

# Watchdogs or Lapdogs? Media and the U.S. Government

Belarusian Economic Research and Outreach Center  
(BEROC)

Nancy Qian (Yale) and David Yanagizawa (Stockholm, IIES)  
December 28, 2009

# Question

- To what extent can the government manipulate news coverage in a “free” press, which is supposed to be the “watchdog” of democracy?
- In particular, how does U.S. government strategic objectives affect news coverage in U.S. newspapers of human abuses of its strategic allies?

# Motivation

- Governments can influence news reports of media outlets that it owns
- It's influence on independently owned outlets in a large competitive market is less clear.
- Empirical evidence suggests that competition is good
- But is the U.S. free from distortion?
- If not, how much and why?
- U.S. government's relationship with media is controversial (e.g. *Iran-Contra* during the 1980s, lead-up to War in Iraq in 2001-2003).
- Our paper: To what extent do these incidents represent the big picture?

# Related Studies

- Empirical studies mostly focus on demand driven distortions
  - Mullainathan and Shleifer (2005), Gentzkow and Shapiro (2006)
- Evidence on government driven distortions are with government owned firms
  - Enikolopov, Petrova and Zhuravskaya (2009); Knight and Durante (2009)
- Besley and Prat (2006) have a theoretical model of government influence on the media

# Empirical Difficulties

- Measure government objectives
- Find plausibly exogenous variation in strategic objectives
  - Reverse causality: The government is reacting to news reports
  - OVB: Government and news are both responding to voters/readers. E.g. After 9/11

# We Estimate 2 Relationships

1. 1<sup>st</sup> stage:

↑ Strategic Value to U.S. → ↓ U.S.

Government Reports of Human Rights Abuse

1. Reduced Form

↑ Strategic Value to U.S. → ↓ U.S.

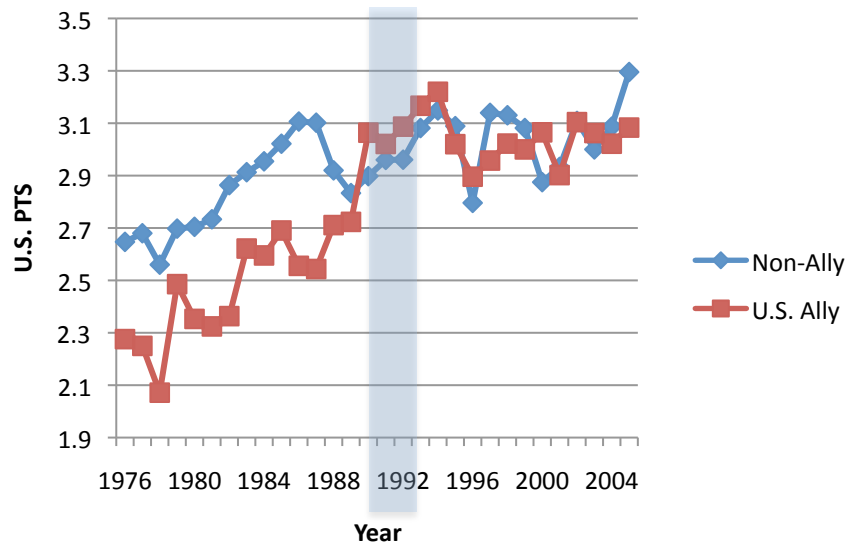
Commercial News Reports of Human Rights Abuse

# Our Strategy

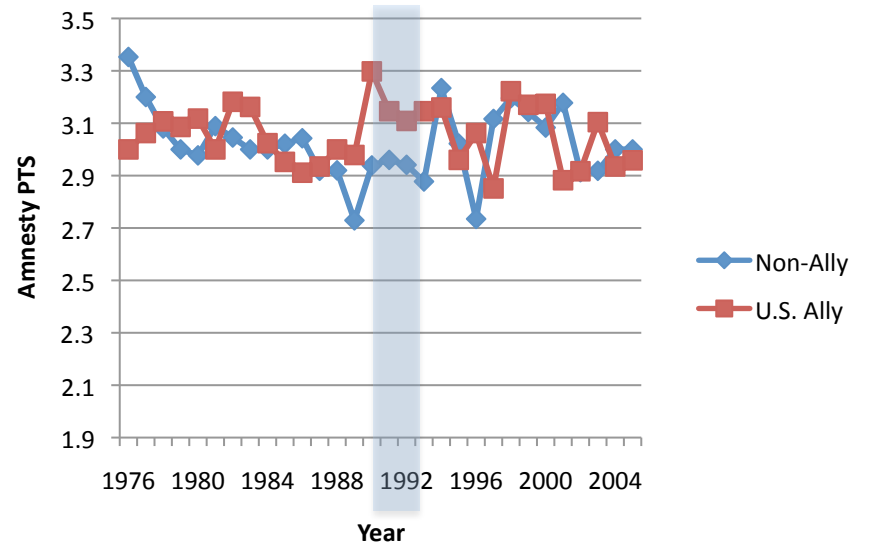
- Infer government “bias” from difference in U.S. State Department Reports and Amnesty International Reports of Human Rights Abuse
- It does not require that Amnesty tell the truth
- It requires that differences in the scores are driven by changes for the U.S.; and that Amnesty’s bias not systematically change with the U.S.

# Alliance and PTS Scores

## U.S. State Department



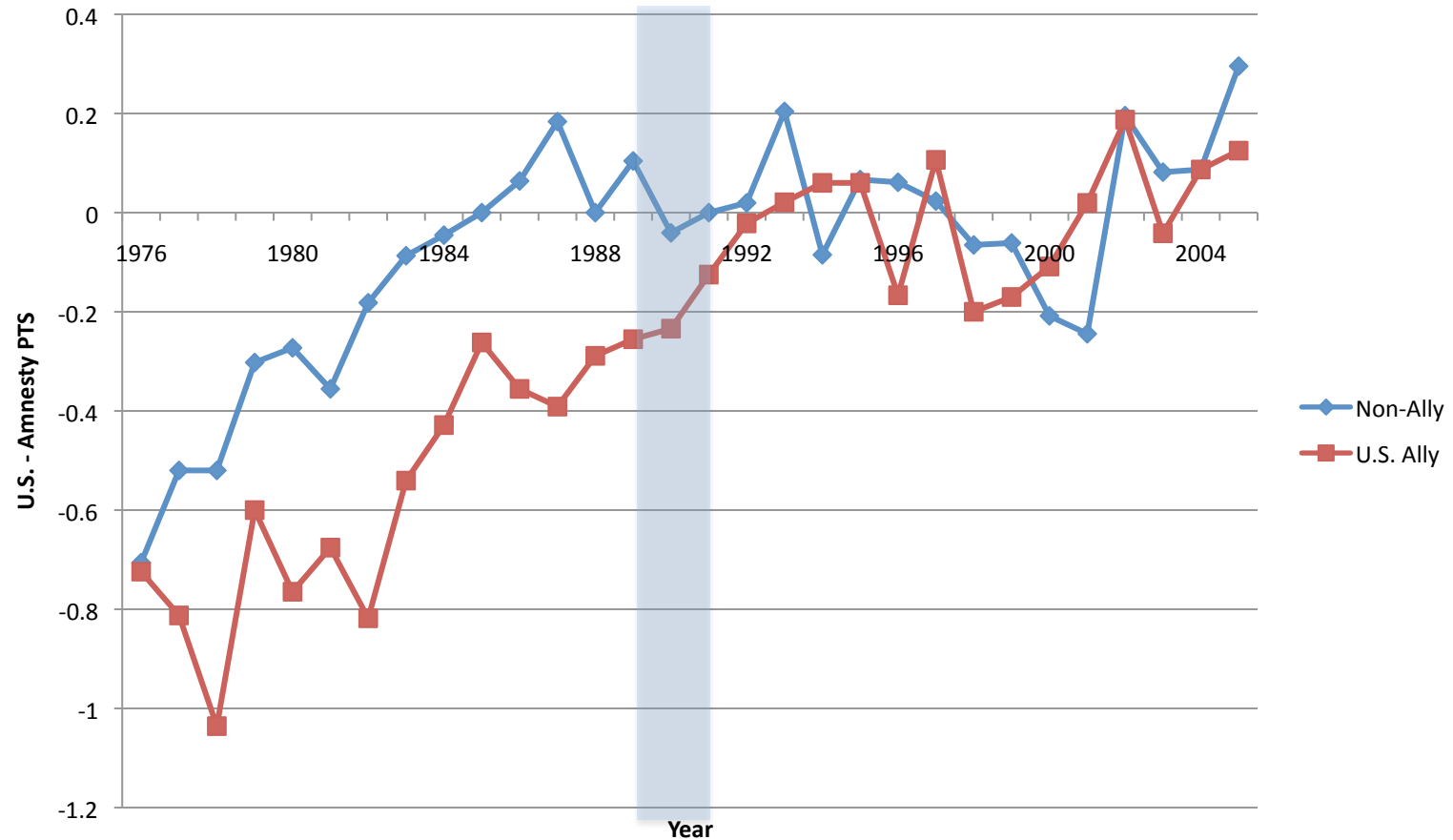
## Amnesty International



Same y- and x- axes



# U.S. – Amnesty PTS and Alliance



# What We Cannot Do

- Can't estimate causal 2SLS
- Can't directly show that the U.S. government coerced the media
  - Qualitative evidence
  - Provide suggestive evidence against obvious alternative mechanisms (e.g. information asymmetries/cost, consumer demand)

# Road Map

- Background
  - Public Diplomacy
  - Human Rights
  - Cold War
  - UN
- Data
- Empirical Strategy
- Results
- Conclusion

# Public Diplomacy

- During the Cold War, the U.S. government gave lots of aid and assistance to foreign governments to fight the Soviets
- Some had bad human rights abuses
- To minimize the exposure of these abuses from the public and Congress, the government needed to manipulate information
- It probably also appeases allies to not see critical reports of themselves in the U.S. media
- The OPD is typically reserved for wartime use except for during the Reagan Administration
- Manipulate public and congressional opinion through “public action” to garner support for Reagan’s tough anti-communist stance (Parry and Kornblubl, 1988).

- The administration formulated a detailed action plan.
- Available at NSC Archives
- The government manipulated news by manipulating the supply of information, and by strong-arming news organizations
- Portray allies as “religious”, “freedom fighters; downplay human rights abuses
- Portray opposition as atheist communist puppets of the Soviets, “evil”; focus on human rights abuses

# Some Documented Methods

- Arrange meetings and news junkets for members of Congress
- Plant witnesses for congressional testimonials
- Plant Op-Eds in WSJ, WPOST, NYT
- Plant false stories (e.g. Soviet MiGs in Nicaragua during Reagan's re-election)
- Pressure editorial boards and journalists
- Pressure news organizations to remove uncooperative journalists (e.g. removal of NYT journalist from El Salvador in 1982)
- Discredit and scandalize uncooperative journalists (e.g. 1985 New York Magazine article about journalists trading news for Sandinistan [gay] prostitutes)
- Reward sympathetic journalists with "unlimited" access and inside scoops

- Our study explores whether these accounts are generalizable and there was manipulation on average.

# Human Rights

- Portraying human rights of allies in a good light is important to the U.S. government because Congress and the public likes to tie political alliance and aid to human rights practices
- For foreign governments, there are also non-pecuniary benefits (e.g. prestige)
  - During the Carter Administration, countries such as Brazil and Uruguay refused U.S. Aid that was tied to human rights conditions



# The Cold War 1945-1989/91

- Direct military attacks were deterred by nuclear threat
- Virtually every country in the world was affected
- With the exception of the few non-alliance states (e.g. India), countries were allies of one or the other super power.
- Our study takes place the Soviet War in Afghanistan (1979-89).

- U.S. favored Cold War allies
- The Cold War ended in 1989-91, marked by the fall of the Berlin Wall and the dissolution of the U.S.S.R.
- Post-Cold War Comparison
  - Test the assumption that the changes in human rights reporting and news coverage which occur for allies when they are on the UNSC is driven by U.S. strategic value for allies by seeing if the effects are muted in the Post-Cold War era.

# The UNGA and UNSC

- UNGA mostly votes on non-binding issues. Many are of symbolic importance.
  - Alliance results in more aid (Alesina and Dollar, 2000; Kuziemko and Werker, 2005) and favorable under-reporting of human rights during the Cold War (Qian and Yanagizawa, 2008).
  - Similar logic to pork-barrel politics vote-buying

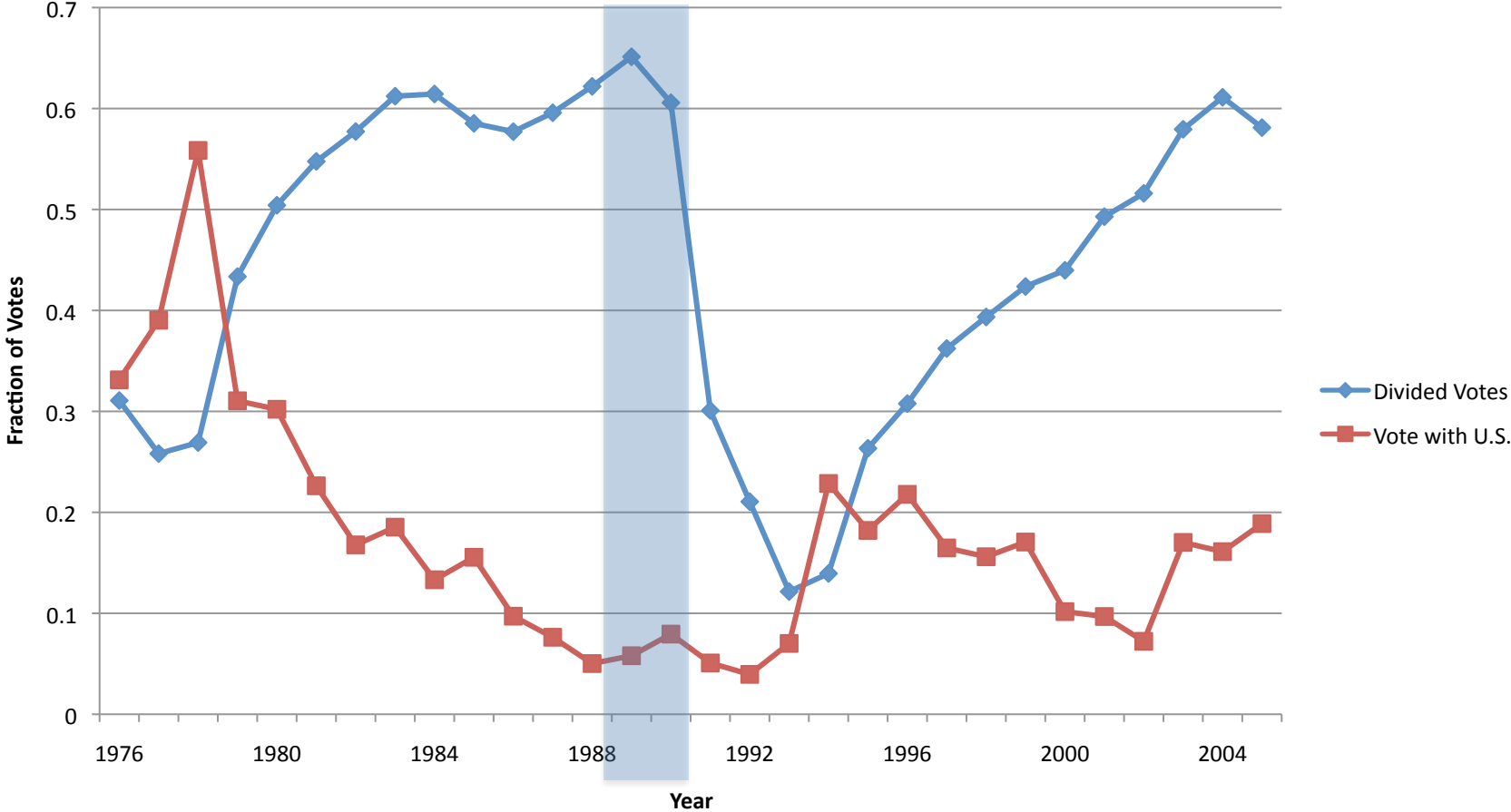
# UNSC

- The UNSC has 10 elected rotating members (2 years non-consecutive terms) and 5 permanent members with veto power.
  - Membership non-random
  - Veto is rarely exercised during this period. (E.g. when there is a deadlock, the issue goes back to the UNGA. 9/10 of deadlocks occurred during the CW).
  - Value for allies go up when they enter the UNSC.
  - Since countries can't fully commit ex ante, the U.S. must increase bribes when they are on the Council.

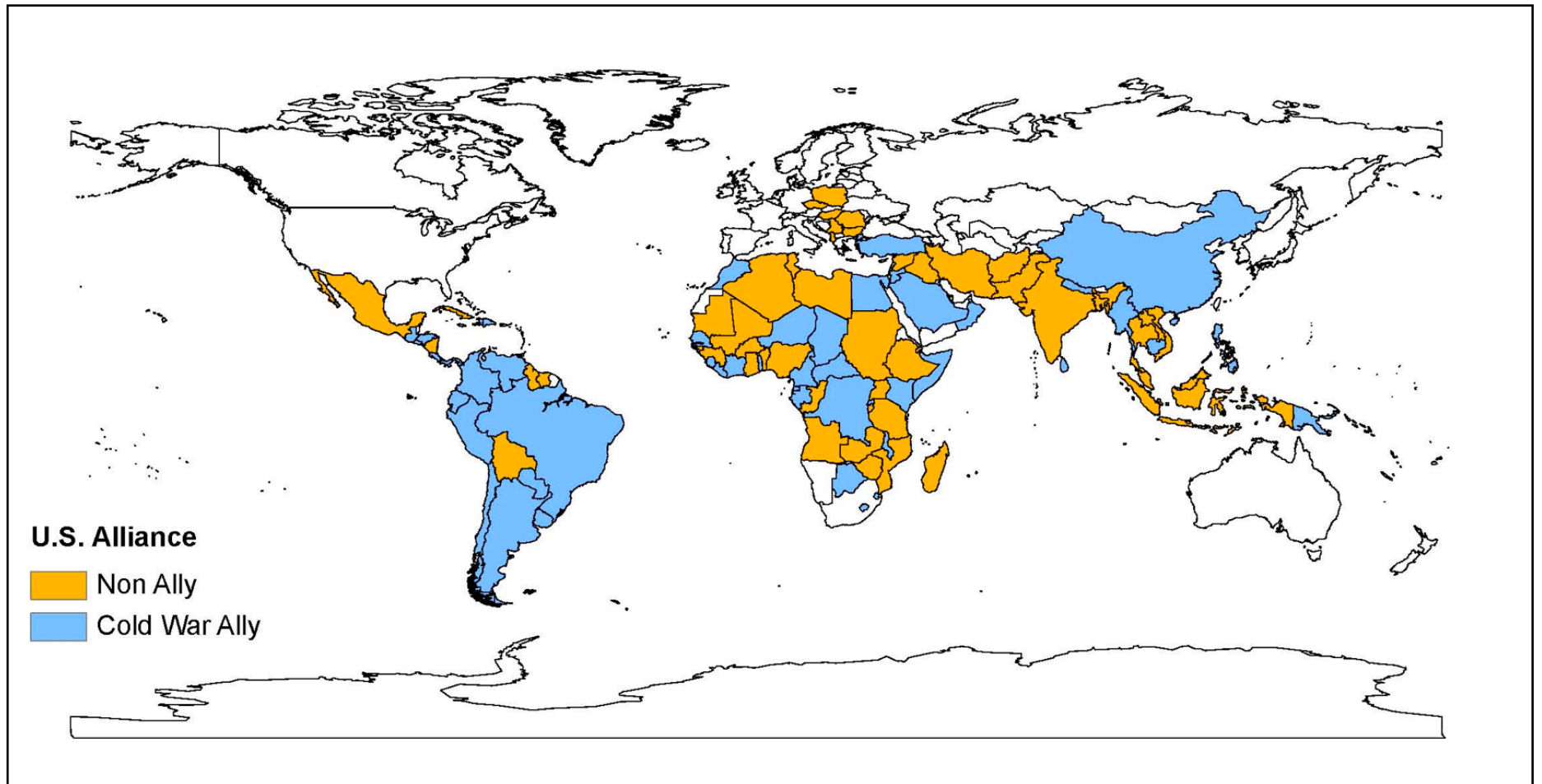
# Data

- PTS Scores are available from 1976-2005
- We exclude countries that were part of the USSR, South Africa, UNSC P5, and High Income Countries
- Matched sample contains 104 countries over 30 years
- UNGA voting data is from Eric Voeten
- UNSC membership from UNSC Roster
- Our measure of alliance is the annual fraction of votes in agreement with the U.S. amongst issues where the U.S. and U.S.S.R. were divided in the UNGA, averaged over 1985-89, when there were the highest number of divided issues
- Each year, there were approximately 100-150 resolutions, 70-90 were divided

# Divided Votes and Alliance in UNGA



# Alliance

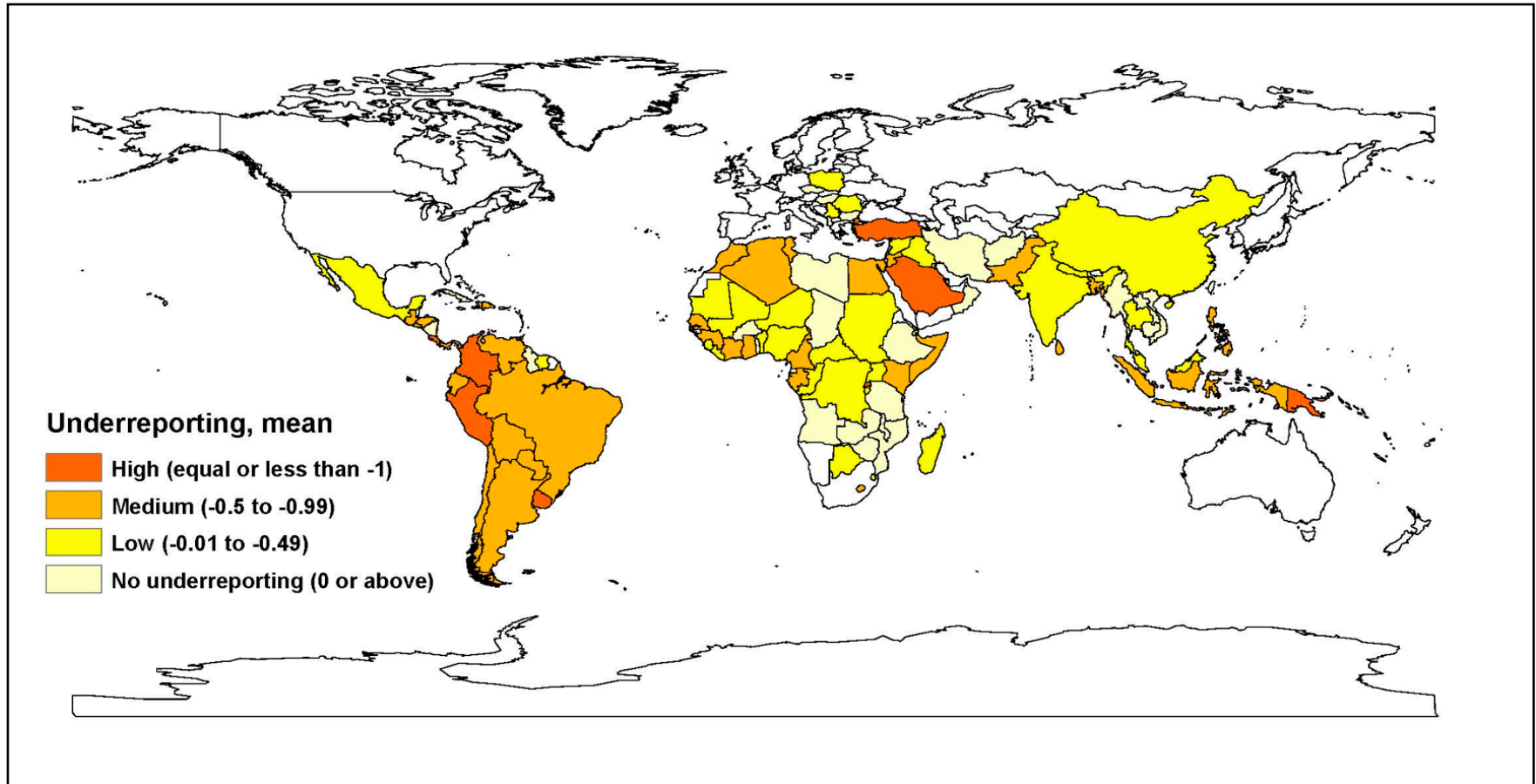


# U.S. and Amnesty PTS

- Infer bias from *U.S.- Amnesty PTS*
- The State Dept. and Amnesty are the only two sources that cover such broad scope consistently
- PTS provides a quantitative score of each country each year based on these reports
- Higher scores = bad human rights
- U.S. under-reports = *U.S.- Amnesty PTS* < 0



# Cold War PTS Under-reporting



# News Coverage

- *ProQuest* Historical Database: *Washington Post*, *New York Times*, *Wall Street Journal*, *Chicago Tribune*, *Los Angeles Times*.
- These are the largest and most reputable papers for news reporting, especially the *W. Post*, *NYT* and *WSJ*.
- Text search for country name, “human rights” and one of the following: “torture”, “violation”, “abuse”, “extrajudicial”, “execution”, “arbitrary arrests”, “imprisonment”, “disappearances”, “politically motivated”
- Three measures of cost for newspapers to obtain independent info
  - Number of newswire stories
  - *Freedom House* Media Freedom index
  - Distance from national capital to nearest newspaper foreign office bureau (only *NYT*)

# Empirical Strategy

$$Y_{it} = \beta(UNSC_{it} \times Alliance_i) + \alpha X_{it} + \gamma_i + \delta_t + \varepsilon_{it}$$

- If being strategically valuable to the U.S. causes the U.S. to favorably under-report abuses, or newspapers to reduce coverage, then  $\beta < 0$

- *U.S. Alliance* × *UNSC Member*
  - The U.S. valued alliance
  - This value increases when an ally enters the UNSC
  - Because allies cannot fully commit to supporting U.S. interests before they are on the Council, the U.S. has to increase benefits for Council years
- This relaxes the need that Amnesty's bias be constant over time.

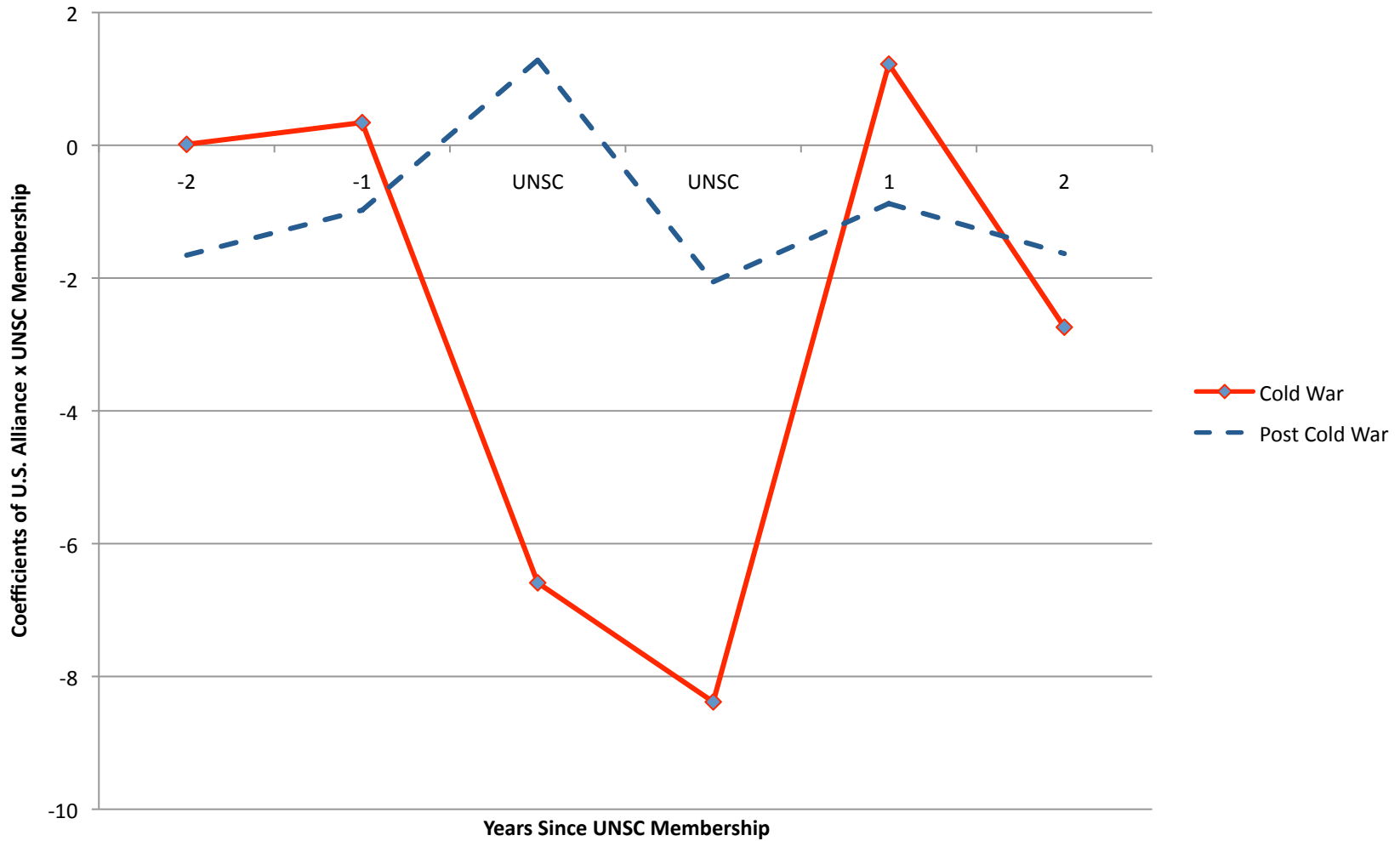
# Identification Assumptions

- Amnesty scores are not responding to UNSC membership in a way that is correlated with alliance – we can investigate this directly
- Consumer interest doesn't vary with UNSC membership of allies.
  - This seems unlikely since only 15% can name the Secretary General and only 16% can name any one Agency within the UN (Alger, 2005)
  - But we will consider this carefully in the empirical analysis

# U.S. Strategic Objectives & USSD Bias

	Dependent Variables:								
	USSD PTS		Amnesty PTS		USSD-Amnesty PTS				
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	All	All	All	All	All	All	All	EverSC	EverSC, Omit Zaire
A. Cold War 1976-88									
<b>Mean of Dep. Var.</b>	<b>2,68</b>		<b>3.029</b>		<b>-0.349</b>				
U.S. Alliance x UNSC	▼ -2.849 (4.249)	▼ -3.022 (1.649)	▼ 2.622 (3.303)	▼ 1.212 (2.867)	▼ -5.472 (2.585)	▼ -4.234 (2.278)	▼ -3.560 (1.346)	▼ -3.397 (1.480)	▼ -3.753 (2.690)
UNSC	▼ 0.0936 (0.312)	▼ 0.252 (0.148)	▼ -0.306 (0.262)	▼ -0.119 (0.237)	▼ 0.399 (0.207)	▼ 0.372 (0.186)	▼ 0.306 (0.118)	▼ 0.294 (0.129)	▼ 0.315 (0.180)
Amnesty							▼ -0.556 (0.0491)	▼ -0.638 (0.0604)	▼ -0.630 (0.0599)
U.S. Alliance	▼ -1.864 (1.177)		▼ 0.500 (1.214)		▼ -2.363 (0.502)				
Country FE	N	Y	N	Y	N	Y	Y	Y	Y
Observations	▼ 1010	▼ 1010	▼ 1010	▼ 1010	▼ 1010	▼ 1010	▼ 1010	▼ 607	▼ 595
R-squared	▼ 0.050	▼ 0.664	▼ 0.007	▼ 0.622	▼ 0.143	▼ 0.363	▼ 0.552	▼ 0.551	▼ 0.547
All regressions control for year fixed effects.									
Standard errors are clustered at the country level.									

# Yearly Estimates



# The Effect of U.S. Strategic Objectives on News Coverage

Dependent Variable: Ln HR News						
	(1)	(2)	(3)	(4)	(5)	(6)
	All	All	All	All	Ever SC	Ever SC, Omit Zaire
A. Cold War 1976-1988						
<b>Mean of Dep. Var.</b>	<b>0.1 (not logged 7.479)</b>					
U.S. Alliance x UNSC	-7.836 (8.881)	-8.184 (5.312)	-10.88 (7.397)	-8.489 (4.833)	-8.357 (4.618)	-14.68 (5.391)
UNSC	0.949 (0.729)	0.691 (0.385)	1.303 (0.633)	0.721 (0.355)	0.730 (0.344)	1.106 (0.353)
Amnesty			1.160 (0.0853)	0.251 (0.0726)	0.231 (0.0837)	0.206 (0.0809)
U.S. Alliance	4.615 (2.632)		4.036 (1.619)			
Country FE	N	Y	N	Y	Y	Y
Observations	1010	1010	1010	1010	607	595
R-squared	0.033	0.718	0.288	0.723	0.752	0.756
All regressions control for year fixed effects.						
Standard errors are clustered at the country level.						



# Post Cold War

- No Effects for 1<sup>st</sup> Stage or RF in post Cold War Sample
- Consistent with U.S. strategic value being main driving force

# Robustness - Checks

- Spurious trends
  - Control for country-specific time trends
- Reagan years
  - Restrict to 1980-88
- Censoring
  - Tobit Specification

# Summary of Main Results

- UNSC membership of allies causes the U.S. to report less abuse and reduces news coverage
- All the effects on the U.S.-Amnesty are driven by changes on the U.S. PTS scores. There is no evidence that Amnesty is responding.
- There is no effect on either outcomes after the Cold War, when the value of allies has decreased.

# Alternative Mechanisms

- Consumer driven
  - If consumers want to hear reports of bad behavior of UNSC members, then the bias is against our results
  - Extent of distortion larger for high quality papers
  - Uncorrelated with reader preferences
- Information Asymmetries
  - Estimated interaction effects with cost of obtaining independent information is zero

# Theoretical Implications

- Using the Besley and Prat (2006) framework, this stylized fact suggests that there are fixed costs to entry
- Market for international news reporting is segmented
- Otherwise, the marginal firm will enter, report the truth and earn positive profits
- Fixed cost could be journalistic network or reputation
- Need more research

# Conclusion

- There's much scope for government influence
- The qualitative and empirical results suggest intentional manipulation
- Need more research to understand mechanisms
- Policy implications: misleading to count total number of independently owned news firms (or even weighing them by ownership)
  - There are approximately 1,422 daily newspapers and 6,253 weekly newspapers in the U.S.
  - Our results indicate the relevant number for international news is closer to 3!