ABSTRACT:

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Do Unions Shape Political Ideologies At Work?

Labor unions' largest potential for political influence likely arises from their direct connection to millions of individuals at the workplace. There they may change the political preferences of both unionizing workers as well as of their non-unionizing management. In this paper, we analyze the impact of unionization on workers’ and managers’ campaign contributions over the 1980-2016 period in the United States. Therefore, we link establishment-level union election data with transaction-level campaign contributions to federal and local candidates. Combining a difference-in-differences design with regression discontinuity tests and a novel instrumental variable approach, we find that unionization results in a leftward shift of campaign contributions. Unionization increases the support for Democrats relative to Republicans not only among workers but also among managers which speaks against an increase in political cleavages between both groups. We provide evidence that our results are not driven by compositional changes of the workforce and are weaker in states with Right-to-Work laws where unions can invest fewer resources in political activities.