

# Smoke and Mirrors: Strategic timing in the appearance of Scandals

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Former UK Labour Party's spin doctor, Jo Moore, on the afternoon of 9/11, said that it was "a very good day to get out anything we want to bury [i.e., bad news]"

*The Guardian, 10 October 2001*

- ▶ Media coverage of scandals affects political outcomes (Dobratz and Whitfield 1992; Shea 1999; Basinger 2013; Garz and Sörensen 2017)
- ▶ Effects of scandals depend on the timing of their appearance (Praino et al. 2013; Doherty et al. 2014; Mitchell 2014; Pereira and Waterbury 2019)
- ▶ Why do scandals appear during specific times and not others?
- ▶ Some scandals could be orchestrated and/or the outcome of under-table negotiations and strategic timing (Cook et al. 2005; Gratton et al. 2018; Garz and Sörensen 2021)

Other illustrations, equally damaging to media credibility, are endless.

And besides the obvious bonds supported by some newspeople, there are the hidden ones: Leaks which often benefit the leaker more than public information; background reports which camouflage identities and thus responsibilities and accountabilities; genuine friendships which result from longtime contact and may result in mutual sympathy.

Wilbur Mills  
November 5, 1974  
Philadelphia Daily News, Pennsylvania

"I think the timing shows that it's orchestrated around the political process," he said.

James A. Traficant Jr  
February 2nd, 2000  
News-Press, Florida

# This paper

- ▶ Do politicians decide to uncover their misconducts at a specific time when newsworthy events are distracting the public?
  - ▶ Minimizing exposure to negative media attention is better than dragging it out (Gibson 1999)
- ▶ This paper relies on a novel list of misconducts and aims to examine the strategic timing of scandals' appearance in the United States
  - ▶ Relationship between scandal first media appearance and news pressure level
- ▶ Forward-looking strategy allows only predictable news events to be used by politicians to distort public opinion

# Contribution

- ▶ Identifying scandals seen as difficult challenge (Gentzkow and Shapiro 2010; Puglisi and Snyder 2011)
- ▶ Novel dataset on politicians' misconducts provides essential keywords
  - ▶ Allows to capture scandals involving lower-level officials and different types of scandals
  - ▶ Empirical strategy allows to disentangle actors and identify channels
- ▶ This study is the first to provide a convincing causal effect on the possible manipulation in politics when it comes to revealing misconducts

## Related Literature

- ▶ Strategic behavior in politics, the rational inattention and the strategic release of information (DellaVigna 2009; Doyle and Magilke 2009; and DeHaan et al. 2015)
- ▶ Political accountability and mass media (Ferraz and Finan 2008; Prat and Strömberg 2013; Sobbrío 2014)
- ▶ Methodology relates to recent studies on the use of strategic timing by corporations (DellaVigna 2009), NGOs (Couttenier and Hatte 2016), the military (Durante and Zhuravskaya 2018), and U.S. presidents (Djourelouva and Durante 2021)

## General Setup

- ▶ Voters are dependent on political campaigns and mass media for most of their political information (Snyder and Strömberg 2010)
- ▶ Impact of media news varies with processing time and attention received (Scheufele and Tewksbury 2007)
  - ▶ Impact of a scandal on voting decision depends on the voters' exposure to it
- ▶ Timing of scandal appearance is crucial and driven from two building blocks: **political competition** and **media's optimal strategy**



## Strategies & Predictions: Political Competition

- ▶ Politicians may strategically manipulate the timing of “bad news” release
- ▶ Different ways of influence: information release, bribe, preferential news access, “cozy” relationships (Besley and Prat 2006)
- ▶ Politicians want **(1)** to increase the share of voters informed about the opposition’s bad news and **(2)** to minimize voters’ exposure to their own misconduct
- ▶ Only anticipated newsworthy events could be used to distort the public opinion

## Strategies & Predictions: Media

- ▶ Two possible sources of profit:
  1. Profits from collusion with politicians
  2. Commercial profits (audience driven)
- ▶ Media's optimal strategy is to release a scandal where there is a low number of newsworthy events
  - ▶ Occurrence of other newsworthy events can crowd out information relevant to evaluate government behavior (Eisensee and Strömberg 2007)
  - ▶ Scandals about politicians are shown to generate relatively low levels of public interest - and thus lower revenues (Robinson 2007)

Partisan media bias

# Equilibria

- ▶ The sign of the relationship between the likelihood of scandals' appearance and news pressure levels as an indicator:
- ▶ A positive effect suggests that the politician released its own scandals and succeeded in minimizing its negative impact
- ▶ A scandal appearing when news pressure is low is driven by either **(1)** media's business motives or **(2)** opposition party capturing the media
  - ▶ Political motives more relevant for the timing of scandals than the business motives by the newspapers (Garz and Sörensen 2021)

## Data Sources

- ▶ Dependent variable is the appearance of a scandal in newspapers on a specific week between 1970 and 2019
- ▶ **Politicians' misconducts:** Political Graveyard
  - ▶ Total of 233 misconducts (200 included in main analysis)
- ▶ **Media Coverage:** Keyword-based search from the newspapers archive (newspapers.com from ancestry.com)
  - ▶ Including national and local newspapers
- ▶ This paper relies on the variation in the timing of the first appearance to capture strategic timing of a scandal appearance

	Frequency	Percent
<b>Panel A: By Time of Scandal</b>		
1970 – 1979	39	19.50
1980 – 1989	55	27.50
1990 – 1999	35	17.50
2000 – later	71	35.50
<b>Total</b>	<b>200</b>	<b>100</b>
<b>Panel B: By Political Party</b>		
Democrat	130	65.00
Republican	64	32.00
Other/Unknown	6	3.00
<b>Total</b>	<b>200</b>	<b>100</b>
<b>Panel C: By Office Type</b>		
Federal legislative	82	41.00
State legislative	40	20.00
State executive	28	14.00
Local government	50	25.00
<b>Total</b>	<b>200</b>	<b>100</b>
<b>Panel D: By Scandal Type</b>		
Sex Scandal	41	20.50
Financial Scandal	94	47.00
Political Scandal	34	17.00
Other Scandal	31	15.50
<b>Total</b>	<b>200</b>	<b>100</b>

Stats – By type of scandal

Stats – Sample 2

# Effect of Scandal Appearance on Political Outcomes

	Outcome: Exit			Outcome: Share of votes		
	(1)	(2)	(3)	(4)	(5)	(6) IV
High newspressure	-0.150** (0.071)	-0.140* (0.072)	-0.134* (0.075)			
Scandal				-0.164*** (0.0274)	-0.268* (0.140)	-0.236 (0.770)
Scandal × High newspressure					0.142 (0.180)	0.098 (1.043)
<i>N</i>	200	200	187	206	206	206
Time Controls		✓	✓	✓	✓	✓
Type of Scandal		✓	✓			
Politicians Controls		✓	✓			
Lagged share of voted			✓			
Politician FE				✓	✓	✓

Trend in Share of votes

By type of scandal

## Data Sources – Continued

- ▶ Independent variable is the weekly news pressure computed as the weekly average of the daily news pressure variable
- ▶ Data on **News Pressure** from the Vanderbilt Television News Archives (VTNA) for the 1970–2019 period
  - ▶ TV news pressure valid measure of the presence or absence of significant competing stories (Bennett 2004)
  - ▶ Defined as the median time (in minutes/10) devoted to the top three stories in the evening newscast of NBC, ABC, and CBS (Eisensee and Stromberg 2007)

News pressure distribution

# Identification Strategy

- ▶ Identifying the existence of strategic timing in the media appearance of scandals
- ▶ This paper relies on an instrumental variable approach: instrument “News Pressure” by the *exogenous* variation in newsworthy events
- ▶ Two types of events can plausibly instrument news pressure:
  - ▶ Predicted events: does not affect scandals appearance except via news pressure and creates ex-ante expectations
  - ▶ Unpredictable events: exogenous shocks



## Data Sources – Instruments

### ▶ “Predicted Events”

1. Conflict related events (Cline Center Historical Phoenix Event Data)
2. Famous trials (University of Missouri-Kansas City Law School)
3. Sports events – finals of the “big four” leagues and FIFA
4. Famous shows – most watched final episode of TV shows

### ▶ “Unpredicted Events”

1. Human-made and natural disasters(EM-DAT database)
2. Mass shooting (The Violence Project)
3. Terror attacks (Global Terrorism Database)
4. Famous deaths – restricted to Americans and/or international leaders

# Main specification

$$S_{itmy} = \mu \widehat{NewsPressure}_{tmy} + X'_i \beta + \lambda_m + \gamma_y + \varepsilon_{itmy} \quad (1)$$

- ▶  $S_{itmy}$  is the likelihood of a scandal appearance
  - ▶ Takes the value of one if a scandal regarding politician  $i$  appeared on week  $t$  of month  $m$  of year  $y$ , and zero otherwise
- ▶  $X'_i$ : set of politician controls
- ▶  $\gamma_y$  and  $\lambda_m$ : full sets of year dummies and month dummies to capture seasonality
- ▶  $\mu$  is the coefficient of interest
- ▶ Robust standard errors: Newey-West estimator

## Main Results: 2SLS – Predicted Events

	Outcome: Likelihood of scandals' appearance			
	(1)	Continuous (2)	(3)	Binary (4)
$\widehat{NewsPressure}$	0.283*** (0.085)	0.262*** (0.078)	0.376*** (0.116)	
$\widehat{HighPressure}$				0.240*** (0.088)
<i>N</i>	13,201	13,201	13,201	13,201
<i>F</i> -statistic exc. instruments	93.73	112.94	62.47	17.82
Politician Controls	✓	✓	✓	✓
Month FE		✓	✓	✓
Year FE			✓	✓

## Main Results: 2SLS – Unpredicted Events

	Outcome: Likelihood of scandals' appearance			
		Continuous		Binary
	(1)	(2)	(3)	(4)
$\widehat{NewsPressure}$	0.098 (0.140)	0.088 (0.140)	0.129 (0.197)	
$\widehat{HighPressure}$				0.050 (0.076)
$N$	13,201	13,201	13,201	13,201
$F$ -statistic exc. instruments	29.54	30.50	17.35	14.27
Politician Controls	✓	✓	✓	✓
Month FE		✓	✓	✓
Year FE			✓	✓

# Momentum in News pressure

Outcome: Likelihood of scandals' appearance						
	Predicted Events			Unpredicted Events		
	(1)	(2)	(3)	(4)	(5)	(6)
$\widehat{NewsPressure}_{t+1}$	-0.100 (0.103)			0.065 (0.210)		
$\widehat{NewsPressure}$		0.376*** (0.016)			0.129 (0.196)	
$\widehat{NewsPressure}_{t-1}$			-0.022 (0.013)			0.252* (0.140)
<i>N</i>	13,201	13,201	13,201	13,201	13,201	13,201
<i>F</i> -statistic exc. instruments	50.63	62.47	55.75	16.25	17.41	14.27
Politician Controls	✓	✓	✓	✓	✓	✓
Month FE	✓	✓	✓	✓	✓	✓
Year FE	✓	✓	✓	✓	✓	✓

# Heterogeneity & Robustness

## ▶ Heterogeneity

- ▶ By type of scandal: Effects only significant for political and financial scandals
- ▶ By political party: No significant difference between Republicans and Democrats
- ▶ By office type: Stronger effect for higher office levels

## ▶ Robustness

- ▶ Specification with politician FE yields similar results Politician Fixed Effects
- ▶ No significant effect of news pressure on likelihood of scandal appearance for former politicians Former Politicians
- ▶ Robust to alternative inference approaches (e.g., month  $\times$  year clustering)

## Channels

- ▶ Effect is larger in battleground states and states where other political party is dominating
- ▶ Estimates are larger in magnitudes after excluding scandals appearing during elections cycle
- ▶ Effect is larger for scandals on multiple politicians
- ▶ Effect is larger when scandal appearance does not follow a legal action

## Concluding Remarks

- ▶ Politicians are aware that media coverage has a significant impact on their career
  - ▶ They might make concerted efforts to manipulate the media and the political process
- ▶ Media plays “a crucial role as watchdogs, informing citizens about any improper conduct by those in power” (Puglisi and Snyder 2011)
  - ▶ Understanding the strategic behavior by elected officials is crucial to improve political accountability

## Next Steps

- ▶ Robustness: Alternative list of misconducts
- ▶ Twitter
- ▶ News pressure measure from Newspapers (NYTimes)



## Partisan media bias?

		30 days before	30 days after	Difference
Republican	<i>mean</i>	155.969	827.109	<b>671.141***</b>
	<i>se</i>	(40.819)	(186.781)	[0.001]
	<i>N</i>	64	64	128
Democrats	<i>mean</i>	182.362	812.608	<b>630.246***</b>
	<i>se</i>	(50.442)	(144.133)	[0.000]
	<i>N</i>	130	130	260
<b>Difference</b>	<i>mean</i>	<b>-26.393</b>	<b>14.502</b>	<b>40.894</b>
	<i>p-value</i>	[0.734]	[0.953]	[0.85]
	<i>N</i>	194	194	388

⇒ Data suggests no evidence of partisan media bias in the journals sample

By Political Party

By Scandal Type

By Office Type

Media

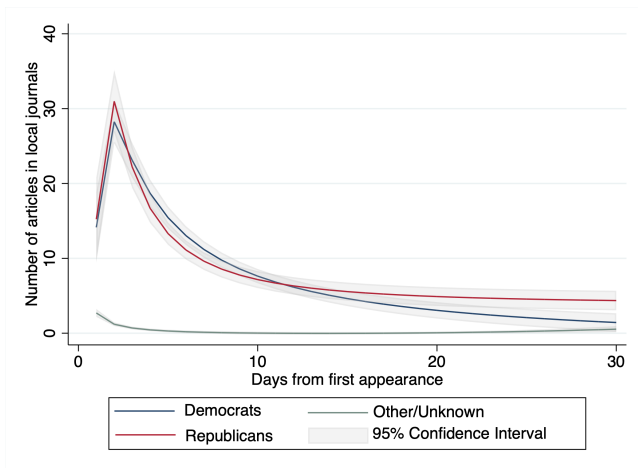
## Descriptive Stats - By Scandal Type

	Sex Scandals	Financial Scandals	Political Scandals	Other Scandals
<b>Panel A: By Political Party</b>				
Democrat	22	68	21	19
Republican	18	25	11	10
Other/Unknown	1	1	2	2
<b>Total</b>	<b>41</b>	<b>94</b>	<b>34</b>	<b>31</b>
<b>Panel B: By Office Type</b>				
Federal legislative	27	38	9	8
State legislative	2	19	7	12
State executive	5	16	7	0
Local government	7	21	11	11
<b>Total</b>	<b>41</b>	<b>94</b>	<b>34</b>	<b>31</b>

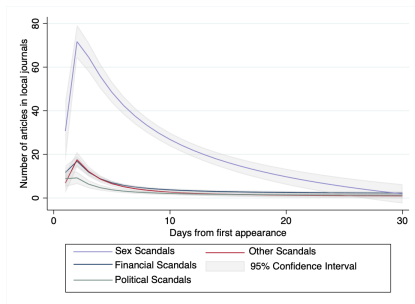
Stats – Main Sample

## Descriptive Stats - Scandals – politicians not in office

	Frequency	Percent
<b>Panel A: By Time of Scandal</b>		
1970 – 1979	7	21.21
1980 – 1989	5	15.15
1990 – 1999	8	24.24
2000 – later	13	39.39
<b>Total</b>	<b>33</b>	<b>100</b>
<b>Panel B: By Political Party</b>		
Democrat	21	63.64
Republican	8	24.24
Other/Unknown	4	12.12
<b>Total</b>	<b>33</b>	<b>100</b>
<b>Panel C: By Office Type</b>		
Federal legislative	4	12.12
State legislative	9	27.27
State executive	11	33.33
Local government	9	27.27
<b>Total</b>	<b>33</b>	<b>100</b>
<b>Panel D: By Scandal Type</b>		
Sex Scandal	4	12.12
Financial Scandal	20	60.61
Political Scandal	7	21.21
Other Scandal	2	6.06
<b>Total</b>	<b>33</b>	<b>100</b>



**Figure:** Polynomial fit of scandals coverage by political party  
*Source:* local newspapers from newspapers.com



**Figure:** Polynomial fit of the number of appearance of a scandal by scandal type.  
*Source:* Local Newspapers from newspapers.com

Selection Bias

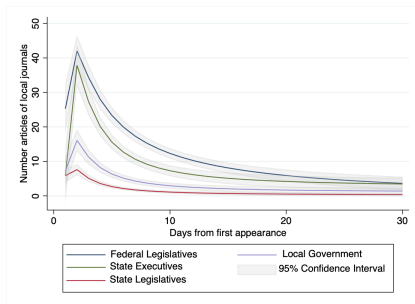


Figure: Polynomial fit of the number of appearance of a scandal by office type.  
Source: Local Newspapers from newspapers.com

Selection Bias

## Distribution of “Daily News Pressure” measure:

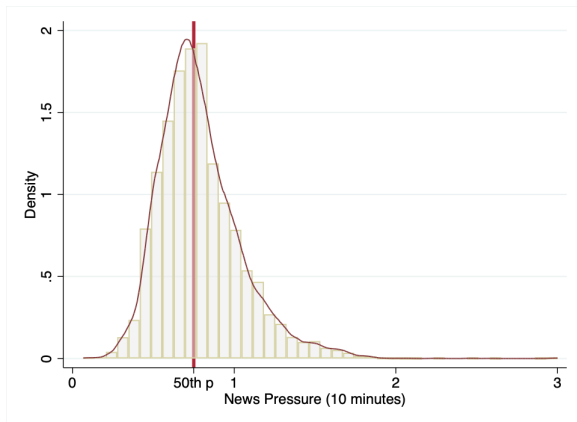


Figure: Source: Vanderbilt Television News Archives (VTNA)

“Daily News Pressure” ranges between 0.7 and 30 minutes with an average of around 8 minutes

## First Stage – Predicted Events

	Weekly News Pressure		
	(1)	(2)	(3)
Predicted Events	0.084*** (0.010)	0.084*** (0.010)	0.032*** (0.009)
<i>N</i>	13,201	13,201	13,201
F-statistics, excluded instruments	71.69	72.49	13.99
R-Squared	0.051	0.067	0.263
Month FE		✓	✓
Year FE			✓

Main Results



## First Stage – Unpredicted Events

	Weekly News Pressure		
	(1)	(2)	(3)
Unpredicted Events	0.058*** (0.010)	0.060*** (0.010)	0.020** (0.009)
<i>N</i>	13,201	13,201	13,201
F-statistics, excluded instruments	30.85	33.65	4.93
R-Squared	0.016	0.033	0.259
Month FE		✓	✓
Year FE			✓

Main Results

# OLS Regressions

	Likelihood of scandals' appearance				
	(1)	(2)	(3)	(4)	(5)
News Pressure ( <i>All Politicians</i> )	-0.009 (0.006)	-0.010 (0.006)	-0.010 (0.006)	-0.010 (0.006)	-0.010 (0.007)
<i>N</i>	13,333	13,201	13,201	13,201	13,201
News Pressure ( <i>Democrats</i> )	-0.008 (0.007)	-0.010 (0.007)	-0.010 (0.007)	-0.010 (0.007)	-0.011 (0.008)
<i>N</i>	8,652	8,652	8,652	8,652	8,652
News Pressure ( <i>Republicans</i> )	-0.009 (0.008)	-0.010 (0.009)	-0.010 (0.009)	-0.011 (0.010)	-0.010 (0.010)
<i>N</i>	4,282	4,282	4,282	4,282	4,282
News Pressure × Democrats	0.0007 (0.010)	0.0004 (0.011)	0.0003 (0.011)	0.0003 (0.011)	0.0009 (0.011)
<i>N</i>	12,934	12,934	12,934	12,934	12,934
Basic Controls		✓	✓	✓	✓
Office Type			✓	✓	✓
Office State				✓	✓
Month FE					✓
Year FE					✓

## 2SLS – Predicted events – Battleground states

	Likelihood of app.		
	Main Sample (1)	20% margin of victory (2)	15% margin of victory (3)
News Pressure ( <i>All Politicians</i> ) <i>N</i>	0.295* (0.159) 13,201	0.329* (0.171) 12,130	0.363* (0.196) 7,124
News Pressure ( <i>Democrats</i> ) <i>N</i>	0.380 (0.247) 8,652	0.428 (0.261) 8,183	0.509* (0.284) 4,577
News Pressure ( <i>Republicans</i> ) <i>N</i>	0.204 (0.152) 4,282	0.224 (0.166) 3,680	0.200 (0.206) 2,347
News Pressure × Democrats <i>N</i>	0.105 (0.145) 12,934	0.122 (0.150) 11,863	0.266 (0.217) 6,924
Nb of States	39	32	20
Nb of scandals	200	183	107
Politician Controls	✓	✓	✓
Month FE	✓	✓	✓
Year FE	✓	✓	✓

## 2SLS – Predicted events – Continuous Measures

	Log of nb of app. in 7 days				
	All Scandals (1)	Sex (2)	Financial (3)	Political (4)	Other (5)
News Pressure (All Politicians)	1.353*	0.392	0.519	0.240**	0.210
	(0.759)	(0.239)	(0.621)	(0.122)	(0.153)
<i>N</i>	13,201	13,044	13,097	13,035	13,034
News Pressure (Democrats)	1.771	0.180	1.197	0.025	0.356
	(1.209)	(0.279)	(1.056)	(0.090)	(0.233)
<i>N</i>	8,652	8,544	8,590	8,543	8,541
News Pressure (Republicans)	0.938	0.739*	-0.370	0.591**	0.014
	(0.604)	(0.404)	(0.316)	(0.293)	(0.187)
<i>N</i>	4,282	4,236	4,243	4,229	4,228
News Pressure × Democrats	0.496	-0.251	0.807	-0.323*	0.242
	(0.650)	(0.277)	(0.522)	(0.165)	(0.166)
<i>N</i>	12,934	12,780	12,833	12,772	12,769
Politician Controls	✓	✓	✓	✓	✓
Month FE	✓	✓	✓	✓	✓
Year FE	✓	✓	✓	✓	✓

Other Results

## 2SLS – Predicted events – Fixed Effects

	Outcome: Likelihood of scandals' appearance				
	All Scandals	Sex	Financial	Political	Other
	(1)	(2)	(3)	(4)	(5)
News Pressure ( <i>All Politicians</i> )	0.290*	0.078*	0.091	0.064	0.058
<i>N</i>	(0.164)	(0.046)	(0.126)	(0.043)	(0.045)
	13,333	13,174	13,227	13,167	13,164
News Pressure ( <i>Democrats</i> )	0.384	0.027	0.234	0.019	0.100
<i>N</i>	(0.254)	(0.050)	(0.211)	(0.048)	(0.0672)
	8,652	8,544	8,590	8,543	8,541
News Pressure ( <i>Republicans</i> )	0.203	0.141*	-0.103	0.163**	0.0100
<i>N</i>	(0.152)	(0.079)	(0.098)	(0.077)	(0.0538)
	4,282	4,236	4,243	4,229	4,228
News Pressure × Democrats	0.167	-0.089	0.298	-0.128*	0.078
<i>N</i>	(0.224)	(0.081)	(0.185)	(0.073)	(0.0688)
	12,934	12,780	12,833	12,772	12,769
Politician FE	✓	✓	✓	✓	✓
Month FE	✓	✓	✓	✓	✓
Year FE	✓	✓	✓	✓	✓

Other Results

## 2SLS – Predicted events – Former Politicians

	All Scandals		
	Likelihood of scandals' appearance (1)	Log of nb app. in 7 days (2)	Log of ratio app. in 7 days (3)
News Pressure <i>All Politicians</i>	0.123 (0.272)	0.194 (0.718)	0.019 (0.347)
<i>N</i>	2,081	2,081	2,081
News Pressure <i>Democrats</i>	0.033 (0.395)	0.139 (1.085)	-0.079 (0.518)
<i>N</i>	1,410	1,410	1,410
News Pressure <i>Republicans</i>	0.143 (0.339)	0.165 (0.859)	0.034 (0.420)
<i>N</i>	536	536	536
News Pressure × Democrats	0.110 (0.329)	0.045 (0.841)	-0.013 (0.416)
<i>N</i>	1,946	1,946	1,946
Politician Controls	✓	✓	✓
Month FE	✓	✓	✓
Year FE	✓	✓	✓

## 2SLS – Predicted events – Election Periods

	Outcome: Likelihood of scandals' appearance				
	All Scandals	Sex	Financial	Political	Other
	(1)	(2)	(3)	(4)	(5)
Panel A: Predicted Events as Instrument					
News Pressure	0.354*	0.076	0.084	0.100*	0.096*
<i>All Politicians</i>	(0.202)	(0.051)	(0.143)	(0.059)	(0.055)
<i>N</i>	12,126	11,982	12,031	11,971	11,968
Politician Controls	✓	✓	✓	✓	✓
Quarters FE	✓	✓	✓	✓	✓
Panel B: Predicted Events as Instrument					
News Pressure	0.393*	0.074	0.161	0.082	0.079
<i>All Politicians</i>	(0.212)	(0.053)	(0.164)	(0.052)	(0.050)
<i>N</i>	11,036	10,905	10,950	10,897	10,894
Politician Controls	✓	✓	✓	✓	✓
Month FE	✓	✓	✓	✓	✓
Year FE	✓	✓	✓	✓	✓

Other Results

## Suggestive Evidence – Impact of Scandals on Political Outcomes

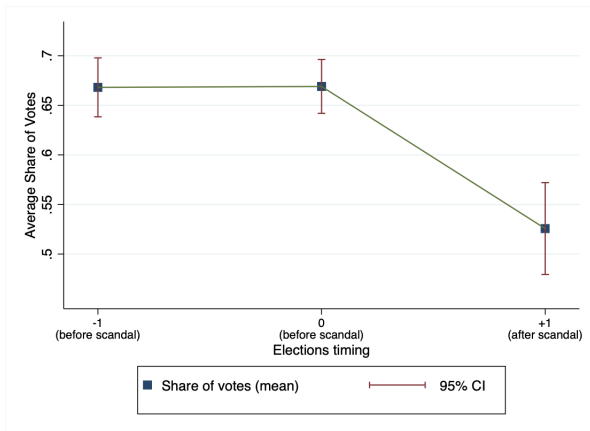


Figure: Change in share of votes for all politicians (N=187; unbalanced)  
Source: Ourcampaigns.com



## Impact on Share of Votes by Type of Scandal

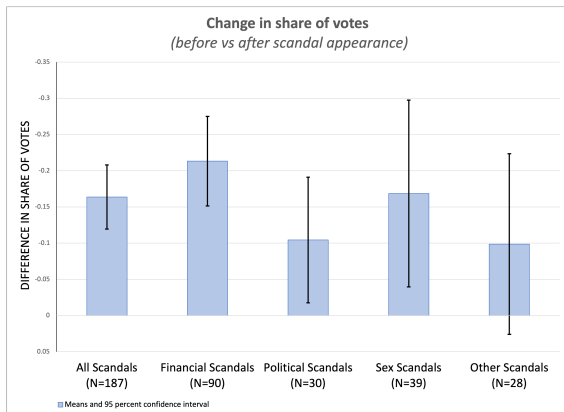


Figure: Change in share of votes before vs. after a scandal appearance  
Source: Ourcampaigns.com