

Production Networks and US Anti-Dumping Petitions

Timm Betz¹

Leonhard Hummel²

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¹Washington University in St. Louis & LMU Munich

²Technical University of Munich

WHAT MAKES FIRMS POLITICALLY POWERFUL?

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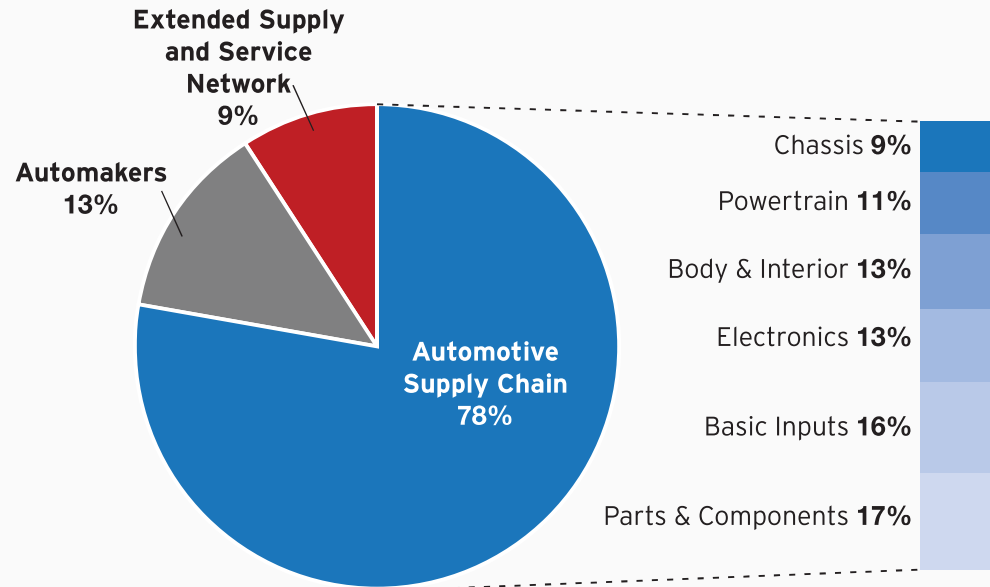
We instead emphasize connections between firms:
domestic production network

Firm Power and Production Networks

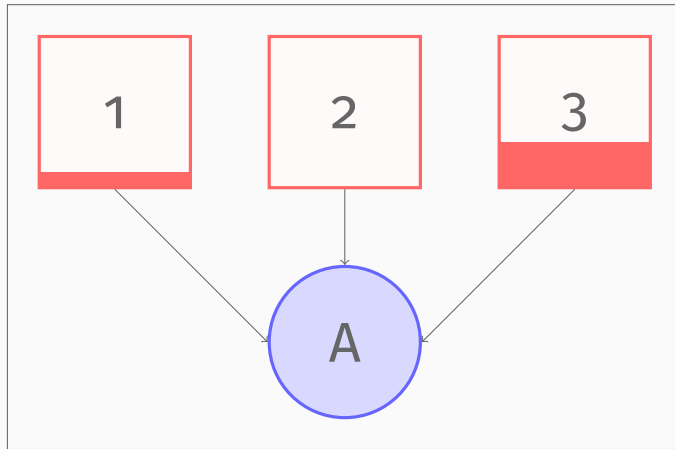
Domestic production networks

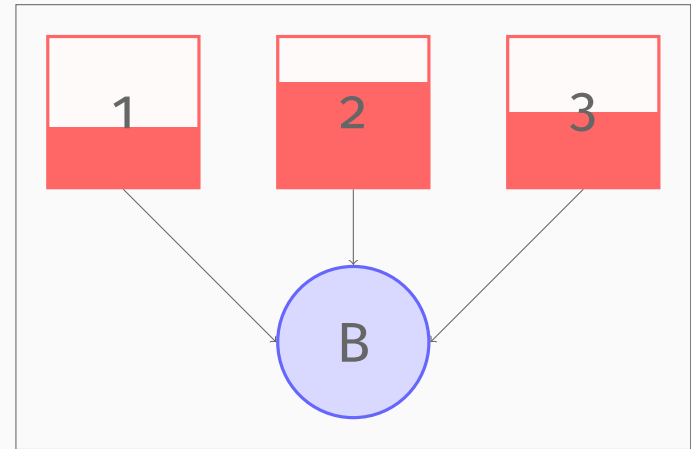
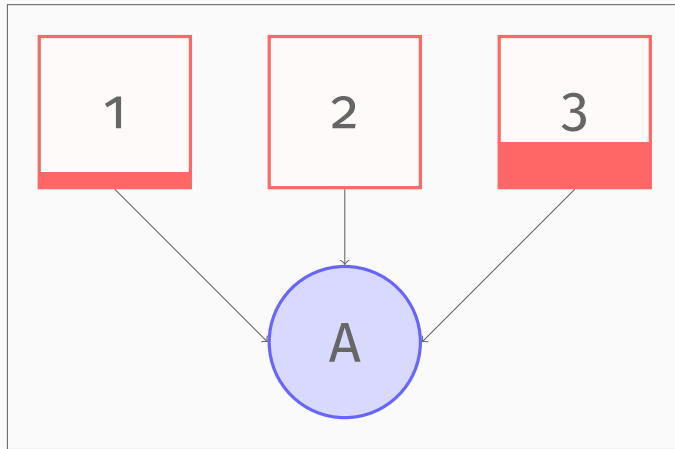
Firms source from **many other industries**

Domestic production networks



Automotive production in Tennessee. Source: Brookings Advanced Industries Series, 2013.





Production Networks and Politics

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- ⇒ increased political clout

AD Disputes across U.S. Counties

Counties with at least 250 employees in industries represented in AD petitions filed in 2015

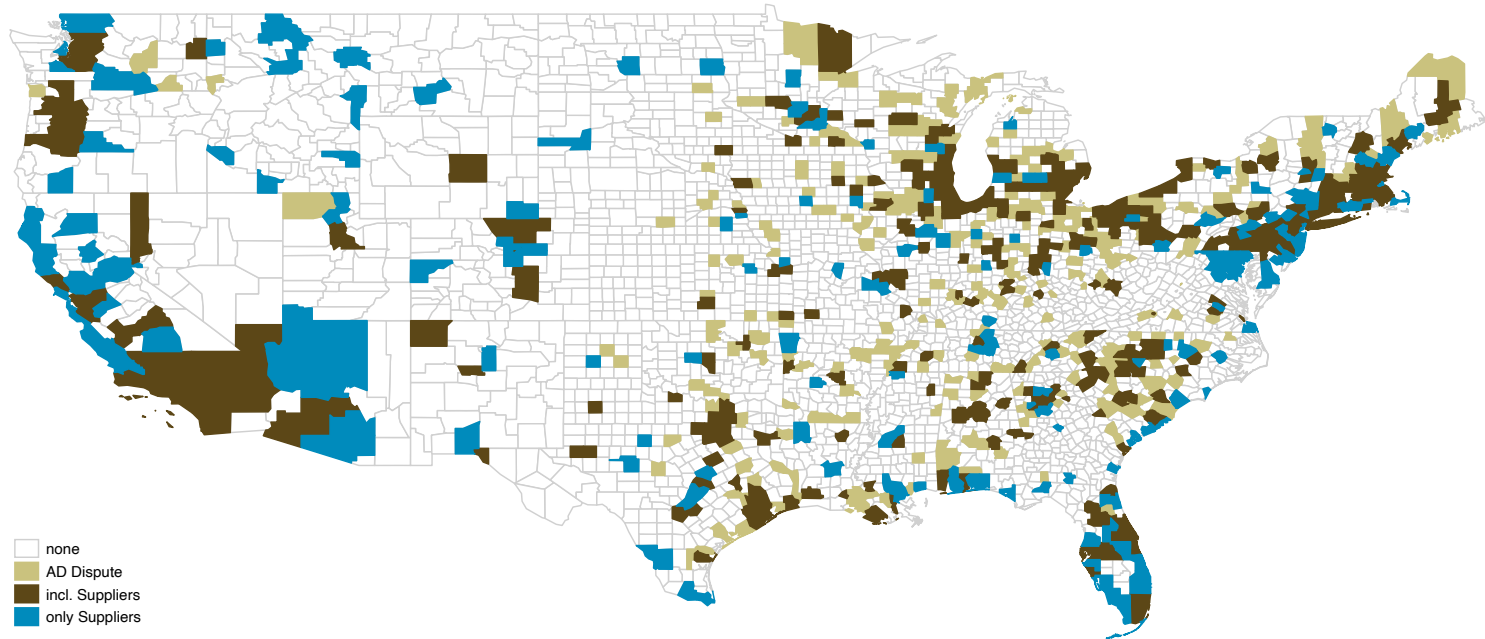


FIGURE 1 U.S. counties where at least 250 employees are affected directly (in light green), directly and indirectly (in dark green), or only indirectly (in blue) by anti-dumping petitions filed in 2015.

Anti-Dumping Petitions and Politics

Petitions by firms for individual products,
potential to gain unusually high levels of protection

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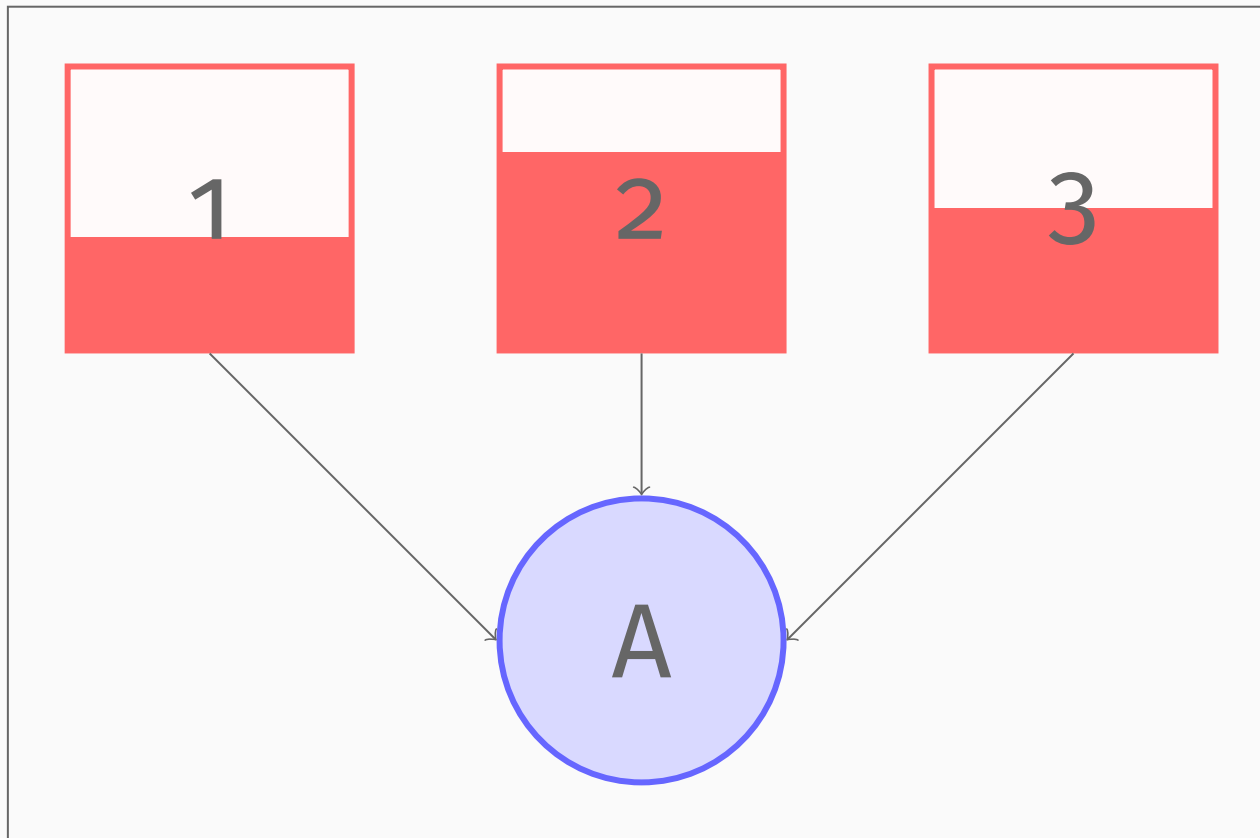
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⇒ **larger production networks increase success rates**

Data



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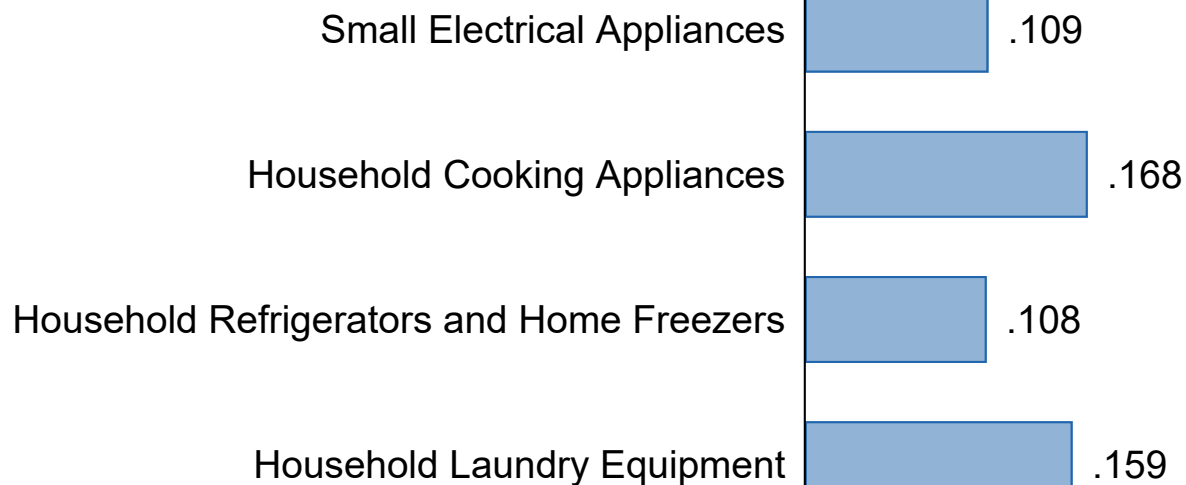
Data from U.S. BEA, Input-Output Tables:

in total, over 600,000 customer-supplier relationships

FARMING

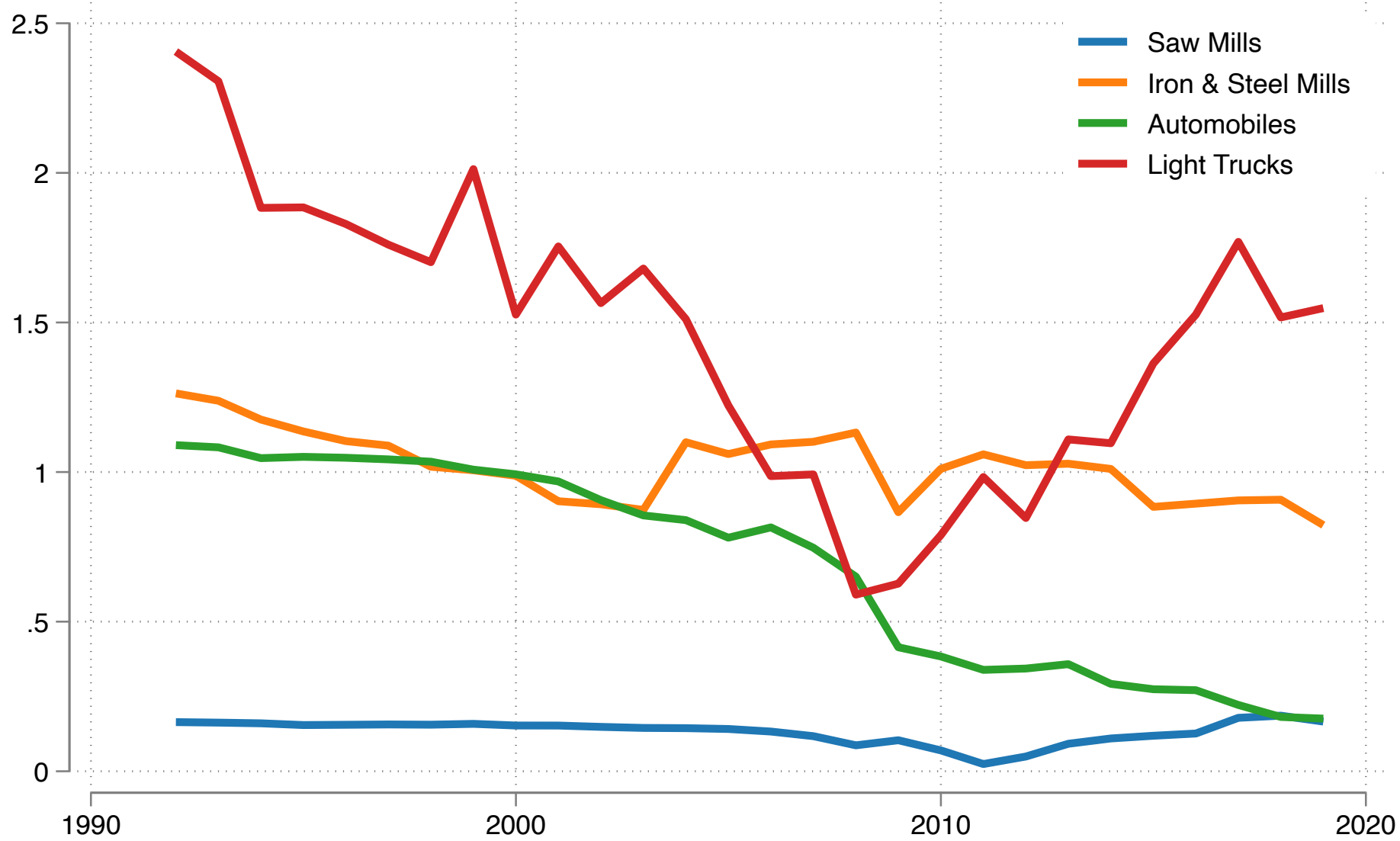


MANUFACTURING



0 .1 .2 .3 .4 .5

Values of η^M for select Industries



Success of Anti-Dumping Petitions

Decisions on anti-dumping petitions 1997-2019 (Bown's GAD)

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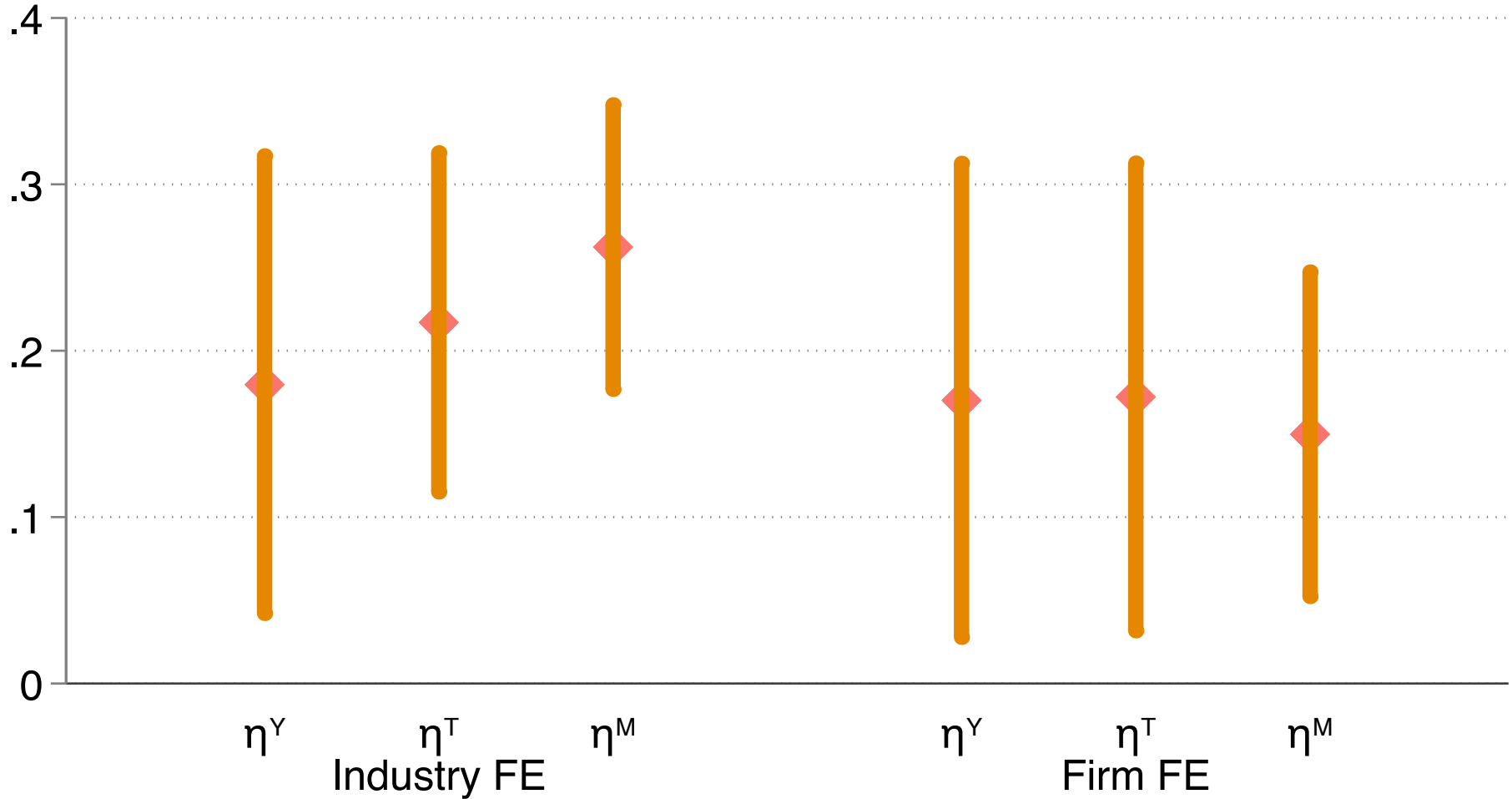
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Firm-Product-Case as unit: η derived from product

→ allows for firm-level FE

Marginal Effects on Success Rates

one std. dev. below mean → one std. dev. above mean



Controls included for political influence (lobbying, campaign contributions, size, mobility, election year) and case attributes (import penetration, exchange rate, NME, steel).

Conclusion

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globalization backlash and political support:

compounds **political costs of offshoring**

Thank You!