

Trade exposure and electoral protectionism: evidence from Japanese politician-level data *

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Abstract

This study empirically examines the effect of economic shocks of trade on trade policy preferences of candidates who run for national elections, using politician-level data of Japan during the period 2009–2014. The focus of this research is the examination of how the influence of trade shock measured by import competition with China on politicians' trade policy preferences is related to election pressure. The results reveal that increase in import exposure of goods for production use deter candidates from supporting trade liberalization even after considering offset by export exposure. Among other points, this protectionist effect is more pronounced for challengers than for incumbents, for candidates who run for the Lower House election being exposed to stronger pressures of elections than those who run for the Upper House election, and for candidates with weak voter support than for those who are supported by a substantial majority. Taking these findings into account, politicians who face trade shocks tend to appeal to protectionist trade policies as the pressures of elections become stronger.

Keywords: Trade policy preferences, protectionism, election, electoral competition

JEL classification: D72, F13

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