

In this episode of the podcast we're joined by Dr Michela Redoano, who discusses how political campaigning on social media affected the outcome of the 2016 US presidential election. Has anything changed in 2020 as the US prepares to vote again this November?

Thank you for joining us for the Economic Sounds podcast. Can we start off with an overview of your main area of research? You look at the political economy. What does that involve and what does it tell us in terms of the challenges that you're trying to unravel?

Thank you for inviting me. First of all, I take the political economy approach which looks at the interaction between economics and political processes. The starting point is that there are rational citizens. Obviously we can argue that citizens may not be rational at all, but you know, the starting point is that citizens are rational and have preferences over determined economic outcomes that are induced by given policy choices. These policy choices are delegated to elected policymakers, elected representatives, which may or may not have the same interest as the citizens, and they may be more informed. And this gives rise to a series of problems which we are looking into. And then finally we've got political institutions that shape the whole process. So in summary economic choices are the outcome of a process of very complex interactions between various agents. We can also complicate the picture: we can introduce the effect of interest groups, lobbyists and so on. So as you can see the outcome is very complicated, it is not taken as the textbook 'benevolent social climber makes the optimum decision for citizens'.

So would be fair to say that if economics is the study of how people make decisions, political economy is looking at how people make political decisions?

Yeah I would say that's correct. Individual decisions are more complicated if we move into a political sphere where we have to take collective decisions. So not individual decisions. And these decisions are usually delegated to policymakers.

And presumably one of the important challenges there is are people acting from correct knowledge, or from broad knowledge or even from any knowledge at all? So one of your recent projects was looking into social media and how people get their news and the impact that may or may not have had on the choices that they make on voting. Can you tell us a little bit more about that research?

Yes, so we are looking at how social media, and in particular Facebook, may affect election outcomes and the voting decision process and so on. So we focus on political advertising which is formal campaigning that allow candidates to directly convey messages to potential voters and influence the political debate. By running political ads on various types of social media, candidates may reach voters that we're not able to reach in a more traditional, conventional way, and bring attention to important political issues. Regarding social media in particular, social media entered the political arena in 2008 when Barack Obama was elected President of the United States, but raised enormous importance in 2016 when Trump was elected. Just to give you some figures, for example, to highlight the importance of social media, and in particular Facebook, in political campaigns, the Pew Research Center estimated that in 2016 over 70% of US voters had a Facebook account and a large majority of those citizens or voters were using Facebook and social media to collect

political information. So that gives you kind of an idea of the enormous platform, audience, that candidates were able to reach via social media. But a specific characteristic of Facebook or social media is that the political advertiser can reach voters in a very granular way through what is called political microtargeting.

So could you just explain what microtargeting is? I think obviously in the UK we might think about a party political broadcast that goes out on the TV and is seen by everyone in a certain area. This is clearly something that's a lot more detailed than that.

Yes, my microtargeting is very important, it is a distinctive characteristic of social media and Facebook and this makes social media platforms very different from other traditional platforms like TV, radio or the printed papers. Because what is microtargeting? We can define microtargeting as a marketing strategy that, thanks to sophisticated technologies, allows to exploit a vast amount of user generated data, for example, information on individual interests, networks, group of friends and behavioural patterns. And all these data are collected and can be used by the political advertisers to send very personalised messages to a group of voters.

So if Facebook knows that I'm interested in, I don't know, home security, or I've shared some information about law and order in my town, then a campaign might think about sending me messages focused on what they would do in order to give more money to the police or to tackle domestic problems like that.

Yes, that's absolutely true, if you if you are a political, advertiser or in advertising in general, you can go to Facebook and select various characteristics which can be your geographical location, the town where you live but also your interests and if you're interested in the environment, you're probably more likely to receive messages related to that and so on. So in this way Facebook can reach voters in a very specific way. On top of that, in 2016, Facebook - thanks to a very sophisticated and apparently successful and accurate algorithm - started classifying each user according to their political ideology. So each Facebook user was mapped by Facebook in a way that users were not aware of. They hadn't declared a political preference, but based on what they liked, what pages they visited, their network of friends, they were mapped into conservative, liberal, very conservative and so on. For this reason political advertisers were able to use this information to send specific messages to each user.

And that presumably is incredibly valuable to a campaign to be able to tailor its messages so carefully.

Absolutely yeah, absolutely.

What did you find? What did your research tell us about how the campaigns were using this opportunity and what impact it had - if you know - what impact it had on voting choices or the outcome?

First of all I want to stress the fact that getting any data on political microtargeting

is a very hard task because these data are private property of Facebook that doesn't like to share this information with the researcher or the political institution and so on. So we kind of circumventing this problem by collecting advertising prices which, through a demand and supply relationship, are able to give us an idea of the intensity of the political campaign to each group of individuals in each US state. And then what we did, we linked this data to a survey, the American National Election Studies of US voters, and we analysed the behaviour of these voters according to whether or not they had a Facebook account, whether they used Facebook regularly to learn about politics, and what we found I think was quite interesting because we found first of all that our data highlighted two main effects. One that there was a positive effect on voter turnout, so going to vote, for those who declared themselves to be Republican and were using Facebook, compared to those who were not using Facebook. So according to our analysis, Facebook has a positive effect in convincing voters to cast a ballot. We found an opposite effect on those that were instead liberal voters, so the Clinton core supporters. The second effect is on the actual vote. So we found that those who are less informed and usually not very interested in politics were persuaded to vote for Trump significantly. There is no such effect on Clinton.

Were you able to find out - was it that the campaign was more effective, or they spent more money? Or is it a question of a situation where you can see what happened, but the question of why it happened is not so straightforward.

Obviously we would like to have all this information, but we don't know exactly how. What we have is the bold figure of how much Clinton spent and how much Trump spent on social media, because that was declared during the campaign. So Trump spent significantly more than Clinton on social media. Clinton ran a campaign using more traditional methods of campaigning. So part of the result could be that Trump invested much more on social media. On the other hand, if we look at where Clinton spent on social media, we see high intensity of the campaign from our data, we can see there's not much effect. So Trump spent more. But also our analysis suggested they spent better. Anecdotal evidence says he was able to micro-target voters. This was a key success of his campaign. He was able to send specific messages to those individuals then who had no interest in politics traditionally.

Is there any concern that those messages can't be seen? So I know that the US doesn't have the same kind of restrictions on advertising that we do in the UK when it comes to politics. And I remember that one of the issues Facebook was kind of forced to open in the UK to show the political adverts that had been published. I suppose if you're the opposition, you don't know what's being said so you can't counter those messages.

Yeah, this is a key issue. I mean obviously the problem was raised in 2016, but now in 2020 it's not resolved and is still debated. First of all, social media is not like broadcast, radio, television - can pick up which advert to put online, while television is subject to different type of regulations. So in this respect, social media is more similar to newspaper regulation. But the key difference is that while a newspaper is published, is available to everybody - everybody can read and start a debate - social media messages are hidden and each person receives potentially a very different message, and you cannot check what your neighbour's

receiving. So that's makes social media much more dangerous in this respect because there's not a way of verifying whether news is fake or is true or is bias, unbiased and so on. So it's putting a lot of responsibility on the voters to almost work that out for themselves.

That's quite a challenge, isn't it?

Yeah absolutely. I mean in principle being subject to lots of different information is a good thing because voters should be become more informed and make up their minds. But on the other hand, when a voter is only subject to one type of information because they are presumably targeted by the same type of advertiser, they are not able to understand that this is not the reality but it's their own bubble.

Did you find out anything about trust? That trust in the media is declining? Do people feel that their social media is a place where they get information that's trusted? Perhaps it's shared by friends? Did anything come up on that sort of angle? We didn't look in particular at that in our research, but what is clear actually from our research is that people that were not interested in politics before, you know they were not buying newspapers or following talk shows and so on, are now much more influenced by political debate through social media through their friends and their network. So in this respect we can say that social media has reached those people that were not interested. On the other hand, what kind of messages are these people receiving?

Your work was the previous election, 2016, and now we're in the run up to 2020. Do you think anything will change? I can't imagine that it will become less important to do this targeting of the voters. Have there been any steps forward in transparency or in regulation?

Well undoubtedly, I think social media are still important, and will be even more important because we saw an exponential growth in people using social media from, for example, 2008 to 2016 - sorry 2012 to 2016 - so users are growing. The young generation is using social media more and more and reading newspapers less and less so definitely as a platform it has got enormous potential. There's been a debate among policymakers, practitioners, you know, the public, the press, on how to deal with social media. At the moment there is not very much in the sense that Facebook is still self-regulating. It has opened up partially by creating an archive where some of these adverts with political content can be seen, observed, and also some information on who has seen these adverts. But on the other hand this is left in the hands of Facebook. At the same time Twitter has declared there the is not going to be political advertising on Twitter. Google has limited the extent of micro targeting to the traditional characteristics such as gender, age, but not in terms of political orientation. But this is left very much to each single platform. At the level of government it's very difficult. I was talking to someone at Ofcom recently and they were well aware of the problem. They're trying to deal with it as best they can but this is a very international problem. Think about all these adverts, paid adverts from Russia, that were, you know, paid to influence US elections. So you know a single country cannot be very effective. There is a need for international coordination and it takes time.

And you just mentioned international aspects of this work. The study that we've been talking about was specifically on the USA. Are you looking to see if the same patterns can be seen outside the US in other elections?

Yes, we would like very much. We have put together I believe quite interesting research projects with a group of academics from Bocconi University, ETH Switzerland and Bath, and Loughborough, among others, and Carlos III Madrid. So it's kind of an international team of researchers but it's money, so we have applied for funding and hopefully we will be able to do some interesting work on European elections and the effect of social media on people's political behaviour.

Do you see this as potentially problematic for democracy? We can imagine a utopia where social media means everyone's got access to good information, sound information, and they all read widely and make good decisions based on that, but it's very vulnerable as you mentioned earlier to perhaps disinformation from international/other states wanting to bend things in their direction. Is it a problem for democracy?

It's definitely a challenge. There is definitely a threat for democracy but at the same time social media opens up enormous possibilities to improve democracy in the sense to provide better information to citizens and reach those citizens and individuals who were not interested in politics. So in this respect it will increase democracy. Obviously there is a need for regulation and coordination among nations such that false information is not sent to citizens and misled for true information.

And is this a good example in a way of how economics research can really address a fundamental social question – so good democracy and electing the people that won the contest fair and square is vital to the world really, isn't it? And your study has shown a potential possible challenge, something that could be addressed by governments if they choose to, and just shown what's actually happening. Is the impact of this something that encourages you?

Yes, absolutely. I mean, we have observed in the last few years some very surprising electoral results around the world. You know, we're talking about Trump or, you know, populist leaders that are elected. Or you know, even Brexit, many people couldn't believe that the morning that it happened. And so why did it happen? I think the first question is is social media affecting this surprising result or not? Why did it happen? I mean, it's fine if that's what people want. Informed people want that, that's fine, that's democracy for you. But you know, is that the case or not? This is an open question we're trying to address.

And when it comes to the teaching that you're doing in the Department, is this something that engages the students? I always find it difficult because I didn't grow up with social media. It appeared later on in my life. Political opinions get formed fairly early on and then social media arrived, but we're looking at the students now, it's been there since birth, hasn't it? Are they interested in how it affects their views? Do they even accept that it maybe does affect their views? Or when you're teaching is this whole issue something that you find is going down well in the classroom?

Yes, I'm teaching a module on topics in applied political economy. This module is for postgraduate students, so future researchers. And I think when I teach social media - the effect of Facebook on politics - it's one of the topics where students are more engaged. And they are really fascinated by that. There is not much research yet because of lack of data. Hopefully in the future we will be able to, you know, the social media platforms will be more open and will share their data a bit more so we can shed light on what's going on more precisely. But I think the new generation of researchers are very interested in this, even if for them they were born with that, but still there's so much to do. Among the topics I teach I think the role of information, media bias, social media is probably what captures the interests of our PhD students.

Just broadening out slightly beyond the social media and the elections question, what other topics are at the front of your mind at the moment? Have you got plans for new projects?

Yes, another project I'm working on which I am very interested in is the role of culture - how culture is transmitted from generation to generation, and how this affects the way we are, the way we behave, the way we vote ultimately. And to answer this question, we look at Italy - well I'm Italian, so I guess it is easier for me to work in that environment. So we start from previous research that highlights the importance of cultural identity on behaviours, on customs, beliefs, and most of the studies have been done on immigrants - the second, third generation of people coming, in the US especially, from other countries. But here in this study we focus on Italians' inter-regional mobility. So we look at people living in three cities - the three largest cities in Italy where traditionally a high proportion of people are coming from abroad - maybe from one generation or more. And we look at the behaviour - analyse the behaviour - of these people, and what we find is that the place of origin of their grandparents still matters in the way they behave. Apart from still mattering in the way they eat, what they cook, what they like to eat, and the way that they use language, it's also important in the way they trust people, the way they contribute towards common resources. So you know our cultural inheritance from our parents, grandparents, matters a lot. And our grandparents coming from a given part of Italy, they kind of carry with them their background and transmit that - obviously through food, their language, but also through what is called social capital. So attitude toward trust, cooperation and so on. And this is fascinating and the interesting thing is that if you ask people 'where are you from?', people tend to say the town where they live or they were born, but stopping at that answer won't be able to give us another layer which is their background which is come out actually from the way they behave. So you know that highlights the importance of using this, for example, measure of culture such as food and language to track someone's identity.

And possibly that their voting choices?

And possibly their voting choices. In fact we're looking at that and it does matter. The way they vote - I mean the way they kind of behave - the way they trust politicians, the way they trust people obviously is different, and therefore this translates into a different voting behaviour when they have to decide.

Or your values I suppose - the value might place on community versus entrepreneurialism?

Absolutely, absolutely. Even if people were born in this town, they are still characterised by something that is different, that is specific to the origin of their family. I think it's fascinating.

No it is, that's so interesting. I was just thinking in UK terms of that, here we have the very famous North South Divide. And you can come down - I lived in London for a very long time but I'm from Manchester, before that from Scotland, from Industrial Scotland and that's very different to the person who lived next to me in flat next door. It's so fascinating. I do think we have run out of time. Perhaps we can come back to that another time, but thank you very much, thank you for your time, thank you for joining us on the podcast.

You're welcome.

You have been listening to Warwick Econ sounds, a podcast series from the Department of Economics at the University of Warwick. Please follow the link on our website for further information about Dr Redoano's research.