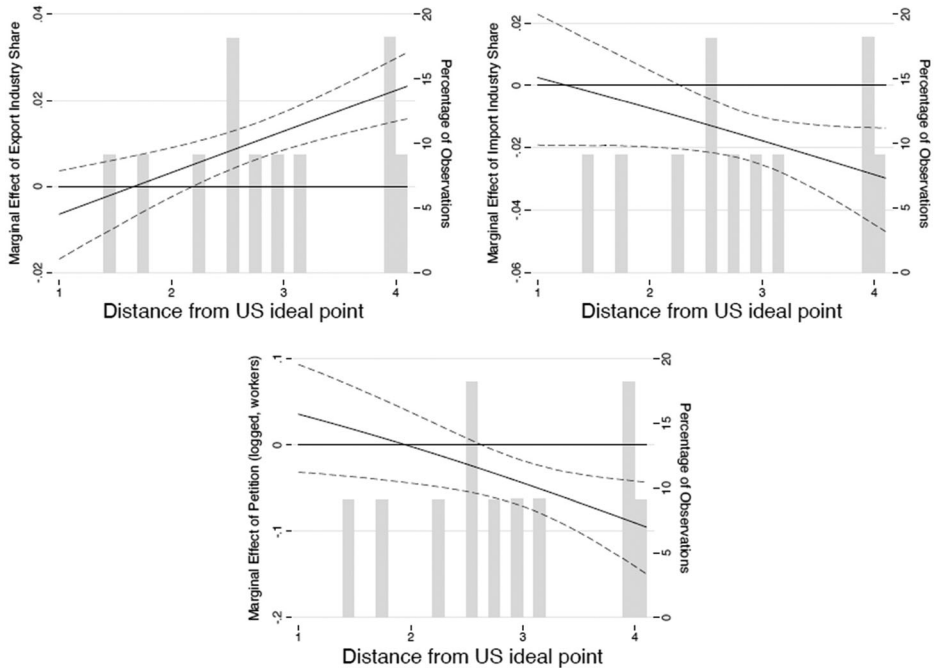
Figure 3. Marginal Effects of Export Industry Employment Share (top left), Import Industry Em- ployment Share (top right), and Petition (bottom) with 95% Confidence Intervals, Conditional on Distance from US Ideal Points.

oriented industries in the district is associated with about a 2-percentage point increase in the probability of supporting the FTA, which is about a 3 percent increase from the average (65.5%). For the case of an FTA with an ally, the marginal effects of export employment are much smaller, barely statistically distinguishable from zero at the 95% confidence interval. The marginal effects of import employment show the reverse. While a one percent increase in employment in import-competing industries is associated with a decrease in the probability of voting for an FTA by about 3 percentage points for the case of an FTA with a non-ally, the magnitude of such effects is smaller by about 1 percentage point for the case of an FTA with an ally. We also find corroborating evidence from the analysis of TAA petitions. Again, the marginal effects of TAA petitions are much more sizable for the case of an FTA with a non-ally than with an ally.

Turning to Models (3)–(4), we find similar results using the measure of *Distance from US Ideal Point*. We find that the effects of economic concerns are magnified when the trading partner country's ideal point is further from the US ideal point, as indicated by the positive coefficient on its interaction with *Exp.Empl.Share* and the negative coefficient on its interaction with *Imp.Empl.Share*. We again calculate the marginal effects to better illustrate the substantive effects of different economic concerns depending on foreign policy preferences. Figure 3 presents the simulated marginal effects of export employment share (top left), import employment share (top right), and TAA petitions (bottom) across different values of distance from the US ideal point. The figures clearly demonstrate that the effects of export industry share significantly increase when considering an FTA
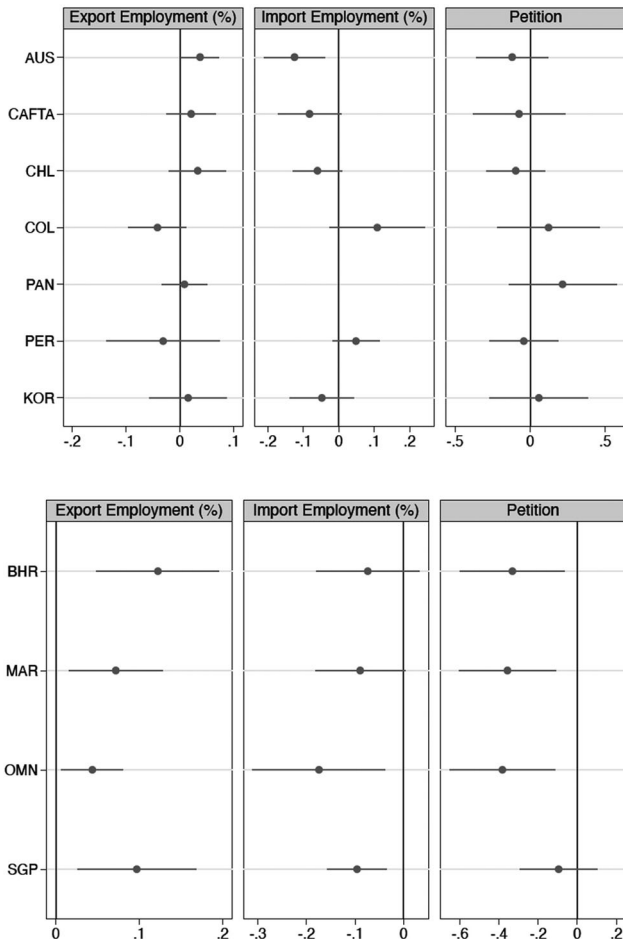
Figure 4. Effects of export industry employment share (left), import industry employment share (middle), and petition (right) for allies (top) and non-allies (bottom), respectively, with 95% Confidence Intervals. Note that the estimate for the import industry employment in Panama is not presented since there is no variation in the share of employment in the import-competing industry with regard to Panama.

with countries whose foreign policy interests are further from those of the US. Also, the negative effects of import competition, measured as import industry share and TAA petitions, are amplified with an increase in the distance from the US ideal point.

We also estimate separate regressions for each partner country to explore how the effects of economic interests vary across different partner countries. In Figure 4, we plot the FTA-specific coefficients for the economic variables for allies and non-allies, respectively, to check if the effects of economic interests are systematically different depending on geopolitical concerns. The results show that economic interests tend to play a more important role when the FTA partner country is a non-ally. For the non-ally partners, the coefficients for *Export Employment*, *Import Employment*, and *TAA Petitions* are statistically distinguishable from 0 in almost all estimations, and the signs correspond to the direction of the theoretical expectations. In contrast, we find weak evidence for the effects of economic variables in

almost all the partners with military alliance. The coefficients are not statistically significant in most cases, and the signs flip across the models for the allies.

Overall, the findings conform to the hypothesis that geopolitical factors moderate the effects of economic concerns on legislative trade preferences. While legislators are more (less) likely to vote for an FTA when their districts have concentrated interests in export-oriented (import-competing) industries vis-à-vis their FTA partner, the effects of economic considerations are reduced when the US considers expanding trade with an ally or a country that shares foreign policy interests.

Hence, we examine whether our findings are driven by democratic partners given that the US tends to ally with another democratic country. While all of the US allies in our sample are democratic countries, there is variation in the level of democracy. We thus additionally control for a series of interaction variables between a partner country's democracy score and economic characteristics of districts.[21] Our results presented in Tables A19–A23 are substantively similar to our main models. The sign of coefficients remains same although some variables become less significant in part due to collinearity between our main independent variables—*Ally* and *Distance from US ideal point*—and the Democracy indices.

The estimated coefficients on control variables also reveal notable patterns. First, we find that the percentage of the population that is college-educated is positively correlated with legislative support for trade agreements. As expected, legislators representing districts with more high-skilled workers are more likely to vote for the trade agreement. This is consistent with the findings reported by Milner and Tingley (2011) and Owen (2017). While the district's median income appears negative, this may be due to a collinearity between median income and college-educated population. Second, the negative coefficient on unemployment rate suggests that economic downturn in the district reduces legislative support for free trade. Third, the share of foreign-born population appears positive and statistically significant, which suggests that legislators tend to be more supportive of global engagement when they are from districts with a large foreign-born population. Fourth, the coefficient on our liberal-conservative measure, *DW Nominate*, is positive and significant. Right-leaning legislators are more supportive of trade agreement due to their belief about the role of the government in the economy (Milner & Tingley, 2011). Lastly, the influence from interest groups is also notable, as indicated by the positive and statistically significant coefficient on PAC contributions.

Robustness checks

We further conduct a series of robustness checks. First, we use alternative measures of strategic importance. As the alliance status may not fully capture the variation of political and geostrategic importance for the US, we alternatively use the concentration of US troops in a given country. As presented in Table A4, our findings remain robust to the use of this alternative indicator. We also alternatively use the measure of a partner country's voting similarity index with the US instead of the absolute distance between the ideal points. We also utilize 'the number of speeches mentioning security' in a given FTA deal as a measure of the partner's security importance.[22] As presented in Figures A3 and A4, the results show substantively similar findings.

Also, while our main estimations focus on the final-passage bills, which are 'substantive' and better reflect legislators' policy preferences and policy choices than procedural votes, the procedural issues account for a significant share of the voting behavior and can still have a significant influence on voting (Chaudoin, Milner, & Tingley, 2010). In this regard, we estimate our main models by including all types of votes for a given FTA bill.[23] The results, presented in Table A5, show that our main findings are unchanged. We also find that our main findings hold when estimating the models using the votes in the early stages of the process, suggesting that our main estimation results may simply reflect cheap talk or grandstanding by individual legislators who are unlikely to endanger final passage (Table A6). Similarly, we find that the inclusion of abstention does not change our main findings (Table A7).

In addition, to examine whether advocacy by president confound our main findings, we estimate our main models by controlling for an indicator for a presidential copartisan (coded 1 if a legislator is a member of the president party). As shown in Table A8, our main findings about the moderated effects of economic interests at the constituency-level remain stable, suggesting that security concerns influence legislative voting decisions regardless of the president's foreign policy concerns.

Hence, to ensure that a specific partner country does not drive our main findings, we run our main estimation models by excluding each of the partner countries. The results, presented in Tables A9–A12, remain similar to our main results. We also check the results using alternative model specifications. Specifically, we include state fixed effects to account for unobservable heterogeneity across states and also estimate linear probability models instead of probit models. Tables A13 and A14 demonstrate that our main results remain robust. We also include 'exposure to offshoring' measure. Owen (2017) finds that the House of Representatives whose constituencies are highly exposed to offshoring tend to oppose free trade agreements.[24] The results presented in Table A15 remain substantively similar to our main findings. We also find substantively the same findings when using an indicator for offshoring, instead of our measures of economic interests (Table A16). In addition, we find that the estimations without control variables show the substantively same findings (Table A17). Moreover, we find that the main findings remain robust when we estimate clustered standard errors at the legislator level (Table A18). Lastly, Table A24 shows that our main findings of the moderated effects of economic interests remain substantively the same when we exclude the petition variable in the analysis.

Additional analysis using congressional speeches

We additionally examine congressional floor speeches to examine how legislators discuss the logic of their support or opposition to different trade agreements. While the roll-call vote is important in its own right, the vote is a simplification of legislative preferences. We thus examine congressional speeches on FTAs in order to determine the reasons *why* legislators took the position they did on different trade agreements. This exercise is important especially because our roll-call vote analysis does not allow us to explore whether geopolitical factors actually shaped legislative positions on a given FTA. One important caveat of the analysis of legislative speeches is that such information is only available for a small subset of

legislators who gave floor speeches on FTAs: only 8.8% of legislators on average gave floor speeches on trade agreements under our examination. Such a small sample size impedes reliable estimates of the interactive effects between economic interests and geopolitical considerations on the contents of speeches on trade agreements. In this regard, we aim to explore whether geopolitical factors actually shaped legislative positions on a given FTA.[25] Specifically, we investigate whether legislators consider security-related benefits of trade agreements and invoke this logic in floor speeches by analyzing floor speeches on all the FTAs within our period of study by all members of the House.

We collected all remarks on the floor by members of the House that contained the words "FTA" or "free trade agreement," and identified speeches that were specific to the eleven FTAs under examination. This resulted in a collection of 405 individual speeches delivered by 188 legislators. We manually read all the collected speeches and coded whether each speech discussed the security benefits of free trade agreements. We determined that a speech mentioned the security benefits when the legislator mentioned that the FTA served US national security or diplomatic interests. For instance, the statements classified as related to security benefits include a remark by Representative Ileana Ros-Lehtinen: "[P]assage of this free trade agreement [with South Korea] will serve as a clear demonstration of our enduring commitment to our ally South Korea..."[26] or the remark by Representative Gwen Moore on the trade agreements with Singapore and Chile: "Perhaps most importantly, however, trade liberalization provides our nation with an additional diplomatic tool and a forum within which our nation may deal with international disputes and/or coalition building. Trade's national security component cannot be understated."[27]

With this data classified, we construct the speaker-partner-year level. We only include those legislators who gave floor speeches at least once for any of the eleven FTAs. With speaker from district i, trading partner j and year j as the unit of analysis, we estimate the following model:

$$Probit(Y_i) = \alpha + \beta_1 Ally_{ijt} + \theta Controls_{ijt} + \gamma_j + E_i,$$

where Y_{ijt} is a binary variable coded 1 if a legislator from district i in year t discussed the security benefits of the FTA with a partner country j and 0 otherwise. Our main variable of interest is $Ally_{jt}$ because we are interested in whether legislators are more likely to mention the security benefits of an FTA with an ally. We replace $Ally_{jt}$ with *Distance from US Ideal Point$_{jt}$* in some models to examine the effects of foreign policy similarities. We include other control variables as well as fixed effects for the year or congressional session depending on the models (γ_j).

Table 3 presents the results. The findings suggest that legislators are more likely to discuss the security benefits of an FTA when the trade partner in question is a US ally (Models 1–2) or when the partner country's policy preferences are similar to those of the US (Models 3–4). The results show that legislators indeed are more likely to refer to the security externality logic to justify their support for an FTA when the agreement is with allies or countries that share geopolitical interests.[28] As legislators may use the security benefit logic when they prefer an FTA for other economic or ideological reasons, we control for economic and demographic factors, which ensures that our effects are not driven by other economic factors.

Table 3. Probit model estimation results using speaker-year level setup. Dependent variable is a binary indicator of whether a given speaker mentioned security benefits in the speech.

	(1) Sec. Ben	(2) Sec. Ben	(3) Sec. Ben	(4) Sec. Ben
Ally	0.841***	0.837***		
	(0.156)	(0.149)		
Distance from US ideal point			−0.806***	−0.488***
			(0.114)	(0.075)
Export Industry Employment Percentage	0.044**	0.047**	0.044**	0.047**
	(0.020)	(0.019)	(0.020)	(0.019)
Import Industry Employment Percentage	−0.007	−0.014	−0.006	−0.014
	(0.032)	(0.030)	(0.033)	(0.030)
Petition (logged, workers)	−0.046	−0.045	−0.045	−0.041
	(0.084)	(0.082)	(0.084)	(0.083)
Median Income (logged)	−1.339**	−1.365***	−1.355**	−1.360***
	(0.542)	(0.523)	(0.542)	(0.524)
College Degree (%)	0.026*	0.027*	0.027*	0.028*
	(0.014)	(0.014)	(0.014)	(0.014)
Unemployment Rate (%)	−0.099*	−0.100*	−0.099*	−0.098*
	(0.056)	(0.056)	(0.056)	(0.056)
Foreign Born Population (%)	0.035***	0.036***	0.035***	0.035***
	(0.009)	(0.009)	(0.009)	(0.009)
Black	0.155	0.151	0.152	0.147
	(0.221)	(0.218)	(0.223)	(0.218)
Hispanic	−0.253	−0.235	−0.254	−0.221
	(0.464)	(0.455)	(0.464)	(0.456)
Female	−0.422*	−0.429*	−0.417*	−0.437*
	(0.229)	(0.228)	(0.230)	(0.228)
DW Nominate	1.049***	1.062***	1.051***	1.062***
	(0.283)	(0.277)	(0.284)	(0.277)
Total PAC Contribution (logged)	0.267***	0.266***	0.271***	0.271***
	(0.097)	(0.096)	(0.097)	(0.096)
MidWest	−0.281	−0.286	−0.286	−0.277
	(0.310)	(0.303)	(0.312)	(0.306)
South	−0.061	−0.057	−0.058	−0.048
	(0.164)	(0.164)	(0.163)	(0.165)
West	−0.431*	−0.431*	−0.431*	−0.418*
	(0.249)	(0.245)	(0.248)	(0.243)
MENA	1.798***	1.897***	2.168***	1.684***
	(0.180)	(0.166)	(0.189)	(0.104)
Asia / Oceania	0.839***	0.882***	0.103**	0.247**
	(0.113)	(0.118)	(0.047)	(0.116)
Observations	386	392	386	392
Pseudo R^2	0.284	0.287	0.284	0.286

Robust standard errors cluster at the partner country level in parentheses.
*$p < 0.10$, **$p < 0.05$, ***$p < 0.01$.

Conclusion

We revisited the literature on the security externality by examining how geopolitical concerns shape legislative preferences with regard to trade policy. Our findings demonstrate that legislators are less (more) concerned about a trade agreement's economic effects on their districts when they consider an agreement with allies (non-allies). While national security considerations do not prevail over economic interests, they moderate the effects of economic considerations on legislative voting decisions. Our analysis further demonstrated that legislators discuss the security implications of free trade agreements in their congressional speeches. The results are in line with Carnegie and Gaikwad's (2022) findings that citizens prefer expanding trade with allies to expanding trade with adversaries. Our findings

suggest that such preferences are observed among legislators as well. As the average voter is more supportive of trade deals with allies, allies are also more supportive of such trade agreements and less concerned about the concentrated economic interests.

Our findings call for more attention to how legislators take into account the characteristics of trade partners. While previous studies on legislators' trade preferences have mostly focused on their ideology or constituents' economic interests (Milner & Tingley, 2011; Owen, 2017), we demonstrate that the effects of ideology or constituent's economic interests depend on the heterogenous characteristics of trade partners and trade deals. Also, our findings underscore the important variation in economic interests regarding free trade deals. Whether a given industry wins or loses from trade deals depends on the trade partner in question and the design of the trade agreement. We consider industry-level trade surplus vis-à-vis trade partners in calculating the district-level economic interests, which better captures the effects of trade deals compared to the measure of skill endowment. While trade surplus can be a good proxy for determining the expected effects of trade agreements on a given industry, further consideration of trade agreement design, such as the degree of trade liberalization across industries and trade partners, would better capture the difference in economic interests regarding trade agreements.

Beyond geopolitical concerns, the partner country-level variable may affect legislative preferences toward trade deals. For instance, legislators may become more concerned about a partner country's labor rights when signing a free trade agreement with labor right provisions if the partner has a relatively low level of labor standards. The effects of such concerns may also appear differently across legislators depending on their ideology and the pressure from labor in their constituencies. We suggest future research examine how the different characteristics of the partner for the FTA interact with district-level or the legislator-level factors in shaping legislators' preferences for free trade.

Our study is also closely related with the literature on the effects of economic considerations on legislators' foreign policy support. Kleinberg and Fordham (2013) found that legislators are more likely to support a harmonious foreign policy toward China when their districts have extensive trade ties with China. Similarly, Cutrone and Fordham (2010) found that legislators were more likely to raise concerns about human rights of foreign countries that produce goods competing with products from their home districts. As foreign policy concerns are also partly endogenous to constituents' economic interests, one important avenue for future research is to examine how foreign policy concerns and constituents' economic interests influence each other in shaping legislative decisions on foreign security and economic policy.

Our findings offer important insights into the political economy of trade liberalization beyond the US. We demonstrate that political elites consider the national security implications of trade deals, which moderates the effects of economic considerations of their constituents. Yet, there is an important scope condition. Our argument is applicable to contexts where national security concerns are important foreign policy considerations. Within this scope condition, we expect that a similar pattern can be observed in other democratic countries where trade deals are authorized through the legislative body. While majoritarian electoral systems are

associated with a more protectionist trade policy (Evans, 2009; Fredriksson, Matschke, & Minier, 2011; Grossman & Helpman, 2005), our findings suggest that the effects of economic interests may get weaker when political elites consider trade liberalization with allies.

This study also underscores that legislators are not mere "agents" of constituents' economic interests when it comes to national security considerations. Beyond calculating the likely effects of economic interests on their constituents, they consider the geopolitical implications of economic policy. With intensifying strategic competition with China, policy makers call for the US's economic restrictions against the rising power while further economically engaging with its allies. While it is still debated whether the US should adopt an economic containment policy against China (Kim, 2021; Norris, 2016), an increasing attention to security implications of trade policy vis-à-vis China and other countries in East Asia is likely to reduce the importance of local economic interests related to trade policy relative to that of broader geostrategic implications.

More broadly, our paper also adds to the literature on legislative voting on foreign policy issues. While presidents typically have considerable control over foreign policy-making processes (Bailey, Goldstein, & Weingast, 1997; Canes-Wrone, Howell, & Lewis, 2008), legislative support is still necessary for policy implementation, and legislators have their own foreign policy preferences. In particular, a plethora of research has shown that the material interests of constituencies play a crucial role in shaping legislators' positions on foreign policy issues (e.g., Hiscox, 2002; Ladewig, 2006). Our study suggests that legislators' consideration of their constituents' interests when voting on a foreign policy issue does not occur in isolation but also takes into account externalities with regard to other foreign policy objectives. This finding also echoes the calls for an integrated framework that accounts for the relationships between different policy options to better understand foreign policy making (Milner & Tingley, 2011; Palmer, Wohlander, & Morgan, 2002).

Notes

1. David Nakamura and Steven Mufson, "Some Administration Officials Defend Trade Pact as National Security Policy," *The Washington Post*, May 18, 2015.
2. Representative Meeks (NY). "Providing for Consideration of Senate Amendment to H.R. 2832, Extending The Generalized System of Preference; Providing for Consideration of H.R. 3078, United States-Colombia Trade Promotion Agreement Implementation Act; Providing for Consideration of H.R. 3079, United States-Panama Trade Promotion Agreement Implementation Act; And Providing for Consideration of H.R. 3080, United States-Korea Free Trade Agreement Implementation Act." *Congressional Record* 157: 151 (October 11, 2011), p. H6710.
3. For example, President Clinton strategically linked security concerns to the North America Free Trade Agree ment to mitigate opposition from Democratic legislators (Magee, 2010; Milner & Tingley, 2011). More recently, President Obama publicly mentioned the strategic importance of the Trans-Pacific Partnership (TPP) for national security when advocating for its acceptance. See the White House blog post, "Why President Obama's Trade Deal Matters to U.S. National Security" https://obamawhitehouse.archives.gov/blog/2016/05/04/why-president-obamas-trade-deal-matters-us-national-security.

4. While our primary interest lies at examining the interactive effects, we present the results on the independent effects of ally on voting behavior in Table A3 in the supplementary appendix. The results show that legislators are more likely to vote for the FTA with allies than with non-allies, controlling for other country-level factors.

5. The Stolper-Samuelson model predicts that owners of relatively scarce factors of production lose from trade. The Ricardo-Viner model assumes that factors of production may not be mobile, and thus predicts that individuals employed in import-competing sectors, relative to export-oriented sectors, oppose trade liberalization.

6. Indeed, a host of empirical studies find evidence consistent with this prediction. For instance, Milner and Tingley (2011) finds that legislators representing districts with abundant human capital are more likely to vote for trade. Baldwin and Magee's (2000) analysis of legislative voting finds that legislators were more likely to vote for trade liberalization when their districts had a higher ratio of workers in export-oriented versus import-competing industries.

7. This also implies that legislators may be able to win voters' approval of their trade policy more easily when expanding trade with allies.

8. It is noteworthy that legislators may also have a greater incentive to pay off the economic losers or opposing groups in their districts in some ways when there are security benefits associated with a trade agreement. This, again, suggests the moderating effects of positive 'security externalities.

9. Alternatively, one may consider the possibility that legislators strategically use security concerns as an excuse: legislators may seek to justify their trade deal support (opposition) by emphasizing security benefits (costs) to appease the import (export) industry in their constituencies. If so, however, we will find evidence that the import and export industries' influences on legislative support are asymmetrically changed depending on whether the partner is an ally or non-ally. If the partner is an ally (non-ally), the effects of the import (export) industry will be moderated while those of the export (import) industry will be magnified. Instead, our theory predicts that both import and export industries' influence are only moderated when the partner shares common security interests.

10. We also exclude the bills on the renegotiated trade agreements such as the United States-Mexico-Canada Agreement (USMCA). As we consider how each trade bill brings a significant change on import-competing and exportoriented industries across districts, we focus on the implementation of newly proposed trade agreements. The USMCA, as a replacement of the North American Free Trade Agreement (NAFTA), retained most of the NAFTA's market opening measures while introducing new changes such as auto rules of origin, dispute settlement provisions, and intellectual property rights protection (Villarreal & Fergusson, 2019). In order to make the analysis comparable across different trade bills, we focus on the implementation of the original trade agreements throughout the analysis.

11. We examined the period from 2000 to 2019, but our final dataset is restricted to the years 2003 to 2011 because other years did not have any relevant roll-call votes on FTAs. The PIPC Roll Call Datasets do not provide information on issue classification for the year 2013. We thus manually reviewed all roll-call votes in that year that included the keyword 'trade' in the title, but no relevant roll-call was identified.

12. The all partner countries in the DR-CAFTA are also members of the Organization of American States, which aims to strengthen the peace and security of the continent as one of primary goals.

13. We focus on industry-based measure to capture trade relationship between congressional districts and specific partner countries. As trade agreements are partner-specific, we need to consider each district's import competition or export orientation vis-à-vis the specific trade partners in question. Other measures such as the China shock or education cannot capture such partner-specific economic considerations. We nonetheless ensure that our results remain robust to the use of alternative economic indicators that better account for the exposure to global value

chains, by interacting ally with TAA petitions and vulnerability to offshoring (Table A16 in Appendix.)

14. The NAICS-level trade data for each partner come from the USA Trade Online database, provided by the U.S. Census Bureau.

15. For industry-level employment, we use the County Business Patterns data from the United States Census Bureau.

16. The estimation results based on the NAICS 3- and 4-digit levels are presented in Appendix Figures A5 - A8.

17. When there are multiple trading partners considered in the trade bill as in the case of the DR-CAFTA, we use the aggregated volume of import and the aggregated volume of export.

18. We present the corresponding figures for the rest of the trading partners in Figures A1 and A2 in the appendix.

19. We rely on the similar model specifications that existing studies on the legislative voting on trade bills have used (e.g., Milner & Tingley, 2011; Owen, 2017).

20. In our main estimations, we do not include abstention. Still, as a robustness check, we estimate the models including abstention (coded as 0).

21. We use the 5 different Democracy Index from the V-Dem Dataset, namely Deliberative Democracy Index, Egalitarian Democracy Index, Liberal Democracy Index, Electoral Democracy Index, and Participatory Democracy Index (Coppedge et al., 2021; Pemstein et al., 2018).

22. Our main estimations do not rely on 'the number of speeches mentioning security' in a given FTA deal as a specification to capture the geostrategic importance of the partner country, given thatlegislators can frequently but strategically bring security issues multiple times to draw support for the FTA deal, which does not necessarily reflect the geostrategic importance of the partner country.

23. Specifically, we include not only final-passage votes but also all the procedural votes for 'motion to recommit,' 'motion to table,' and 'previous question on special rules' that are voted for the FTA bills from 2003 to 2011.

24. We employ the *offshorability* variable from Owen (2017).

25. Still, we estimate the models with the interaction terms between the distance from US ideal point. The results,

    presented in Figure A9, suggest the moderated effects of economic interests— particularly of the measure of the import competition (industry employment percentage).

26. Representative Ros-Lehtinen (FL). "United States-Korea Free Trade Agreement Implementation Act." *Congressional Record* 157:151 (October 11, 2011), p. H6758.

27. Representative Moore (WI). "United States-Chile Free Trade Agreement Implementation Act." *Congressional Record* 108:1 (July 24, 2003), p. H7459.'

28. Noticeably, the results also suggest that the legislators are more likely to mention security benefits when their districts are positively affected by the trade agreement, as shown by the positive coefficient on *Export Industry Employment Percentage*. We also find that the signs of coefficients on *Import Industry Employment Percentage* and *Petition (logged, workers)* are positive although they are just shy of statistical significance at conventional levels. This suggests that a representative from a district that is negatively affected by the trade agreement are less likely to speak about the national security benefits. Yet, the results do not consider any partner-level variation, which may moderate the effects of economic concerns.

Acknowledgements

Disclosure statement

Funding

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