Ownership, Partisanship and Media Slant: Evidence from the U.S. Media during the Sino-U.S. Trade Conflict*

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Abstract

I explore what determines media slant towards foreign nations using the 2018-2019 Sino-U.S. trade negotiation as a testing ground. Using an event study design and coverage by local U.S. newspapers, I analyze how stories about China respond to shifts of U.S. policy towards China, and how this media reaction is determined by owners' partisan affinity, controlling for readers' characteristics. I find that local newspapers with Republican-leaning owners increase the intensity of negative coverage following a shift towards hostile trade policies relative to papers of nonpartisan owners, and they decrease this slant following a conciliatory shift; the opposite is true for Democratic-leaning media owners. To address the potential endogeneity of diplomatic events, I select events that induced significant abnormal price fluctuations of trade-war-related financial securities. I further establish a causal effect of owners' preferences by exploiting mergers and acquisitions among national conglomerates as a source of variation in political orientation of owners. These findings imply a spillover from domestic policy in the formation of citizens' sentiment towards other nations: the media, as their lens to view the world, is colored by domestic political polarization.

Keywords: Media slant; International relations; Political economy
JEL Codes: L82, F51, D72

1 Introduction

News provided by the mass media is an important source of information about both domestic and international affairs. Since reports on geopolitics can be difficult to verify (M. Gentzkow and Shapiro, 2010), the audience's views on foreign countries may rely heavily on how media outlets report on them (M. A. Gentzkow and Shapiro, 2004). However, this coverage of foreign nations can be slanted. It is known that the incumbent government's attitude towards a foreign nation can distort the media coverage received from both government-led media outlets (H. Liu and Ji, 2020) and commercial ones (Qian and Yanagizawa, 2009b). While it is clear that the state will push its agenda via state-owned or

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state-related news outlets (H. Liu and Ji, 2020), it is unclear why commercial media responds similarly (Qian and Yanagizawa, 2009b).

There are in general two types of hypotheses about what drives media slant of a commercial media outlet: audience-driven or owner-driven. That is, commercial media outlets, enjoying a considerable degree of discretion on what to cover, can either cover what interests their audience (M. A. Gentzkow and Shapiro, 2004; Mullainathan and Shleifer, 2005; Lu et al., 2018) or cover what the media owners wish the audience to hear (Besley and Prat, 2006; Szeidl and Szucs, 2021; Ottinger and Winkler, 2020). While catering to the audience only reinforces and amplies their existing perceptions, media owners setting their own agenda may shape the general public's views according to the owners' preferences or allegiances, a possibility that is perhaps more concerning (Larcinese et al., 2011).

In this paper, I gauge the extent of owner-driven slant in media coverage of foreign countries in the context of the Sino-U.S. trade dispute. I find that local newspapers with Republican-leaning owners increase the intensity of negative coverage following a shift towards hostile trade policies towards China relative to papers of nonpartisan owners, and they decrease this coverage following a conciliatory shift; the opposite is true for Democratic-leaning media owners.

The Trump Administration initiated the Sino-U.S. trade dispute in March 2018, which set the tone of American diplomatic attitude towards China during 2018-2019. Claiming that China has imposed significant threats to the economic development of the United States, the Trump Administration advanced protectionist trade policies against China, and China retaliated in equal measure. Accompanying this rise of bilateral trade tension has been the elevation of anti-China sentiment in the United States (Devlin et al., 2021; Devlin et al., 2020). During 2018 and 2019, there was much media coverage in the U.S. about China's human rights record and non-democratic governance, even though the Trump Administration assiduously avoided raising these topics directly (Carpenter, 2020; Ha et al., 2020). As most of these trade-irrelevant topics had been largely pre-existing, coverage of this kind effectively conveyed a negative sentiment about China and justified more protectionism against China (Qian and Yanagizawa, 2009b; Qian and Yanagizawa-Drott, 2017).

Motivated by these facts, I collect articles about China published in U.S. newspapers, and proxy media slant by the fraction of text about Chinese human rights issues and non-democratic governance, which is viewed as negative from the perspective of Western societies (hereafter referred to as human rights coverage) on articles published around salient trade war events. To disentangle the influence of owners from that of readers, I analyze local newspapers and exclude nationally distributed outlets such as *The New York Times*. For each local newspaper, I define its readers as the residents of the counties where it is circulated, and the owners as the top executives of its parent company.

Following the logic of Larcinese et al. (2011), which documents that politically aligned media owners report domestic economic issues in favor of the incumbent party, in the context of the Sino-US trade dispute, I conjecture that Republican-leaning media owners may exhibit more alignment with the Trump Administration by reporting more human rights coverage following a hostile policy towards China and less human rights coverage following a conciliatory policy towards China. Conversely, the opposite is true for Democratic-leaning media owners. This hypothesis motivates an event study design: I use salient trade war policy updates to study how human rights coverage responds to such events. More importantly, I examine how partisan affinity of owners and readers affect how human rights coverage reacts to foreign policy. Readers' political leaning at the county level is measured by

the fraction of votes cast in favor of Donald Trump in the 2016 presidential election, and owners' partisan affinity is measured by the parent companies' executives' fraction of political contribution to Republican candidates/PACs/Party over total contributions to entities with a party affiliation.

To address the endogeneity concern that policy may respond to human rights coverage, among all the trade war events, I select those that induced significant abnormal price fluctuations of trade-war-related financial securities, specifically securities issued in the U.S. that had been adversely affected by the Sino-US trade conflict. Under the efficient market hypothesis, an abnormal stock market reaction implies the release of new and relevant information. I assume that a significant abnormal movement in prices of these securities signals an event with new information about the trade war that is not predicted by either media slant or omitted trends. In the baseline analysis, events selected consist of bilateral meetings and US-initiated policy updates. Each event is deemed positive or negative according to the direction of the associated abnormal returns. I also manually verify that each event is indeed associated with conciliatory (hostile) policy changes initiated by either China or the United States, or both.

Using the selected positive and negative events, I find that compared with nonpartisan owners, newspapers with Republican-leaning owners increase their human rights coverage by a significantly larger amount following a hostile shift in trade policy towards China, and decrease this coverage by a significantly larger amount following a conciliatory trade policy shift. Conversely, Democratic-leaning owners increase their human rights coverage by a significantly larger amount following a conciliatory trade policy shift, and decrease it following a hostile policy shift. Effectively, Republican-leaning owners alter their coverage of human rights issues in ways that support the then-Republican administration's attitude towards China, while Democratic-leaning owners time their human rights coverage in the opposite direction.

To complement my main results, I further establish a causal effect of owners partisan affiliation on media slant by exploiting variation in ownership following mergers and acquisitions. Since these transactions are among national conglomerates involving newspapers serving different markets, it is unlikely that they are triggered by local factors. Compared with newspapers unaffected by merger and acquisition activity, those sold to more conservative owners tend to report more negatively about China following negative events and more leniently following positive events. This result reinforces the causal interpretation of the effect of ownership on media slant by addressing possible omitted variable bias because of a correlation between owners' preferences with omitted static readers' preferences.

My main finding can be most intuitively interpreted as voluntary efforts of Republican media owners to justify the foreign policies of the incumbent Trump Administration, while newspapers with Democratic owners express their disapproval. Both justification and disapproval can be viewed as an attempt (conscious or unconscious) to persuade the audience in favor of the party they are aligned with. I provide suggestive evidence for this interpretation by investigating the heterogeneity in the strength of persuasion conditional on readers' preferences. The test is based on the intuition that persuasion is more necessary when readers' preferred party differs from that of the owners. Consistent with a role for persuasion, I find that the Republican-leaning owners exhibit more alignment with the Trump Administration when faced with more Democratic-leaning readers; I again document a symmetric pattern for Democratic-leaning owners and their interaction with the audiences political preferences.

Finally, I test whether media slant is associated with changes of the public attitudes towards China and Trump. Using the Corporative Congressional Election Survey data from 2017 to 2019 (Schaffner and Ansolabhere, 2019; Schaffner et al., 2019), I calculate the county-level average support for sanctions on China and average approval for Trump for each year. I define the exposure to slanted content about China by the cumulative human rights coverage throughout a year published in local newspapers. At the county level, I find that exposure of media slant is positively correlated with an increase of public support for "China-bashing" policies and also an increase in Trump's approval. As a placebo test, more exposure to trade-related content is not associated with an increase in support for China or Trump, suggesting that slanted coverage might effectively justify the sanctions on China and Trump's presidency.

My research makes four contributions to the economics literature on media bias. On media coverage of foreign nations, while the literature has documented that commercial media can report biased content about foreign countries in favor of diplomatic strategies (Qian and Yanagizawa, 2009a; Qian and Yanagizawa, 2009b; Qian and Yanagizawa-Drott, 2017), I further confirm an owner-driven mechanism in such slanted coverage, building on and enriching the literature that confirms the existence of top-down bias in commercial media (Szeidl and Szucs, 2021; Larcinese et al., 2011; Ottinger and Winkler, 2020; Martin and McCrain, 2019). On the effect of politics on media slant, I implicitly show that domestic politics and polarization can not only distort media slant about domestic issues (Larcinese et al., 2011, M. Gentzkow and Shapiro, 2010), but also affects how the public comes to view foreign nations. Methodologically, I also make two contributions that may be useful beyond this study. My definition of media slant is based on media response within a very short time window as opposed to other work that uses cumulative coverage to capture media slant (Qian and Yanagizawa, 2009b; Qian and Yanagizawa-Drott, 2017; M. Gentzkow and Shapiro, 2010; Groseclose and Milyo, 2005; Lu et al., 2018; Larcinese et al., 2011; Ramirez and Rong, 2012). This definition is justified by the relatively modest news value of the slanted stories when new and salient events occur[1]. Finally, I select salient and exogenous events using stock market reaction by assuming the semi-strong efficient market hypothesis. In general, it can be applied to any setting in which there is high responsiveness to events, not limited to media reporting.

The remainder of the paper is organized as follows. Section 2 provides a brief introduction on the Sino-US trade dispute, the data collection, and measurement of variables. Section 4 provides a detailed description of the empirical strategy and the data. Section 5 presents the main findings: the role of owners and readers on determining media slant and its effect on public sentiment towards China, of which the robustness is checked in Section 6. Section 7 discusses possible explanations for my main findings. Section 9 provides a thorough discussion of the differences between my results and those of the existing literature, and revisits the issue of reverse causality. Finally Section 10 concludes.

[1]Meanwhile, this measure is compatible with the more commonly used measure under a panel framework. Common measures usually define media slant as the difference between the coverage of interested media outlets and an authentic or truth-revealing media outlet, the coefficient of the cross-sectional comparison of media responses is interpreted as the effect on slant defined by the difference from the truth-telling media, without choosing a proper media outlet as the truth-telling one.

2 Background

The Sino-US trade conflict was initiated officially in March, 2018, and it is still ongoing by the time when the draft was composed. Under the instructions of former President Donald Trump [2], on March 22, 2018, the office of United States Trade Representatives published a document that reported findings of the investigation into China's acts, policies, and practices related to technology transfer, intellectual property and innovation together with an announcement of sweeping tariffs on Chinese imports[3]. This action was then followed with a series of sanctions that were later mostly greeted with retaliatory actions from China.

Two main features of the Sino-US trade conflict makes it an advantageous testing ground. First, as the major event defining the diplomatic relationship between the two countries at that time[4], the Sino-U.S. trade dispute was not *always* justified with Chinese human rights violations if any. The initiation of the trade dispute by the Trump Administration was believed to have been initiated out of economic reasons rather than due to criticism of China's human rights records. (T. Liu and Woo, 2018; Kwan, 2020; Bhandari et al., 2019). According to the a government report[5], there are three major reasons for the imposition of tariffs on Chinese goods: huge deficit against China, potential threats on cyber security, and possible forced intellectual property rights transfers. Over the course of negotiation, at least the former President Trump had assiduously avoided associating his economic decisions with China's human rights records, viewing it an impediment to securing the deal with China (Wong, 2018; Rappeport and Wong, 2019).

Secondly, then President Trump was known for his unconventional diplomatic strategy (Mahmood and Cheema, 2018). His diplomatic style suggests that some trade policy changes are likely unpredicted, which makes the identification of exogeneous trade policy possible. Burggraf et al. (2019) shows that the Trump's tweets about Sino-US trade war can induce intra-day volatility of the S&P500 Index, suggesting that his announcements indeed carry new information.

3 Data and Measurements

I obtain the news data from the NewsLibrary database (newslibrary.com), a database that contains articles on more than 1500 local media outlets. With an automation script, I collect all articles that mention in their title or leading paragraph at least one of the following key words: "China", "Chinese", "Hong Kong" and "Beijing". Articles' title and first 500 digits (approximately) are extracted from the NewsLibrary webpage. Data on local newspapers' counties served, parent companies and their top executives is otained from the *Editor and Publisher Online DataBook* (https://www.editorandpublisher.com/databook/). I also use media companies' official webpage as a complement to ensure the executives were in charge during 2018 - 2019. Information on mergers

[2]See the document page 9 section B: The President instructed USTR to determine under Section 301 whether to investigate Chinas law, policies, practices, or actions that may be unreasonable or discriminatory and that may be harming American intellectual property rights, innovation, or technology development

[3]For more details please refer to "Findings of the Investigation into China's Acts, Policies, and Practices Related to Technology Transfer, Intellectual Property, and Innovation under Section 301 of the Trade Act of 1974", 2018

[4]The other two events between the United States and China are the denuclearization negotiation between the United States and China, where China served as a mediator than a major player, and some conflicts in the South China Sea (on Foreign Relations, 2021). Both events are barely related to China's human rights records.

[5]"Findings of the Investigation into China's Acts, Policies, and Practices Related to Technology Transfer, Intellectual Property, and Innovation under Section 301 of the Trade Act of 1974", 2018

and acquisitions activity is extracted from the MergerStat M&A Database contained in the Nexis Uni. During 2018 to 2019, there were 39 transactions involving 57 media firms and 226 dailies experienced a change of ownership. Political donation data of firm executives is extracted from the Federal Election Commission (FEC) disclosure data base. For characteristics of readers, I use data from the United States Census Bureau. Data on prices of securities is obtained from the Center for Research in Security Price (CRSP). Data on public attitudes towards trade sanctions on China and Trump is from the Congressional Election Survey (CCES) conducted at the end of 2017, 2018 and 2019.

Quantify media slant

I measure media slant about China by the intensity of media coverage of Chinese human rights record and the nondemocratic features about China's governance from the Western perspective, i.e., human rights coverage. To quantify the intensity of human rights coverage, I first define a set of keywords and phrases that describe either of the two topics, based on the Human Rights Watch Reports about China in 2018 and 2019 (see Section A for the list of keywords). Given the articles that mention China in the title or the leading paragraphs and the keywords, two measures for media slant are constructed for each China-related article.

The intensity is measured by the fraction of keywords contained in the text. Because the text available is truncated, I weigh the fraction of keywords by their number of digits, since the longer the keywords are, the less likely they will show up in a truncated text. Equation 1 shows the mathematical expression of this measure, where N_w represents the frequency of appearance of keyword w in report r, and $Length_w$ and $TotalLength_r$ are the numbers of digits contained in keyword w and article r respectively. Additionally, the fraction of China-related articles that mention at least a keyword serves a complementary measure (see Appendix for an example). Then the media slant of the newspaper i on day t is the average $HumanRights_r$ of articles published by i on day t.

$$HumanRights_r = \sum_w \frac{N_w \times Length_w}{TotalLength_r} \tag{1}$$

Owners and readers

I collect and sum up personal contributions of top members of the manage of each media firm, including chief executives, president and executive vice president, owner, chairman, general director and publisher to political entities, such as Party, PACs, and politicians. I then calculate the partisan affinity of a media firm as the fraction of contribution made to Republican political entities. This continuous measure is normalized to 0 for balanced contribution or no contribution. The construction of this measure largely follows Genzkow et al. (2010), except that I intentionally avoid using corporate political donations. Individuals' contribution is largely driven by ideology whereas corporate donations are more benefit-driven (Barber, 2016, Bonica, 2016).

In total there are 1032 dailies included in the sample, owned by 196 media firms[6]. As a typical media firm that owns 5 dailies in my sample, the Hagadone Corporation operates 5 dailies that are located in Idaho, Montana and Washington. Based on this continuous measure, I further create a discrete measure that categorize the owners into Republican-leaning, neutral and Democratic-leaning, using 0.1 and -0.1 as thresholds. Figure 2 shows the distribution of this measure.

[6] 9 dailies have unknown ownership, and owners' political stance is taken as neutral.

I define the readers of a local newspaper as the residents in counties where it is circulated. The circulation data is obtained from the *Editor and Publisher Online DataBook*. For missing information, I fill in with the county headquartered. I create a continuous measure of readers' political stance by the fraction of votes to Trump over total votes to either Trump or Hilary during the 2016 presidential election. Based on this continous measure, symmetrically I define a discrete measure that categorize readers as Democratic-leaning, neutral or Republican-leaning (see Figure 3 for the statistical distribution of both the continuous and the discrete measure.) In addition, readers' average income, education, exposure to import and export tariffs[7], age and race are also included as controls.

4 Empirical Strategy

I adopt an event study design to explore how the media react to policy announcements. I will examine if the newspapers whose owners exhibit clear party affinity behave differently from the nonpartisan ones. Intuitively, Republican-leaning newspapers may exhibit this alignment with Trump Administration by covering more negatively about China following a shift to hostile trade policies and oppositely following a shift to benevolent trade policies. Without taking a pre-stance of what role readers' and owners' party affinity would play, I include both variables in the baseline specification.

The baseline specification is given by Equation 2a. $HumanRightsCoverage_{ite}$ measures the intensity of media coverage of China's human rights issues and nondemocratic features. $Post_{te}$ is an indicator variable that takes 1 if the observation is *after* the event and zero otherwise[8]. $OwnerRep$ is an indicator variable that take 1 if the owner of newspaper i is Republican-leaning around event e, and symmetrically for $OwnerDem$. This variable might vary with time because of merger and acquisition. Control variables, Z_{it}, include the cross term of $Post_{te}$ and characteristics of readers: readers' average income, exposure to import and export tariffs, and share of population with college degree. The cross of the $Post_{te}$ with the number of dailies owned by a parent company is also included as a supply-side control variable.

The variables of interest are β_0, β_1 and β_2. β_0 is interpreted as the pre-post change of human rights coverage on newspapers of politically neutral owners. Since the events are selected such that they carry new information, β_0 can be interpreted as the media response on policy changes instead of the policy responding to media. β_1 and β_2 capture the difference of pre-post change of human rights coverage on newspapers with politically inclined owners relative to papers with neutral owners. β_1 and β_2 both reflect how owners' political leaning affect media slant, with readers' characteristics

[7]The construction of these variables follows the methodology of Fajgelbaum et al., 2020, which are the labor share in industries that are subject to sanction.

[8]There may be a disagreement on how fast newspapers can react to an event. This alternative definition of the treatment variable can alter the results only when any adjustment is due to event-driven attention (informative reporting), rather than an expression of attitude. To address this concern, in the robustness check I drop the observation on the day when events occur, which will not alter the main result.

controlled.

$$\begin{aligned} HumanRightsCoverage_{ite} =& \alpha_{ie} + \beta_0 Post_{te} \\ &+ \beta_1 OwnerDem_{ie} \times Post_{te} \\ &+ \beta_2 OwnerRep_{ie} \times Post_{te} \\ &+ \beta_3 ReaderDem_{i} \times Post_{te} \\ &+ \beta_4 ReaderRep_{i} \times Post_{te} \\ &+ \gamma Z_{it} + u_{ite} \end{aligned} \tag{2a}$$

$$\begin{aligned} HumanRightsCoverage_{ite} =& \alpha_{ie} + \beta_0 Post_{te} \\ &+ \beta_1 OwnerRepublican_{ie} \times Post_{te} \\ &+ \beta_2 ReaderRepublican_{i} \times Post_{te} \\ &+ \gamma Z_{it} + u_{ite} \end{aligned} \tag{2b}$$

An alternative version of Equation 2a is Equation 2b, using the continuous measure of political leaning. $OwnerRepublican_{ie}$ is a continuous variable from -0.5 to 0.5, with 0 being neutral owners. The higher its value is, the more Republican-leaning the owners are. Similarly, $ReaderRepublican_{ie}$ is a continuous variable which is normalized to 0 for neutral readers. Both specifications carry very much the same intuition, and will be used interchangeably throughout the paper.

Selection and sentiment of events

To capture the media response on shifts of trade policies, the major challenge to overcome is the endogeneity of events. Specifically, policy shifts can be triggered by media slant, or other omitted variable(s) that affects media slant. To select events that *deliver salient and new information about the progress of the trade negotiation*, I utilize the stock market volatility of trade-war-related securities. To the extent that the efficient market hypothesis holds, that events deliver salient and new information implies that events are not predicted by media's report of human rights of China, or other omitted factors[9]. This directly implies that these events will induce stock market reactions of securies whose returns highly depends on the trade war progress. If an event does not induce any stock market reaction, then this event is predicted, ambiguous, or negligible, which should therefore be dropped.

The selection of candidate events using financial reactions proceeds in three steps. First, I select financial securities that are influenced by the U.S.-China trade dispute during 2018 and 2019. Note that to ensure the validity of the definition of media slant, I exclude three periods when China's human rights issues were officially used to justify trade war decisions: around Sep 10, 2018 when Trump was reported to consider sanctions over Uighur dispute[10]; around the meeting with Chairman Xi Jinping of China in June 2019 at G20 when a massive protest in Hong Kong took place, which was believed a center topic of the G20 Summit[11]; and in October of 2019 when the United States began to impose

[9] See more discussion about this in Section 9.

[10] By then, the "Trump administration [had] confronted China over economic issues the two countries are in the middle of a prolonged trade war but [had] said little about rampant abuses by its security forces" (Wong, 2018).

[11] It is confirmed by US Secretary of State Mike Pompeo, in an interview with Fox News, that he expected President Donald Trump to raise the Hong Kong protests with Xi at the G20 talks on 17 June, 2019. Later on 24 June, Beijing said it wouldn't allow Hong Kong to be brought up at G20. The Vice President Mike Pence's public speech mentioning Chinese human rights was postponed by Trump, which was believed as part of the preparation for the G20 Summit on

multiple sanctions over Hong Kong and Uighur issues[12] (Ordonez, 2019). This is because when human rights are used as a justification for trade decisions by the policy issuer, human rights becomes highly newsworthy around trade war events. Second, I construct a model to calculate the abnormal returns for each stock on each day (Engelberg et al., 2012). Third, I calculate the cumulative abnormal return regarding all possible events and select those events that induce a significant (90% confidence) same-day jump of the cumulative abnormal returns.

To ensure the relevance of the financial securities, I include those United States financial securities that were adversely impacted directly due to the retaliatory sanctions from China. China imposed sanctions mainly in two sectors: agricultural products and automobiles. Correspondingly, I select securities in these two industries. For the agriculture sector, included securities are futures of agricultural commodities[13] and stocks of firms that intensively exported agricultural products to China, such as Archer Daniels Midland Co. and Bunge Ltd. Additionally, heavy agriculture equipment manufacturers, such as Deere & Co and Caterpillar, are also included. For the automobile sector, I include the Winnebago Industries Inc and the Harley-Davidson who traded intensively with China. All the above companies are U.S.-headquartered firms that are believed to be "losers" of the Sino-U.S. trade war (Staff, 2019).

Following the methods of Engelberg et al. (2012), I use Equation 3 to decompose the daily stock market returns of each public company into a market component and an idiocyncratic component. The idiosyncratic component, ϵ_{it}, is also the abnormal return of security i on day t.

$$FirmReturn_{it} = \alpha_i + \beta_i MarketReturn_t + \epsilon_{it} \tag{3}$$

$FirmReturn_{it}$ denotes firm-level stock-market returns of firm i on day t, which is measured by intraday percentage change of daily price. $MarketReturn_t$ denotes the return of the market, captured by the daily percentage change of the S&P500 index.

For a potential event e of interest that occurred on day t_0, the event window to calculate the cumulative abnormal returns is defined as $[t_0 - 4, t_0 + 4]$. The coefficient β_i is estimated using security prices and market prices within $[t - 610, t - 365]$. The cumulative abnormal return for stock i within the event window to time t is the sum of abnormal returns from $t_0 - 4$ up to t. I then average across all N firms the cumulative abnormal return to eliminate the idiocyncratic abnormality. Mathematically:

$$CAR_t = \frac{1}{N} \sum_{i=1}^{N} \sum_{\tau=t_0-4}^{t} \epsilon_{i\tau} \tag{4}$$

There are three categories of events that are potentially of interest: i) bilateral meetings[14]; ii) trade policy updates[15]; iii) presidential tweets. Trade policy updates includes impositions, modifications and

June 29. In spite of the truce achieved at the G20 Summit, on the next day of threatening China with new tariffs on Jul 16, Trump hosted victims of religious persecution at White House, including a "Uighur Muslim victim who claimed the government has locked devotees in concentration camps." On Aug 13, Trump wrote on Twitter that Beijing was moving troops to the border with Hong Kong.

[12] See the government report, "Hong Kong Human Rights and Democracy Act of 2019", 2019, for more details.

[13] I include futures of soybeans, corns, cotton and sugar. These four products are specifically sufferred from retaliatory sanctions imposed by China.

[14] Events of this kind are obtained from ChinaBriefing, 2020.

[15] Events of this kind are obtained from ChinaBriefing, 2020, accompanied by news reports by Reuters, the New York Times and Fox News.

delay of tariffs. Presidential tweets include many tweets by Donald Trump published during 2018 and 2019 that mention China or Chinese officials. For each potential events of interest, I plot the cumulative abnormal return within the 9-day window. Only those that induced a statistically significant jump *on the day* of events are considered as candidates.

For each candidate event, I assign the sentiment by the stock market reaction triggered. Specifically, an event is positive if the cumulative abnormal return jumps from 0 to being significantly positive, and negative if it jumps downwards from 0. I also manually verify that the sentiment of the events is backed up by the narrative sentiment[16] in the way that positive events correspond to a conciliatory policy updates of the Trump Administration or China (or both), meaning that at least one of them strives to reach a deal or reduce/delay tariffs, and that negative events are associated with a hostile policy updates, meaning that either the Trump Administration or China escalates the tension.

Those that both i) induce a statistically significant jump *on the day* of events[17] and ii) have no other significant event of opposite sentiment occurred within the window are considered as candidates. In total there are 22 candidates events. Since selected securities are highly trade-war-related, I assume that they signal the shifts of trade policy or in general any events of bilateral relationship relevance that changes people's expectation of the trade policy. Events with their sentiment not backed up by its narative sentiment are dropped[18].

In the baseline, I analyze 6 positive events and 10 negative events. These are events initiated by the Trump Administration, of which the detailed description is listed in Table A11 and Table A12. As it is unclear that China-initiated policy changes and U.S.-initiated policy changes should trigger media response in the same way, 6 China-initiated events are separately analyzed.

5 Results

5.1 Owners' Political Alignment and Media Slant about China

Positive events induce an overall increase of local newspapers' coverage on human rights issues and nondemocratic features of Chinese governance. Column (1) of Table 1 provides a pre-post comparison of media coverage on China's human rights and nondemocratic features. The positive significant estimate implies that on average, a newspaper will increase its human rights coverage following a

[16]The narative sentiment of events is defined as follows. For i) bilateral meetings, the sentiment are determined by the results of meeting. If a meeting ends up with reaching a deal or further negotiation then the meeting are marked positive. Announcements of rekindling or continuing meetings are considered positive. If a meeting ends up with no deal, then it is marked as negative. Announcements of canceling meetings will be considered negative. For ii) trade policy updates or claims initiated by the United States, the sentiment is defined as follows: imposition, implementation, increasing of tariffs/sanctions are marked negative, and lifts, delays or reductions of tariffs are marked positive. For those claims issued by Trump via tweets, I hired three U.S. voting age citizens to independently determine the sentiment of each tweet. Tweets with all three agreed positive (negative) are regarded as positive (negative), otherwise the sentiment is undetermined.

[17]Suppose an event took place during the weekend, a stock market price jump on the following weekday will be deemed a signal for this event carrying new information. Otherwise, if the stock market price jumps on the next day of an event, then the event will not be considered. This is because I use the intraday stock market return, which responds to any same-day information released. Regarding bilateral talks that lasted for multiple days, the day when stock market price jumps is considered as the day new decision of the meeting is made.

[18]Two events are dropped for this reason. Speaking of the reason for this discrepancy of narrative sentiment and stock market reaction, essentially, how policy changes by the U.S./China affect stock market price depends on investors' expectation about the outcome. Global market response on the policy shifts (see Durisin, 2018 for the case of Jul 6, 2018.), correction of expectations and investors expectation about the counterpart's reaction are all determinants of investors' expectation about the outcome.

positive event by approximately 22.7% the mean coverage intensity.

Relative to those of nonpartisan owners, papers of Republican-leaning owners on average decrease human rights coverage significantly after a positive event, and those of Democratic-leaning owners on average increase their coverage of this type. Suggested by Column (2) of Table 1, nonpartisan owners increase their coverage on human rights issues towards China. On top of this increase, Democratic-leaning owners futher cover significantly more following positive events. While left-wing and middle owners seem to share a consensus of increasing negative coverage about China following positive events, Republican-leaning owners differ by suppressing human rights coverage relative to neutral owners. Papers of Republican-leaning owners publish less by around 27.5% of the average intensity of media slant and papers of Democratic-leaning owners publish more by around 35.6% of the average intensity of slant, compared with middle papers.

This significant different media responses following positive events conditional on ownership remains robust after including various characteristics of readers or adding daily fixed effects. Column (3) controls readers' political stance. Despite the positive correlation of readers' and owners' ideological bias, the effect from owners persists. Column (4) further incorporates daily fixed effects, and demonstrates that controlling for any unobserved nationwide trends does not change β_1 and β_2 significantly. Column (5) further controls other readers' characteristics, including their exposure to import and export tariffs, mean income, share of college degree holders, share of white population, and average age, as well as the number of dailies owned by each parent company. Inclusion of the these additional controls doesn't alter the magnitude and significance of β_1 and β_2 by much. Additionally, readers' exposure to trade tariffs, even though relevant as they sound, have no significant effect on media's responsiveness of human rights coverage.

	(1)	(2)	(3)	(4)	(5)
	HumanRights(Intensity)	HumanRights(Intensity)	HumanRights(Intensity)	HumanRights(Intensity)	HumanRights(Intensity)
Post	1.100***	1.024***	1.274**	5.541*	-0.923
	(0.262)	(0.391)	(0.570)	(3.119)	(13.43)
Owner Dem × Post		1.571**	1.566**	1.635**	1.425**
		(0.703)	(0.697)	(0.688)	(0.685)
Owner Rep × Post		-1.295**	-1.220**	-1.341**	-1.285**
		(0.522)	(0.525)	(0.530)	(0.514)
Reader Dem × Post			-0.116	-0.117	-0.188
			(0.923)	(0.919)	(1.041)
Reader Rep × Post			-0.610	-0.591	-0.371
			(0.533)	(0.535)	(0.565)
Post × Exposure to Export Tariffs					-9.370
					(12.65)
Post × Exposure to Import Tariffs					35.33
					(29.09)
cluster	Newspaper	Newspaper	Newspaper	Newspaper	Newspaper
fixed effects	Newspaper-Event	Newspaper-Event	Newspaper-Event	Newspaper-Event&Day	Newspaper-Event
controls	N	N	N	N	Y
N obs	55728	55728	55728	55728	55728
F stat	45.23	15.13	11.50	3.629	7.403
adj. R2	0.0282	0.0286	0.0286	0.0303	0.0286

Standard errors in parentheses
* $p < .10$, ** $p < .05$, *** $p < .01$

Table 1: Media Reaction on Positive Trade Events

Note: Equation 2a is estimated with 6 positive events listed in Table A11. The dependent variable, the fraction of text about human rights, has been multiplied by 10,000 for illustration purposes. Main regressors of interest are the indicators for owner being Republican-leaning and Democratic-leaning. Control variables include readers' mean income (logged), share of college degree holders, share of white population, average age, and the number of dailies owned by each parent company. Standard errors are clustered at newspaper-level. Column 4 controls daily fixed effects to exclude the effect from national trend.

A similar and symmetric pattern can be found for negative events. As suggested by Column (1) of Table 2, negative events induce all newspapers to increase their reporting on human rights issues and nondemocratic features of China's political system, yet, this increase is not significant. Column (2) suggests that, papers of right-wing owners cover significantly more about China's human rights than nonpartisan owners. The magnitude of such difference is approximately 37.6% of the average intensity of human rights coverage. By contrast, compared with nonpartisan owners, left-wing owners perform a significant downward adjustment of human rights coverage following negative events by around 21.9% of the average intensity. This pattern remains robust after adding readers' political stance (Column 3), daily fixed effects (Column 4), readers' democraphic characteristics and the exposure to import and export tariffs (Column 5).

	(1)	(2)	(3)	(4)	(5)
	HumanRights(Intensity)	HumanRights(Intensity)	HumanRights(Intensity)	HumanRights(Intensity)	HumanRights(Intensity)
Post	0.124	0.301	0.922*	-7.126***	50.27***
	(0.266)	(0.359)	(0.502)	(2.370)	(19.04)
Owner Dem × Post		-1.709***	-1.656***	-1.615***	-2.168***
		(0.632)	(0.620)	(0.617)	(0.680)
Owner Rep × Post		1.292**	1.305**	1.179*	1.169*
		(0.615)	(0.642)	(0.646)	(0.658)
Reader Dem × Post			-1.925**	-1.934**	-1.489
			(0.945)	(0.946)	(1.040)
Reader Rep × Post			-0.791	-0.772	-0.749
			(0.564)	(0.564)	(0.569)
Post × Exposure to Export Tariffs					-12.47
					(15.01)
Post × Exposure to Import Tariffs					-43.72
					(34.08)
cluster	Newspaper	Newspaper	Newspaper	Newspaper	Newspaper
fixed effects	Newspaper-Event	Newspaper-Event	Newspaper-Event	Newspaper-Event&Day	Newspaper-Event
controls	N	N	N	N	Y
N obs	92880	92880	92880	92880	92880
F stat	103.2	36.18	27.75	5.300	17.72
adj. R2	0.0458	0.0460	0.0461	0.0491	0.0462

Standard errors in parentheses

* $p < .10$, ** $p < .05$, *** $p < .01$

Table 2: Media Reaction on Negative Trade Events

Note: Equation 2a is estimated with 10 negative events listed in Table A11. The dependent variable, the fraction of text about human rights, has been multiplied by 10,000 for illustration purposes. Main regressors of interest are the indicators for owner being Republican-leaning and Democratic-leaning. Control variables include readers' mean income (logged), share of college degree holders, share of white population, average age, and the number of dailies owned by each parent company. Standard errors are clustered at newspaper-level. Column 4 controls daily fixed effects to exclude the effect from national trend.

The pattern observed can be most intuitively explained as follows. When the Trump Administration demonstrates conciliation towards China, Republican-leaning papers will report significantly less human rights issues of China than middle owners. When the Trump administration demonstrates hostility to China, Republican-leaning papers will increase human rights coverage by significantly more than middle owners. Since human rights coverage portrays a negative image of China, the behavioral pattern can be interpreted as a spontaneous justification of right-leaning owners with the Trump administration. Moreover, these selected events are barely motivated by the Trump Administration out of China' violations of human rights, if any, so the justification behavior is largely voluntary. The same logic applies to the Democratic-leaning owners: they seem to disapprove Trump's policy voluntarily.

I visualize the media responses within the positive and negative event windows. Illustrated in Figure 1 shows the media responses of Republican-leaning and Democratic-leaning media owners relative to nonpartisan owners, following positive and negative events. The construction of both

figures is based on the estimation of Equation 5:

$$HumanRightsCoverage_{ite} = \alpha_{ie} + \sum_{\substack{\tau=-5 \\ \tau\neq-1}}^{\tau=5} \gamma_\tau OwnerRep_{ie} \times \mathbb{1}_\tau + \sum_{\substack{\tau=-5 \\ \tau\neq-1}}^{\tau=5} \theta_\tau OwnerDem_{ie} \times \mathbb{1}_\tau + u_{ite} \tag{5}$$

where τ represents the relative day ($\tau = 0$ on the day when events took place). I plot γ_τ and θ_τ for τ = -5 to 5. The horizontal axis represent the relative day τ, and the vertical axis measures the difference in human rights coverage between newspapers of partisan owners and the neutral ones on each day τ. Since $\tau = -1$ is taken as the benchmark day, $\gamma_{\tau=-1}$ and $\theta_{\tau=-1}$ are both 0 with no confidence interval plotted.

The visualization shown in Figure 5 justifies the usage of 9 days as the window length of event study. The media responds most intensively in two to three days after the events, and the spikes gradually fade away from the fourth day onwards. To further test the robustness, I perform the same analysis with window length of 7 or 11 days and the results preserve (see Table A21 and Table A22 in Appendix).

Additional, no significant trend or spikes is observed in front of these events, implying that it is unlikely that the pattern is driven by a differential pre-event media coverage conditional on owners' political affinity.

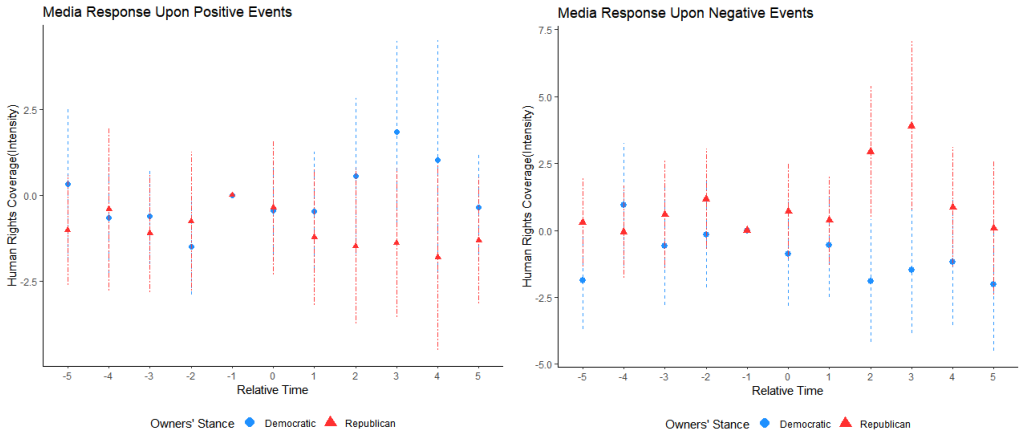

Figure 1: Media Response around Positive (left) and Negative (right) Events

Note: The construction of this plot is based on the estimation of Equation 5 taking $\tau = -1$ as the benchmark day, using 6 positive events and 10 negative events. The window expands 5 days before and after the events, wider than the 9-day window for baseline analysis. γ_τs are the estimated differences of human rights coverage on papers of Republican-leaning owners from middle owners on the relative day τ, and θ_τ for Democratic-leaning owners. γ_τs and θ_τs are plotted with their 95% confidence interval. Errors are clustered at the newspaper level.

5.2 Changes of Ownership due to Mergers and Acquisitions

To causally establish the effect of owners preferences on newspapers responsiveness in media slant, I exploit the mergers and acquisitions in sample period as an exogeneous variation of ownership. There are 37 mergers and acquisitions, involving 58 media firms and 229 dailies.

It is unlikely that the M&A activities were triggered by papers' media responses to trade policy or any local factors that may affect media response. The M&A activities during the sample period are mostly between media giants, in which multiple assets serving different local markets switched their ownership. The subsample of newspapers traded in the M&As are circulated in different locations all around the US. Suggested by the left panel of Figure 4 which illustrates the distribution of readers' political stance of this subsample, the similarity of this distribution with the distribution using the entire sample suggests that these traded dailies may very well be comparable with the nontraded ones. Meanwhile, suggested by the right panel of Figure 4, new ownership after the M&As can be either more conservative or more liberal. This helps address the potential issue of results being driven by single-direction shifts of ownership.

I apply a difference-in-difference framework to study if change of ownership can change newspapers' response in human rights coverage around trade war events, as illustrated in Equation 6. Given positive events, $\Delta HumanRights_{ie}$ captures the pre-post change of human rights coverage around event e by newspaper i. The control group consists of papers that are not (or not yet) traded and the treatment group consists of papers that are already traded. The change of political leaning of owners is captured by $\Delta OwnerRepublican_{ie}$, which is measured by the change of owners' fraction of donation to Republican post an M&A activity. This variable is zero for pre-M&A observations, and turns and stays positive (negative) after the newspaper i is transferred to a more Republican-leaning (Democratic-leaning) owner.

The coefficient of interest is β_1. Given positive/negative events, α_i reflects the media response of newspaper i before the change of ownership, and β_1 captures how the change of owners' partisanship alter the media response to positive events.

$$\Delta HumanRights_{ie} = \alpha_i + \gamma_e + \beta_1 \Delta OwnerRepublican_{ie} + u_{ie} \tag{6}$$

The results are consistent with the main findings: shifting to a more conservative ownership will make a newspapers less critical towards China following positive events, and the opposite is true following negative events. Table 3 lists the results. Column (1) and (3) use all daily newspapers. The negative coefficient in Column (1) suggests that when ownership becomes more conservative, positive events trigger less critical post-event human rights coverage, and the positive coefficient in Column (3) suggests that negative events trigger more. Column (2) and (4) use only the traded dailies[19], with the newspapers not yet traded serving as the control group, and a similar pattern can be found.

6 Robustness Checks

In this section, I present the robustness checks to confirm the human rights reporting pattern as a function of media owners political alignment. I focus on the main parameters of interest: β_1 and β_2 of Equation 2a.

While print media requires at least one day to respond, online media might promptly respond on the days when events occur. To address the potential dispute on whether the main finding is driven by different attention paid by different owners on the day when the events take place, I drop the day

[19]Since most of these transactions are mergers and acquisitions at firm level, errors are clustered at parent firm level.

	Positive Events		Negative Events	
	(1)	(2)	(3)	(4)
	HumanRights(Intensity)	HumanRights(Intensity)	HumanRights(Intensity)	HumanRights(Intensity)
$\Delta OwnerRepublica$	-0.926***	-0.766***	1.816**	1.857**
	(0.200)	(0.191)	(0.702)	(0.707)
cluster	Parent Company	Parent Company	Parent Company	Parent Company
control group	Never Traded	Not Yet Traded	Never Traded	Not Yet Traded
N obs	55728	9450	92880	20340
adj. R2	0.0323	0.0392	0.0488	0.0537

Standard errors in parentheses

* $p < .10$, ** $p < .05$, *** $p < .01$

Table 3: Effect from Owners' Political Stance

Note: β_1 of Equation 6 is estimated and shown above. $\Delta OwnerRepublican_{iet}$ captures the change of political stance of owners due to mergers and acquisitions. It equals 0 when no merger and acquisitions take place, and it is measured by the difference between post-M&A and pre-M&A of owners' political stance. Column (1) and (3) use all dailies in the sample, including those once traded and those never traded during 2018 to 2019. Column (2) and (4) use only the traded dailies. Since most of them changed ownership due to mergers and acquisitions of media giants, suggesting a possible strong correlation among these papers, the standard error is clustered at the parent company level.

when an event occurs. Column (6) of Table A15 and Table A16 list the results. Neither magnitude nor inference of β_1 and β_2 differ much from that of Column (5), indicating that the result is not driven by on-the-day differential attention.

Next, I examine whether the result is driven by a few prominent papers that pay extraordinary attention to China. Column (7) of Table A14 and Table A15 list the results without papers reporting on China the most. Specifically, I drop 22 dailies that exhibit extraordinary more interest in China's human rights or the trade war than the rest, reflected by their particularly higher number of articles that mention such topics. The sign and significance of β_2 still remain, despite the small changes of manitude. Symmetrically, ruling out the 205 newspapers that cover the trade war or China's human rights issues the least (i.e. no articles of this kind was published during the sample period on these dailies) does not alter the statistical pattern, suggested by Column (8) of Table A14 and Table A15. Overall, the relative decrease of human rights coverage among Republican-leaning owners is a shared pattern across the full spectrum of local newspapers. It is not driven by a few highly responsive media outlets, nor is it driven by an unbalanced distribution of irresponsive media outlets.

Is this pattern driven by a subset of selected events only? The 16 events selected can be deemed as 16 independent and repetitive trials to local newspapers. However, due to the lack of enough media coverage on China-related stories there are only a handful of media that cover such topics around each single event. Aggregating the 16 events help tackle the data sparsity problem. Nevertheless, performing event study with respect to each event can help address at least two potential concerns: i) manipulative assignment of sentiment of events and ii) main results being driven by a subset of baseline events.

Suggested by Figure 7, each positive or negative event triggers a similar pattern as discovered in the main results. Figure 7 plots the coefficient on the owners' political leaning (i.e., β_1 in Equation 2b) for each single event with its 95% confidence intervals. All positive events are such that the more Republican-leaning the owners are, the less Chinese-human-rights stories the media will cover. Conversely, all negative events are roughly such that the more Republican-leaning the owners are, the more human rights coverage will be presented[20]

[20]Similarly, Figure 5 and Figure 6 are plotted using estimates of β_1 and β_2 of Equation 2a, representing how Republican-

Is the pattern sensitive to window length? Using the same set of events, Table A20 and Table A21 illustrate that changing to 6- or 10-day window length will not alter the finding of the baseline analysis.

I then examine the sensitivity of results to events selected and their sentiment. The assignment of sentiment is now based on the stock market reaction. 2 events are dropped due to inconsistent stock market reaction and the narrative sentiment. Incorporating them does not vary much the results.

The lack of accurate definition of readership gives rise to an alternative explanation: competition leads to a segmentation of local markets and owners' partisan affinity is correlated with the political stance of the targeted readers. To address this concern, I use a subset of newspapers whose readers lie on the tails of the political spectrum to perform the analysis. Specifically, I use those newspapers that serve local markets with more than 70% votes to either Trump or Hilary. Intuitively, even these local markets are segmented, the political stance of targeted readers and that of the readers of the entire market should not be significantly different. Table A22 in the Appendix implies that for even local markets that can hardly be segmented into readers groups of substantially rivalrous stance, the results still remains, implying that this alternative explanation may not make the main intuition vulnerable.

Changes of ownership because of mergers and acquisitions can correct the bias due to the potential omission of any static readers' characteristic. However, suppose some readers' time-varying characteristics, such as attitudes towards China, are somehow correlated with owners' political stance, then mergers and acquistions fail address this omitted variable bias. Suggested by Section 8, readers' attitudes towards China did change over time, which is correlated with the human rights coverage the readers are exposed to. To address this omitted variable bias, I control for the Google search intensity of China's human rights as a proxy for local public opinion/attention to China's human rights record in the event window. Specifically, I collect the Google Trend data using the set of keywords that measure human rights coverage about China at metropolitan level. For each newspaper, the attitudes/attention of its readers towards China's human rights is captured by the daily average Google Trend intensity within the event window of the metropolitan that contains the counties where it is circulated. Shown in Table A28, controlling for the Google Trend does not alter the main result, yet, Google Trend per se does not predict the human rights coverage consistently. Also, I collect the Google Trend data using "China" as the keyword to proxy the local public attention to China in general. Including this variable does not alter the main pattern either, nor does it predict the human rights coverage.

Finally, to address the concern of cherry picking events, I perform the same analysis using all bilateral talks or policy updates initiated by the Trump Administration. The list of events are based on the ChinaBriefing summary of trade conflict timeline[21]. Events are marked positive or negative according to their nature: shifting to conciliatory foreign policy as positive events and shifting to hostile foreign policy as negative events. Illustrated by Table A26, the pattern is still preserved. Using the discrete measure, Table A27 shows the pattern is mainly driven by the increase of human rights coverage of Democratic-leaning media runners following positive events and Republican-leaning owners following negative events.

leaning and Democratic-leaning owners' reactions differ from that of nonpartisan owners. Each event consistently exhibits the patterns described in Table A14 and Table A15.

[21] See ChinaBriefing, 2020 for detailed list of events.

7 Alternative Explanations

7.1 Suggestive Evidence on Justification

The main finding presented in Section 5 can be most intuitively explained as an effort of justification for (disapproval of) Trump's policy by the Republican(Democratic)-leaning compared to papers owned by median owners. In this section, I present more suggestive evidence on this explanation.

The logic of my approach is as follows. Both justification and disapproval can be viewed as attempts (conscious or unconscious) to persuade the audience in favor of the party they are aligned with, and persuasion is more necessary when i) owners have an opinion (or partisan affinity) and ii) audience disagree with the owners. Neutral owners have ambiguous political affinity and the concept of "persuasion in favor of the aligned party" is clearly inapplicable. Suppose some Republican-leaning newspaper owners consciously or unconsciously try to justify for the policies issued by the Trump Administration. Plausibly, such efforts are less needed when the readers are already supports for Trump than when they are opponents.Symmetrically, disapproval is less necessary when Democratic-leaning owners are faced with opponents for Trump than supporters. This intuition suggests the following hypothesis of interest: the main patterns discovered in Section 5.1 will be accentuated when readers' and owners' political stances disagree, and attenuated when they agree.

To test this hypothesis, I consider the specification in Equation 7. $OwnerRep_{ie}$ and $ReaderRep_i$ are both continuous variables normalized to 0 for centrist stances of owners and readers. The only difference between Equation 2a and Equation 7 is the incorporation of this triple difference: $OwnerRep_{ie} \times ReaderRep_i \times Post_{te}$. Generally, it allows for heterogeneous media strategy facing different readers.

The variable $OwnerRep_{ie} \times ReaderRep_i$ reflects the necessity of persuasion, where $OwnerRep_{ie}$ captures the owners' inclination to persuade and multiplying by $ReaderRep_i$ captures whether the readers' political affinity differs from that of the owners. For newspaper owners who have no clear political stance ($OwnerRep = 0$), this variable equals to zero. The higher the absolute value of $OwnerRep_{ie}$ is, the more politically extreme the owners are and thus the more inclined to persuade readers. $OwnerRep_{ie} \times ReaderRep_i$ is positive when readers' and owners' political stances agree, and negative when they disagree. Suppose readers and owners disagree, the more extreme the readers' are (higher the absolute value of $ReaderRep_i$), the more necessary persuasion is. Hence, we should expect the sign of β_3 to be different from that of β_1.

$$\begin{aligned} HumanRightsCoverage_{ite} =& \alpha_{ie} + \beta_0 Post_{te} \\ &+ \beta_1 OwnerRep_{ie} \times Post_{te} \\ &+ \beta_2 ReaderRep_i \times Post_{te} \\ &+ \beta_3 OwnerRep_{ie} \times ReaderRep_i \times Post_{te} \\ &+ \gamma Z_{it} + u_{ite} \end{aligned} \tag{7}$$

For easy comparison, Table 4 lists the results with and without the triple difference term. Column (1) and Column (3) list results for positive and negative events respectively, estimated using Equation 2b and continuous measures for political affinity[22]. Column (2) and (4), in contrast, present

[22]These are the same with Column (5) of Table A18 and Table A19.

results estimated using Equation (7). β_1 and β_3 are significant and of opposite signs, which is aligned with the intuition that persuasion is more desirable when readers' preferred party differs from that the owners are aligned with.

To disentangle the role of Republican-leaning and Democratic-leaning in persuasion, Table A23 in Appendix further illustrates this regression results using subsamples to separately compare Republican-leaning and Democratic-leaning owners with middle owners. The persuasion is mainly driven by the suppression of human rights coverage by Republican-leaning owners following positive events and Democratic-leaning owners following negative events.

	Positive Events		Negative Events	
	(1)	(2)	(3)	(4)
	HumanRights(Intensity)	HumanRights(Intensity)	HumanRights(Intensity)	HumanRights(Intensity)
Post	0.929	4.872	42.14**	38.67**
	(12.40)	(12.48)	(17.25)	(16.83)
Post × Republican Owners (continous)	-3.194***	-4.136***	3.275***	4.116***
	(0.781)	(0.962)	(0.881)	(1.084)
Post × Republican Readers (continous)	-0.140	-0.0528	0.372	0.306
	(0.443)	(0.415)	(0.442)	(0.453)
Post × Republican Owners (continous) × Republican Readers (continous)		3.123***		-2.776**
		(0.981)		(1.129)
cluster	Newspaper	Newspaper	Newspaper	Newspaper
fixed effects	Newspaper-Event	Newspaper-Event	Newspaper-Event	Newspaper-Event
controls	Y	Y	Y	Y
drop event day	N	N	N	N
N obs	55728	55728	92880	92880
F stat	10.19	9.340	27.64	25.68
adj. R2	0.0286	0.0288	0.0448	0.0449

Standard errors in parentheses
* $p < .10$, ** $p < .05$, *** $p < .01$

Table 4: Media Reaction Readership

Note: Column (1) and Column (3) list results of Equation 2b for positive and negative events respectively. Column (2) and Column (4) show results of Equation 7.

An alternative way to think of the persuasion channel is through the efficiency side: it may be more effective to persuade the swing readers than those with a strong disagreed preferences. This idea motivates another specification, which replace the triple difference term in Equation 7 with the interaction of the pre-post indicator, owner's political leaning and an indicator of if the readers are neutral. The estimation of this specification is shown in Table in the Appendix, which shows that neutral owners are not specially targetted.

7.2 Attention

It is natural to conjecture that a newspaper covers some topics more intensively than others because they pay more attention to these topics than others. However, it is unlikely that media owners' tastes for humanitarianism (or precisely, their attention to human rights about China), alters with foreign policy towards China, especially when baseline events are not officially associated with human rights. Still, the following alternative explanation remains plausible: conservative (liberal) owners pay closer (less) attention to the trade dispute when the policy is negative, and reversely when policy is positive. The pattern of human rights is a by-product of this heterogeneous attention to the trade war.

Do right-wing newspaper owners pay closer attention to the trade war when events are negative and reversely for left-wing newspaper owners? Suppose this is true, then the pattern of human rights coverage reflects owners' different attention to the trade war. Technically, this concern has been addressed as the results in Table 1 and Table 2 have controlled the number of articles mentioning China in the title or first paragraph, as a measure for general attention to China. To address this

issue more carefully, I run the same regression with benchmark events using the coverage intensity of trade-related topics instead of human rights. Naturally, if a newspaper pays more attention to the trade war than others around certain events, then it may also respond by covering more trade-related topics.

From Table 5, following positive events, the papers owned by Democratic-leaning runners exhibit more interests in trade related issues, compared with middle owners, and Republican-leaning owners show less interest. However, the difference betwen papers owned by partisan media owners and neutral ones are not significant. Meanwhile, around negative events, partisan owners tend to exhibit more interest in covering more trade-related issues, yet this pattern is also insignificant. Generally speaking, there is no significant differential attention paid to the trade war progress among dailies of conservative and liberal relative to nonpartisan owners.

	Positive Events		Negative Events	
	(1)	(2)	(3)	(4)
	Trade(Count)	Trade(Intensity)	Trade(Count)	Trade(Intensity)
Post	91.87	27.58	7.516	-2.701
	(67.62)	(35.59)	(58.46)	(31.88)
Owner Dem × Post	3.216	2.647	2.008	0.591
	(2.736)	(1.632)	(2.133)	(1.137)
Owner Rep × Post	-2.142	-0.483	1.818	1.049
	(2.804)	(1.473)	(2.372)	(1.204)
Reader Dem × Post	-3.794	-3.128	0.473	1.526
	(3.725)	(1.938)	(3.383)	(1.857)
Reader Rep × Post	-5.845**	-2.357	5.104**	1.807*
	(2.783)	(1.595)	(2.055)	(1.005)
cluster	Newspaper	Newspaper	Newspaper	Newspaper
fixed effects	Newspaper-Event	Newspaper-Event	Newspaper-Event	Newspaper-Event
controls	Y	Y	Y	Y
N obs	55728	55728	92880	92880
F stat	53.59	53.81	61.05	55.51
adj. R2	0.306	0.251	0.427	0.329

Standard errors in parentheses

* $p < .10$, ** $p < .05$, *** $p < .01$

Table 5: Owners' Attention to Sino-US Trade War

Note: This table lists the results of Equation 2a for positive and negative events. Column (1) and (3) show the estimates using the number of articles as the dependent variable, and Column (2) and (4) show the estimates using the fraction of text about trade-war-related issues. This variable is winzorized. Keywords include names of representatives on both sides, names of products discussed, key decisions made, etc. The specification used in this table corresponds to that of Column (5) of Table 1 and Table 2. For estimation of all specifications, please see Table A24 and Table A25 in Appendix.

7.3 Anti-China sentiment

Another possible explanation of the discovered pattern is that the media owners may impose their attitudes towards China on media coverage, rather than their attitudes towards the Trump Administration. When those positive baseline events took place, while the U.S. demonstrated conciliation, so did China. Symmetrically, hostile policy updates initiated by the U.S. were retaliated almost immediately in equal measure. Following negative events, Republican-leaning media owners may increase human rights coverage about China due to their unsatisfaction towards China's retaliatory actions, and the suppress the negative coverage when China demonstrated compliance with Trump's demands. However, the not compelling part of this alternative story is that why Democratic-leaning owners

react oppositely remains unclear. On the role of China to the U.S., one may expect there to be more agreement across parties than disagreement.

To test how media responds to China, I hereby exploit those events initiated by China. Unlike the baseline analysis, events used here are such that China serves as the "initiator" and America as the "reactor". 5 positive and 1 negative events initiated by China are listed in Table A13. Table 6 illustrates the media response of human rights coverage on China-initiated events. Following a conciliatory policy update initiated by China, there is no significant difference of media responses. Following a hostile policy update initiated by China, papers of both conservative and liberal media runners increase their human rights coverage relative to middle owners. Intuitively, conciliatory policy updates from China induce no substantially different attention among media owners, and hostile policy induce a synchronized increase of human rights coverage among partisan media owners[23].

	(1) HumanRights(Intensity)	(2) HumanRights(Intensity)
Post	12.21	-159.17
	(25.24)	(37.35)
Owner Dem × Post	-0.362	14.527***
	(1.089)	(1.548)
Owner Rep × Post	0.602	12.169***
	(0.995)	(1.473)
Reader Dem × Post	1.139	0.178
	(1.288)	(1.684)
Reader Rep × Post	2.113**	-0.406
	(0.929)	(1.226)
cluster	Newspaper	Newspaper
fixed effects	Newspaper-Event	Newspaper-Event
controls	Y	Y
events	Positive	Negative
N obs	46440	9288
F stat	17.73	2.005
adj. R2	0.0202	0.0601

Standard errors in parentheses
* $p < .10$, ** $p < .05$, *** $p < .01$

Table 6: Owners' Attention to Human Rights of China

Note: This table lists the results of Equation 2a for 5 positive (Column 1) and 1 negative (Column 2) China-initiated events. The list of events can be found in Table 6. Standard errors are clustered at the newspaper level and listed in the brackets.

8 Implications for Public Opinions

How is human rights coverage related to changes of readers' attitude towards China? Without survey data on the attitudes of newspapers' readers, I use the Cooperative Congressional Election Survey (CCES) to capture the attitudes of potential local media readers. The CCES is a national survey conducted in the fall each year of 2017 and 2019 and in Nov of 2018. I aggregate the respondents' attitudes to construct the county-level average support for sanctions on China for each year. For each county, I define the *exposure* to slanted coverage by the cumulative human rights coverage on local dailies circulated in the county. I analyze the correlation between the *exposure* to slanted coverage and

[23]One puzzle that worth mentioning is the significant decrease of human rights coverage among middle owners. One possible explanation is that the neutral ones intensively focus on reporting the China-initiated event per se, leaving the fraction of text about human rights rather small. Still, this result is based on one single event.

the changes of local attitude towards China. For each year, the number of respondents representing a county ranges from 1 to 1148. To ensure enough representation, I keep only 244 counties where more than 40 respondents resided. Nevertheless, to avoid setting an ad hoc limit of the county-level sample size, I also double check by using the full sample with each county weighted by the number of respondents.

8.1 Sentiment towards China

Is higher exposure to human rights coverage associated with an increase of public support for imposing tariffs on China? I estimate Equation 8. For county c, $\Delta SupportSanction_{ct}$ measures the change in local public support for sanctions from the *end* of year $t-1$ to the *end* of year t, where $t = 2018$ or 2019. The construction of this measure is based on a survey question that explicitly asks whether the respondent supports placing tariffs on Chinese imports[24]. $HumanRightsCoverage_{ct}$ captures how much negatively slanted media coverage of China county c is exposed to throughout year t[25].

The set of controls Z_{ct} includes county-level characteristics, such as the county's exposure of import tariffs on Chinese goods and export tariffs imposed by China, fraction of votes to Trump in 2016, mean income (logged), average age, fraction of white population, and state fixed effects. To address the potential concern that respondents' traits changed from year to year, Z_{ct} also contains average personal traits of the respondents, including the voting choice in 2016, ideological preferences, age, education, and family income level. A year fixed effect is included to control for unobserved national trend, and state fixed effects are also included to address other uncaptured enviromental characteristics.

$$\Delta SupportSanction_{ct} = \beta_0 + \beta_1 HumanRightsCoverage_{ct} + \gamma Z_{ct} + \alpha_t + u_{it} \tag{8}$$

At county-level, higher exposure to human rights coverage is associtaed with an increase of public support for "China-bashing" trade policy. Table 7 lists the results. Without adding controls, more slanted coverage is uncorrelated with an increase of public support for tariffs on Chinese goods within a county (Column 1). However, the correlations becomes positive when county-level characteristics are incorporated (Column 2). The positive correlation remains when averaged respondents' personal traits are further included, despite the change of magnitude and the reduction of significance[26] (Column 3). Finally, this result persists using the full sample weighted by the county-level number of respondents (Column 4).

The result can only be interpreted to the extent of a correlation. The major challenge to establish a causal interpretation is the omitted variable bias. Intuitively, slanted coverage about China can be well correlated with coverage about the trade war progress. As a placebo test, I construct a measure to

[24]The corresponding survey question writes: "on the issue of trade, do you support or oppose the following proposed tariffs? $50 billion worth of tariffs on goods imported from China. 1 Support 2 Oppose".

[25]More accurately, it is measured by the sum of human rights coverage across year t up to Nov each year when the survey was conducted and finished.

[26]The changes of magnitude and significance of β_1 after incorporating county-level average personal traits indicate that the respondents' personal traits may systematical differ across counties and is an important factor to determine their attitudes. To address this concern, I first regress respondents' attitudes on various respondents' personal traits and construct an alternative county-level average attitude using the residuals. Column 5 of Table A29 in the Appendix shows that the results still remains with this alternative measure.

	Δ Support for Sanctions on China			
	(1)	(2)	(3)	(4)
HumanRights(Intensity)	0.00342	0.0198***	0.0104*	0.0151***
	(0.00640)	(0.00522)	(0.00612)	(0.00404)
cluster		State	State	State
controls		County-level	Personal&County-level	County-level
fixed effects		State	State	State
weighting	N	N	N	Y
N obs	231	231	231	2154
adj. R2	0.0205	0.295	0.433	0.0441

Standard errors in parentheses

* $p < .10$, ** $p < .05$, *** $p < .01$

Table 7: Correlation of Slanted Coverage and Public Support for Sanctions on China

Note: This table lists results of estimation of equation 8. The dependent variable correponds to the following question from the CCES: "On the issue of trade, do you support or oppose the following proposed tariffs? $50 billion worth of tariffs on goods imported from China. 1 Support 2 Oppose". The 2018 and 2019 survey data was retrieved in November, 2018 and November, 2019 respectively. The construction of the $HumanRightsCoverage_{ct}$ is the summation of fraction of human rights text contained in China-mentioned articles, published on all local newspapers that cover the county c from January, 2018 to November, 2018 for the 2018-wave, and December 2018 to November 2019 for the 2019-wave. Column 2 includes the following county-level characteristics, including the county's exposure of tariffs, support for Trump, average income, average age, fraction of white, fraction of college degree holders, and state fixed effects. County-level variables are logarithmized. Column 3 further controls the averaged respondents' traits: voting choice in 2016, ideological preferences, age, education, and family income level. A year fixed effect is included. Column 4 uses the full sample weighted by the number of respondents resided in each county.

capture the *exposure* to trade-related topics and examine if including this trade coverage will eliminate the significance of β_1. Evidence listed in Table A29 shows that this coverage will not affect the positive significance of β_1.

Note that the coefficient of interest reflects the correlation of the exposure to human rights coverage on the attitudes of survey respondents, who is only known to *reside* in the place where newspapers were circulated. They are not necessarily the readers of any of these newspapers. This implies that the coefficient can be underestimated if readers' attitudes are analyzed.

8.2 Approval for Trump

Meanwhile, human rights coverage in general is associated with an increase in public approval for then President Trump. The construction of change of public attitudes towards Trump follows the same logic as above, using the data corresponding to a question explicitly asking if the respondent approves of the way Trump was doing his job[27]. The empirical strategy follows as well.

Suggested by Table 8, after controlling for both individual and enviromental characteristics, more human rights coverage is associated with an increase of public approval for Trump. Again, the biggest challenge to make a causal inference is the potential omitted variable bias: content about China can be correlated with other coverage that might alter public attitudes towards China. Table A30 in the Appendix shows that including trade-related coverage does not undermine the positive correlation.

[27]The corresponding question in the CCES states: "do you approve or disapprove of the way each is doing their job... ([former] President Trump) 1 Strongly approve 2 Somewhat approve 3 Somewhat disapprove 4 Strongly disapprove 5 Not sure".

	Δ Job Approval for Trump			
	(1)	(2)	(3)	(4)
HumanRights(Intensity)	0.0227	0.0478***	0.0339**	0.0597***
	(0.0185)	(0.0119)	(0.0153)	(0.0132)
cluster		State	State	State
controls		County-level	Personal&County-level	County-level
fixed effects		State	State	State
weighting	N	N	N	Y
N obs	231	231	231	2159
adj. R2	0.0135	0.128	0.263	0.0144

Standard errors in parentheses

* $p < .10$, ** $p < .05$, *** $p < .01$

Table 8: Correlation of Slanted Coverage on Approval for Trump

Note: This table lists results of estimation of Equation 8. The dependent variable correponds to the following question from the CCES: "Do you approve or disapprove of the way each is doing their job... ([former] President Trump) 1 Strongly approve 2 Somewhat approve 3 Somewhat disapprove 4 Strongly disapprove 5 Not sure". This measures is normalized such that 0 represents for "Not sure" and -2 represents for "Strongly disapprove". The 2018 and 2019 survey data was retrieved in November, 2018 and November, 2019 respectively. The construction of the $HumanRightsCoverage_{ct}$ is the summation of fraction of human rights text contained in China-mentioned articles, published on all local newspapers that cover the county c from January, 2018 to November, 2018 for the 2018-wave, and December 2018 to November 2019 for the 2019-wave. Column 2 incorporates county-level characteristics, including the county's exposure of tariffs, support for Trump, average income, average age, fraction of white, fraction of college degree holders, and state fixed effects. County-level variables are logarithmized. Column 3 further includes the following averaged personal traits: voting choice in 2016, ideological preferences, age, education, and family income level. A year fixed effect is included. Column 4 uses the full sample weighted by the number of respondents resided in each county.

9 Discussion

This section discusses the following two methodological contributions of this paper. First, I use stock market reactions to facilitate the selection of events that carry new information. I will discuss the validity of this method. Second, I use the local media responses in a very short time around macroeconomic events to define media slant and highlight an owner-driven mechanism. I will discuss the reasons why this setting and definition reach a conclusion of owner-driven mechanism, as opposed to the reader-driven mechanism that is also supported by empirical evidence.

9.1 Event study algorithm

The selection procedure for exogeneous and salient events is based on the efficient market hypothesis. Efficient market hypothesis states that share prices reflect all information, or in other words, stock market price change cannot be predicted[28]. The dispute on its validity is systematically examined in Malkiel, 2003, which concludes that the stock market is more efficient and less predictable than what its critics believe.

To confirm its validity in this specific research framework, I test if stock market reactions can be predicted by human rights coverage or not. Compared with local media outlets, nationally distributed media sources have more power to trigger financial volatility, both because of their higher efficiency in dispersing relevant information and their potential power to sway policies. I exercise a Granger Causality test on each national media outlet, testing the two following hypotheses: i) its human rights

[28]Intuitively, if share prices on day t already reflect all preexisting knowledge up to time t, and the financial price on time $t + \Delta t$ reflects information up to day $t + \Delta t$, then the change of price from t to $t + \Delta t$ contains the information on day $t + \Delta t$, which is, by definition, the news on $t + \Delta t$ (Timmermann and Granger, 2004).

coverage does not predict price fluctuations of relevant securities; ii) price fluctuations of relevant securities do not predict the media outlet's human rights coverage.

	Media slant does not predict stock price changes		Stock price changes do not predict media slant	
	Returns	Volatility	Returns	Volatility
Fox News	1.1771	0.5020	0.0466	0.0822
The New York Times	1.1329	0.3288	0.2975	0.3355
The Wall Street Journal	0.6499	0.7780	0.6522	2.1170*
Los Angeles Times	0.4783	0.5782	1.0106	0.1991
The Washington Post	1.5091	0.1055	1.1821	0.8814
ABC	0.4819	0.3722	1.4185	0.9881
CNN	0.4911	1.2377	0.3312	2.5055**
New York Post	0.4078	0.6913	1.5278	1.7737

* $p < .10$, ** $p < .05$, *** $p < .01$

Table 9: Predictability of Stock Market Price by Human Rights Coverage

Note: This table displays the F statistics of Granger Causality tests, using the average abnormal returns and the absolute values of average abnormal returns as measures of stock market return and volatility respectively. Order for this Granger test is assigned to be 4 days, consistent with the baseline window length. Two null hypotheses are tested: i) Media slant about China does not predict stock market reactions; ii) Stock market reactions do not predict media slant about China. I measure the media coverage of human rights and trade content with the same sets of keywords used to measure coverage of local newspapers and the same method. For trade-war-related coverage, see Table A31 in Appendix.

I cannot reject the null hypothesis that human rights coverage cannot predict stock price coverage among any of these media organizations. On the contrary, suggested by the significance of the F-stats for the *CNN* and the *Wall Street Journal*, human rights coverage may follow stock market volatility. Generally speaking, I find little evidence on media slant reversely causing abnormal financial mobility.

While testing the predictive power of *all* omitted trends is impossible, Google Trends, as a proxy of local public attention, makes it possible to test if public attention on relevant aspects of China predicts financial price fluctuations. I collect Google Trends searching intensity data for the following three topics: i) human rights and nondemocratic governance from the perspectives of Western societies; ii) trade war; iii) China (see the full list of keywords in the Appendix).

Table 10 shows the F-stat of the Granger Causality tests of the following two hypotheses: for each of the three above topics, i) Google Trend does not predict price fluctuations of relevant securities; ii) price fluctuations of relevant securities do not predict Google Trend. Suggested by the insignificant F-stat, I cannot reject the null hypothesis that the Google Trend of any of the three topics does not predict abnormal returns of relevant securities. Meanwhile, there is also little evidence on Google Trends following price fluctuations. Generally speaking, I find little evidence on Google Trends, as a proxy of public attention, predicting stock market reaction.

9.2 Readers vs Owners

The results illustrate an owner-driven mechanism in determining media slant, whereas the readers' effect does not appear to important, in contrast to the existing overwhelming evidence on the role of readers' preferences. In this section, I discuss and present evidence to account for this difference of roles played by readers versus owners on determining media slant, taking the results from Shapiro and Gentzkow (2010) as a benchmark (M. Gentzkow and Shapiro, 2010). There are at least four possible explanations for such differences. All these possibilities are compatible to allow coexistence with each other. Note that all the papers cited below use media outlets in the United States as subjects of study.

	Google Trends do not predict stock price changes		Stock price changes do not predict Google Trends	
	Returns	Volatility	Returns	Volatility
Human Rights	1.3493	0.7889	0.2364	0.5847
Trade War	0.4002	1.1120	0.4441	1.4676
China	0.5364	2.0124	1.0564	0.1662

* $p < .10$, ** $p < .05$, *** $p < .01$

Table 10: Predictability of Stock Market Price by Google Trends

Note: This table displays the F statistics of Granger Causality tests, using the average abnormal returns and the absolute values of average abnormal returns as measures of stock market return and volatility respectively. Order for this Granger test is assigned to be 4 days, consistent with the baseline window length. Two null hypotheses are tested: i) Google Trends do not predict stock market reactions; ii) stock market reactions do not predict Google Trends. Google Trends are extracted using three sets of keywords: 1) keywords about human rights issues of China and nondemocratic features of China's governance from the Western perspectives 2) keywords about China's trade war 3) "China". Seasonality of Google Trends has been deleted by removing the weekday fixed effects.

Firstly, media coverage on topics directly related to foreign countries may be determined by an editorial decision-making process that is different from that for the coverage of domestic topics. Because of the difficulty of verify, the public is likely to hold a weak stand and ambiguous prior knowledge about foreign issues, not to mention that foreign affairs generally appeal less to the public than domestic affairs which are more intimate to their daily life. Therefore, catering to readers on foreign issues is less effective on building reputation than on domestic issues, which reduces the importance of reader's preferences on media slant on foreign issues. Also, while local editors may easily acquire local information to write reports, they may need to rely more on the parent company to publish articles about national or international affairs, hence exaggerating the influence from owners' preferences.

The second possibility is the period of study. While the Gentzkow and Shapiro's main conclusion was drawn using data comprised of news publised in 2005, this paper exploits media publications in 2018 and 2019. At least two social aspects could have changed over these years: market condition and polarization. From 2005 to 2019, many media outlets have been sold to billionaires who might seek for more political influence (Hooker, 2018). Besides, the United States has witnessed an increasing trend of polarization over the last decades (Center, 2014; Martin and Yurukoglu, 2017). As the dichotomy between the conservative and the liberal grows, the severity of political squading might also rises, in the way that it might stimulate the media owners to express their views on a wider range of issues - even those unrelated to ideology per se. That being said, despite the evolution of market structure of ownership and polarization, evidence on owners imposing influence on media coverage straddles centuries. (Ottinger and Winkler, 2020; Larcinese et al., 2011)

Third, all the above papers mentioned suggest the importance of matching preferences of readers and owners with topics of media coverage. It is possible that owners' political stance does not directly influence partisan lexical usage (M. Gentzkow and Shapiro, 2010), but rather on media coverage of topics that are equivocally related to partisan differences, such as economic conditions, racial conflicts, and foreign issues (Ottinger and Winkler, 2020; Larcinese et al., 2011).

Last but not least, the difference can be rooted in the definition of media slant. While most research adopts a cumulative measure of media slant using news coverage over a sufficiently long time span, mine is based on media responsiveness in a very short time. Short-term editorial decision may vastly differ from a long-term one. The most compelling reader-driven mechanism, built by Gentzkow and Shapiro, is essentially a reputation-builidng behavior of media, which is naturally relevant more in the long run than in the short run. In contrast, mechanisms proposed for agenda-setting/building

behaviors can work intuitively both in the long run and in the short run.

10 Conclusion

This paper examines if media slant about foreign countries is owner-driven. Using the Sino-US trade conflict, I inspect the negatively slanted coverage about China, measured by the intensity of coverage on China's human rights issues and nondemocratic features of Chinese governance from Western perspectives, in local U.S. newspapers. This media slant is itself of importance, as it may contribute to the growing anti-China sentiment across the United States. Moreover, it is a new definition based on media responsiveness within a very short time (9 days) around trade war events, which can shed new light on understanding the roles of owners and readers in determining media slant.

In this paper, I document an important role played by the media owners in determining this media slant. Specifically, Republican-leaning owners are significantly more likely to alter their coverage of human rights issues in ways that support the Trump Administration, and the opposite is true for Democratic-leaning owners. I exploit the change of ownership due to mergers and acquisitions activities to establish causal interpretation of owners' preferences on media slant. On the consequence of media slant about China, I find that higher exposure to media slant is correlated with an increase of public support for "China-bashing" trade policy and Trump.

This paper can be extended in at least two ways. First, by replicating the same exercise under another presidency, one can possibly clarify if the pattern is driven by an alignment with incumbency. Specifically, the same analysis can be applied to the successor - the Biden Administration, and an opposite pattern is expected if the alignment mechanism is true. However, one must overcome several challenges to replicate this exercise using post-2019 data. First, during the Biden Administration, China-related diplomatic events are highly associated with Chinese human rights record. Second, the tariff policy is much inherited from the Trump Administration, meaning that updates of trade policy might suggest less wills of the incumbent government. Third, the Biden Administration overlaps the outbreak of Covid-19, which might alter either the public sentiment towards China or news coverage about China, or both. These features of the Biden-period China policy less comparable with that during the Trump Administration.

Secondly, even when the above mechanism is confirmed, it is worth exploring the reason behind any alignment. Szeidl et al. (2021) has recorded a pro-government reporting of political scandals due to both ideological alignment and business connection (Szeidl and Szucs, 2021). In this context, one needs to collect data on business connections between media firms and the Trump Administration (or Donald Trump personally) to distinguish ideological preferences from business connections.

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A Quantify media content

The keywords are listed according to the subtopics of World Report 2018 and World Report 2019 about China, issued by the Human Rights Watch.

Human Rights Defenders quan*zhang*, human right*, human*right*, liu xiaobo*, nobel peace, jiang tianyong*, wu gan*, su changlan*, huang qi*, wei jingsheng, ming*che, joshua wong*, Activists missing, Gui minhai*, li wangyang*, wang meiyu*, Ji Sizun*, bian xiaohui*, cao haibo*, Cao shunli*, chang boyang*, chen bing*, Ai weiwei*, chen guangcheng*, chen jianfang*, chen kegui*, chen shuqing*, chen wei*, chen xi*, chen yunfei*, cheng yuan*, choedar*, nathan lo, lu guang*, nazi*, facism, Li Baiguang*, Jiang Tao, zhou fengsuo*, tiananmen, falun, cultural revolution*, human right*, tank*man, tank man.

Freedom of Expression censor*, propaganda, disinformation, state*run, great firewall*, freedom* of speech*, free speech*, repressive society*, Wall* off the Internet, kill* internet*, kill* the internet*, control* the internet, control* internet, control* info*, internet control*, great firewall*

Hong Kong pro-democracy, peaceful protest, freedom, erosion

Xinjiang/Freedom of Religion uighur*, uyghur*, uigure*, Uyghar*, detainee, detention, concentra* camp*, edu* camp*, re*edu* camp*, internment camp*, detention camp*, brainwash*, brain*wash*, xinjiang document*, crackdown on muslim*,crackdown on Islam*, xinjiang camp*, crackdown on religion*, crackdown religion, crackdownon religion, xinjiang camp*, muslim minorit*, mosque*, muslim*minorit*, muslim majorit*, major*muslim

Tibet dalai*

Womens and Girls Rights one-child policy

Governance communist*, communism*, authorita*, dictator*, soviet*, Mao, Maoist, Mao's, winnie*the*pooh, autocratic*, autocracy*, orwell*, winnie the pooh, pooh bear, term limit*, surveillance regime*, totalitar*, red china, red army, pro-democra*, socialis*, fascism, political prisoner*, red guard, Mao Zedong*, mao tse tung*, mao tse*tung*, great leap forward.

These keywords mark 8587 articles about China's human rights issues or nondemocratic governance from the Western perspective, out of 71840 total number of articles that mention China in the title or the leading paragraph. Additional, to calculate the intensity, I further incorporate the following keywords:

Complementary Keywords savage, massacre*, victim, dark cloud, poverty, free, freedom, red flag, miseducated, stupid, genocid*, emperor*, slave*, prosecut*, persecut*, tortur*, dalai*, free*, coercive, murder*, starv*, detain*, detention, interrogat*, death*, protest*, arrest*, suppress*, repress*, oppress*, starv*, minorit*, majorit*, discriminat*, dalai, crackdown, crack* down, liberty*, cult, *democratic, *democracy, erosion, bullies, corrupt, evil, devil, cruelty, fear, ordeal, burn* bible*, destroy* bible*, Joint Declaration, ruthless, activist*, anarchy, arbitrary arrest*, abuse*, extrajudicial, imprison*, disappearance*, hostage, social* credit*, havoc ,wreak*, unhealth*, controvers*, hypocrisy, emperor*"

Note that these keywords will only be used to calculate coverage intensity when an article is marked about human rights issues.

To measure the trade war coverage, the following keywords are used:

Trade War auto tax, fentanyl, trade deficit*, Liu He*, trade*, Lighthizer*, Mnuchin*, Steven Mnuchin*, Trade Representative*, Treasury Secretary*, ZTE, telecom* giant*, tiktok, negotiat*, soybean*, tariff*, WTO, anti*satellite, Huawei, trade war, trade truce, truce, bilateral talk, cyberespionage

B Events

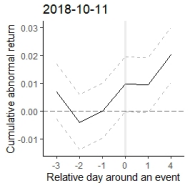
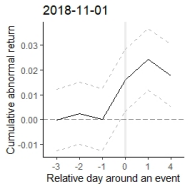
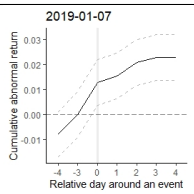
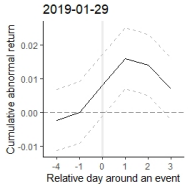
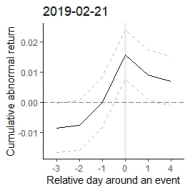
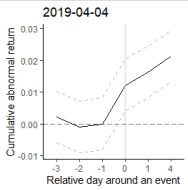
Date	Event Description	CAR
11oct2018	Trump and China's Xi to meet in bid to end trade war tensions.	
1nov2018	Former President Donald Trump has a "long and very good" conversation with Chairman Xi. Regarding this conversation, Trump tweets "We talked about many subjects, with a heavy emphasisis on trade. Those discussions are moving along nicely with meetings being scheduled at the G-20 in Argentina."	
7jan2019	U.S. and China engage in 3-day trade talks in Beijing from Jan 7 to 9. Both sides have agreed to continue to keep in close contact.	
29jan2019	From Jan 30th to 31st, U.S. and China hold 2-day trade talks in Washington D.C. Trump announces that he will meet with Xi inperson in February.	
21feb2019	U.S. and China hold trade talks in Washington during Feb 21st to 24th. Trump extends tariff deadline.	
4apr2019	U.S. and China hold trade talks in Washington. Negotiators from both sides agree to continue talks the following week.	

Table A11: Positive Events

Note: This table lists all the positive events. Description of events are extracted from ChinaBriefing, 2020. Cumulative abnormal returns around each return is constructed by the estimation of Equation 3 and Equation 4. The horizontal axis denotes the relative day around the events, ranging from -4 to 4. Some days are dropped due to missing observations. For each point, the 90% confidence interval is plotted. The standard deviation is constructed using abnormal returns throughout 2018 and 2019.

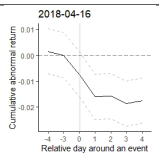
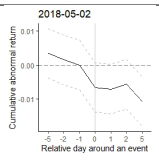
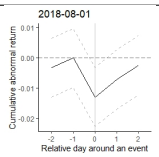
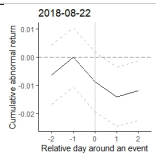
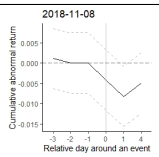
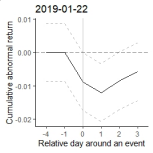
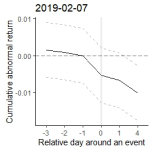
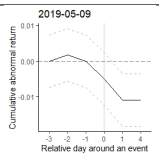
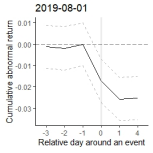
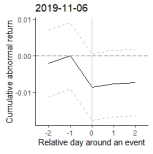
Date	Event Description	CAR
16apr2018	U.S. department of Commerce concludes that Chinese telecom company ZTE voilated U.S. sanctions. U.S. companies are banned from doing business with ZTE for seven years. Trump claims that China is devaluating its currency as U.S. keeps raising interest rates.	
2may2018	U.S.-China engage in trade talks in Beijing. U.S. demands that China reduce the trade gap by $200 billion within two years.	
1aug2018	The USTR, at the direction of Trump, considers a 25 percent tariff rather than a 10 percent one on List 3, which was originally announced on July 10, 2018.	
22aug2018	U.S. and Chinese mid-level representatives meet from Aug 22nd to 23rd.	
8nov2018	U.S. accuses China of violating bilateral antihacking deal.	
22jan2019	US cancels preparatory talks with China	
7feb2019	Trump says he will not meet with Xi before trade deal deadline.	
9may2019	U.S. increases tariff from 10 percent to 25 percent. Trump threatened to raise tariffs on May 5th, and on May 9th, Customs published an annoucement claiming that the increase of tariffs would be implemented the very next day as scheduled.	
1aug2019	Trump says that U.S. would impose 10 percent tariffs on another US$300 billion of Chinese goods starting September 1.	
6nov2019	US and China talk tariff rollback.	

Table A12: Negative Events

Note: This table lists all the negative events. Description of events are extracted from ChinaBriefing, 2020. Cumulative abnormal returns around each return is constructed by the estimation of Equation 3 and Equation 4. The horizontal axis denotes the relative day around the events, ranging from -4 to 4. Some days are dropped due to missing observations. For each point, the 90% confidence interval is plotted. The standard deviation is constructed using abnormal returns throughout 2018 and 2019.

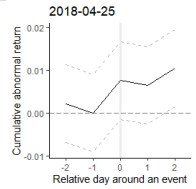
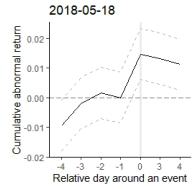
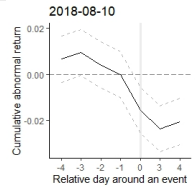
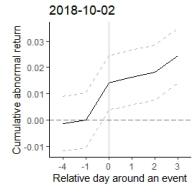
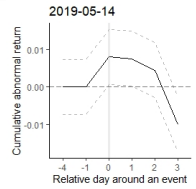
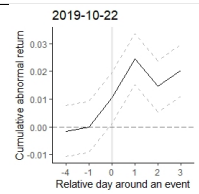
Date	Event Description	CAR
25apr2018	China accepts the invitation from the U.S. to talk over the WTO.	
18may2018	Chinas Commerce Ministry announces that it will stop tariffs on US sorghum at negotiations.	
10aug2018	US Navy plane is warned by over South China Sea to "leave immediately".	
2oct2018	American and Chinese warships narrowly avoid high-seas collision.	
13may2019	China announces tariff hikes on U.S. products, and meanwhile China launches tariff exemption system. Three days later, US places Huawei on its 'entity list', banning it from purchasing from US companies.	
21oct2019	China asks the WTO for $2.4 billion sanctions against the USA.	

Table A13: China-initiated events

Note: This table lists all the China-initiated events. Description of events are extracted from ChinaBriefing, 2020. Cumulative abnormal returns around each return is constructed by the estimation of Equation 3 and Equation 4. The horizontal axis denotes the relative day around the events, ranging from -4 to 4. Some days are dropped due to missing observations. For each point, the 90% confidence interval is plotted. The standard deviation is constructed using abnormal returns throughout 2018 and 2019.

C Regression Tables

	(1) HumanRights(Intensity)	(2) HumanRights(Intensity)	(3) HumanRights(Intensity)	(4) HumanRights(Intensity)	(5) HumanRights(Intensity)	(6) HumanRights(Intensity)	(7) HumanRights(Intensity)	(8) HumanRights(Intensity)
Post	1.100***	1.024***	1.274**	5.541*	-0.923	1.973	-15.22	0.117
	(0.262)	(0.391)	(0.570)	(3.119)	(13.43)	(14.20)	(18.13)	(13.12)
Owner Dem × Post		1.571**	1.566**	1.635**	1.425**	1.394**	1.369*	1.881***
		(0.703)	(0.697)	(0.688)	(0.685)	(0.698)	(0.822)	(0.660)
Owner Rep × Post		-1.295**	-1.220**	-1.341**	-1.285**	-1.322**	-1.878***	-0.807*
		(0.522)	(0.525)	(0.530)	(0.514)	(0.554)	(0.667)	(0.430)
Reader Dem × Post			-0.116	-0.117	-0.188	-0.337	0.294	0.167
			(0.923)	(0.919)	(1.041)	(1.074)	(1.311)	(1.018)
Reader Rep × Post			-0.610	-0.591	-0.371	-0.283	-0.236	-0.129
			(0.533)	(0.535)	(0.565)	(0.581)	(0.660)	(0.542)
Post × Log Mean Income					0.102	-0.191	1.426	-0.0412
					(1.277)	(1.348)	(1.725)	(1.241)
Post × Exposure to Export Tariffs					-9.370	-10.59	-8.006	-10.81
					(12.65)	(12.88)	(16.08)	(12.43)
Post × Exposure to Import Tariffs					35.33	29.66	49.14	34.39
					(29.09)	(31.14)	(37.54)	(25.32)
Post × Share of College Degree Holders					0.0240	0.0438	-0.00955	0.0338
					(0.0752)	(0.0788)	(0.0939)	(0.0751)
cluster	Newspaper	Newspaper	Newspaper	Newspaper	Newspaper	Newspaper	Newspaper	Newspaper
fixed effects	Newspaper-Event&Day	Newspaper-Event&Day	Newspaper-Event&Day	Newspaper-Event&Day	Newspaper-Event&Day	Newspaper-Event&Day	Newspaper-Event&Day	Newspaper-Event&Day
controls	N	N	N	N	Y	Y	Y	Y
drop event day	N	N	N	N	N	Y	N	N
drop papers discussing China the most	N	N	N	N	N	N	N	Y
drop papers never discussing China	N	N	N	N	N	N	Y	N
N obs	55728	55728	55728	55728	55728	49536	44658	54540
F stat	45.23	15.13	11.50	3.629	7.403	6.745	7.365	7.007
adj. R2	0.0282	0.0286	0.0286	0.0303	0.0286	0.0280	0.0290	0.0324

Standard errors in parentheses

* $p < .10$, ** $p < .05$, *** $p < .01$

Table A14: Media Reaction on Positive Trade Events

s *Note*: Equation 2a is estimated with 6 positive events listed in Table A11. The dependent variable, the fraction of text about human rights, has been multiplied by 10,000 for illustration purposes. Main regressors of interest are the indicators for owner being Republican-leaning and Democratic-leaning. Control variables include readers' political stance, mean income (logged), exposure to import and export tariffs, share of college degree holders and number of newspapers owned by a media company. Standard errors are clustered at newspaper-level. To test robustness of results, Column 4 controls daily fixed effects to exclude the effect from national trend, Column 6 drops observations on the day when the events took place, Column 7 drops newspapers that cover China the least and Column 8 drops those papers that cover China the most.

	(1) HumanRights(Intensity)	(2) HumanRights(Intensity)	(3) HumanRights(Intensity)	(4) HumanRights(Intensity)	(5) HumanRights(Intensity)	(6) HumanRights(Intensity)	(7) HumanRights(Intensity)	(8) HumanRights(Intensity)
Post	0.124	0.301	0.922*	-7.126***	50.27***	55.55***	74.73***	46.74**
	(0.266)	(0.359)	(0.502)	(2.370)	(19.04)	(19.96)	(26.33)	(18.76)
Owner Dem × Post		-1.709***	-1.656***	-1.615***	-2.168***	-2.533***	-2.391***	-1.679***
		(0.632)	(0.620)	(0.617)	(0.680)	(0.732)	(0.802)	(0.616)
Owner Rep × Post		1.292**	1.305**	1.179*	1.169*	0.961	1.682**	1.145*
		(0.615)	(0.642)	(0.646)	(0.658)	(0.672)	(0.802)	(0.617)
Reader Dem × Post			-1.925**	-1.934**	-1.489	-1.596	-2.014	-2.204**
			(0.945)	(0.946)	(1.040)	(1.113)	(1.328)	(1.011)
Reader Rep × Post			-0.791	-0.772	-0.749	-0.664	-0.987	-0.733
			(0.564)	(0.564)	(0.569)	(0.605)	(0.673)	(0.517)
Post × Log Mean Income					-4.676***	-5.159***	-6.941***	-4.356**
					(1.774)	(1.864)	(2.451)	(1.745)
Post × Exposure to Export Tariffs					-12.47	-15.05	-15.16	-13.70
					(15.01)	(16.44)	(19.15)	(14.81)
Post × Exposure to Import Tariffs					-43.72	-46.51	-55.92	-38.01
					(34.08)	(38.32)	(43.83)	(32.65)
Post × Share of College Degree Holders					0.181**	0.199**	0.243**	0.189**
					(0.0811)	(0.0870)	(0.102)	(0.0790)
cluster	Newspaper	Newspaper	Newspaper	Newspaper	Newspaper	Newspaper	Newspaper	Newspaper
fixed effects	Newspaper-Event&Day	Newspaper-Event&Day	Newspaper-Event&Day	Newspaper-Event&Day	Newspaper-Event&Day	Newspaper-Event&Day	Newspaper-Event&Day	Newspaper-Event&Day
controls	N	N	N	N	Y	Y	Y	Y
drop event day	N	N	N	N	N	Y	N	N
drop papers discussing China the most	N	N	N	N	N	N	N	Y
drop papers never discussing China	N	N	N	N	N	N	Y	N
N obs	92880	92880	92880	92880	92880	82560	74430	90900
F stat	103.2	36.18	27.75	5.300	17.72	15.60	17.69	15.09
adj. R2	0.0458	0.0460	0.0461	0.0491	0.0462	0.0450	0.0469	0.0536

Standard errors in parentheses

* $p < .10$, ** $p < .05$, *** $p < .01$

Table A15: Media Reaction on Negative Trade Events

Note: Equation 2a is estimated with 10 negative events listed in Table A12. The dependent variable, the fraction of text about human rights, has been multiplied by 10,000 to for illustration purposes. Main regressors of interest are the indicators for owner being Republican-leaning and Democratic-leaning. Control variables include readers' political stance, mean income (logged), exposure to import and export tariffs, share of college degree holders and number of newspapers owned by a media company. Standard errors are clustered at newspaper-level. To test robustness of results, Column 4 controls daily fixed effects to exclude the effect from national trend, Column 6 drops observations on the day when the events took place, Column 7 drops newspapers that cover China the least and Column 8 drops those papers that cover China the most.

	(1) HumanRights(Count)	(2) HumanRights(Count)	(3) HumanRights(Count)	(4) HumanRights(Count)	(5) HumanRights(Count)	(6) HumanRights(Count)	(7) HumanRights(Count)	(8) HumanRights(Count)
Post	0.881	1.569*	1.887*	0.993	55.54	59.46*	70.70	37.43
	(0.600)	(0.802)	(1.103)	(4.263)	(34.63)	(36.06)	(49.14)	(32.15)
Owner Dem × Post		1.166	1.185	1.227	1.152	1.031	1.377	1.662
		(1.314)	(1.313)	(1.320)	(1.477)	(1.474)	(1.837)	(1.337)
Owner Rep × Post		-2.737**	-2.746*	-2.843**	-2.696*	-2.207	-3.257	-2.285**
		(1.394)	(1.449)	(1.438)	(1.619)	(1.694)	(2.009)	(1.120)
Reader Dem × Post			-0.995	-0.993	-0.594	-1.067	-0.568	0.235
			(1.905)	(1.903)	(2.005)	(2.041)	(2.623)	(1.748)
Reader Rep × Post			-0.381	-0.367	0.435	0.283	0.696	1.349
			(1.334)	(1.335)	(1.286)	(1.334)	(1.540)	(1.158)
Post × Log Mean Income					-5.407*	-5.790*	-6.921	-3.817
					(3.272)	(3.390)	(4.627)	(3.053)
Post × Exposure to Export Tariffs					14.00	8.296	23.91	10.51
					(28.43)	(27.89)	(36.94)	(26.24)
Post × Exposure to Import Tariffs					101.6	72.09	138.4	105.5*
					(71.68)	(73.36)	(93.33)	(57.81)
Post × Share of College Degree Holders					0.301*	0.338*	0.377*	0.290*
					(0.177)	(0.176)	(0.227)	(0.164)
cluster	Newspaper	Newspaper	Newspaper	Newspaper	Newspaper	Newspaper	Newspaper	Newspaper
fixed effects	Newspaper-Event	Newspaper-Event	Newspaper-Event	Newspaper-Event&Day	Newspaper-Event	Newspaper-Event	Newspaper-Event	Newspaper-Event
controls	N	N	N	N	Y	Y	Y	Y
drop event day	N	N	N	N	N	Y	N	N
drop papers discussing China the most	N	N	N	N	N	N	N	Y
drop papers never discussing China	N	N	N	N	N	N	Y	N
N obs	55728	55728	55728	55728	55728	49536	44658	54540
F stat	90.03	30.43	23.15	4.738	14.73	13.47	14.72	11.35
adj. R2	0.0780	0.0782	0.0782	0.0796	0.0782	0.0790	0.0789	0.0758

Standard errors in parentheses

* $p < .10$, ** $p < .05$, *** $p < .01$

Table A16: Media Reaction on Positive Trade Events

Note: Equation 2a is estimated with 6 positive events listed in Table A11. The dependent variable, the number of articles mentioning Chinese human rights issues, has been multiplied by 1,000 for illustration purposes. Main regressors of interest are the indicators for owner being Republican-leaning and Democratic-leaning. Control variables include readers' political stance, mean income (logged), exposure to import and export tariffs, share of college degree holders and number of newspapers owned by a media company. Standard errors are clustered at newspaper-level. To test robustness of results, Column 4 controls daily fixed effects to exclude the effect from national trend, Column 6 drops observations on the day when the events took place, Column 7 drops newspapers that cover China the least and Column 8 drops those papers that cover China the most.

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
	HumanRights(Count)	HumanRights(Count)	HumanRights(Count)	HumanRights(Count)	HumanRights(Count)	HumanRights(Count)	HumanRights(Count)	HumanRights(Count)
Post	-0.211	-1.006	-0.432	-13.13***	86.07**	88.90**	129.7**	70.23*
	(0.556)	(0.759)	(1.040)	(3.972)	(38.23)	(39.81)	(53.86)	(36.96)
Owner Dem × Post		-2.359*	-2.306*	-2.147*	-2.744**	-1.940	-3.004*	-1.748
		(1.238)	(1.228)	(1.215)	(1.378)	(1.421)	(1.640)	(1.305)
Owner Rep × Post		5.029***	5.032***	4.788***	4.916***	5.399***	6.354***	5.506***
		(1.410)	(1.475)	(1.480)	(1.523)	(1.544)	(1.858)	(1.351)
Reader Dem × Post			-1.861	-1.884	-1.284	-0.751	-1.903	-1.582
			(1.713)	(1.716)	(1.882)	(1.967)	(2.365)	(1.767)
Reader Rep × Post			-0.695	-0.654	-0.243	-0.326	-0.537	-0.111
			(1.271)	(1.272)	(1.265)	(1.284)	(1.504)	(1.114)
Post × Log Mean Income					-8.117**	-8.283**	-12.19**	-6.712*
					(3.594)	(3.749)	(5.050)	(3.470)
Post × Exposure to Export Tariffs					-31.63	-45.29	-37.85	-32.00
					(28.29)	(29.95)	(36.32)	(26.92)
Post × Exposure to Import Tariffs					-77.29	-93.06	-101.2	-49.25
					(67.42)	(71.69)	(86.86)	(59.01)
Post × Share of College Degree Holders					0.353**	0.365**	0.476**	0.367**
					(0.164)	(0.174)	(0.208)	(0.157)
cluster	Newspaper	Newspaper	Newspaper	Newspaper	Newspaper	Newspaper	Newspaper	Newspaper
fixed effects	Newspaper-Event	Newspaper-Event	Newspaper-Event	Newspaper-Event&Day	Newspaper-Event	Newspaper-Event	Newspaper-Event	Newspaper-Event
controls	N	N	N	N	Y	Y	Y	Y
drop event day	N	N	N	N	N	Y	N	N
drop papers discussing China the most	N	N	N	N	N	N	N	Y
drop papers never discussing China	N	N	N	N	N	N	Y	N
N obs	92880	92880	92880	92880	92880	82560	74430	90900
F stat	204.2	70.27	52.72	7.817	33.07	27.47	33.03	25.77
adj. R2	0.113	0.113	0.113	0.118	0.113	0.109	0.115	0.117

Standard errors in parentheses

* $p < .10$, ** $p < .05$, *** $p < .01$

Table A17: Media Reaction on Negative Trade Events

Note: Equation 2a is estimated with 10 negative events listed inTable A12plied by 1,000 for illustration purposes. Main regressors of interest are the indicators for owner being Republican-leaning and Democratic-leaning. Control variables include readers' political stance, mean income (logged), exposure to import and export tariffs, share of college degree holders and number of newspapers owned by a media company. Standard errors are clustered at newspaper-level. To test robustness of results, Column 4 controls daily fixed effects to exclude the effect from national trend, Column 6 drops observations on the day when the events took place, Column 7 drops newspapers that cover China the least and Column 8 drops those papers that cover China the most.

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
	HumanRights(Intensity)	HumanRights(Intensity)	HumanRights(Intensity)	HumanRights(Intensity)	HumanRights(Intensity)	HumanRights(Intensity)	HumanRights(Intensity)	HumanRights(Intensity)
Post	1.100***	1.072***	1.160***	0.591	1.451	4.354	-14.19	3.381
	(0.262)	(0.257)	(0.313)	(2.126)	(12.39)	(13.17)	(17.86)	(12.05)
Post × Republican Owners (continous)		-3.424***	-3.312***	-3.473***	-3.216***	-3.176***	-3.843***	-3.155***
		(0.812)	(0.793)	(0.774)	(0.783)	(0.839)	(0.933)	(0.758)
Post × Republican Readers (continous)			-0.299	-0.288	-0.159	-0.00895	-0.200	-0.236
			(0.328)	(0.326)	(0.446)	(0.461)	(0.559)	(0.447)
Post × Log Mean Income					-0.117	-0.424	1.338	-0.291
					(1.168)	(1.240)	(1.686)	(1.128)
Post × Exposure to Export Tariffs					-8.838	-10.17	-7.092	-10.17
					(12.57)	(12.81)	(16.03)	(12.36)
Post × Exposure to Import Tariffs					37.21	32.00	47.83	34.87
					(29.09)	(31.34)	(37.39)	(24.94)
Post × Share of College Degree Holders					0.0236	0.0491	-0.0138	0.0237
					(0.0777)	(0.0818)	(0.0969)	(0.0768)
cluster	Newspaper	Newspaper	Newspaper	Newspaper	Newspaper	Newspaper	Newspaper	Newspaper
fixed effects	Newspaper-Event&Day	Newspaper-Event&Day	Newspaper-Event&Day	Newspaper-Event&Day	Newspaper-Event&Day	Newspaper-Event&Day	Newspaper-Event&Day	Newspaper-Event&Day
controls	N	N	N	N	Y	Y	Y	Y
drop event day	N	N	N	N	N	Y	N	N
drop papers discussing China the most	N	N	N	N	N	N	N	Y
drop papers never discussing China	N	N	N	N	N	N	Y	N
N obs	55728	55728	55728	55728	55728	49536	44658	54540
F stat	45.23	22.62	18.10	3.835	9.233	8.427	9.194	8.757
adj. R2	0.0282	0.0287	0.0287	0.0303	0.0286	0.0280	0.0290	0.0325

Standard errors in parentheses

* $p < .10$, ** $p < .05$, *** $p < .01$

Table A18: Media Reaction on Positive Trade Events

Note: Equation 2b is estimated with 6 positive events listed in Table A11. The dependent variable, the fraction of text about human rights, has been multiplied by 10,000 for illustration purposes. Main regressors of interest are continuous measures for owners political stance, captured by the fraction of political donations made to Republican entities. Control variables include readers' political stance, mean income (logged), exposure to import and export tariffs, share of college degree holders and number of newspapers owned by a media company. Standard errors are clustered at newspaper-level. To test robustness of results, Column 4 controls daily fixed effects to exclude the effect from national trend, Column 6 drops observations on the day when the events took place, Column 7 drops newspapers that cover China the least and Column 8 drops those papers that cover China the most.

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
	HumanRights(Intensity)	HumanRights(Intensity)	HumanRights(Intensity)	HumanRights(Intensity)	HumanRights(Intensity)	HumanRights(Intensity)	HumanRights(Intensity)	HumanRights(Intensity)
Post	0.124	0.181	0.0810	-8.014***	52.89***	56.55***	75.27***	54.56***
	(0.266)	(0.262)	(0.328)	(2.269)	(17.37)	(18.24)	(26.32)	(17.09)
Post × Republican Owners (continous)		3.488***	3.358***	3.177***	3.833***	4.126***	4.645***	3.339***
		(0.817)	(0.827)	(0.830)	(0.847)	(0.898)	(1.012)	(0.791)
Post × Republican Readers (continous)			0.334	0.350	0.369	0.544	0.493	0.473
			(0.358)	(0.358)	(0.440)	(0.475)	(0.551)	(0.433)
Post × Log Mean Income					-5.071***	-5.434***	-7.181***	-5.231***
					(1.621)	(1.712)	(2.457)	(1.593)
Post × Exposure to Export Tariffs					-14.49	-17.32	-16.32	-15.94
					(14.75)	(16.17)	(18.87)	(14.51)
Post × Exposure to Import Tariffs					-37.55	-40.38	-44.26	-29.13
					(34.18)	(38.26)	(43.80)	(32.90)
Post × Share of College Degree Holders					0.232***	0.256***	0.301***	0.245***
					(0.0817)	(0.0893)	(0.104)	(0.0801)
cluster	Newspaper	Newspaper	Newspaper	Newspaper	Newspaper	Newspaper	Newspaper	Newspaper
fixed effects	Newspaper-Event&Day	Newspaper-Event&Day	Newspaper-Event&Day	Newspaper-Event&Day	Newspaper-Event&Day	Newspaper-Event&Day	Newspaper-Event&Day	Newspaper-Event&Day
controls	N	N	N	N	Y	Y	Y	Y
drop event day	N	N	N	N	N	Y	N	N
drop papers discussing China the most	N	N	N	N	N	N	N	Y
drop papers never discussing China	N	N	N	N	N	N	Y	N
N obs	92880	92880	92880	92880	92880	82560	74430	90900
F stat	103.2	53.36	42.85	5.319	22.34	19.62	22.30	19.37
adj. R2	0.0458	0.0460	0.0460	0.0490	0.0461	0.0450	0.0469	0.0535

Standard errors in parentheses

* $p < .10$, ** $p < .05$, *** $p < .01$

Table A19: Media Reaction on Negative Trade Events

Note: Equation 2b is estimated with 10 negative events listed in Table A12. The dependent variable, the fraction of text about human rights, has been multiplied by 10,000 for illustration purposes. Main regressors of interest are continuous measures for owners political stance, captured by the fraction of political donations made to Republican entities. Control variables include readers' political stance, mean income (logged), exposure to import and export tariffs, share of college degree holders and number of newspapers owned by a media company. Standard errors are clustered at newspaper-level. To test robustness of results, Column 4 controls daily fixed effects to exclude the effect from national trend, Column 6 drops observations on the day when the events took place, Column 7 drops newspapers that cover China the least and Column 8 drops those papers that cover China the most.

	(1) HumanRights(Intensity)	(2) HumanRights(Intensity)
Post	-4.511	19.11
	(13.01)	(15.63)
Owner Dem × Post	1.822***	-1.204**
	(0.645)	(0.575)
Owner Rep × Post	-0.913*	1.407**
	(0.490)	(0.646)
Reader Dem × Post	-0.266	-1.028
	(0.891)	(0.767)
Reader Rep × Post	-0.186	0.412
	(0.593)	(0.612)
cluster	Newspaper	Newspaper
fixed effects	Newspaper-Event	Newspaper-Event
controls	Y	Y
drop event day	N	N
drop papers discussing China the most	N	N
drop papers never discussing China	N	N
N obs	55728	118680
F stat	6.642	17.95
adj. R2	0.0280	0.0392

Standard errors in parentheses
* $p < .10$, ** $p < .05$, *** $p < .01$

Table A20: Media Reaction of 6-day Window Width

Note: This table lists the estimation results of Equation 2a with 6-day window length. Errors are shown in the brackets beneath the point estimates, clustered at newspaper-level.

	(1) HumanRights(Intensity)	(2) HumanRights(Intensity)
Post	-4.511	19.12
	(13.01)	(15.12)
Owner Dem × Post	1.822***	-1.182**
	(0.645)	(0.551)
Owner Rep × Post	-0.913*	1.437**
	(0.490)	(0.628)
Reader Dem × Post	-0.266	-0.869
	(0.891)	(0.737)
Reader Rep × Post	-0.186	0.440
	(0.593)	(0.591)
cluster	Newspaper	Newspaper
fixed effects	Newspaper-Event	Newspaper-Event
controls	Y	Y
drop event day	N	N
drop papers discussing China the most	N	N
drop papers never discussing China	N	N
N obs	55728	122808
F stat	6.642	18.45
adj. R2	0.0280	0.0381

Standard errors in parentheses
* $p < .10$, ** $p < .05$, *** $p < .01$

Table A21: Media Reaction of 10-day Window Width

Note: This table lists the estimation results of Equation 2a with 10-day window length. Errors are shown in the brackets beneath the point estimates, clustered at newspaper-level.

	(1) HumanRights(Intensity)	(2) HumanRights(Intensity)
Post	-2.563	68.45
	(34.36)	(55.85)
Post × Republican Owners (continous)	-2.562*	3.047*
	(1.310)	(1.694)
Post × Republican Readers (continous)	-0.134	0.533
	(0.810)	(0.772)
cluster	Parent Company	Parent Company
fixed effects	Newspaper-Event	Newspaper-Event
controls	Y	Y
N obs	13446	22410
F stat	1.540	.
adj. R2	0.0396	0.0583

Standard errors in parentheses
* $p < .10$, ** $p < .05$, *** $p < .01$

Table A22: Media Reaction of Newspapers Serving Extreme Readers

Note: This table lists the estimation results of Equation 2b with a subset containing local markets with more than 70% votes to either Trump or Hilary. Errors are shown in the brackets beneath the point estimates, clustered at newspaper-level.

	Positive Events		Negative Events	
	(1)	(2)	(3)	(4)
	HumanRights(Intensity)	HumanRights(Intensity)	HumanRights(Intensity)	HumanRights(Intensity)
Post × Republican Owners (continous)	-4.647***	-4.149**	4.635***	3.710*
	(1.787)	(1.613)	(1.682)	(2.075)
Post × Republican Readers (continous)	-0.0483	-0.0742	-0.300	-0.0428
	(0.472)	(0.432)	(0.512)	(0.557)
Post × Republican Owners (continous) × Republican Readers (continous)	2.771	3.658**	-4.234**	-1.368
	(1.965)	(1.531)	(1.971)	(2.058)
cluster	Newspaper	Newspaper	Newspaper	Newspaper
fixed effects	Newspaper-Event	Newspaper-Event	Newspaper-Event	Newspaper-Event
controls	Y	Y	Y	Y
owners' stance	Democratic	Republican	Democratic	Republican
N obs	35782	36060	63099	60759
F stat	5.069	6.979	13.98	17.57
adj. R2	0.0301	0.0268	0.0400	0.0481

Standard errors in parentheses
* $p < .10$, ** $p < .05$, *** $p < .01$

Table A23: Media Persuasion by Owners' Political Stance

Note: This table shows results of estimation of Equation 2b with $Post_{et} \times OwnerRepublican$ omitted. Column 1 and Column 2 list results of for positive events and Column 3 and Column 4 for negative events. Column 1 and Column 3 use the subsample consisting of papers of Democratic-leaning owners only, whereas Column 2 and 4 consist of papers of Republican-leaning owners.

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
	Trade(Intensity)	Trade(Intensity)	Trade(Intensity)	Trade(Intensity)	Trade(Intensity)	Trade(Intensity)	Trade(Intensity)	Trade(Intensity)
Post	1.071*	0.907	1.153	-12.91***	57.22	80.55**	80.41	17.00
	(0.645)	(0.648)	(0.744)	(3.314)	(35.84)	(36.31)	(53.48)	(30.00)
Post × Republican Owners (continous)		-2.877	-2.566	-1.877	-3.314	-1.404	-4.096	-3.168**
		(1.934)	(2.015)	(2.068)	(2.077)	(2.146)	(2.497)	(1.345)
Post × Republican Readers (continous)			-0.829	-0.886	-0.994	-1.585	-1.200	-0.898
			(0.855)	(0.858)	(0.970)	(1.006)	(1.236)	(0.837)
Post × Log Mean Income					-4.877	-7.033**	-6.934	-1.230
					(3.401)	(3.447)	(5.063)	(2.851)
Post × Exposure to Export Tariffs					-32.51	-29.18	-39.53	-25.08
					(27.65)	(29.52)	(36.20)	(25.56)
Post × Exposure to Import Tariffs					98.48	124.9	123.1	51.56
					(73.91)	(78.73)	(96.30)	(58.83)
Post × Share of College Degree Holders					0.0525	0.0894	0.0768	-0.102
					(0.172)	(0.178)	(0.221)	(0.146)
cluster	Newspaper	Newspaper	Newspaper	Newspaper	Newspaper	Newspaper	Newspaper	Newspaper
fixed effects	Newspaper-Event	Newspaper-Event	Newspaper-Event	Newspaper-Event&Day	Newspaper-Event	Newspaper-Event	Newspaper-Event	Newspaper-Event
controls	Y	Y	Y	Y	Y	Y	Y	Y
drop event day	N	N	N	N	N	Y	N	N
drop papers discussing China the most	N	N	N	N	N	N	N	Y
drop papers never discussing China	N	N	N	N	N	N	Y	N
N obs	55728	55728	55728	55728	55728	49536	44658	54540
F stat	300.7	157.6	127.0	17.74	68.01	58.81	67.89	66.06
adj. R2	0.251	0.251	0.251	0.253	0.251	0.242	0.253	0.245

Standard errors in parentheses

* $p < .10$, ** $p < .05$, *** $p < .01$

Table A24: Media Reaction on Positive Trade Events

Note: Equation 2b is estimated with 10 negative events listed in Table A11. The dependent variable, the fraction of text about human rights, has been multiplied by 10,000 for illustration purposes. Main regressors of interest are continuous measures for owners political stance, captured by the fraction of political donations made to Republican entities. Control variables include readers' political stance, mean income (logged), exposure to import and export tariffs, share of college degree holders and number of newspapers owned by a media company. Standard errors are clustered at newspaper-level. To test robustness of results, Column 4 controls daily fixed effects to exclude the effect from national trend, Column 6 drops observations on the day when the events took place, Column 7 drops newspapers that cover China the least and Column 8 drops those papers that cover China the most.

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
	Trade(Intensity)	Trade(Intensity)	Trade(Intensity)	Trade(Intensity)	Trade(Intensity)	Trade(Intensity)	Trade(Intensity)	Trade(Intensity)
Post	-0.0632	-0.0445	0.0213	27.86***	-7.774	-1.823	-45.57	8.285
	(0.466)	(0.468)	(0.634)	(4.366)	(29.32)	(31.21)	(45.00)	(27.60)
Post × Republican Owners (continous)		1.028	1.114	1.694	0.733	-1.147	0.963	0.427
		(1.425)	(1.517)	(1.512)	(1.518)	(1.557)	(1.832)	(1.336)
Post × Republican Readers (continous)			-0.221	-0.272	0.292	0.227	0.215	0.967
			(0.910)	(0.908)	(1.092)	(1.074)	(1.388)	(0.811)
Post × Log Mean Income					0.752	0.248	4.252	-0.815
					(2.763)	(2.945)	(4.243)	(2.586)
Post × Exposure to Export Tariffs					-6.247	-8.808	-0.811	-0.785
					(25.66)	(28.49)	(33.38)	(24.88)
Post × Exposure to Import Tariffs					-12.86	-17.32	-24.48	-4.313
					(53.84)	(61.49)	(69.38)	(51.56)
Post × Share of College Degree Holders					0.0668	0.0694	0.00512	0.0804
					(0.154)	(0.164)	(0.200)	(0.139)
cluster	Newspaper	Newspaper	Newspaper	Newspaper	Newspaper	Newspaper	Newspaper	Newspaper
fixed effects	Newspaper-Event	Newspaper-Event	Newspaper-Event	Newspaper-Event&Day	Newspaper-Event	Newspaper-Event	Newspaper-Event	Newspaper-Event
controls	Y	Y	Y	Y	Y	Y	Y	Y
drop event day	N	N	N	N	N	Y	N	N
drop papers discussing China the most	N	N	N	N	N	N	N	Y
drop papers never discussing China	N	N	N	N	N	N	Y	N
N obs	92880	92880	92880	92880	92880	82560	74430	90900
F stat	342.3	176.1	141.8	18.31	72.23	74.20	70.57	67.80
adj. R2	0.329	0.329	0.329	0.331	0.329	0.332	0.333	0.327

Standard errors in parentheses

* $p < .10$, ** $p < .05$, *** $p < .01$

Table A25: Media Reaction on Negative Trade Events

Note: Equation 2b is estimated with 10 negative events listed in Table A12. The dependent variable, the fraction of text about human rights, has been multiplied by 10,000 for illustration purposes. Main regressors of interest are continuous measures for owners political stance, captured by the fraction of political donations made to Republican entities. Control variables include readers' political stance, mean income (logged), exposure to import and export tariffs, share of college degree holders and number of newspapers owned by a media company. Standard errors are clustered at newspaper-level. To test robustness of results, Column 4 controls daily fixed effects to exclude the effect from national trend, Column 6 drops observations on the day when the events took place, Column 7 drops newspapers that cover China the least and Column 8 drops those papers that cover China the most.

	Positive Events	Negative Events
	(1)	(2)
	HumanRights(Intensity)	HumanRights(Intensity)
Post × Republican Owners (continous)	-2.127*	2.042***
	(1.181)	(0.725)
Post × Republican Readers (continous)	0.643	-0.230
	(0.590)	(0.361)
Post × Republican Readers (continous) × Republican Owners (continous)	2.093	-0.238
	(1.511)	(0.852)
cluster	Newspaper	Newspaper
controls	Y	Y
fixed effects	Newspaper	Newspaper
China's attitudes controlled	Y	Y
N obs	181632	263160
F stat	24.84	30.06
adj. R2	0.0715	0.0412

Standard errors in parentheses
* $p < .10$, ** $p < .05$, *** $p < .01$

Table A26: Media reaction using all trade war events

Note: Equation 2b is estimated with all trade war events listed in ChinaBriefing, 2020, which is to my best knowledge the most detailed summary of trade war timeline. The dependent variable, the fraction of text about human rights, has been multiplied by 10,000 to enlarge the effect. Main regressors of interest are dummy variables for owners political stance. Chinese diplomatic policy and its cross term with owners' political stance are included. Control variables include readers' political stance, mean income (logged), exposure to import and export tariffs, share of college degree holders and number of newspapers owned by a media company. Standard errors are clustered at newspaper-level. To test robustness of results, Column 4 controls daily fixed effects to exclude the effect from national trend, Column 6 drops observations on the day when the events took place, Column 7 drops newspapers that cover China the least and Column 8 drops those papers that cover China the most.

	Positive Events	Negative Events
	(1)	(2)
	HumanRights(Intensity)	HumanRights(Intensity)
Owner Dem × Post	-0.613	-2.564***
	(0.598)	(0.521)
Owner Rep × Post	-1.887**	-0.853
	(0.736)	(0.524)
Reader Dem × Post	0.148	0.334
	(0.996)	(0.696)
Reader Rep × Post	0.431	-0.288
	(0.593)	(0.454)
cluster	Newspaper	Newspaper
controls	Y	Y
fixed effects	Newspaper	Newspaper
China's attitudes controlled	Y	Y
N obs	181632	263160
F stat	21.47	23.47
adj. R2	0.0715	0.0413

Standard errors in parentheses
* $p < .10$, ** $p < .05$, *** $p < .01$

Table A27: Media reaction using all trade war events

Note: Equation 2b is estimated with all trade war events listed in ChinaBriefing, 2020, which is to my best knowledge the most detailed summary of trade war timeline. The dependent variable, the fraction of text about human rights, has been multiplied by 10,000 to enlarge the effect. Main regressors of interest are dummy variables for owners political stance. Chinese diplomatic policy and its cross term with owners' political stance are included. Control variables include readers' political stance, mean income (logged), exposure to import and export tariffs, share of college degree holders and number of newspapers owned by a media company. Standard errors are clustered at newspaper-level. To test robustness of results, Column 4 controls daily fixed effects to exclude the effect from national trend, Column 6 drops observations on the day when the events took place, Column 7 drops newspapers that cover China the least and Column 8 drops those papers that cover China the most.

	Positive Events		Negative Events	
	(1)	(2)	(3)	(4)
	HumanRights(Intensity)	HumanRights(Intensity)	HumanRights(Intensity)	HumanRights(Intensity)
Post	45.91*	2.515	29.51	61.67**
	(25.71)	(19.56)	(40.42)	(30.07)
Post × Republican Owners (continous)	-4.202***	-4.446***	4.549***	4.671***
	(1.418)	(1.416)	(1.549)	(1.568)
Post × Republican Readers (continous)	0.754	0.357	-0.516	-0.266
	(0.789)	(0.706)	(0.699)	(0.676)
Post × Google Trend about China's Human Rights	0.370*		-0.294	
	(0.210)		(0.209)	
Post × Google Trend about China		4.251		-5.921
		(4.420)		(3.929)
cluster	Newspaper	Newspaper	Newspaper	Newspaper
fixed effects	Y	Y	Y	Y
controls	28782	28782	47970	47970
N obs	5.223	5.317	12.41	12.61
F stat	0.0254	0.0253	0.0404	0.0404

Standard errors in parentheses

* $p < .10$, ** $p < .05$, *** $p < .01$

Table A28: Media Reaction with Google Trend Controlled

Note: Equation 2b is estimated with baseline events. Main regressors of interest are continuous measures for owners political stance, captured by the fraction of political donations made to Republican entities. Control variables include readers' political stance, mean income (logged), exposure to import and export tariffs, share of college degree holders and number of newspapers owned by a media company. Regarding the Google Trend data, each data point is divided by the total searches of the geography and time range it represents to compare relative popularity. Otherwise, places with the most search volume would always be ranked highest. Additionally, the Google Trend about China's human rights record is controlled in Column 1 and 3, and Google Trend about China is controlled in Column 2 and 4. Standard errors are clustered at newspaper-level.

	Δ Support for Sanctions on China				
	(1)	(2)	(3)	(4)	(5)
HumanRights(Intensity)	0.00909	0.0167**	0.00387	0.0177**	0.0121**
	(0.00866)	(0.00684)	(0.00691)	(0.00730)	(0.00545)
Trade(Intensity)	-0.00565	0.00460	0.00883	-0.00332	0.0000521
	(0.00580)	(0.00606)	(0.00594)	(0.00450)	(0.00401)
cluster		State	State	State	State
controls		County-level	Personal&County-level	County-level	County-level
fixed effects		State	State	State	State
weighting	N	N	N	Y	Y
N obs	231	231	231	2154	2082
adj. R2	0.0203	0.292	0.436	0.0440	0.0676

Standard errors in parentheses

* $p < .10$, ** $p < .05$, *** $p < .01$

Table A29: Correlation of Trade-related Coverage and Support for Sanctions on China

Note: This table lists results of estimation of equation 8, with $HumanRightsCoverage_{ct}$ replaced by $TradeCoverage_{ct}$. The dependent variable correponds to the following question from the CCES: "On the issue of trade, do you support or oppose the following proposed tariffs? $50 billion worth of tariffs on goods imported from China. 1 Support 2 Oppose". The 2018 and 2019 survey data was retrieved in November, 2018 and November, 2019 respectively. The construction of the $TradeCoverage_{ct}$ is the summation of fraction of trade-related text contained in China-mentioned articles, published on all local newspapers that cover the county c from January, 2018 to November, 2018 for the 2018-wave, and December 2018 to November 2019 for the 2019-wave. Column 2 includes the enviromental characteristics, including the county's exposure of tariffs, support for Trump, average income, average age, fraction of white, fraction of college degree holders, and state fixed effects. Environmental variables are logarithmized. A year fixed effect is included. Column 2 further includes the following average personal traits: voting choice in 2016, ideological preferences, age, education, industry of occupation, and family income level. Column 4 uses the full sample, weighing each county by the number of respondents. Column 5 shows the results using the adjuste attitudes using respondents' traits. Specifically, I first regress respondents' attitudes on various respondents' personal traits and construct the county-level average attitude using the residuals.

	Δ Job Approval for Trump				
	(1)	(2)	(3)	(4)	(5)
HumanRights(Intensity)	0.0417*	0.0657***	0.0509**	0.0889***	0.0400***
	(0.0251)	(0.0174)	(0.0201)	(0.0171)	(0.00915)
Trade(Intensity)	-0.0190	-0.0259*	-0.0230*	-0.0362***	-0.0112
	(0.0168)	(0.0135)	(0.0127)	(0.0103)	(0.00766)
cluster		State	State	State	State
controls		County-level	Personal&County-level	County-level	County-level
fixed effects		State	State	State	State
weighting	N	N	N	Y	Y
N obs	231	231	231	2159	2085
adj. R2	0.0147	0.129	0.264	0.0170	0.0312

Standard errors in parentheses

* $p < .10$, ** $p < .05$, *** $p < .01$

Table A30: Correlation of Trade-related Coverage and Public Approval for Trump

Note: This table lists results of estimation of equation 8, with $HumanRightsCoverage_{ct}$ replaced by $TradeCoverage_{ct}$. The dependent variable correponds to the following question from the CCES: "Do you approve or disapprove of the way each is doing their job... ([former] President Trump) 1 Strongly approve 2 Somewhat approve 3 Somewhat disapprove 4 Strongly disapprove 5 Not sure". This measures is normalized such that 0 represents for "Not sure" and -2 represents for "Strongly disapprove". The 2018 and 2019 survey data was retrieved in November, 2018 and November, 2019 respectively. The construction of the $TradeCoverage_{ct}$ is the summation of fraction of trade-related text contained in China-mentioned articles, published on all local newspapers that cover the county c from January, 2018 to November, 2018 for the 2018-wave, and December 2018 to November 2019 for the 2019-wave. Column 2 includes the enviromental characteristics, including the county's exposure of tariffs, support for Trump, average income, average age, fraction of white, fraction of college degree holders, and state fixed effects. Environmental variables are logarithmized. A year fixed effect is included. Column 2 further includes the following average personal traits: voting choice in 2016, ideological preferences, age, education, industry of occupation, and family income level. Column 4 uses the full sample, weighing each county by the number of respondents. Column 5 shows the results using the adjuste attitudes using respondents' traits. Specifically, I first regress respondents' attitudes on various respondents' personal traits and construct the county-level average attitude using the residuals.

	Media slant does not predict stock price changes		Stock price changes do not predict media slant	
	Returns	Volatility	Returns	Volatility
Fox News	1.5370	0.4446	0.5773	1.8617
New York Times	0.7761	1.1818	1.5774	1.2896
Wall Street Journal	1.1951	1.6838	0.7142	0.9259
Los Angeles Times	1.4535	3.2984**	0.6193	1.4283
Washington Post	0.3681	0.6425	0.7160	0.7730
ABC	3.5919***	3.6590***	1.6946	5.0097***
CNN	0.8938	0.1333	0.1478	0.5499
New York Post	0.9826	1.7554	0.2635	0.3758

* $p < .10$, ** $p < .05$, *** $p < .01$

Table A31: Predictability of Stock Market Price by Trade War Coverage

Note: This table displays the F statistics of Granger Causality tests, using average abnormal returns and the absolute value of average abnormal returns as measures of stock market return and volatility respectively. Two null hypotheses are tested: i) trade coverage does not predict stock market reactions; ii) stock market reactions do not predict trade coverage. Four lags are incorporated. I measure the media coverage of trade-related content with the same sets of keywords used to measure coverage of local newspapers and the same method. Unlike the results illustrated in Table 9, trade coverage can predict stock reactions. This is intuitive because stock market often react upon bilateral talks, of which the schedules are often settled before taking place. It is not suprising to observe coverage when bilateral meetings are pending. This predictability of trade-related coverage confirms the validity of the measure of media content on national newspapers.

	(1) HumanRights(Intensity)	(2) HumanRights(Intensity)	(3) HumanRights(Intensity)
U.S. policy	0.906***	-9.271**	-5.248
	(0.105)	(4.447)	(5.247)
U.S. policy × Republican Owners (continous)	-0.402	-0.355	-0.401
	(0.263)	(0.274)	(0.267)
U.S. policy × Republican Readers (continous)	-0.255*	-0.294*	-0.125
	(0.144)	(0.164)	(0.175)
U.S. policy × Exposure to Export Tariffs		5.122	-2.775
		(4.007)	(4.493)
U.S. policy × Exposure to Import Tariffs		2.381	12.61
		(7.695)	(9.565)
cluster	Newspaper	Newspaper	Newspaper
controls	N	Y	Y
fixed effects			Newspaper
N obs	678024	678024	678024
F stat	19.98	13.49	13.94
adj. R2	0.00112	0.00101	0.000247

Standard errors in parentheses
* $p < .10$, ** $p < .05$, *** $p < .01$

Table A32: Replication of M. Gentzkow and Shapiro, 2010

Note: This table replicates the M. Gentzkow and Shapiro, 2010 using the continous measures of political stance of readers and owners. Equation **??** is estimated. Errors are displayed in brackets beneath the point estimates, which are clustered at newspaper-level. Column (1) excludes control variables. Column (2) includes control variables. Column (3) includes newspaper fixed effects.

D Figures

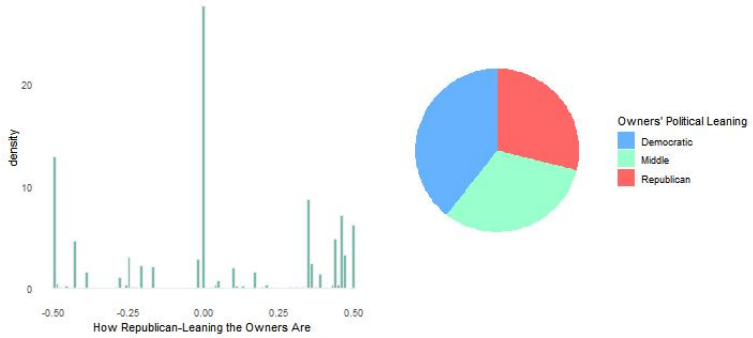


Figure 2: Distribution of Political Stance of Owners

Note: This figure shows the sample distribution of the continous (left) and discrete (right) measures of political stance of media owners. The continuous measure is established by the fraction of donations to Republican-leaning entities over the total amount of donations made to partisan entities, normalized to 0 for balanced donations or null donation records. This measure if roughly symmetrically distributed. Based on this continuous measure, I define a discrete measure using 0.2 and -0.1 as thresholds. Specifically, those continous measure greater than 0.2 are marked as Republican-leaning and those below -0.1 are marked Democratic-leaning. The distribution of this discrete measure is also roughly balanced.

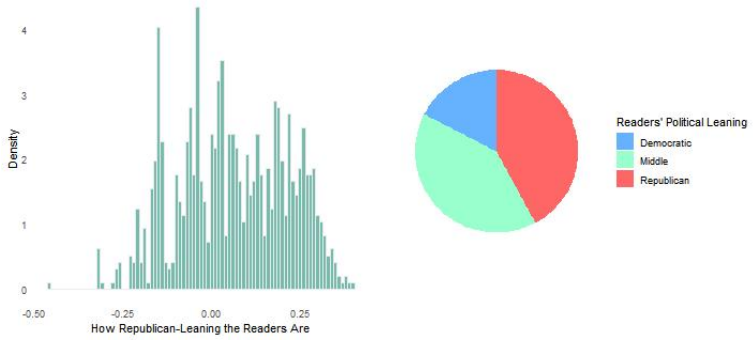


Figure 3: Distribution of Political Stance of Readers

Note: This figure shows the sample distribution of the continous (left) and discrete (right) measures of political stance of media readers. Given a newspaper, its readership is defined as the county or counties where it is circulated. For those with zip-level circulation data, readership is defined as the zip-level areas. The continuous measure is established by the fraction of votes to Donald Trump over the total number of votes to either Trump or Hilary Clinton, normalized to 0 for balanced votes. This measure if roughly symmetrically distributed. Based on this continuous measure, I define a discrete measure using 0.1 and -0.1 as thresholds. Specifically, those continous measure greater than 0.1 are marked as Republican-leaning and those below -0.1 are marked Democratic-leaning. The distribution of this discrete measure is also roughly balanced.

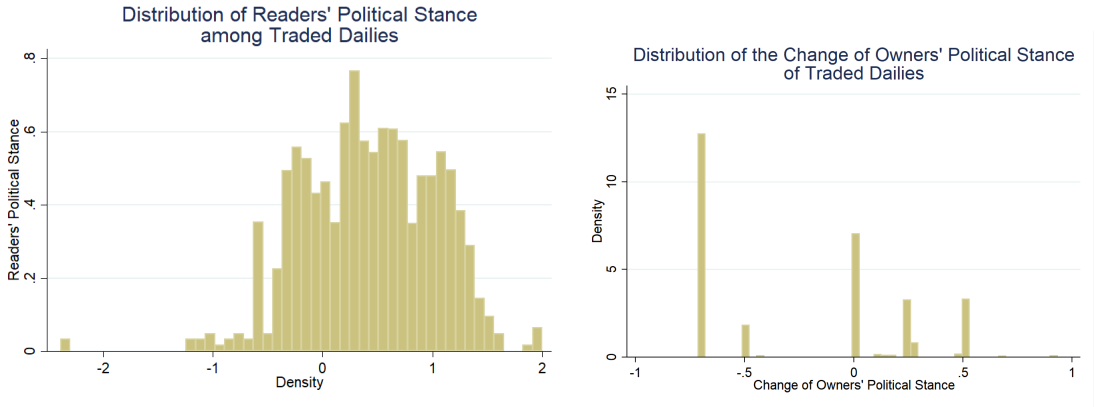


Figure 4: Distribution of Readers' Political Stance and Change of Owners Political Stance among Traded Dailies

Note: The left panel shows the distribution of readers' political preferences among traded dailies due to mergers and acquisitions. The right panel shows the distribution of change of owners' political affinity among traded dailies due to mergers and acquisitions.

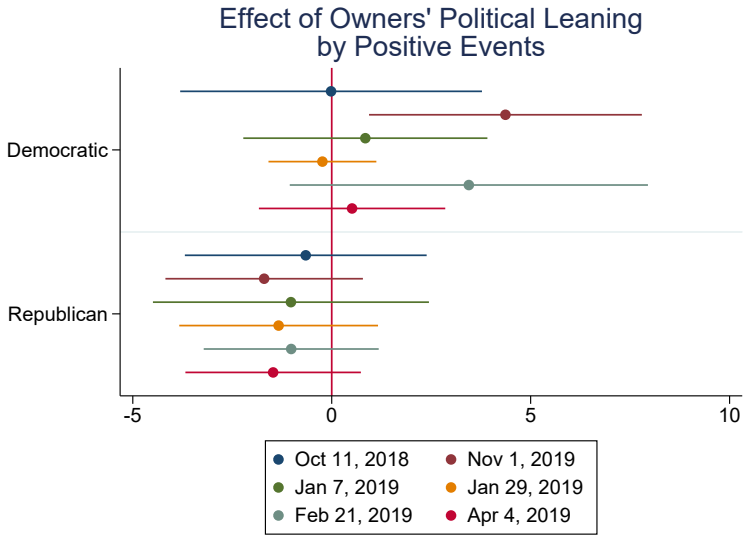


Figure 5: Event study using individual positive events

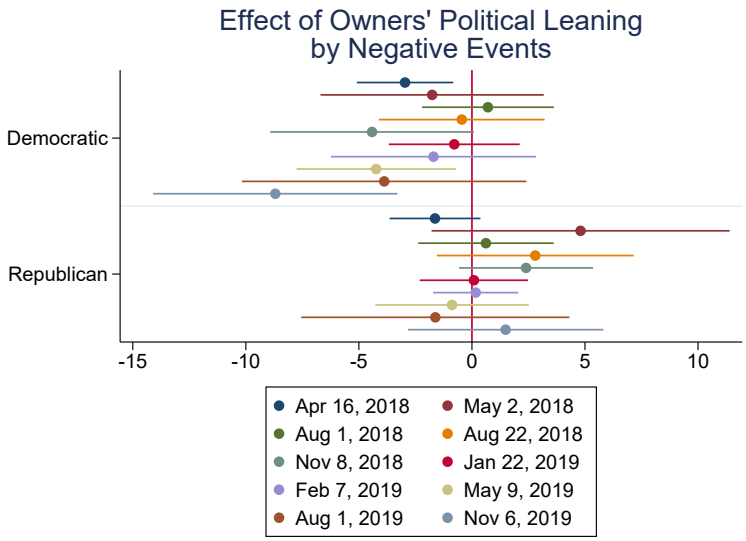


Figure 6: Event study using individual negative events

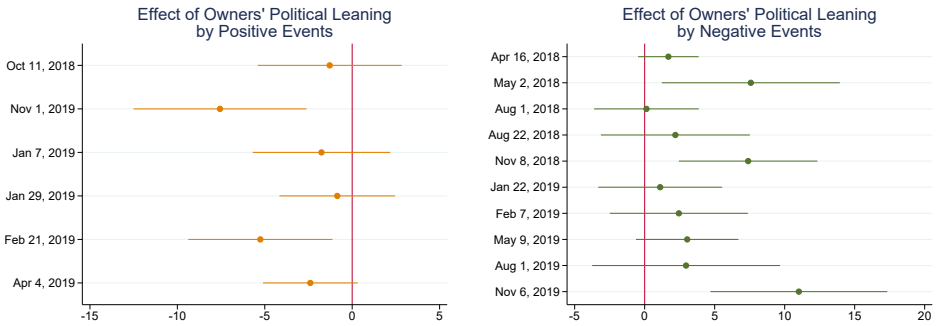


Figure 7: Event Study for Each Positive (left) and Negative (right) Events

Note: I plot the estimated β_1 of Equation 2b for each single positive event, with its 95% confidence interval. Errors are clustered at newspaper level.