

DECEMBER 2018

UNCTAD Research Paper No. 28
UNCTAD/SER.RP/2018/10/Rev.1**Maria V.
Sokolova**Division on
International Trade
and Commodities,
UNCTAD
maria.sokolova@un.org**Alisa
DiCaprio**(R3)
Alisa.dicaprio@r3.com

Agree to Disagree: The Spillover of Trade Policy into United Nations General Assembly Voting

Abstract

Cooperation among nations is most often negotiated or imposed. The impact on commercial policy is direct, but does it affect other policy decisions? We know trade agreement implementation results in higher bilateral trade and other positive economic results for both countries. It might also be expected to have impacts on each country's economic policies with non-member countries. But we show that there is one further step: common trade policy spills over into voting convergence in the United Nations General Assembly. Using a pairwise approach, we show that signing an RTA introduces voting synchronization between member countries. RTA membership increases overall agreement by 4 percent, agreement by 1 to 2 percent, and disagreement by 3 to 5 percent, with deeper forms of RTAs leading to higher synchronization. This suggests that the benefits of trade agreements are understated in the literature that only measures economic impact.

Key words: regional trade agreements, foreign policy, united nations general assembly, regional integration, voting



UNITED NATIONS

The findings, interpretations, and conclusions expressed herein are those of the author(s) and do not necessarily reflect the views of the United Nations or its officials Member States. The designations employed and the presentation of material on any map in this work do not imply the expression of any opinion whatsoever on the part of the United Nations concerning the legal status of any country, territory, city, or area or of its authorities, or concerning the delimitation of its frontiers and boundaries.

This paper represents the personal views of the author(s) only, not the views of the UNCTAD secretariat or member States. The author(s) accept sole responsibility for any errors. Any citation should refer to the author(s) and not the publisher. This paper has not been formally edited.

Contents

Acknowledgments	2
Introduction	3
1. High versus Low Foreign Policy	4
2. Data	5
3. Methodology	8
4. Results	9
5. Conclusions	13
Bibliography	14
Figures and Tables	16

Acknowledgements

The authors are thankful to the participants of UNCTAD Research Seminar Series (Geneva, June 2018) and Brown Bag Seminar Series of The Graduate Institute, Geneva (Geneva, March 2018) for useful comments and suggestions on the idea before the paper even existed. We thank Lucas Assuncao and Bonapas Onguglo for their support and supervision; Carlos Razo, Graham Mott, Julia Barbara Seiermann and Mesut Saygili for their extremely helpful feedback; Munkh-Erdene Batkhishig for research assistance. Any remaining errors are the authors'.

Introduction

Trade agreements are not just about trade. They have become increasingly popular, and increasingly complex. They have moved from conventional tariff negotiations to include provisions on labour, development, environment, gender and ecommerce among others.

Has this increase in complexity and frequency made the world more cooperative or more competitive? A cursory look does not reveal any obvious patterns. The United States of America and Canada, for example, have been bound together by trade agreements since 1988. Yet the Softwood Lumber dispute in the WTO has simmered since 2002 and continues today.¹ At the same time, the United States and Canada regularly vote together in non-economic matters.

To explore this question, we turn to the highest level of foreign policy – the United Nations General Assembly (UNGA). As all countries receive a single vote in the UNGA, voting offers a clear signal of foreign policy positions, and alignment of interests can be directly measured.

In this paper we show that there are clear political spillovers from trade cooperation. Using a dataset from United Nations General Assembly votes, we illustrate that countries that cooperate in trade, also cooperate in politics.

Our analysis tilts the balance towards trade agreements as a tool for political cooperation. UNGA voting patterns between trading partners change when a trade agreement is enacted. Overall, regional trade agreements (RTAs) make countries 4 percent more likely to register the same vote in UNGA resolutions.

Alignment of voting in the UNGA is not cheap. It is costly for countries to prepare resolutions, conduct plurilateral consultations and lobby. The presence of these preparations increases both the absolute and relative costs of “disagree” votes and makes them relatively rare. Yet, RTAs effects on voting are more pronounced in these “disagree” situations. RTA partners vote in against motions together in an additional 7 percent of votes. This nuance provides further significance to the relationship we find.

Another dimension of the argument is that deeper forms of RTAs have greater impacts on voting synchronization. This result is strongest for Customs Unions, where overall voting synchronization increases by 11 percent among the RTA members, and by 22 percent for the disagree votes.

This paper is organized as follows: Section 2 discusses the question that we are interested in, Section 3 presents the data and the voting similarity index used for the empirical estimations in Section 4. Section 5 concludes.

¹ The United States -Canada softwood lumber disputes is one of the longest standing disputes. The United States allegations are that Canada subsidizes this type of timber which then keeps the price artificially low when exported to the United States.

1. High versus Low foreign policy

The debate that underpins this paper is about the relationship between foreign policy and economic policy. In which direction does this influence go? Most often, economic policy is assumed to be an extension of foreign policy. In this case, we disagree.

Voting in the United Nations General Assembly (UNGA) is one venue for foreign policy. Foreign policy enacted in this venue is often referred to as “high” policy. This type of policy is generally tied to the preferences of the ruling political coalition and can change when the ruling coalition or its leader changes (Mates et al, 2015; Smith, 2016).

In some circumstances, economic policy may be used as a form of foreign policy. The United States -Jordan Free Trade Agreement (FTA) includes provisions on promotion of “higher labor standards ... and strengthening their cooperation on labor matters” and promotion of “environmental and labor law” which depicts significant internal policy improvements and their recognition by the United States². Because economic policy in this framework is an extension or enactment of a state’s foreign policy, it is often seen as “low” policy. Yet unlike political horizons, trade agreements tend to be negotiated over many years before signature and enactment. Using the publicly available data on UNGA voting outcomes, this paper suggests that this relationship may often go in the opposite direction. That is, foreign policy is impacted by economic policy. The intuition behind this result is straightforward – countries that have an RTA are more likely to cooperate in “high” foreign policy because during the negotiation process, countries build links that increase social understanding that impacts issues beyond RTAs. This can influence country’s stance on questions related to the overall wellbeing of humanity and development (Deutsch, 1952; Deutsch 1965).

The Politics of Political Cooperation

Political cooperation has long been studied. The political cooperation literature is divided into two segments. The first looks at negotiated cooperation, including negotiations that happen in UNGA. Countries may cooperate to signify their unity (constructivist approach) or to increase their collective bargaining power (rationalist approach).

A second type of cooperation is imposed. Domestic constraints of the voting country – say, a lack of financial capacity – limits the ability of countries to develop their own independent position in some questions, and hence they can engage in “vote buying” with a relatively more frequent position shift (Brazys and Panke, 2017). In that regard, foreign policy has been frequently cited as an important contributor to the voting results of countries in the UNGA. One of the examples is the use of foreign aid in “vote buying” by the United States (Carter and Stone, 2015). The influence of financial constraints and obligations is also found when taking into account that IMF programs and World Bank lending are found to align the voting positions of recipients with the average G-7 country’s voting position (Dreher and Sturm, 2012).

The Politics of Trade Cooperation

We know that trade is also used as a political tool. Among others, the European Union has implemented the “everything but arms” initiative, and most high-income countries offer trade access to Least Developed Countries through the Generalized System of Preferences (GSP). This reflects both negotiated and imposed³ cooperation.

Trade agreements achieve higher levels of economic activity among the signatories and hence – in general – reciprocal economic gains. Entering into a trade agreement has the capacity to affect the position of the government both economically and politically.

² The White House Briefing Room Archives “United States and Jordan Sign Historic Free Trade Agreement” for the text of agreement; analysis of the Jordanian policies change in labour and environment laws can be found in New York Times article: <https://www.nytimes.com/2000/10/20/world/dual-purpose-of-a-us-jordan-trade-pact.html>

³ Imposed in this context refers to unilateral concessions being “one-sided” and hence not involving negotiation effort from the other side as in case of, for example, Free Trade Agreements.

Previous research has shown that FTAs can be used as an internal political stabilization tool as it brings higher robustness of economic links between countries (Rotunno, 2016). This robustness transcends the effect of political leader turnover of the country and the ruling party since it shapes a long-term economic relationship. RTAs signify a long-term economic commitment between countries, and the presence of their convergence effects on the UNGA voting behaviour will imply that there is a spillover from the “low” foreign policy – including appropriate economic policies such as signing a trade agreement – into “high” foreign policy.

Our hypothesis of voting synchronization resulting from RTA participation does not stand in isolation. There is evidence that trade agreements serve as a soft policy tool for improving members’ human rights for example, by providing the instruments and resources to change actors’ incentives to promote reforms that would not otherwise be implemented (Hafner-Burton, 2005).

This has a twofold implication for international policy. First, under certain conditions, trade policy – such as RTAs - can stabilize foreign policy. – implying the higher unanimity of adoption of UNGA resolutions. Second, by signing trade agreements, countries – while giving up some sovereignty - can achieve better bargaining positions via “resource coalitions.” Gaining a more “common” voice in the UNGA is specifically notable in case of the developing countries: their quantitative majority in UNGA and the “one state – one vote” system can enable their coalitions to have a decisive role in passing resolutions regardless of their current economic or financial capability.

2. Data

Voting Data

The UNGA is one of the six principal organs of the United Nations, established in 1945 and governed by Chapter IV of the United Nations Charter. UNGA members meet each year in sessions that start in September. While sessions were originally meant to finish within one month, now they sometimes last until almost before the next annual session begins.

Because the UNGA votes are transparent and easy to access, they have been a common source of academic work on cooperation in international relations and political science. Some studies follow a set of countries over a long period of annual sessions⁴, others look into the overall effect of macroeconomic assistance (Dreher and Sturm, 2012; Carter and Stone, 2015).

Our main data source is the publicly available United Nations General Assembly (UNGA) voting data from 1990-2015. While there are approximately 250-300 resolutions that come from UNGA every session, most do not go to a vote, and only about a third of resolutions are voted on. Only the resolutions which were voted on are of interest, and the overall breakdown is presented in Figure 1.

While some of the literature has focused only on “key” votes⁵ – suggesting that countries put more effort into developing positions in these particular cases - another strand of research has suggested that for most countries, their true preferences are uncovered only in the “non-key” votes (e.g. Andersen et al., 2006). This discrepancy depends on the particular question asked and the empirical methodologies, hence this paper encompasses the full sample of the roll-call resolutions.

For the purpose of this paper, we categorize a set of nine broad question areas covering all votes at the UNGA. These broad topics have been covered consistently over the years, as shown in Figure 2.

- peace and security;
- budgetary and operational concerns of the United Nations;
- colonization issues;
- disarmament;
- the use of nuclear power and weapons;
- direct economic assistance to countries;
- Israel-State of Palestine;
- human rights

⁴ For example, the European Union (Luif, 2003; Hoesli, van Kampen, Meijerink and Tennis, 2010; Young and Rees, 2005), group of 77 (Iida, 1988) or African countries (Meyers, 1966)

⁵ For example European Union votes on human rights issues (Smith, 2006)

- ocean and maritime.

There are four types of vote outcomes in the UNGA: agree, disagree, abstain, and absent. ‘Agree’ when in favour of the resolution, ‘disagree’ when in opposition to the resolution, or ‘abstain’ when a country neither chooses ‘agree’ or ‘disagree’ but is still present at the General Assembly. While ‘abstain’ is a vote outcome that is not counted into the calculation of the decision over resolution, it requires the country to be present, participate in the actual voting and go on record with their decision on the vote, so we consider it as a part of our estimation.⁶

There is also an option of not attending the session – ‘absent’ from the vote. This can be deliberate or non-deliberate. While sometimes countries miss certain votes on purpose and report their position later, we treat such cases as missing observations⁷.

For the resolution to be accepted, it usually requires a simple majority of the voting members (implying exclusion from calculation of the non-voting countries and abstaining countries) (United Nations, 2006, pp. 23, Rule 86). The other typical voting rule is a supermajority, which requires 2/3 of voting members for a resolution to pass. The questions that require supermajority are usually related to the issues of peace and security.

There is a bimodal trend in distribution of votes (see Figure 3) which shows the distribution of the share of “Agree” votes in overall voting results since 1990). About 30% of resolutions reach approximately 100% support, and about 20% get approximately 66% support. This makes sense from the standpoint of a lobbying diplomat: when a resolution does not secure unanimous support, the next “institutional” threshold is 2/3 – 66% of votes – which will still guarantee the resolution to pass.

Figure 4 illustrates this trend over time. As the UNGA membership has expanded, more countries need to vote ‘agree’ to pass the resolution with the supermajority. The interquartile range of ‘agree’ votes is greater than the minimum necessary number of votes to pass the resolution, which means that despite the variance, at least 75% of resolutions have 2/3 of the countries voting in favour. The relative rarity of negative votes (‘abstain’ votes outnumber ‘disagree’ votes by at least a factor of 2) makes negative voting synchronization more revealing of the political stance of a country. In this study we consider that both ‘abstain’ and ‘disagree’ vote outcomes are signs of not accepting a resolution, but as only ‘disagree’ counts into the final decision, it is a more sound indication of political position of the country.

Trade and Regional Data

RTA-based trade has been expanding over the last decades both in number of relationships and value (see Figure 5), and there is a vast literature⁸ that looks on the formation and evolution of RTAs. We use Bergstrand & Baier’s RTA dataset⁹ for the information on regional trade agreements. In the basic identification, we use all trade agreements recorded in the database¹⁰ without differentiating between the types of agreements. As one of the robustness checks, we check whether there is a different effect of “deeper” agreements and use the database classification as presented in Table 1.

Trade values come from COMTRADE, other controls are from World Bank’s WDI and CEPII’s gravity dataset in relevant years.

Voting Similarity Index

Our hypothesis in this paper is that engaging into regional trade policy through participating in RTAs for any pair of countries will result in a higher similarity of UNGA voting patterns. RTAs are – most commonly – a multilateral occurrence, going beyond a bilateral relationship. Nevertheless, investigating an effect on an average country we need to first look at the effect on the average bilateral country pair. We acknowledge the need to develop also an aggregate assessment of the UNGA voting synchronization effect of RTAs, which we leave for the further research.

⁶ Such methodology is common, see Voeten (2000), Bimberg (2009).

⁷ Voeten (2000) also used such approach.

⁸ Among many Frankel et al. (1996), Freund and Ornelas (2010), Steiger and Bagwell (1999) and Vicard (2009)

⁹ Available at <https://www3.nd.edu/~jbergstr/>

¹⁰ For the full information on the classification regard Bergstrand, Baier and Clance (2017)

While there exist a variety of ways to record voting cohesion, they usually involve multiple countries and different “points” assignment to a vote. For example, ‘disagree’ vote getting “-1” point, ‘agree’ vote getting “1”, and ‘abstain’ being assigned “0”. While we acknowledge the existence and applicability of these measure to various questions, in our investigation we refrain from this and are interested in the general occurrences of the similar votes between a country pair. Hence, our dependent variable is a simple non-weighted index of voting similarity between two countries. We calculate this index as a simple share of similar votes between two countries i and j (time index omitted for brevity):

$$SI_v^{i,j} = \frac{\sum_v [1|V_v^j = V_v^i]}{\sum_{v \in (v_i \cap v_j)} V_v}$$

where the denominator $\sum_{v \in (v_i \cap v_j)} V_v$ indicates the number of times the countries i and j voted at all (agree, disagree, or abstain). In alternative specifications we look at whether there are certain types of votes that drive the similarity - $V_v^j = \{Y_v^i, N_v^i, A_v^i\}$.

$$SI_v^{i,j} = [0, 1]$$

The similarity index takes values from zero to unity. $SI_v^{i,j} = 0$ implies that in all votes, countries i, j voted differently, $SI_v^{i,j} = 1$ implies that countries i, j voted the same in all votes. The benchmark measure does not differentiate between the types of votes cast and therefore shows the overall similarity of stance between the countries.

As types of vote matter, we look into similarity by the country pair i, j : $SI_Y^{i,j}$ for ‘agree’ votes, $SI_N^{i,j}$ for ‘disagree’ votes and $SI_A^{i,j}$ for ‘abstain’ votes. For example, if France and Hungary voted in 115 resolutions, where 57 times they both voted ‘agree’, 10 times both ‘disagree’ and 23 times both voted ‘abstain’, then the respective measures are: overall similarity $SI_v^{i,j} = \frac{57+10+23}{115} = \frac{90}{115} = 0.78$; same “agree” $SI_Y^{i,j} = \frac{57}{115} = 0.5$; same “disagree” $SI_N^{i,j} = \frac{10}{115} = 0.09$; same “abstain” $SI_A^{i,j} = \frac{23}{115} = 0.2$. Figure 6 and Figure 7 show an increase in the share of similar votes in UNGA between the countries that sign RTAs (note that only countries that sign RTAs are selected). But this increase is not attributed to the single year the RTA took effect. One explanation could be that RTAs are negotiated for many years prior to being enacted. Another explanation relates to the theory of “natural RTAs” (Frankel et al., 1996) that postulates that RTAs are being signed by the countries that trade a lot and are closer in geographical and institutional distance. The theory of “natural” RTAs does not contradict our finding. In fact, we show that even among “natural” RTA partners signing an RTA increases voting similarity.

Following classification of Baier and Bergstrand dataset (presented in Table 1), we find that the level of overall similarity increases when the RTA becomes deeper in type, as indicated by Figure 8 and Figure 9. The figures also indicate that volatility of pair similarity decreases between the country pairs when countries sign or deepen a trade agreement. This implies that countries that have an RTA exhibit an overall more stable position in UNGA voting, and in general this stability increases with the deepness of the RTA. This “stability” is composed of three observations from the following graphs: countries have a less volatile ‘agree’ similarity after they sign an RTA (Figure 10). Their level of similarity in their ‘disagree’ votes increases after they sign an RTA (Figure 11), and signing into a Customs Union seems to have the highest effect, while Economic Union appears to “bound in” the ‘disagree’ voting behaviour even from before the agreement is signed. In general, the ‘abstain’ similarity appears to not change extremely (Figure 12), but less volatile than compared to pre-RTA levels for all types of agreements.

Figure 13 indicates the dynamics of the similarity indices for selected country pairs. The “new European Union” countries – Estonia, Hungary, Slovenia - aligned closer to their “old European Union” countries – Germany, France, United Kingdom of Great Britain and Northern Ireland. From the respective graphs it is noticeable that this alignment was not only upon official European Union entry, but also when the bilateral deals were implemented¹¹. This alignment is also far more pronounced in ‘disagree’ votes – despite on average being less frequent than ‘agree’ or ‘abstain’ as we argue these votes indicate more vividly a common foreign policy stance at UNGA. On the other hand, MERCOSUR countries (since 1995 including Brazil, Argentina, Paraguay, Uruguay, the Bolivarian Republic of Venezuela; since 2016 the Bolivarian Republic of Venezuela is suspended)

11 The FTA between Estonia and European Union came in effect in 1998, European Union -Hungary in 1992, European Union -Slovenia in 1997.

exhibit high level of voting similarity among themselves but tend to hardly ever use ‘disagree’ votes, while their ‘abstain’ similarity is less consistent.

Notably, in line with other literature that studies UNGA voting (Dreher et al, 2008), we see that the United States of America voting has been in some way unique. First, the United States of America tends to ‘disagree’ much more frequently than other countries. Second, while observing alignment to its NAFTA partner Canada, it has seen little alignment (apart from ‘agree’ votes) with the other NAFTA member Mexico. This trend to disagree is one of the reasons we exclude the United States of America in some empirical specifications.

Nevertheless, looking at the correlations of average ‘agree’ and ‘disagree’ similarities in 2013-2015 with respect to all possible partners for selected countries in Figure 14, we see that RTA trading partners (colour-coded in red) tend to be distributed closer to the upper right part of the distribution. Developing countries tend to use their ‘disagree’ votes more rarely than developed, and, while it can be argued that it can be due to the fact that they ‘agree’, it may be opting for the “safer” choice of ‘abstain’. As a result, they tend to vote more alike in ‘agree’ and ‘abstain’ votes with their RTA partners – due to the absence of the ‘disagree’ votes. This is specifically the case for African countries – as illustrated by the selected examples of Kenya and the United Republic of Tanzania, who exhibit higher similarity with their RTA partners, but extremely low propensity to vote ‘disagree’ in general.

These selected examples illustrate the general fact that the majority of votes in UNGA are ‘agree’ votes (by year breakdown available in Figure 3), which could be potentially influenced by the fact that there is a lengthy pre-UNGA preparation process by the parties when the resolution undergoes a process of bureaucratic screening and negotiations, including plurilateral consultations and lobbying. This results in the overall awareness of the subject of resolutions and high level of content between Member States on what comes to the UNGA. This is illustrated by the fact that 2/3 of the resolutions are unanimously adopted without being voted on.

In this regard, having a ‘disagree’ vote signifies a more profound political stance of the Member State regarding the issue. Thus, having a common ‘disagree’ vote signals a synchronization at a high level of policy, and not simple “default” synchronization on issues voted in UNGA. Thus, having a higher similarity index for ‘disagree’ votes is more important for international policy making as it indicates a more distinguished political stance of Member States in UNGA.

3. Methodology

For the benchmark estimation, we adopt a panel approach with multidimensional fixed effects that is common in international trade literature¹²:

$$SI_{v,t}^{ij} = \beta_0 RTA_{ij,t}^v + FE_{ij} + FE_{it} + FE_{jt} + FE_t + \varepsilon_{ij,t}$$

The dependent variable is the similarity index as defined before (being either the overall similarity or separately one of the types of votes cast – ‘agree’, ‘disagree’ or ‘abstain’). Through the addition of multiple fixed effects, we control for the possible unobserved factors that are time-variant country-invariant characteristics (FE_{it} and FE_{jt}), time-invariant country-pair-variant characteristics (FE_{ij}), therefore also controlling for country-invariant time-variant characteristics (FE_t). By adding these variables we control for standard macroeconomic aggregate fundamental trends (GDP or GDP per capita growth, population growth, education levels, investment and finance environment, etc.), standard country-pair characteristics (distance between countries, adjacency, common colonizer, demographic and ethnic proximity, etc.) and global macroeconomic shocks (e.g. financial crisis).

The dependent variable is constrained [0;1], and hence the β_0 coefficient shows the change in the probability of observing a similar vote between the two countries in the sample that entered a trade agreement versus their voting before they entered into a trade agreement.

Additionally, we add a set of controls that are country pair and time variant. These controls include:

$Age_RTA_{ij,t}$ - number of years since the RTA was signed;

¹² To our knowledge we are the first ones to apply it in the context of the UNGA voting.

$Import_{ij,t}$ - log of bilateral imports of the ij country pair;
 $Export_{ij,t}$ - log of bilateral exports of the ij country pair;
 $Tr_share_{ij,t}$ - share of ij trade in the overall trade of i and j countries;
 $GDPdistance_{ij,t}$ – bilateral GDP distance between the ij country pair in year t .

The literature shows that older and newer RTAs have different impact on trade (Mattoo et al., 2017), but as our sample covers the span of 26 years (1990-2015), we have limited the “age” of RTA ($Age_RTA_{ij,t}$) to 14. These control for whether the effect is due to the RTA or the growing trade relationship between the countries. Alike, $Tr_share_{ij,t}$ controls for whether synchronization of votes happens due to the increased importance of the partners in the economy of each other, and not to the presence of an RTA. Control $GDPdistance_{ij,t}$ is pair-specific GDP per capita distance between the countries that controls whether there is a more similar position of the countries that have similar GDP levels.

We adopt the Poisson Pseudo-Maximum Likelihood (PPML) estimation model that is commonly used in international trade gravity theory. Poisson models are suitable for the non-count data¹³ and provide us with a more meaningful interpretation of coefficients. To ensure the robustness of the results we confirm our estimations with count of similar votes cast as an alternative dependent variable.

In the benchmark regression we do not account for the type of vote performed, nor type of issue, nor type of RTA in place. We make these choices because of our aim to make a statement on the overall synchronization effect of RTAs. To check whether this synchronization differs by the type of votes or RTAs, we perform multiple robustness checks with alternative specifications where we differentiate between the votes cast, type of resolution voted on and type of RTA in place.

Due to the presence of fixed effects we do not need to control for common aggregate controls such as dependence on foreign aid, total external debt of the country, overall budget balance and growth or stock of GDP per capita (Dreher and Sturm, 2012). The pair-level characteristics such as ethnic proximity, language and geographic distance, and institutional similarity are also included into the fixed effects.

4. Results

The results of the benchmark specification are presented in Table 2 – first without controls (columns (1) – (4)), then with controls (columns (5) – (8)). Signing an RTA increases overall voting synchronization by 2 – 4 per cent (columns (1) and (5)). As described before, the type of vote matters.

While ‘agree’ similarity is influenced by 1-2 per cent (columns (2) and (5)), ‘disagree’ is influenced double that – by 4-5 per cent (columns (3) and (7)). Because of the relative rarity of the disagree votes in UNGA, the higher effect of RTA on a common ‘disagree’ stance is an important result for considerations of spillovers from “low” to “high” foreign policy. It should be noted that while ‘abstain’ similarity increases by 10 per cent (columns (4) and (8)), it is not counted in the majority determination, and hence we consider this an important, but secondary result.

Results from the benchmark specification also indicate that control coefficients on imports, exports and RTA age are close to zero or insignificant. While this can partially be influenced by the inclusion of multiple fixed effects, it also shows that there is no significant influence of typical trade flows on the voting pattern at the UNGA. This implies that the voting synchronization effect comes from a having a more common trade policy – i.e. via an RTA – and not the amount of trade between two countries per se.

The absence of an economically significant coefficient (it is almost equivalent to zero) of the age of an RTA and the years before an RTA implies that there is no overall trend to have a higher voting similarity between two countries (the idea derived from the theory of “natural” RTAs), and it is the implementation of the RTA that drives synchronization.

Trade share ($TrShare_{ij,t}$) between two countries seems to have an effect on their common ‘disagree’ and ‘abstain’ position. Firstly, it should be noted that only about 2 per cent of all bilateral trade relationships in the sample cover greater than over 1 per cent of country trade, and the average increase worldwide is far lower than 1 per cent, with only a few countries having such influence across the studied time period. Secondly, the

13 For more, see Wooldridge (2010) “Econometric Analysis of Cross Section and Panel Data, 2nd ed.”, chapter 18. Or (2010) A. Colin Cameron and Pravin K. Trivedi “Microeconomics Using Stata, revised edition”, chapter 17.3.2.

negative and highly significant result of 3,5 per cent lower synchronization with 10 per cent higher trade share between the countries – at first look – counterintuitive, but has been found to be driven by the position of the United States of America in UNGA. While being the biggest economy in the period studied, the United States of America has a very strong independent position in foreign affairs. It has been shown that the United States of America uses aid to lobby for its position in UNGA (Carter and Stone, 2014). It is especially relevant in case of the ‘disagree’ votes due to their relative rarity and the counter position of the United States of America to many questions raised in UNGA. Excluding the United States of America from the estimations eliminates the significance (and sign) of $TrShare_{ij,t}$ for ‘disagree’ votes. In case of ‘abstain’ votes the negative significant sign may be explained through the “power struggle” between countries that have higher trade presence in RTAs¹⁴.

Remarkably, Table 2 also indicates that bilateral GDP distance is a significant control for ‘agree’ and ‘disagree’ similarities. That is, if a country pair consists of two countries where one of them has twice higher GDP per capita, ‘disagree’ voting similarity is increased by 2 percent. This is in line with theories of vote-buying behaviour by the richer countries (Carter and Stone, 2015) and resource constraint of the poorer countries (Brazys and Panke, 2017).

The next step is to look at the variations among the types of agreements. Regional agreements evolve over time in their complexity and scope, and change in their economic significance. While it can be argued that every agreement is unique, there are commonly accepted groups of agreements that relate to deeper trade relationships, as described in Table 1. In the benchmark regression we use FTA or deeper relationship as a cutoff for $RTA=1$, while in Tables 4.1 – 4.2 the broader and more narrow definitions are used. The broader definition includes the non-reciprocal trade agreements (e.g. Generalised System of Preferences), the narrower definition concentrates on agreements that go beyond common concessions of a free trade agreement (that is customs union or common markets, or an economic union). Our results suggest that the voting synchronization effect is stronger for deeper agreements for all similarity measures of voting behaviour. These results suggest that stronger trade policy links (via deeper-form trade agreement) have stronger effect on political positions. This effect disappears for the shallower agreements, which indicates that the synchronization effect is dependent on a bilateral relationship in trade policy.

Next we check whether there is a certain type of agreement that drives the effect. Following Baier and Bergstrand’s classification (see Table 1) we introduce “type of agreement” dummies. The results in Table 5 show that voting synchronization effect increases with the “deeper” forms of integration, with Economic Union associated with the highest synchronization. Figure 15 illustrates the results with controls from columns (5) – (8) of Table 5. This positive relationship between the degree of synchronization and deepness of the agreement can be explained through either the architecture of regional trade agreements or the political economy effect of RTAs. The taxonomy of creating a trade agreement is such that the deepness of agreements – in general – accumulates, and a Common Market has features which are inclusive of both a Free Trade Agreement and a Customs Union - therefore the overall effect should be cumulative too.

As discussed, there is a lack of literature studying the effect of integration through trade agreements on UNGA voting, but our results are in line with the existing evidence of European integration for the European Union-15 between 1990 – 2002 (Young and Rees, 2005), also in case of later accessions aligning to the “old” European Union (Johansson-Nogues, 2004), and also with the voting cohesion among ASEAN countries (Ferdinand, 2013).

UNGA voting covers a variety of topics that relate to global stability. Following a broad classification of the resolutions voted on (developed by the authors and available on demand), we check whether certain types of questions are more likely to produce synchronization than others. The results on the main coefficients are reported in Table 6¹⁵, with the top pane presenting results without the controls and the bottom with. Our results in part confirm Deutsch’s (1965) idea of communication between societies and information exchange. Once an RTA is in place, countries’ residents communicate more and exchange more information, they develop more similar positions about such common values as basic human rights, peace and environment related questions (ocean, peace, nuclear categories).

We do not find this same “interconnection” impact on economic assistance questions and questions related to the United Nations operations. While at first counterintuitive, it can be explained through the attempt to preserve

14 Eliminating EU17 does not affect the main results, but does not eliminate the $TrShare_{ij,t}$ significance that is caused by the United States position in UNGA.

15 Results by the type of vote are available on demand.

sovereignty over questions not related to a specific bilateral relationship. Some of positive coefficients can be interpreted to be linked to international trade processes – such as, for example, human rights – and hence the debate on these issues in high foreign forum can be interlinked, spurring similar positions among RTA members. Other questions – like disarmament – usually are not connected to trade talks. We reserve ourselves from going into interpretation of why RTA effect on voting synchronization differs on different topics, while keeping this for the further research that we highly encourage.

Robustness

Since the main purpose of our research is whether voting convergence results from a common trade policy, in the benchmark specification we do not assign weights to the different type of voting outcomes. Nevertheless, some political science theories take ‘abstain’ votes as a more neutral position than “agree” or ‘disagree’ outcomes. If this is true, then our estimates are deflated, and the results are biased downwards.

To account for that we consider a pair of votes (‘agree’, ‘abstain’) or (‘disagree’, ‘abstain’) as 0.5 to the similarity index. Following the example given before with France and Hungary (voted in 115 resolutions, where 57 times they both voted ‘agree’, 10 times both ‘against’ and 23 times both voted ‘abstain’), adding information that in 9 cases they voted as (‘agree’, ‘abstain’) and 2 cases (“disagree”, “abstain”), the alternative measures are: overall similarity $SI_v^{i,j} = \frac{57+10+23+4.5+1}{115} = \frac{95.5}{115} = 0.83$; ‘agree’ similarity $SI_Y^{i,j} = \frac{57+4.5}{115} = \frac{61.5}{115} = 0.54$; ‘disagree’ similarity $SI_N^{i,j} = \frac{10+1}{115} = \frac{11}{115} = 0.10$; ‘abstain’ similarity $SI_A^{i,j} = \frac{23+4.5+1}{115} = \frac{28.5}{115} = 0.25$.

The results on this alternative specification of similarity measure are reported in Table 7. The alternative measure does not change the direction or significance of the effect, except for estimation on $SI_A^{i,j}$ (‘abstain’ similarity) specification with controls, but only to -0.01 coefficient. Results with another alternative measure – count measure – presented in Table 8, very closely resemble the main specification results, implying that share measure performs as well as the count measure.

One might wonder if the synchronization effect is driven by the small countries signing RTAs with bigger trading partners and adopting their partner’s foreign policy stance. By interacting the RTA variable with GDP distance, we find that the effect is not sourced by the RTAs among differently endowed countries. In fact, the difference between the signatories’ GDP per capita actually decreases the effect, albeit at a very low level – the effect is reduced by less than 1 percent with a 100 percent difference between GDP per capita (see Table 9). The same results are achieved when we look at the influence of the trade share between the two countries.

Looking at the geographic composition, voting synchronizing is stronger when the RTA relationship is between countries that are in different geographical regions (as per World Bank classification). But the synchronization effect on ‘disagree’ votes is stronger for countries in the same geographical region (see columns (3) and (7) of the upper panel of Table 10).

This illustrates both that the ‘disagree’ position in the UNGA is more indicative of an explicit political stance in the UNGA and that RTAs have potential to address specific issues in developing country clusters. Splitting the samples by North and South subsamples, the results show that the synchronization effect (on votes of any type) is mostly sourced from intra-regional RTAs, and more so among the Southern countries, while in the North-South cooperation, controlling for trade share between the country pair (*TrShare*) switches signs and becomes positive. This suggests that while RTAs are influencing UNGA voting (through alliances of political thought), in their absence there is a certain political divide¹⁶. This is in line with evidence of existence of “cleavage” in votes between the South and North post-Cold War (Kim and Russett, 1996).

Endogeneity

One of the concerns about our empirical strategy is that RTA and UNGA voting synchronization could be due to reverse causality (i.e. a higher similarity of UNGA voting leads to RTA signing rather than vice-versa).

¹⁶ The results on these additional checks are available upon request. The determinants of RTAs that lead to more – or less – synchronization in UNGA voting is a subject of a companion paper.

At a basic level, this is unlikely because trade agreements – and trade policy in general – are not a subject of UNGA resolutions, and thus can have no direct effect. RTAs are plurilateral in nature and are not suited for the discussions at UNGA, which uses multilateral consultations as the key operational mechanism. Moreover, RTAs are used to stabilize political institutions and to enhance economic cooperation between countries (Rotunno, 2016).

Nevertheless, one can suspect that there may exist a common sentiment that leads the countries to sign RTAs and cast similar votes at the UNGA. We address this issue in three ways. First, we argue that including multiple fixed effects into the estimations should take care of any omitted variables bias. The fixed effects in our estimations control for time-variant country-variant, time-invariant country-variant, time-invariant country pair-variant, and time-variant country-invariant variables¹⁷. Second, we add leads and lags of RTAs implementation to check whether the RTA and synchronization is a part of a common trend. This approach is similar to Mattoo et al. (2017), who argue that without lags RTA dummies do not capture the full effect on trade.

Table 11 presents the results – both without controls (columns (1)-(4)) and with them (columns (5)-(8)). One lead of signing an RTA ($RTA_{ij,t-1}$) has a positive and significant effect across all specifications. Moreover, this “forefront” synchronization seems to be coming mostly from synchronization in ‘abstain’ voting (columns (4) and (8)). Coefficients on the second lead are either insignificant or negative. This falls in line with our story since trade deals are signed within one to two years after the announcement. After the announcement the parties actually start working together on the terms and conditions – and, following our story, develop a common position on other issues. Hence, having a positive lead coefficient (and insignificant or negative before) supports the effect of RTAs on similar position in UNGA.

The synchronization effect of signing an RTA is non-linear in years after the signature and becomes the strongest four years after coming into place (variable $RTA_{ij,t+4}$), which is in line with international trade literature that finds that RTAs take time to take effect (Mattoo et al., 2017). Results are mostly robust to alternative numbers of leads and lags – going beyond three leads does not seem politically reliable since the leaders tend to use RTAs as a political tool within their term (even if it is signed right before they took over), with the overall average term being 4 years (Rotunno, 2016).

Including leads and lags shows that RTA-synchronizing effect has a certain time decomposition – countries tend to be more favourable to each others’ positions during the RTA negotiations process, but then are more cautious about adopting each other’s stances by having a common ‘abstain’ position, then switching on in a couple of years to a common sounder ‘agree’ and ‘disagree’ position.

Thirdly, we check whether the trend among the country pair to “regionalize” their trade influences their voting pattern and not the signature of the RTA between the countries in question. DiCaprio et al. (2017) introduced the measure of “regionalization” that we add to our estimations instead of the RTA dummy. This measure captures the overall prevalence of RTAs in the country’s trade as a trade policy choice. If the trend to regionalize – and not the RTA itself - is effecting UNGA voting synchronization, the resulting coefficients will be positive and significant.

The measure is calculated as follows:

$$Reg1_{i,t} = \frac{\sum_{l \neq j} (trade_{il,t} * D(1|RTA_{il,t} = 1))}{\sum_{jt} Trade_{il,t}}$$

For country i this reflects the share of regional trade in the overall trade, apart from regional trade with country j if the country pair ij has an RTA in place. This reflects the “overall regionalization” of country i ’s trade policy without the influence of country j . If countries synchronize their votes in UNGA due to the common “trend” for certain type of policies, then the coefficient of the Reg1 measure (for both or for one of the countries) will be positive and significant. The results of these regressions are presented in Table 12 which shows that the trend for regional policies does not influence the similarity of votes between the countries and are supportive of the idea that RTAs have a communication function and open new channels of discussion that can develop into a common position on other issues.

The above analysis on endogeneity – from omitted variables to alternative specifications – supports our hypothesis of causality between signing an RTA and voting synchronization in UNGA.

¹⁷ Some of the robustness checks look into the regional breakdown (as same region of the country pair, or South-South cooperation) but further research on the drivers of this synchronization is encouraged.

5. Conclusions

The impact of trade policy on foreign policy has been acknowledged, but never measured. In this paper we sought to illustrate one of the less-obvious benefits of trade policy – political cooperation. We show that trade policy – which operates on a long-time horizon (since trade agreements – until recently – rarely are revoked) – has obvious impacts on foreign policy – which operates on a very short horizon. Therefore, this is a two-way street: for a government seeking to leave a legacy, trade is the way to go and can encourage future leaders to follow globally accepted norms and values.

This has several interesting policy implications. The first is that the benefits of RTAs may be understated. Traditionally the benefits of trade agreements are measured using economic indicators. However, if another benefit is that your neighbors vote more like you, this may be attractive both to benign regimes that seek to promote cooperation and also to malicious regimes that may seek cooperation to destabilize other parts of the region or world.

The second is that signing an RTA has a positive effect on the political stability between the countries. While it may be a stretch to prescribe conflicting economies to sign trade agreements, it implies that countries that do sign trade agreements have lower possibility of conflicts. The Association of Southeast Asian Nations (ASEAN) has followed such a doctrine – to some criticism – by allowing states with non-democratic political regimes into the regional agreement. Our analysis suggests that such trade cooperation may also smooth voting patterns in the UNGA, implying a moderating political effect on some regimes.

The third is that as more countries bind together into mega regionals – like the former TPP – international cooperation may become less contentious. This is a very forward-looking view and well into the future.

Bibliography

Andersen, T. B., Harr, T. and Tarp, Finn, 2006, On US Politics and IMF lending, *European Economic Review*, Vol. 5(7), pp.1843-1862.

Baier, Scott L. and Bergstrand, Jeffrey H., *Economic Integration Agreement Database (1950-2015)*, NSF/Kellogg Institute for International Studies, <https://www3.nd.edu/~jbergstr/>, accessed September 2017

Bergstrand, Jeffrey H, Baier, Scott L and Clance, Matthew W, 2017, Heterogeneous economic integration agreements' effects, gravity, and welfare, Discussion Papers 2017-05, University of Nottingham, GEP.

Birnberg Gabriele, *The voting behavior of the European Union member states in the United Nations General Assembly*, PhD Thesis, Department of Government, The London School of Economics and Political Science

Brazys, Samuel and Panke, Diana, 2017, Why do states change positions in the United Nations General Assembly?, *International Political Science Review*, Vol. 38 (1) , pp. 70-84

Cameron, A. Colin and Trivedi, Pravin K., 2010, *Microeconomics Using Stata*, revised edition, Statapress, Chapter 17.3.2

Carter, David B. and Stone Randall W., *Democracy and Multilateralism: The Case of Vote Buying in the UN General Assembly*, International Organization, 2015, Vol. 69(1), pp. 1-33

Deutsch, Karl, 1952, On Communication Models in the Social Sciences, *American Journal of Orthopsychiatry*, Vol. 22(3), pp. 469-483

Deutsch, Karl, 1965, *The Nerves of Government: Models of Political Communication and Control*, New York: The Free Press, 1963

DiCaprio, Alisa, Santos-Paulino, Amelia U. and Sokolova, Maria V., 2017, *Regional Trade Agreements, integration and development*, UNCTAD Research Paper No.1, UNCTAD/SER.RP/2017/1

Dreher, Axel, Nunnenkamp, Peter and Thiele, Rainer, 2008, Does US Aid Buy UN General Assembly Votes? A disaggregated Analysis, *Public Choice*, Vol.136 (2), pp. 139-164

Dreher, Axel and Sturm, Jan-Egbert, 2012, Do the IMF and the World Bank influence voting in the UN General Assembly?, *Public Choice*, Vol.151, pp.363-397

Ferdinand, Peter, 2013, Foreign Policy Convergence in Pacific Asia: The Evidence from Voting in the UN General Assembly, *The British Journal of Politics and International Relations*, Vol. 16 (4), pp. 662-679

Frankel, Jeffrey, Stein, Ernesto and Wie, Shang-Jin, 1996, Regional Trade Agreement: Natural or Super-Natural?, *American Economic Review*, Vol. 86 (2), pp. 52-56

Freund, Caroline and Ornelas, Emanuel, 2010, *Regional Trade Agreements*, *Annual Review of Economics*, Vol. 2, pp. 139-166

Hafner-Burton, Emilie, 2005, Preferential Trade Agreements and Government Repression, *International Organization*, Vol. 59 (3) (Summer, 2005), pp. 593-629

Hoesli, Madeleine, Evelyn van Kampen, Frits Meijerink and Katherine Tennis.2010, Voting Cohesion in the United Nations General Assembly: The Case of the European Union, Paper prepared for presentation at the ECPR Fifth Pan-European Conference, Porto, 24-26 June 2010

Johansson-Nogués, E., 2004, The Fifteen and the Accession States in the UN General Assembly: What Future for European Foreign Policy in the Coming Together of the 'Old' and the 'New' Europe?, *European Foreign Affairs Review*, Vol. 9, pp. 67-92

Iida, Keisuke, 1988, Third World solidarity: the Group of 77 in the UN General Assembly, *International Organization*, Vol. 41, No. 4, pp. 375–395.

Kim, Soo Yeon and Russett, Bruce, 1996, The New Politics of Voting Alignments in the United Nations General Assembly, *International Organization*, Vol. 50, No. 4, pp. 629-652

Luif, Paul, 2003, EU Cohesion in the UN General Assembly, *Occasional Papers Series*, European Union Institute for Security Studies, N49,

Mattoo, Aaditya, Mulabdic, Alen and Ruta, Michele, 2017, Trade Creation and Trade Diversion in Deep Agreements, *World Bank Policy Research Working Paper No. 8206*

Mates, Michaela, Brett, Ashley Leeds and Carroll, Royce, Leadership Turnover and Foreign Policy Change: Societal Interests, Domestic Institutions, and Voting in the United Nations, 2015, *International Studies Quarterly*, Vol. 59, Issue 2, pp. 280-290

Meyers, Benjamin D., 1966, African Voting in the United Nations General Assembly." *The Journal of Modern African Studies* 4(2): 213–227.

Rotunno, Lorenzo, 2016, Political stability and trade agreements: Evidence for 'endgame' FTAs, *European Journal of Political Economy*, Elsevier, vol. 45(C), pages 133-148.

Smith, Alastair, Leader Turnover, Institutions, and Voting at the UN General Assembly, *Journal of Conflict Resolutions*, 2016, Vol. 60(1) pp. 143-163

Smith, Karen, 2006, Speaking With One Voice? European Union Co-ordination on Human Rights Issues at the United Nations, *Journal of Common Market Studies*, Vol.44(1), pp. 113-37

Steiger, Robert W. and Bagwell, Kyle, 1999, An economic Theory of GATT, *American Economic Review*, Vol. 89(1), pp. 215-248

United Nations, 2008, Rules of Procedure of the General Assembly, Rule 86[126], A/520/Rev.17

Vicard, Vincent, 2009, On trade creation and regional trade agreements: Does Depth Matter?, *Review of World Economics*, Vol. 145 (2), pp.167-187

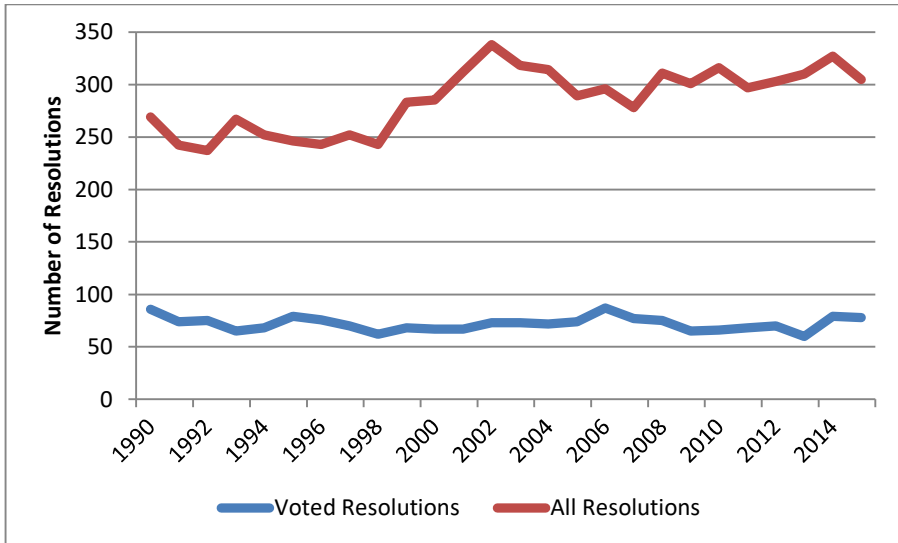
Voeten, Erik, 2000, Clashes in the Assembly, *International Organization*, Vol.54 (2), pp.185-215

Voeten, Erik, 2013, Data and Analyses of Voting in the UN General Assembly" *Routledge Handbook of International Organization*, edit by Bob Reinalda, <https://hdl.handle.net/1902.1/12379>, Harvard Dataverse, V18, accessed September 2017

Wooldridge, Jeffery, 2010, *Econometric Analysis of Cross Section and Panel Data*: 2nd edition, MIT Press, chapter 18

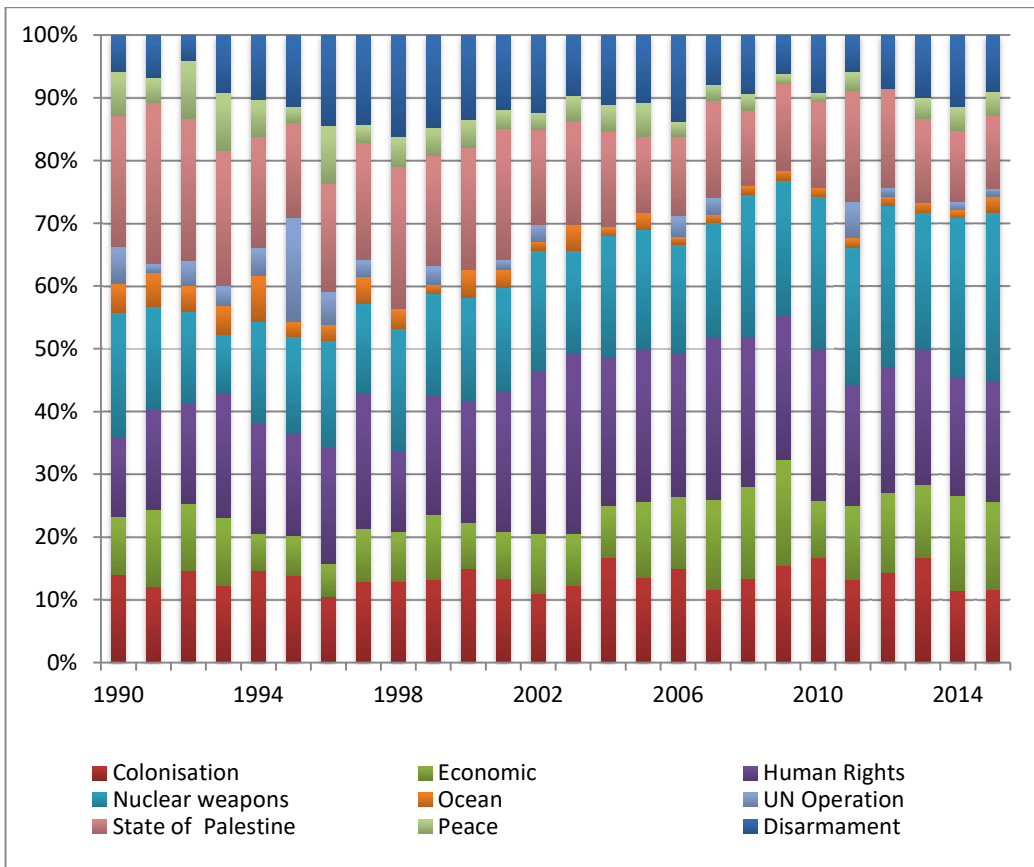
Young, Helen and Rees, Nicholas, 2005, EU Voting Behaviour in the UN General Assembly, 1990-2002: the EU's Europeanising Tendencies, *Journal Irish Studies in International Affairs*, Vol. 16, pp.193–207.

Figure 1: UNGA resolutions: overall and voted

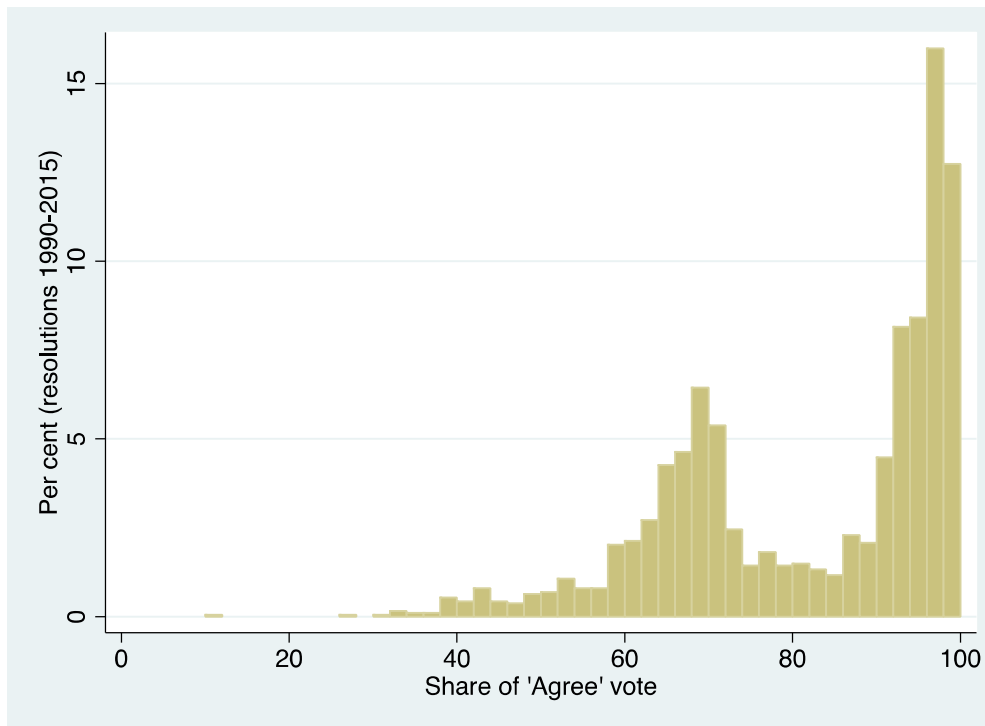


Source: Authors' calculations based on Voeten database.

Figure 2: UNGA voted resolutions by type of resolution

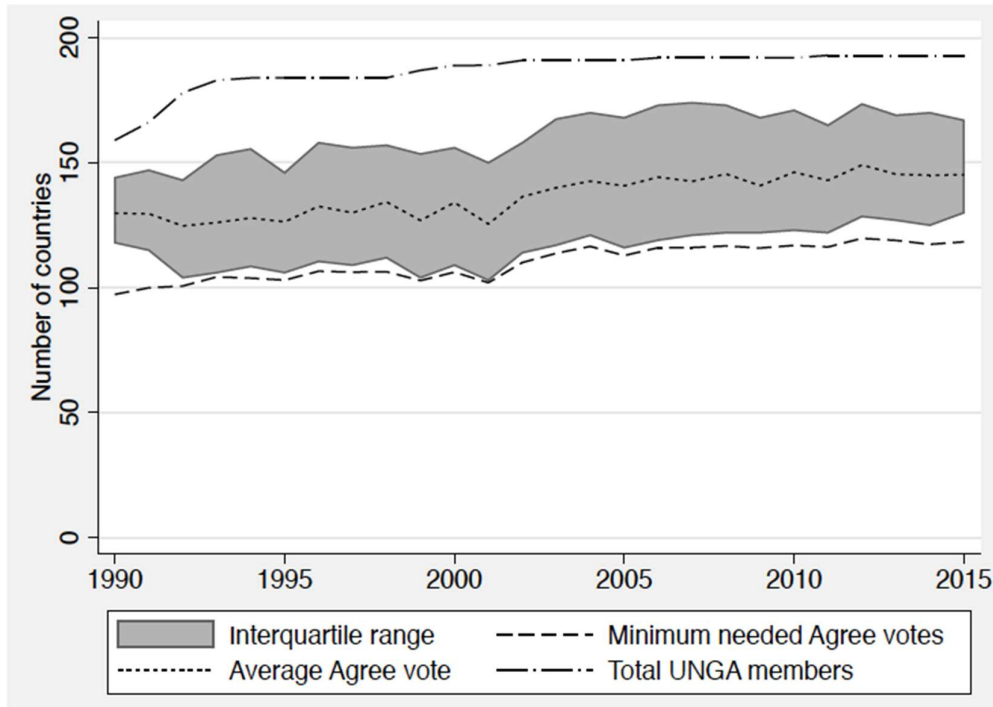


Source: Authors' calculations based on Voeten database.

Figure 3: Share of "agree" votes, 1990-2015

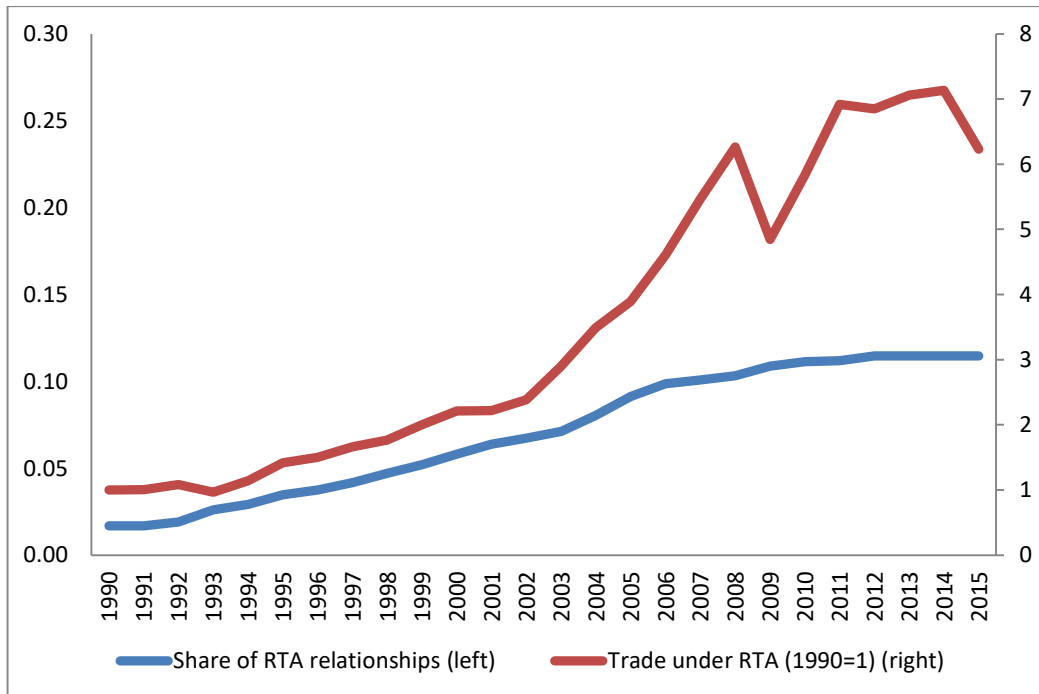
Source: Authors' calculations based on data from Bergstrand and Voeten databases (accessed September 2017)

Figure 4: Country distribution dynamics in 1990-2015



Source: Authors' calculations based on data from Bergstrand and Voeten databases (accessed September 2017)

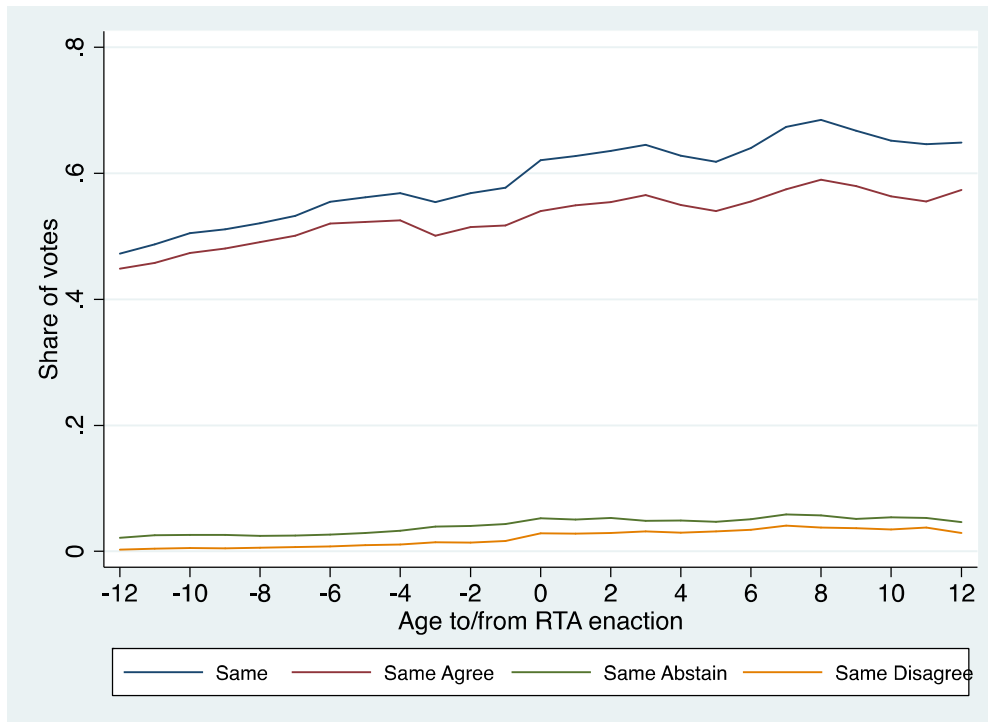
Figure 5: Evolution of RTA trade



Source: Authors' calculations based on data from Bergstrand and Voeten databases (accessed September 2017)

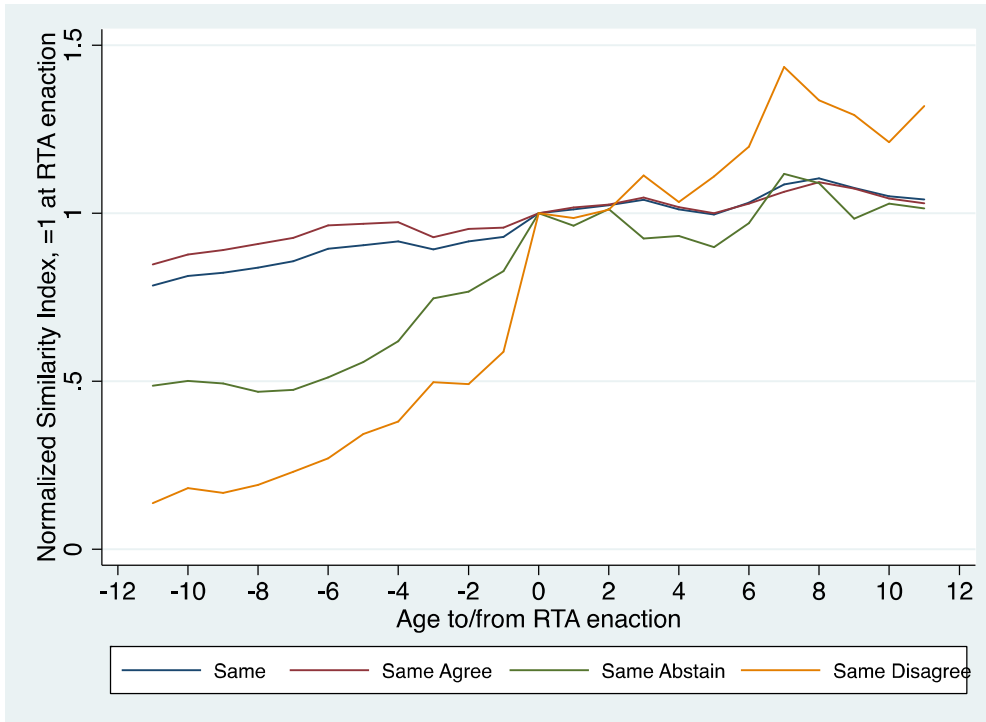
Table 1: Types of Regional Trade Agreements (following Bertrand & Bayer database)

	Type of Agreement	Definition	
RTA=0	NA	No Agreement	No preferential trade agreement
	NR_PTA	Non Reciprocal Preferential Trade Agreement	Preferential terms and customs concessions given by developed nations to developing countries
	PTA	Preferential Trade Agreement	Preferential terms to members vs. non-members
RTA=1	FTA	Free Trade Agreement	Trade barriers eliminated (or substantially so) among members; treat non-members differently
	CU	Customs Union	Same as FTA; but treat non-members the same
	CM	Common Market	Same as CU; but also includes free movement of labour/capital
	EUN	Economic Union	Same as CM, but also monetary and Fiscal Policy coordination; further harmonization of taxes/regulation/monetary systems

Figure 6: RTAs and aggregate share of similar votes, absolute

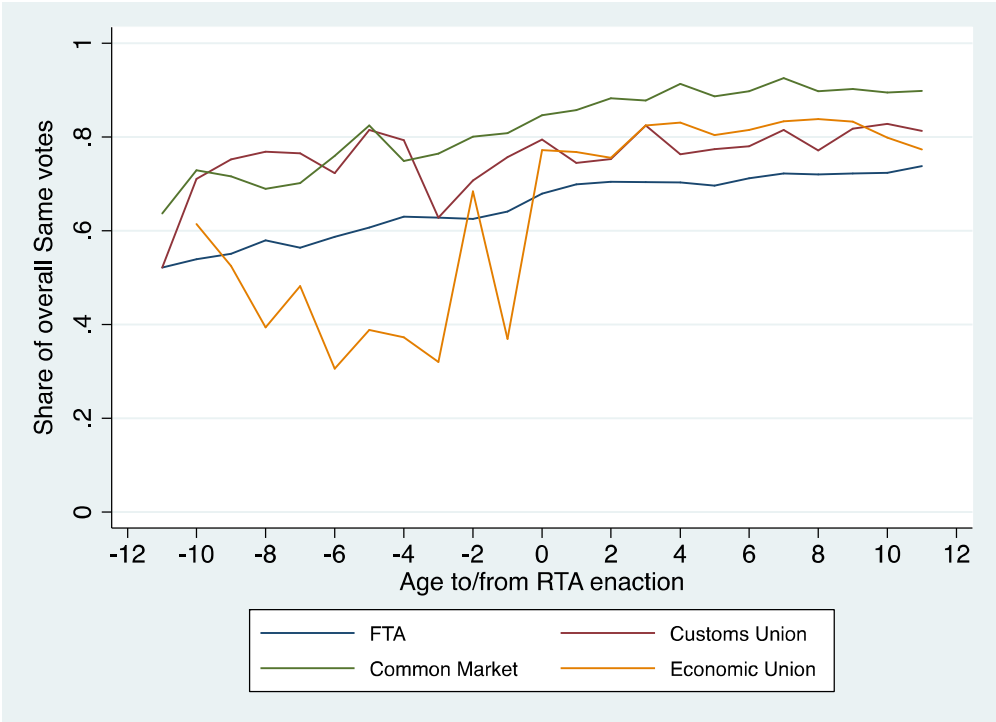
Source: Authors' calculations based on data from Bergstrand and Voeten databases (accessed September 2017)

Figure 7: RTAs and shares of similar votes, normalized to t=0



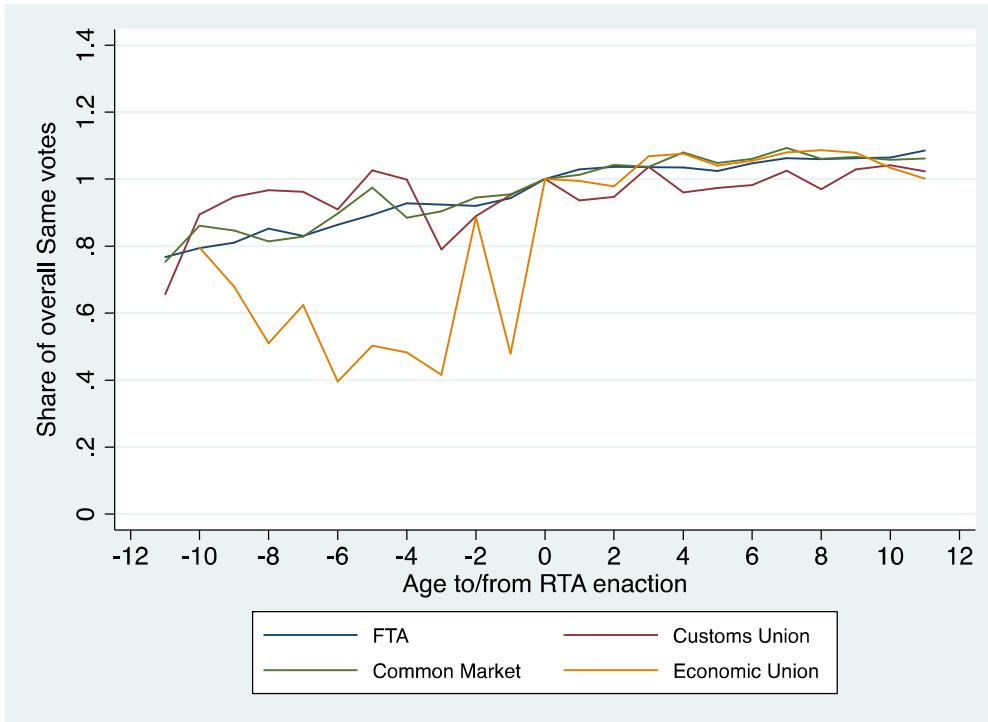
Source: Authors' calculations based on data from Bergstrand and Voeten databases (accessed September 2017)

Figure 8: Shares of similar votes, by type of RTA, absolute (1)



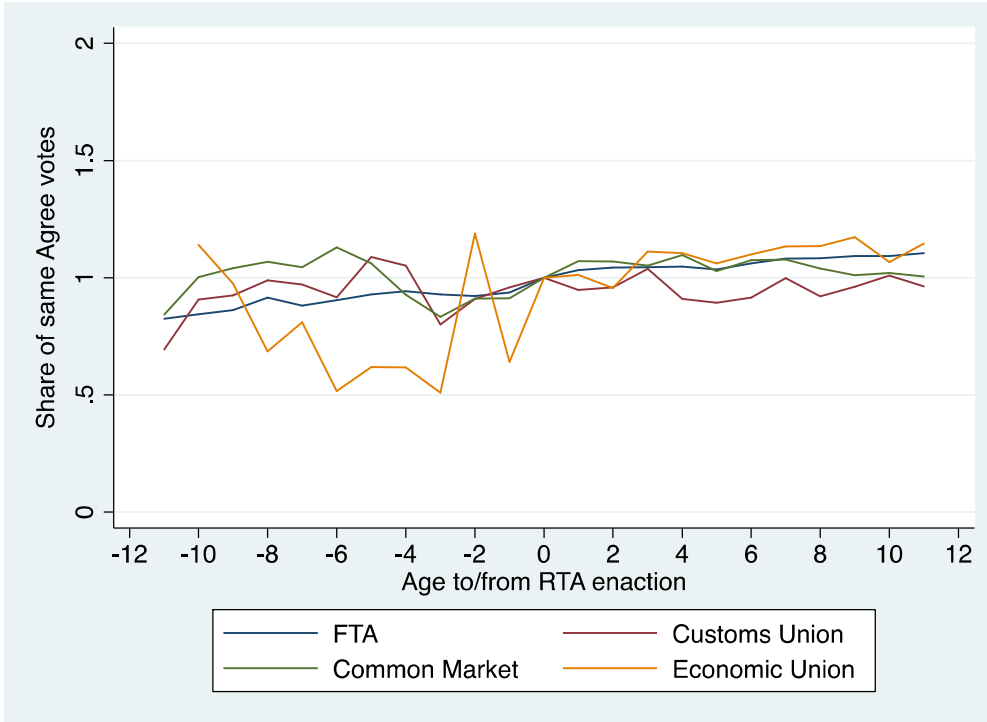
Source: Authors' calculations based on data from Bergstrand and Voeten databases (accessed September 2017)

Figure 9: RTA and similarity, by the type of RTA, normalized to t=0 (2)



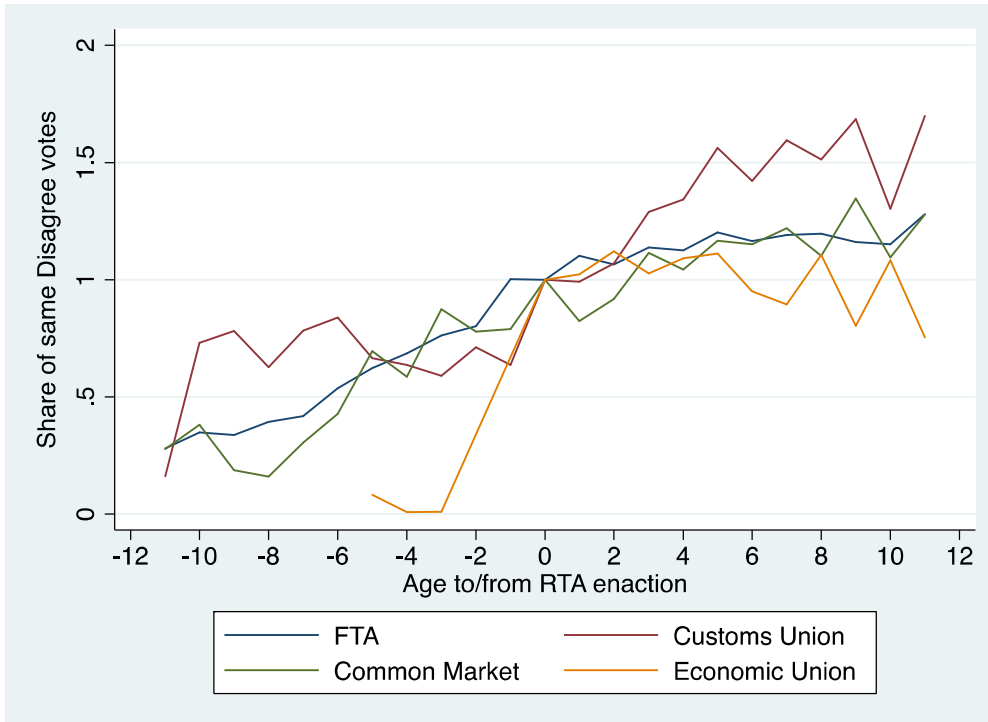
Source: Authors' calculations based on data from Bergstrand and Voeten databases (accessed September 2017)

Figure 10: Share of similar "Agree" responses, by type of RTA



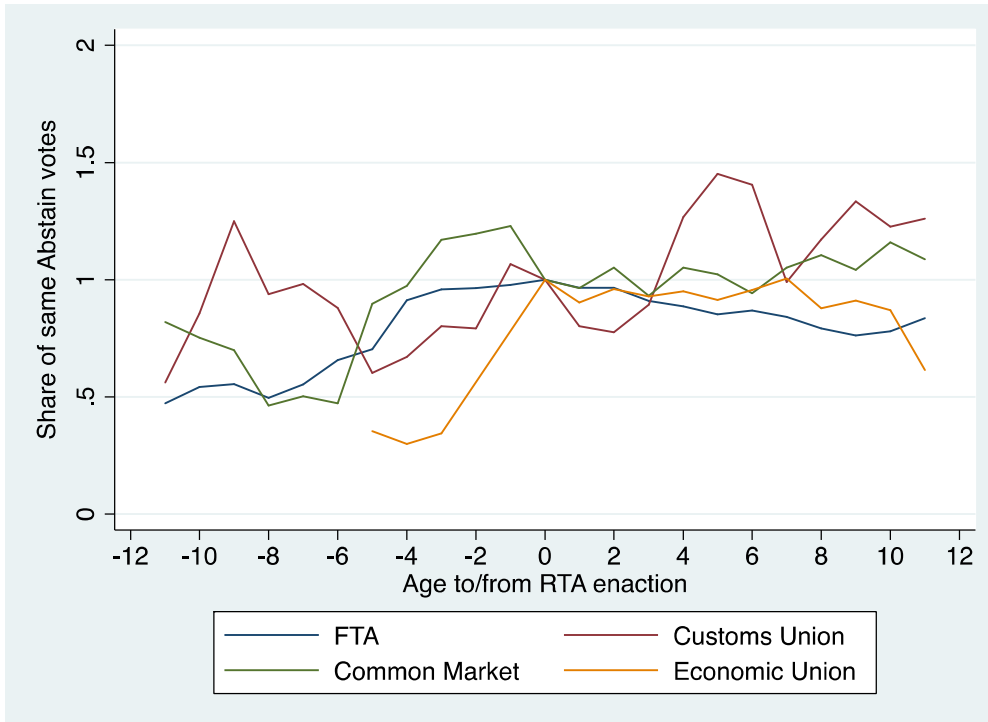
Source: Authors' calculations based on data from Bergstrand and Voeten databases (accessed September 2017)

Figure 11: Share of similar "Disagree" votes, by type of RTA



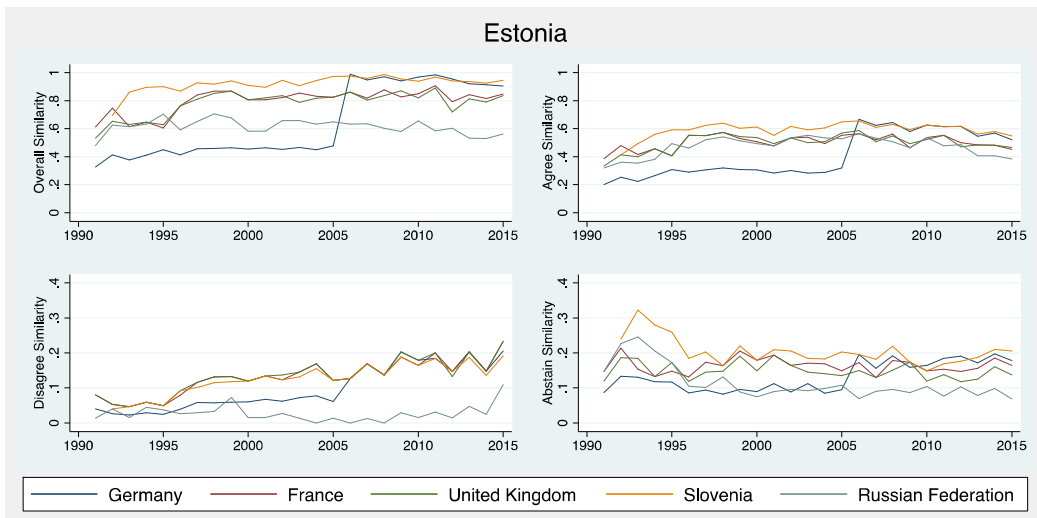
Source: Authors' calculations based on data from Bergstrand and Voeten databases (accessed September 2017)

Figure 12: Share of similar "Abstain" votes, by type of RTA

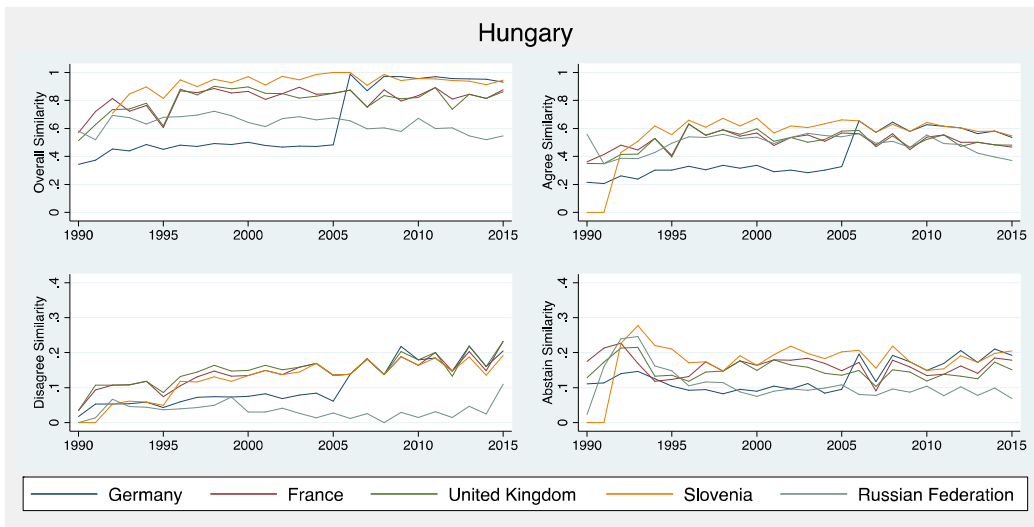


Source: Authors' calculations based on data from Bergstrand and Voeten databases (accessed September 2017)

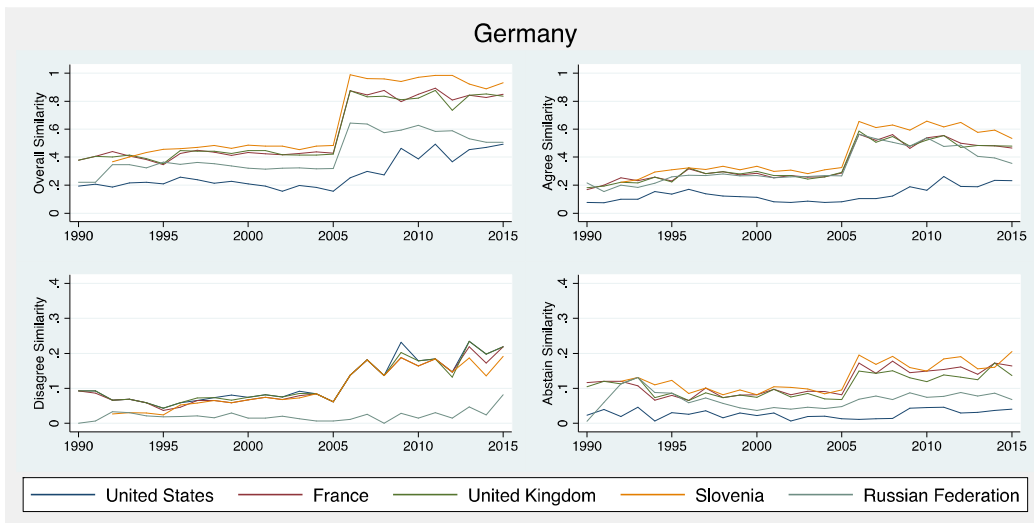
Figure 13: Similarity description, selected countries



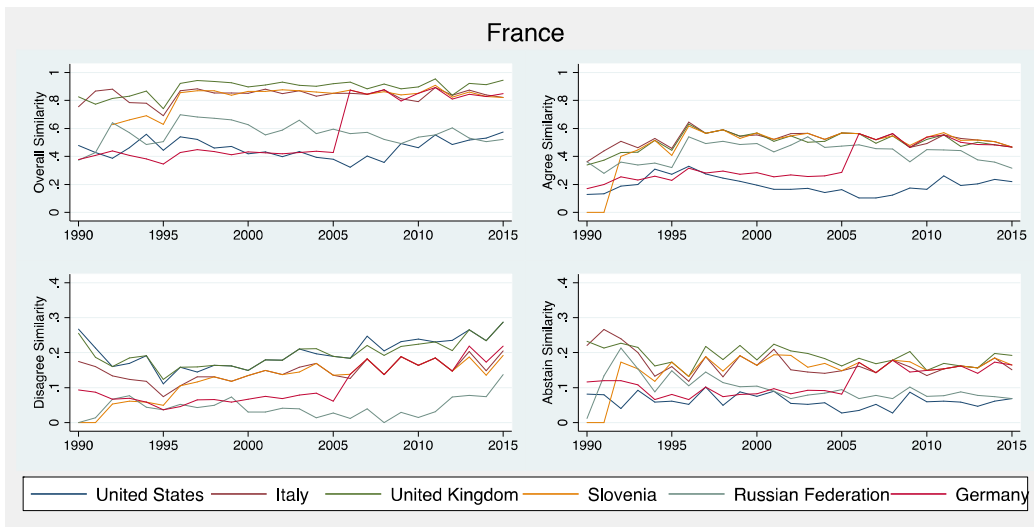
Source: Authors' calculations based on data from Bergstrand and Voeten databases (accessed September 2017)



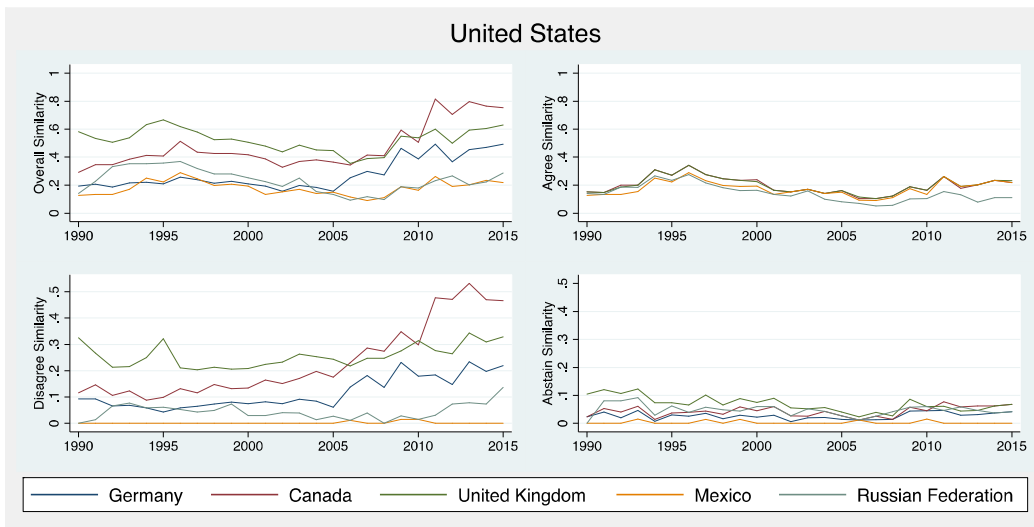
Source: Authors' calculations based on data from Bergstrand and Voeten databases (accessed September 2017)



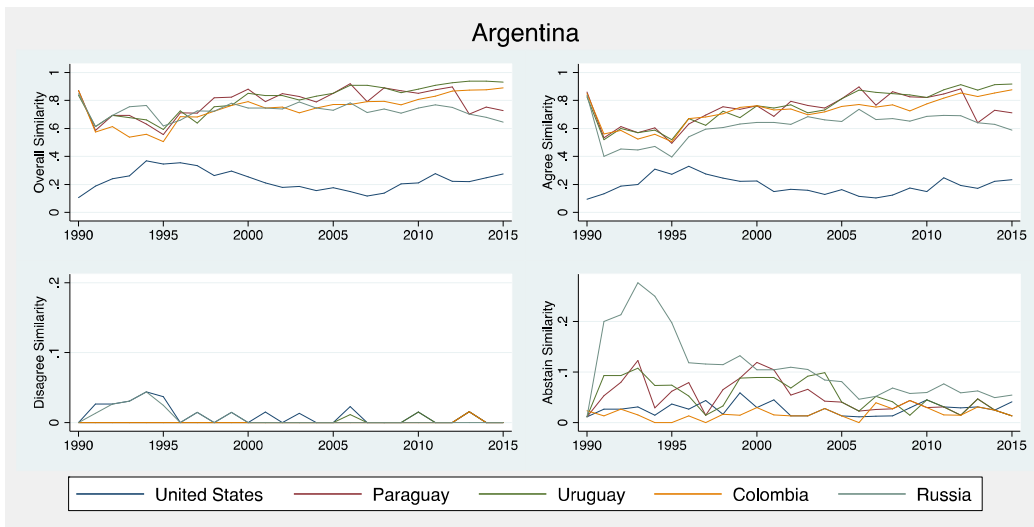
Source: Authors' calculations based on data from Bergstrand and Voeten databases (accessed September 2017)



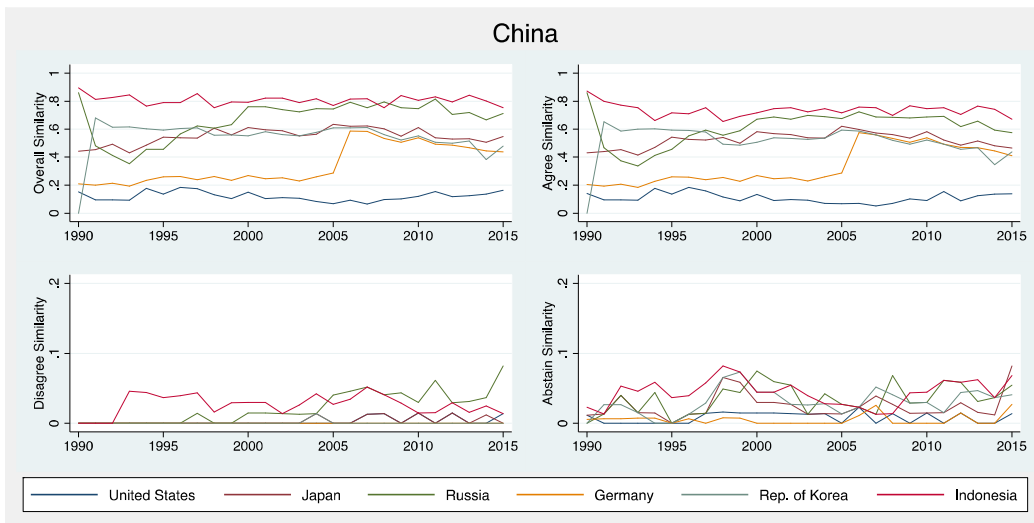
Source: Authors' calculations based on data from Bergstrand and Voeten databases (accessed September 2017)



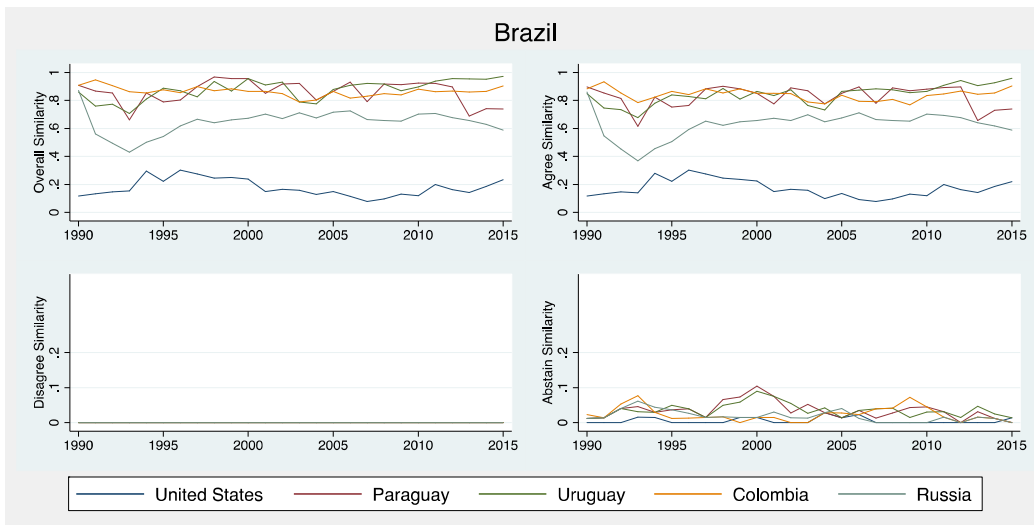
Source: Authors' calculations based on data from Bergstrand and Voeten databases (accessed September 2017)



Source: Authors' calculations based on data from Bergstrand and Voeten databases (accessed September 2017)

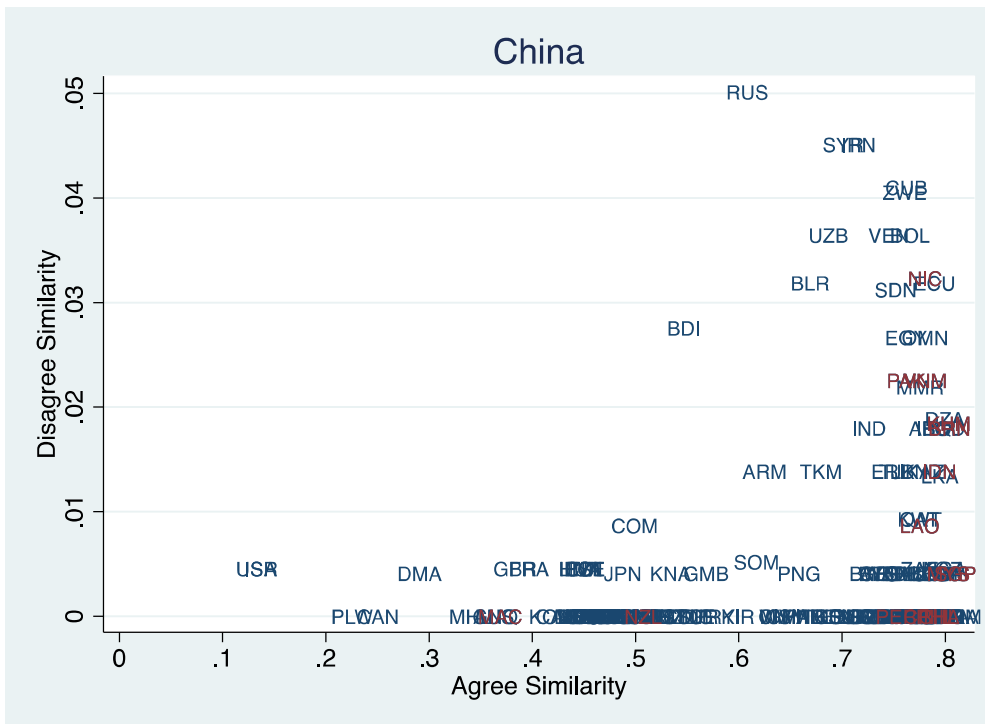


Source: Authors' calculations based on data from Bergstrand and Voeten databases (accessed September 2017)

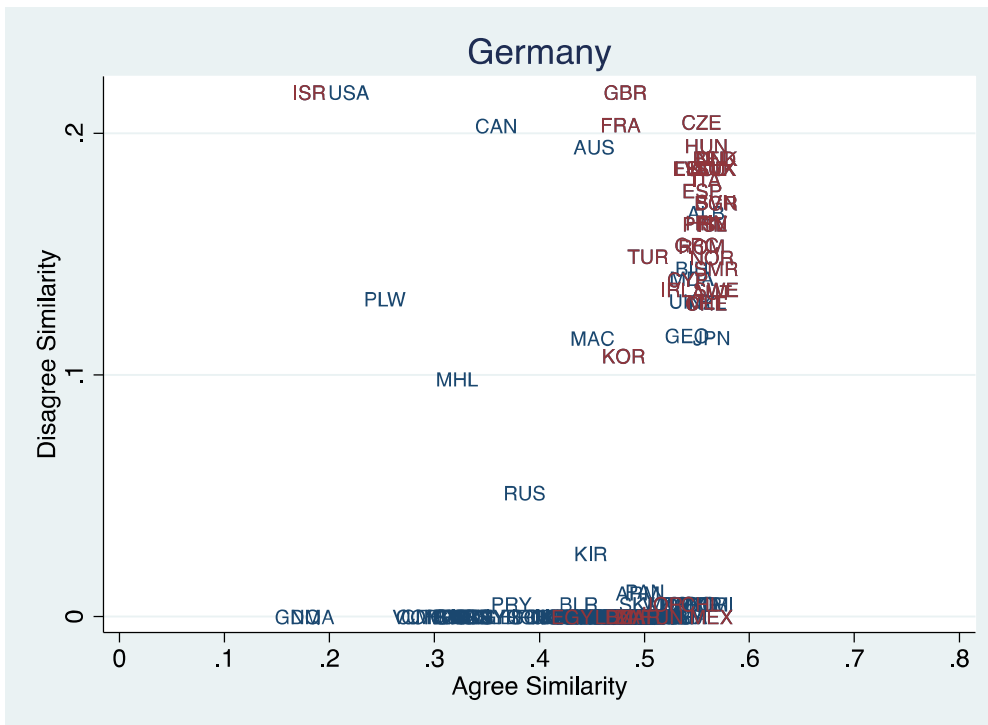


Source: Authors' calculations based on data from Bergstrand and Voeten databases (accessed September 2017)

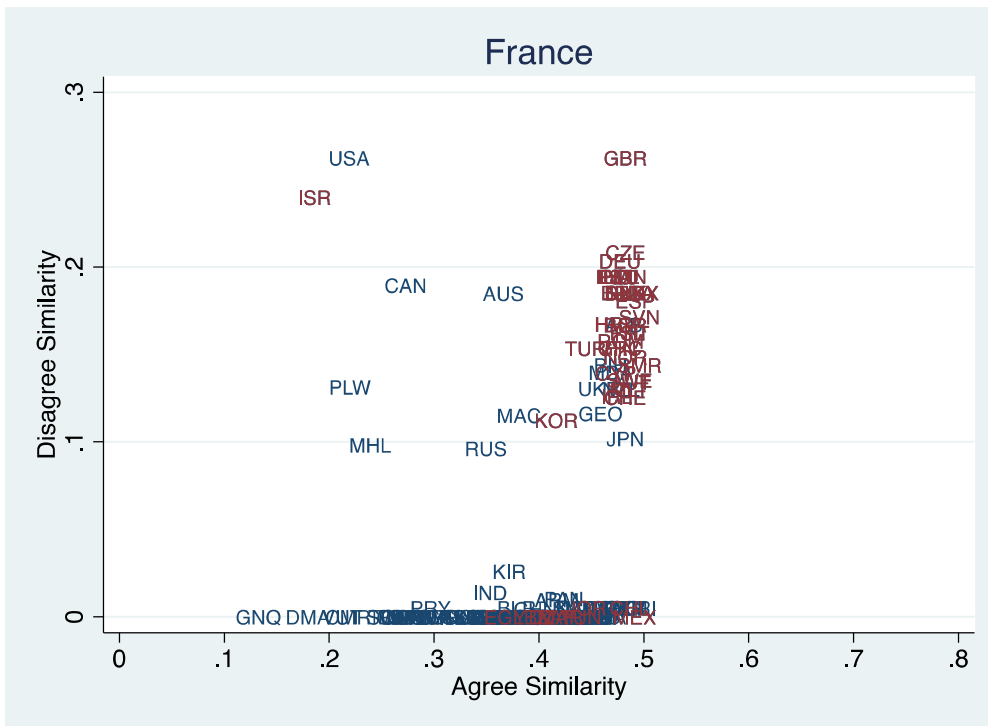
Figure 14: Correlation of similarities, by RTA, selected countries



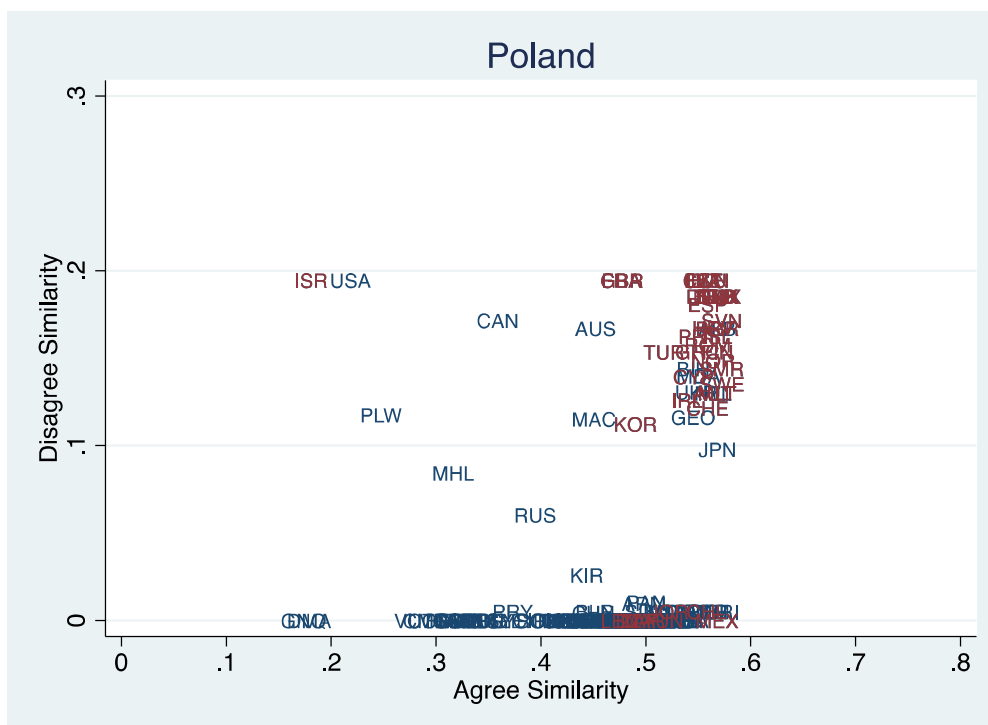
Source: Authors' calculations based on data from Bergstrand and Voeten databases (accessed September 2017)



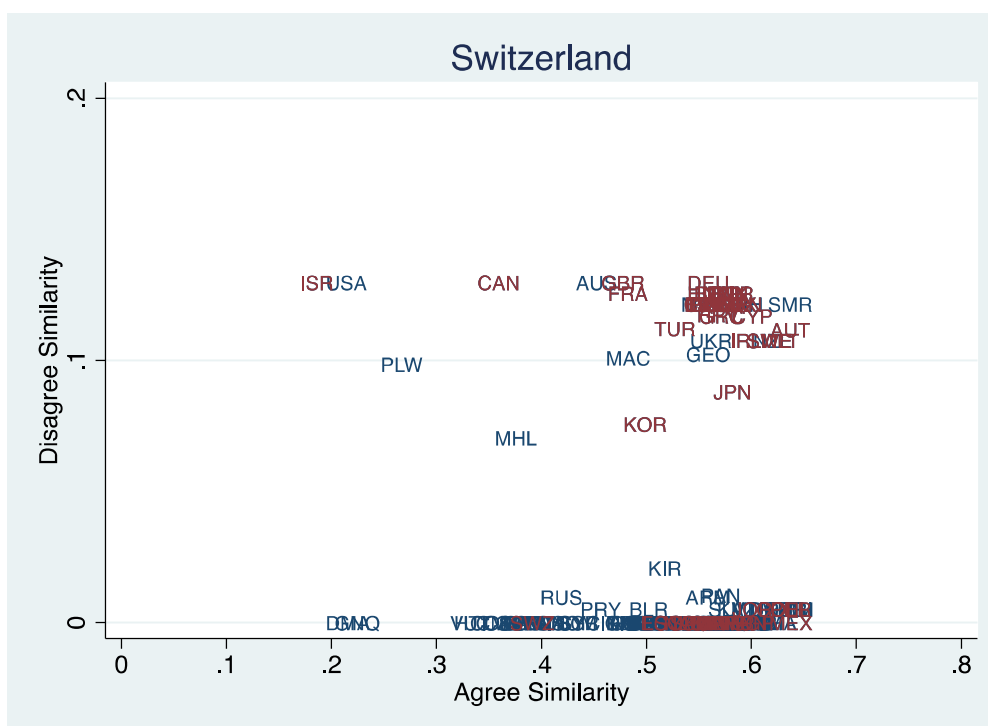
Source: Authors' calculations based on data from Bergstrand and Voeten databases (accessed September 2017)



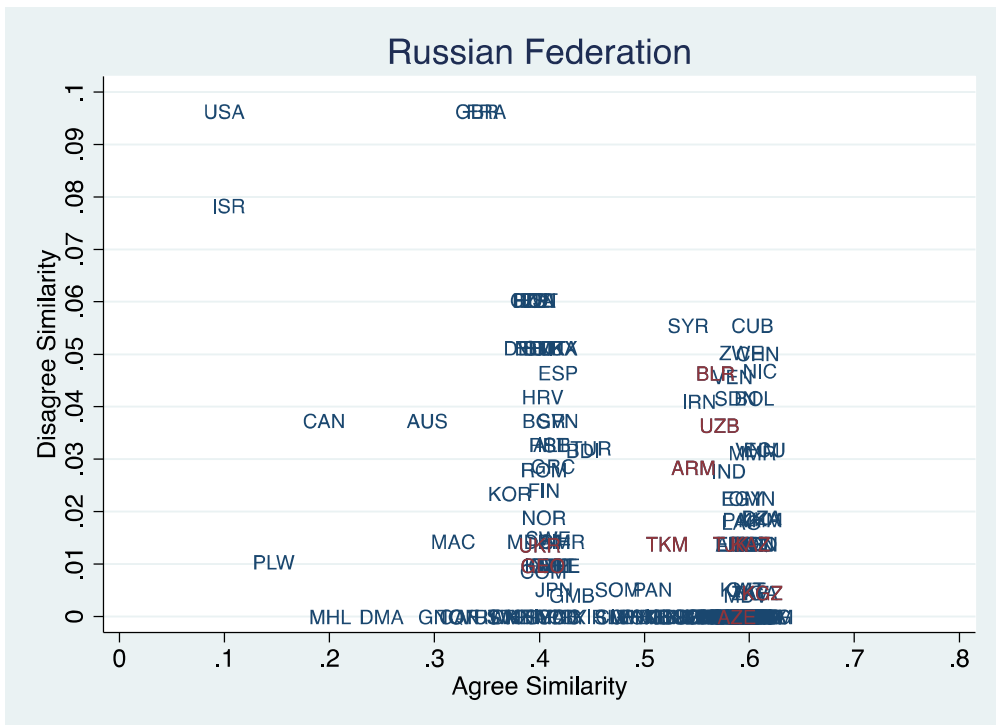
Source: Authors' calculations based on data from Bergstrand and Voeten databases (accessed September 2017)



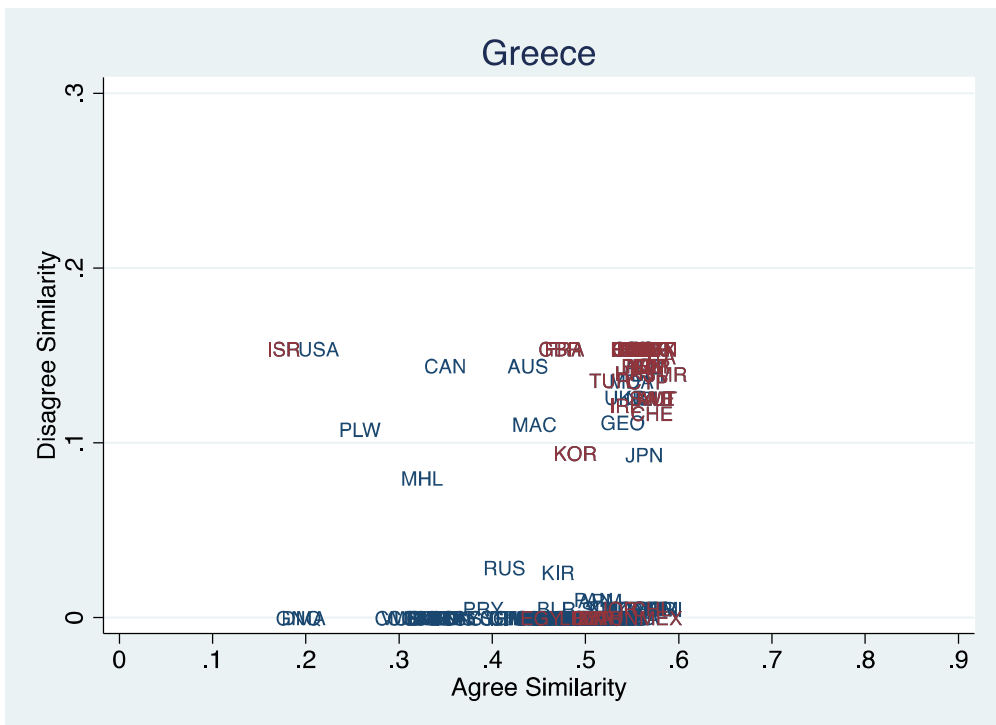
Source: Authors' calculations based on data from Bergstrand and Voeten databases (accessed September 2017)



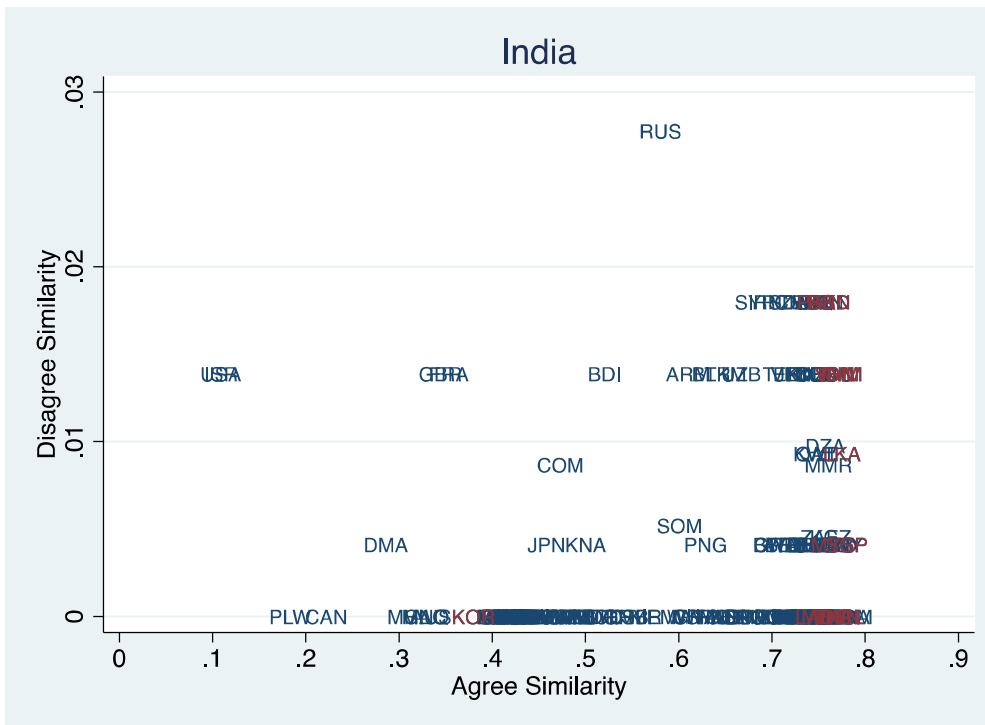
Source: Authors' calculations based on data from Bergstrand and Voeten databases (accessed September 2017)



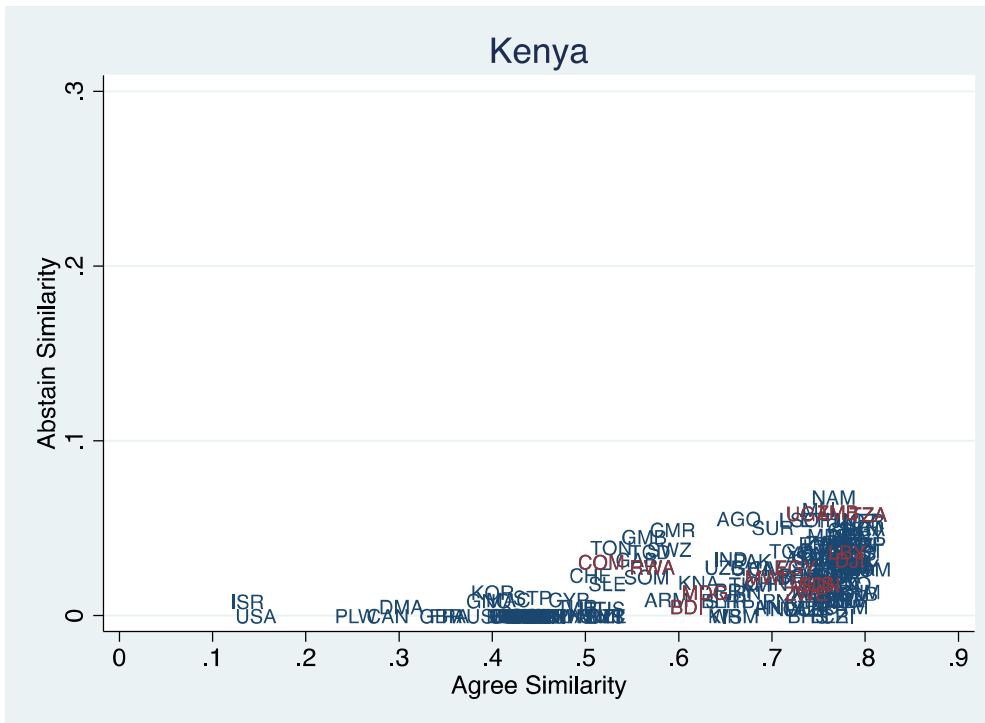
Source: Authors' calculations based on data from Bergstrand and Voeten databases (accessed September 2017)



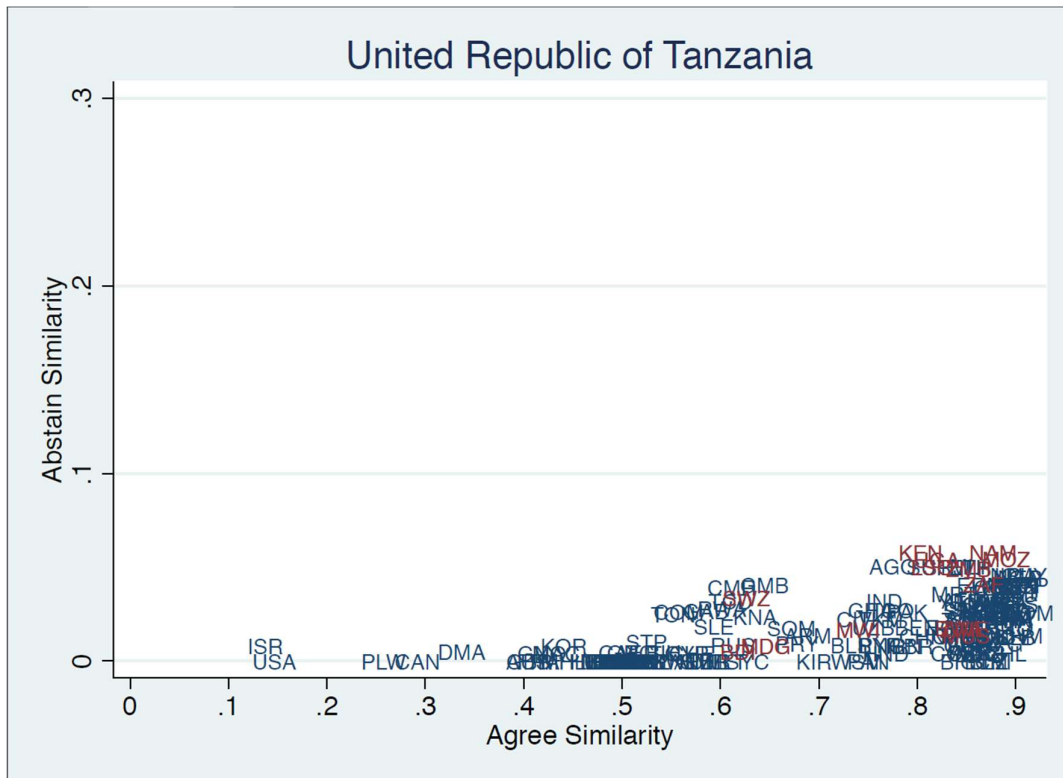
Source: Authors' calculations based on data from Bergstrand and Voeten databases (accessed September 2017)



Source: Authors' calculations based on data from Bergstrand and Voeten databases (accessed September 2017)

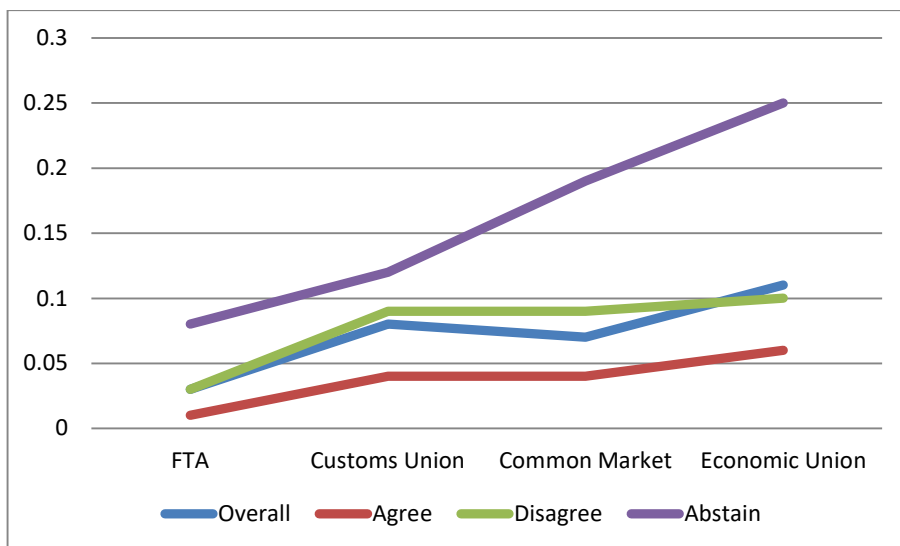


Source: Authors' calculations based on data from Bergstrand and Voeten databases (accessed September 2017)



Source: Authors' calculations based on data from Bergstrand and Voeten databases (accessed September 2017)

Figure 15: Similarity effects by the type of agreement



Source: Authors' calculations based on data from Bergstrand and Voeten databases (accessed September 2017)

Table 2: Main results - overall similarity and by the type of votes

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
	Overall	Agree	Disagree	Abstain	Overall	Agree	Disagree	Abstain
$RTA_{ij,t}$	0.02*** (0.00)	0.01*** (0.00)	0.05*** (0.01)	0.10*** (0.01)	0.04*** (0.01)	0.02*** (0.00)	0.03** (0.01)	0.10*** (0.01)
$AgeRTA_{ij,t}$					0.00*** (0.00)	0.00*** (0.00)	0.00 (0.00)	0.00*** (0.00)
$\ln Imports_{ij,t}$					0.00* (0.00)	0.00 (0.00)	0.00 (0.00)	0.00*** (0.00)
$\ln Exports_{ij,t}$					0.00** (0.00)	0.00* (0.00)	0.00* (0.00)	0.00*** (0.00)
$TrShare_{ij,t}$					-0.47 (0.32)	-0.17 (0.12)	-3.51** (0.87)	-2.24*** (0.68)
$GDPdist_{ij,t}$					-0.00 (0.00)	0.00** (0.00)	-0.02*** (0.00)	-0.00 (0.00)
Exp-Year	YES	YES	YES	YES	YES	YES	YES	YES
Imp-Year	YES	YES	YES	YES	YES	YES	YES	YES
Exp-Imp	YES	YES	YES	YES	YES	YES	YES	YES
Observations	793,772	793,772	199,032	707,262	263,749	263,749	85,983	242,966
Controls	NO	NO	NO	NO	YES	YES	YES	YES
R-squared	0.97	0.99	0.98	0.92	0.97	0.99	0.99	0.96

Note: RTA stands for regional trade agreement (as Free Trade Agreement, Customs Union, Common Market or Economic Union) as per Bergstrand dataset. Robust standard errors, clustered at the country-pair level are in parentheses. *** p<0.01, **p<0.05, *p<0.1

Table 3: Results with the USA excluded

VARIABLES	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
	Overall	Agree	Disagree	Abstain	Overall	Agree	Disagree	Abstain
$RTA_{ij,t}$	0.02*** (0.00)	0.01*** (0.00)	0.04*** (0.01)	0.10*** (0.01)	0.04*** (0.00)	0.02*** (0.00)	0.03** (0.01)	0.10*** (0.01)
$\ln Imports_{ij,t}$					0.00 (0.00)	0.00 (0.00)	0.00 (0.00)	0.00*** (0.00)
$\ln Exports_{ij,t}$					0.00* (0.00)	0.00* (0.00)	0.00 (0.00)	0.00*** (0.00)
$TrShare_{ij,t}$					-0.06 (0.15)	-0.09 (0.09)	0.04 (0.57)	-1.88*** (0.64)
$AgeRTA_{ij,t}$					0.00*** (0.00)	0.00*** (0.00)	0.00 (0.00)	0.00*** (0.00)
$GDPdist_{ij,t}$					0.00 (0.00)	0.00** (0.00)	-0.00 (0.00)	-0.00 (0.00)
Exp-Year FE	YES	YES	YES	YES	YES	YES	YES	YES
Imp-Year FE	YES	YES	YES	YES	YES	YES	YES	YES
Exp-Imp FE	YES	YES	YES	YES	YES	YES	YES	YES
Observations	784,720	784,720	194,092	698,81	258,278	258,278	83,246	237,946
R-squared	0.97	0.99	0.98	0.92	0.97	0.99	0.99	0.96

Note: RTA stands for regional trade agreement (as Free Trade Agreement, Customs Union, Common Market or Economic Union) as per Bergstrand dataset. Robust standard errors, clustered at the country-pair level are in in parentheses. *** $p < 0.01$, ** $p < 0.05$, * $p < 0.1$

Table 4.1 Alternative RTA definition: Deeper RTAs

	(1) Overall	(2) Agree	(3) Disagree	(4) Abstain
$RTA^{deeper}_{ij,t}$	0.07*** (0.00)	0.04*** (0.00)	0.07*** (0.01)	0.15*** (0.01)
Exp-Year FE	YES	YES	YES	YES
Imp-Year FE	YES	YES	YES	YES
Exp-Imp FE	YES	YES	YES	YES
Observations	793,772	793,772	199,032	707,262
Controls	NO	NO	NO	NO
R-squared	0.97	0.99	0.98	0.92

Note: RTA stands for regional trade agreement (as Free Trade Agreement, Customs Union, Common Market or Economic Union) as per Bergstrand dataset. Robust standard errors, clustered at the country-pair level are in in parentheses. *** $p < 0.01$, ** $p < 0.05$, * $p < 0.1$

Table 4.2 Alternative RTA definition: Shallower RTAs

	(1) Overall	(2) Agree	(3) Disagree	(4) Abstain
$RTA^{shallower}_{ij,t}$	-0.01*** (0.00)	-0.00*** (0.00)	0.04*** (0.01)	0.00 (0.01)
Exp-Year FE	YES	YES	YES	YES
Imp-Year FE	YES	YES	YES	YES
Exp-Imp FE	YES	YES	YES	YES
Observations	793,772	793,772	199,032	707,262
Controls	NO	NO	NO	NO
R-squared	0.97	0.99	0.98	0.92

Note: RTA stands for regional trade agreement (as Free Trade Agreement, Customs Union, Common Market or Economic Union) as per Bergstrand dataset. Robust standard errors, clustered at the country-pair level are in in parentheses. *** $p < 0.01$, ** $p < 0.05$, * $p < 0.1$

Table 5: Heterogeneity of RTA agreements

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
	Overall	Agree	Disagree	Abstain	Overall	Agree	Disagree	Abstain
<i>FTA_{ij,t}</i>	0.01*** (0.00)	0.00*** (0.00)	0.04*** (0.01)	0.08*** (0.01)	0.03*** (0.01)	0.01*** (0.00)	0.03*** (0.01)	0.08*** (0.12)
<i>CustomsUnion_{ij,t}</i>	0.08*** (0.00)	0.04*** (0.00)	0.10*** (0.01)	0.16*** (0.01)	0.08*** (0.01)	0.04*** (0.01)	0.09*** (0.02)	0.12*** (0.02)
<i>CommonMarket_{ij,t}</i>	0.07*** (0.00)	0.04*** (0.00)	0.11*** (0.01)	0.21*** (0.01)	0.07*** (0.01)	0.04** (0.00)	0.09*** (0.02)	0.19*** (0.02)
<i>EconomicUnion_{ij,t}</i>	0.09*** (0.01)	0.05*** (0.00)	0.13*** (0.02)	0.26*** (0.01)	0.11*** (0.01)	0.06*** (0.00)	0.10*** (0.02)	0.25*** (0.02)
<i>AgeRTA_{ij,t}</i>					0.00*** (0.00)	0.00 (0.00)	0.00*** (0.00)	0.00*** (0.00)
<i>lnImports_{ij,t}</i>					0.00 (0.00)	0.00 (0.00)	0.00 (0.00)	0.00** (0.00)
<i>lnExports_{ij,t}</i>					0.00 (0.00)	0.00 (0.00)	0.00* (0.00)	0.00*** (0.00)
<i>TrShare_{ij,t}</i>					-0.69** (0.34)	-0.30*** (0.22)	-3.94** (0.87)	-2.79*** (0.70)
<i>GDPdist_{ij,t}</i>					0.00 (0.00)	0.00*** (0.00)	0.00*** (0.00)	0.00 (0.00)
Exp-Year FE	YES	YES	YES	YES	YES	YES	YES	YES
Imp-Year FE	YES	YES	YES	YES	YES	YES	YES	YES
Exp-Imp FE	YES	YES	YES	YES	YES	YES	YES	YES
Observations	793,772	793,772	199,032	707,262	263,749	263,749	85,983	242,966
Controls	NO	NO	NO	NO	YES	YES	YES	YES
R-squared	0.97	0.99	0.98	0.92	0.97	0.99	0.99	0.96

Note: RTA classification as per Bergstrand dataset. Robust standard errors, clustered at the country-pair level are in parentheses. *** p<0.01, **p<0.05, *p<0.1

Table 6: Heterogeneity of resolutions

		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
		Palestine	Disarmament	Nuclear	Human Rights	Colonisation	Economic	Ocean	Peace	Operational
Overall Similarity	$RTA_{ij,t}$	0.00*	0.00	0.04***	0.09***	-0.04***	-0.05***	0.00	0.02***	0.02***
		(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)
	Controls	NO	NO	NO	NO	NO	NO	NO	NO	NO
	Time FE	YES	YES	YES	YES	YES	YES	YES	YES	YES
	Country-Pair FE	YES	YES	YES	YES	YES	YES	YES	YES	YES
	Country-Time FE	YES	YES	YES	YES	YES	YES	YES	YES	YES
	Observations	742,624	737,896	747,156	773,038	752,580	785,706	553,034	715,238	391,280
R-squared	0.97	0.88	0.94	0.85	0.95	0.90	0.91	0.75	0.77	
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
		Palestine	Disarmament	Nuclear	Human Rights	Colonisation	Economic	Ocean	Peace	Operational
Overall Similarity	$RTA_{ij,t}$	0.04***	-0.02***	0.03***	0.11***	0.03***	0.00	-	0.04***	-0.02*
		(0.00)	(0.01)	(0.01)	(0.02)	(0.01)	(0.01)	(0.01)	(0.01)	(0.01)
	Controls	YES	YES	YES	YES	YES	YES	YES	YES	YES
	Time FE	YES	YES	YES	YES	YES	YES	YES	YES	YES
	Country-Pair FE	YES	YES	YES	YES	YES	YES	YES	YES	YES
	Country-Time FE	YES	YES	YES	YES	YES	YES	YES	YES	YES
	Observations	45,843	46,252	46,405	46,838	45,992	46,913	38,324	44,825	28,453
R-squared	0.98	0.92	0.95	0.92	0.95	0.90	0.92	0.84	0.86	

Note: RTA stands for regional trade agreement (as Free Trade Agreement, Customs Union, Common Market or Economic Union) as per Bergstrand dataset. Robust standard errors, clustered at the country-pair level are in in parentheses. *** p<0.01, **p<0.05, *p<0.1

Table 7: Alternative definition of similarity measure (broader similarity definition)

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
	Overall	Yes	No	Abstain	Overall	Yes	No	Abstain
<i>RTA_{ij,t}</i>	0.02*** (0.00)	0.01*** (0.00)	0.05*** (0.01)	0.05*** (0.01)	0.34*** (0.01)	0.02*** (0.00)	0.04*** (0.01)	0.00 (0.02)
<i>AgeRTA_{ij,t}</i>					0.00*** (0.00)	0.00*** (0.00)	0.00*** (0.00)	-0.00*** (0.00)
<i>lnImports_{ij,t}</i>					0.00*** (0.00)	0.00*** (0.00)	0.00 (0.00)	0.00* (0.00)
<i>lnExports_{ij,t}</i>					0.00*** (0.00)	0.00*** (0.00)	0.00* (0.00)	0.00 (0.00)
<i>TrShare_{ij,t}</i>					-0.52* (0.27)	-0.15* (0.08)	-3.44*** (0.77)	-0.36* (0.97)
<i>GDPdist_{ij,t}</i>					-0.00 (0.00)	-0.00 (0.00)	0.01*** (0.00)	-0.01*** (0.00)
Exp-Year	YES	YES	YES	YES	YES	YES	YES	YES
Imp-Year	YES	YES	YES	YES	YES	YES	YES	YES
Exp-Imp	YES	YES	YES	YES	YES	YES	YES	YES
Observations	793,772	793,772	698,748	792,004	263,755	263,755	233,093	263,120
R-squared	0.97	0.99	0.98	0.96	0.98	0.99	0.99	0.98

Note: RTA stands for regional trade agreement (as Free Trade Agreement, Customs Union, Common Market or Economic Union) as per Bergstrand dataset. Robust standard errors, clustered at the country-pair level are in parentheses. *** p<0.01, **p<0.05, *p<0.1

Table 8: Alternative count similarity measure

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
	Overall	Agree	Disagree	Abstain	Overall	Agree	Disagree	Abstain
<i>RTA_{ij,t}</i>	0.02*** (0.00)	0.01*** (0.00)	0.05*** (0.01)	0.10*** (0.00)	0.04*** (0.00)	0.02*** (0.00)	0.04*** (0.01)	0.10* (0.01)
<i>AgeRTA_{ij,t}</i>					0.00*** (0.00)	0.00*** (0.00)	0.00** (0.00)	-0.00*** (0.00)
<i>lnImports_{ij,t}</i>					0.00* (0.00)	0.00 (0.00)	0.00 (0.00)	0.00*** (0.00)
<i>lnExports_{ij,t}</i>					0.00** (0.00)	0.00** (0.00)	0.00 (0.00)	0.00*** (0.00)
<i>TrShare_{ij,t}</i>					0-.32 (0.22)	-0.13 (0.11)	-2.67* (0.93)	-1.79*** (0.38)
<i>GDPdist_{ij,t}</i>					-0.00 (0.00)	0.00* (0.00)	-0.01** (0.00)	-0.00 (0.00)
Exp-Year	YES	YES	YES	YES	YES	YES	YES	YES
Imp-Year	YES	YES	YES	YES	YES	YES	YES	YES
Exp-Imp	YES	YES	YES	YES	YES	YES	YES	YES
Observations	793,772	793,772	199,032	707,262	263,749	263,749	85,983	242,966
Controls	NO	NO	NO	NO	YES	YES	YES	YES
R-squared	0.98	0.99	0.98	0.96	0.99	0.99	0.99	0.96

Note: RTA stands for regional trade agreement (as Free Trade Agreement, Customs Union, Common Market or Economic Union) as per Bergstrand dataset. Robust standard errors, clustered at the country-pair level are in parentheses. *** $p < 0.01$, ** $p < 0.05$, * $p < 0.1$

Table 9: Countries' GDP differences in RTA

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
	Overall	Agree	Disagree	Abstain	Overall	Agree	Disagree	Abstain
$RTA_{ij,t}$	-0.00 (0.01)	-0.01*** (0.00)	-0.03 (0.02)	0.06** (0.03)	0.01* (0.01)	-0.00 (0.00)	-0.06* (0.04)	0.09** (0.03)
RTA $\times GDPdist_{ij,t}$	0.00*** (0.00)	0.00*** (0.00)	0.01** (0.00)	0.00 (0.00)	0.00*** (0.00)	0.00*** (0.00)	0.01*** (0.00)	0.00 (0.00)
$GDPdist_{ij,t}$	-0.00** (0.00)	0.00 (0.00)	-0.00 (0.00)	-0.00*** (0.00)	-0.00 (0.00)	0.00 (0.00)	-0.01** (0.00)	-0.00 (0.00)
$lnImports_{ij,t}$					0.00* (0.00)	0.00 (0.00)	0.00 (0.00)	0.00*** (0.00)
$lnExports_{ij,t}$					0.00** (0.00)	0.00* (0.00)	0.00 (0.00)	0.00*** (0.00)
$TrShare_{ij,t}$					-0.47 (0.32)	-0.17 (0.12)	-3.55** (1.76)	-2.24*** (0.68)
$AgeRTA_{ij,t}$					0.00*** (0.00)	0.00*** (0.00)	0.00 (0.00)	-0.00*** (0.00)
Exp-Year	YES	YES	YES	YES	YES	YES	YES	YES
Imp-Year	YES	YES	YES	YES	YES	YES	YES	YES
Exp-Imp	YES	YES	YES	YES	YES	YES	YES	YES
Observations	752,148	752,148	186,350	670,884	263,749	263,749	85,983	242,966
Controls	NO	NO	NO	NO	YES	YES	YES	YES
R-squared	0.97	0.99	0.98	0.96	0.97	0.99	0.99	0.96

Note: RTA stands for regional trade agreement (as Free Trade Agreement, Customs Union, Common Market or Economic Union) as per Bergstrand dataset. Robust standard errors, clustered at the country-pair level are in parentheses. *** $p < 0.01$, ** $p < 0.05$, * $p < 0.1$

Table 10: Results within same and different regions

VARIABLES	(1) Overall	(2) Agree	(3) Disagree	(4) Abstain	(5) Overall	(6) Agree	(7) Disagree	(8) Abstain	
same region	<i>RTA_{ij,t}</i>	0.01*** (0.00)	0.00*** (0.00)	0.05*** (0.01)	0.08*** (0.01)	0.00 (0.00)	0.00 (0.00)	0.04*** (0.01)	0.05*** (0.02)
	<i>lnImports_{ij,t}</i>				0.00*** (0.00)	0.00*** (0.00)	0.00 (0.00)	0.00*** (0.00)	
	<i>lnExports_{ij,t}</i>				0.00*** (0.00)	0.00*** (0.00)	0.00 (0.00)	0.00*** (0.00)	
	<i>TrShare_{ij,t}</i>				-0.35** (0.18)	-0.23** (0.10)	0.52 (0.53)	-2.01*** (0.73)	
	<i>AgeRTA_{ij,t}</i>				-0.00 (0.00)	-0.00 (0.00)	0.00*** (0.00)	0.00 (0.00)	
	<i>GDPdist_{ij,t}</i>				0.00 (0.00)	0.00*** (0.00)	-0.00* (0.00)	-0.00 (0.00)	
	Exp-Year FE	NO	NO	NO	NO	YES	YES	YES	YES
	Imp-Year FE	YES	YES	YES	YES	YES	YES	YES	YES
	Exp-Imp FE	YES	YES	YES	YES	YES	YES	YES	YES
	Observations	150,014	150,014	57,170	133,028	77,435	77,435	41,249	72,284
R-squared	0.98	0.99	0.99	0.97	0.98	0.99	0.99	0.98	
different region	<i>RTA_{ij,t}</i>	0.03*** (0.00)	0.02*** (0.00)	0.05*** (0.02)	0.11*** (0.01)	0.04*** (0.00)	0.02*** (0.00)	0.03 (0.05)	0.13*** (0.03)
	<i>lnImports_{ij,t}</i>				-0.00 (0.00)	-0.00 (0.00)	-0.00 (0.00)	0.00 (0.00)	
	<i>lnExports_{ij,t}</i>				-0.00 (0.00)	-0.00 (0.00)	-0.00 (0.00)	0.00 (0.00)	
	<i>TrShare_{ij,t}</i>				-0.44 (0.37)	-0.11 (0.22)	-5.50 (3.93)	-11.16*** (3.63)	

<i>AgeRTA_{ij,t}</i>					0.00***	0.00***	-0.00	0.00**
					(0.00)	(0.00)	(0.00)	(0.00)
<i>GDPdist_{ij,t}</i>					0.00	0.00***	0.00	-0.00
					(0.00)	(0.00)	(0.01)	(0.01)
Exp-Year FE	YES	YES	YES	YES	YES	YES	YES	YES
Imp-Year FE	YES	YES	YES	YES	YES	YES	YES	YES
Exp-Imp FE	YES	YES	YES	YES	YES	YES	YES	YES
Observations	643,758	643,758	140,146	572,638	186,310	186,310	43,513	168,691
R-squared	0.98	0.99	0.97	0.86	0.98	0.99	0.98	0.89

Note: RTA stands for regional trade agreement (as Free Trade Agreement, Customs Union, Common Market or Economic Union) as per Bergstrand dataset. Robust standard errors, clustered at the country-pair level are in parentheses. *** p<0.01, **p<0.05, *p<0.1

Table 11: Regression with leads and lags

	(1) Overall	(2) Agree	(3) Disagree	(4) Abstain	(5) Overall	(6) Agree	(7) Disagree	(8) Abstain
<i>RTA_{ij,t}</i>	0.00** (0.00)	0.00* (0.00)	0.02*** (0.00)	-0.00 (0.01)	-0.00 (0.00)	-0.00 (0.00)	0.01** (0.00)	-0.02** (0.01)
<i>RTA_{ij,t-2}</i>	-0.00 (0.00)	-0.00 (0.00)	0.00 (0.01)	-0.03*** (0.01)	-0.00*** (0.00)	-0.00*** (0.00)	-0.00 (0.01)	-0.06*** (0.01)
<i>RTA_{ij,t-1}</i>	0.01*** (0.00)	0.01*** (0.00)	0.02*** (0.01)	0.07*** (0.01)	0.01*** (0.00)	0.01*** (0.00)	0.03*** (0.01)	0.09*** (0.01)
<i>RTA_{ij,t+1}</i>	-0.00 (0.00)	-0.00** (0.00)	-0.01*** (0.00)	0.03*** (0.01)	0.00 (0.00)	0.00 (0.00)	-0.01*** (0.00)	0.03*** (0.01)
<i>RTA_{ij,t+2}</i>	0.00*** (0.00)	0.00*** (0.00)	0.00 (0.00)	0.02*** (0.01)	0.00*** (0.00)	0.00*** (0.00)	-0.00 (0.00)	0.01** (0.01)
<i>RTA_{ij,t+3}</i>	-0.00* (0.00)	-0.00*** (0.00)	0.00 (0.00)	-0.01* (0.01)	-0.00** (0.00)	-0.00*** (0.00)	0.01 (0.00)	-0.02*** (0.01)
<i>RTA_{ij,t+4}</i>	0.02*** (0.00)	0.01*** (0.00)	0.04*** (0.01)	0.05*** (0.01)	0.01*** (0.00)	0.01*** (0.00)	0.04*** (0.01)	0.04*** (0.01)
<i>lnImports_{ij,t}</i>					0.00***	0.00***	0.00	0.00***

					(0.00)	(0.00)	(0.00)	(0.00)
<i>lnExports_{ij,t}</i>					0.00***	0.00***	0.00	0.00***
					(0.00)	(0.00)	(0.00)	(0.00)
<i>TrShare_{ij,t}</i>					-1.01***	-0.39***	-4.06**	-2.92***
					(0.29)	(0.11)	(1.94)	(0.80)
<i>GDPdist_{ij,t}</i>					0.00	0.00***	-0.00	0.00
					(0.00)	(0.00)	(0.00)	(0.00)
Controls	NO	NO	NO	NO	YES	YES	YES	YES
Time FE	YES	YES	YES	YES	YES	YES	YES	YES
Country-Pair FE	YES	YES	YES	YES	YES	YES	YES	YES
Country-Time FE	YES	YES	YES	YES	YES	YES	YES	YES
Observations	621,752	621,752	169,754	564,440	277,014	277,014	93,514	258,442
R-squared	0.97	0.99	0.98	0.92	0.97	0.99	0.99	0.95

Note: RTA stands for regional trade agreement (as Free Trade Agreement, Customs Union, Common Market or Economic Union) as per Bergstrand dataset. Robust standard errors, clustered at the country-pair level are in parentheses. *** p<0.01, **p<0.05, *p<0.1

Table 12: Robustness for trend on regionalism

	(1) Overall	(2) Agree	(3) Disagree	(4) Abstain
<i>Reg1_{i,t}</i>	0.09 (0.06)	0.04 (0.03)	0.15 (0.13)	0.11 (0.17)
<i>Reg1_{j,t}</i>	0.09 (0.06)	0.04 (0.03)	0.15 (0.13)	0.11 (0.17)
<i>AgeRTA_{ij,t}</i>	0.00*** (0.00)	0.00*** (0.00)	0.00** (0.00)	0.00* (0.00)
<i>lnImports_{ij,t}</i>	-0.00 (0.00)	-0.00 (0.00)	-0.00 (0.00)	-0.00 (0.00)
<i>lnExports_{ij,t}</i>	-0.00 (0.00)	-0.00 (0.00)	-0.00 (0.00)	-0.00 (0.00)
<i>TrShare_{ij,t}</i>	1.60*** (0.48)	0.51*** (0.19)	3.13*** (1.02)	2.58** (1.06)
<i>GDPdist_{ij,t}</i>	-0.01*** (0.00)	-0.00 (0.00)	-0.02*** (0.00)	-0.01*** (0.00)
Exp-Year FE	YES	YES	YES	YES
Imp-Year FE	YES	YES	YES	YES
Exp-Imp FE	YES	YES	YES	YES
Observations	8,750	8,750	6,858	7,946
Controls	YES	YES	YES	YES
R-squared	0.99	1.00	0.99	0.99

Note: RTA stands for regional trade agreement (as Free Trade Agreement, Customs Union, Common Market or Economic Union) as per Bergstrand dataset. Robust standard errors, clustered at the country-pair level are in parentheses. *** p<0.01, **p<0.05, *p<0.1