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WILLINGNESS TO PAY FOR FACT-CHECKING ABOUT IMMIGRATION:
THE EFFECT OF PARTISAN CUES

by

Jennifer Morales

A thesis submitted in partial fulfillment
of the requirements for the degree

of

MASTER OF SCIENCE

in

Economics

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ABSTRACT

Willingness to Pay for Fact-Checking About Immigration:

The Effect of Partisan Cues

by

Jennifer Morales, Master of Science

Utah State University, 2021

Major Professor: Lucas Rentschler, Ph.D.

Department: Economics and Finance

I analyze the results of an online experiment designed to elicit individuals' willingness to pay for fact-checking of statements related to immigration. Using a control and treatment group, I test whether individuals' willingness to pay is affected by partisan cues. First, I outline this research's position related to existing literature. I then describe the experimental design and analyze the results. Partisan cues are shown to have no statistically significant effect on participants' willingness to pay for fact-checking.

(10 pages)

PUBLIC ABSTRACT

Willingness to Pay for Fact-Checking About Immigration:

The Effect of Partisan Cues

Jennifer Morales

The increased prevalence of misinformation has affected public discourse in America, especially during the Covid-19 pandemic. Fact-checking is considered an essential tool to combat misinformation. Previous research has shown that individuals are willing to pay for fact-checking of politically neutral content. However, partisan affiliation accounts for the largest difference in Americans' political values, more than race, gender, religion, or education.

Immigration debates played a prominent role in the 2020 presidential election and in several instances misinformation about immigration was spread by high profile media and political figures. Americans' attitudes toward immigration are more aligned with political affiliation than any time on record. Given the polarized political landscape in America, is individuals' willingness to pay for fact-checking effected by the presence of partisan cues? We conduct an economic experiment to elicit individuals' willingness to pay for fact-checking about immigration, a highly polarized topic in American politics. We find that partisan cues make individuals more likely to believe a statement is true, but find no effect on their willingness to pay for fact-checking.

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Jennifer Morales

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Willingness to Pay for Fact-Checking About Immigration:

The Effect of Partisan Cues

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Introduction

Misinformation has become more prevalent in the US during the last several years.¹ Increased misinformation has affected public discourse in America, especially during the Covid-19 pandemic. Concerns about its effects on democratic decision-making have prompted renewed research into misinformation and strategies to combat it. As more people turn to social media as a news source rather than traditional media, more focus has been given to mechanisms that work on distributed networks like social media platforms.²

Fact-checking has been suggested as a way to combat misinformation and is a method that enjoys support across the political spectrum, although some conservatives argue that bias in

¹ Janna Anderson and Lee Rainie, “The Future of Truth and Misinformation Online,” *Pew Research Center: Internet, Science & Tech*, October 19, 2017, <https://www.pewresearch.org/internet/2017/10/19/the-future-of-truth-and-misinformation-online/>.

Kashyap Papat et al., “CredEye: A Credibility Lens for Analyzing and Explaining Misinformation,” *Companion Proceedings of the Web Conference 2018*, April 23, 2018, <https://doi.org/10.1145/3184558.3186967>.

Michael Dimock and John Gramlich, “How America Changed during Trump’s Presidency,” *Pew Research Center*, January 29, 2021, <https://www.pewresearch.org/2021/01/29/how-america-changed-during-donald-trumps-presidency/>.

² Elisa Shearer, “86% of Americans Get News Online from Smartphone, Computer or Tablet,” *Pew Research Center*, January 12, 2021, <https://www.pewresearch.org/fact-tank/2021/01/12/more-than-eight-in-ten-americans-get-news-from-digital-devices/>.

fact-checking mechanisms unfairly disfavors Republicans.³ Previous research has shown that individuals are willing to pay for fact-checking of politically neutral content.⁴

However, much of the information Americans see online is not politically neutral.⁵ Indeed, partisan affiliation accounts for the largest difference in Americans' political values, more than race, gender, religion, or education.⁶ Among 19 surveyed countries, America is the most politically divided, according to PEW.⁷

Given the polarized political landscape in America, does individuals' willingness to pay for fact-checking vary by political affiliation? Further, is willingness to pay for fact-checking affected by the presence of partisan cues? We conduct an economic experiment to elicit individuals' willingness to pay for fact-checking of statements regarding immigration, a highly polarized topic in American politics.

Immigration is one area where misinformation has garnered much attention, particularly during the Trump administration. Concerns about migrant caravans and treatment of immigrants and asylum-seekers at US border facilities prompted public debate, media attention, and misinformation.⁸ Immigration policy was also a frequent topic during the 2020 presidential

³ Emily Vogels, Andrew Perrin, and Monica Anderson, "Most Americans Think Social Media Sites Censor Political Viewpoints," *Pew Research Center*, August 19, 2020, <https://www.pewresearch.org/internet/2020/08/19/most-americans-think-social-media-sites-censor-political-viewpoints/>.

⁴ Prithvijit Mukherjee and Lucas Rentschler, "Willingness to Pay for Fact-Checking in a Partisan World," *Forthcoming*, n.d.

⁵ Jeffrey M. Jones and Zacc Ritter, "Americans See More News Bias; Most Can't Name Neutral Source" *Gallup*, January 17, 2018. <https://news.gallup.com/poll/225755/americans-news-bias-name-neutral-source.aspx>

⁶ "In a Politically Polarized Era, Sharp Divides in Both Partisan Coalitions," *Pew Research Center - U.S. Politics & Policy*, December 17, 2019, <https://www.pewresearch.org/politics/2019/12/17/in-a-politically-polarized-era-sharp-divides-in-both-partisan-coalitions/>.

⁷ Michael Dimock and Richard Wilke, "America Is Exceptional in Its Political Divide," *Pew Research Center*, March 29, 2021, <https://www.pewtrusts.org/en/trust/archive/winter-2021/america-is-exceptional-in-its-political-divide>.

⁸ Robert Farley, Eugene Kiely, and Lori Robertson, "Fact Checking Trump's Immigration Tweets," *FactCheck.org*, April 3, 2018, <https://www.factcheck.org/2018/04/factchecking-trumps-immigration-tweets/>.

Noor Wazwaz, "Thousands Swell Ranks of U.S.-Bound Migrant Caravan in Mexico," *NPR.org*, October 21, 2018, <https://www.npr.org/2018/10/21/659327955/migrant-caravan-grows-to-5-000>.

election. Surveys show that immigration attitudes in the US have become more polarized in the last decade and are now more closely correlated with political party preference than at any time on record.⁹

Misinformation has been shown to spread more quickly than truthful information on social media platforms like Twitter.¹⁰ People, not bots, are the main drivers of misinformation spread on social media.¹¹ While some users intentionally share false information, most do so unwittingly. Most users agree that it is very important to share only accurate information online, but the incentives of social media interactions and factors like distraction and inattention lead many to share misinformation anyway.¹² For example, partisanship has been shown to have a significant effect on users' willingness to share misinformation. Whether a headline matches prior partisan beliefs or not is a more salient factor than whether it is accurate for many social media users when deciding whether or not to share a news article.¹³

Social media platforms are reluctant to suppress misinformation because it generates engagement and advertising revenue.¹⁴ Since relying on social media companies to reject financial incentives has proved largely unsuccessful, researchers have examined other means to prevent the spread of misinformation.

⁹ Michael Hout and Christopher Maggio, "Immigration, Race & Political Polarization," *Daedalus* 150, no. 2 (2021): 40–55, https://doi.org/10.1162/daed_a_01845.

"Views on Race and Immigration," *Pew Research Center*, December 17, 2019, <https://www.pewresearch.org/politics/2019/12/17/views-on-race-and-immigration/>.

¹⁰ Soroush Vosoughi, Deb Roy, and Sinan Aral, "The Spread of True and False News Online," *Science* 359, no. 6380 (March 8, 2018): 1146–51, <https://doi.org/10.1126/science.aap9559>.

¹¹ *Ibid.*

¹² Gordon Pennycook et al., "Shifting Attention to Accuracy Can Reduce Misinformation Online," *Nature* 592, (March 17, 2021): 590–595, <https://doi.org/10.1038/s41586-021-03344-2>.

¹³ *Ibid.*

¹⁴ Andrew Hutchinson, "New Study Shows That Misinformation Sees Significantly More Engagement than Real News on Facebook," *Social Media Today*, May 22, 2019, <https://www.socialmediatoday.com/news/new-study-shows-that-misinformation-sees-significantly-more-engagement-than/555286/>.

There is evidence that nudging people to think about the accuracy of a headline makes them less likely to share misinformation.¹⁵ However, individuals respond differently to fact-checking depending on the political content of the information and their own political affiliations and attitudes.¹⁶ Past scholarship has focused on how political ideology influences people's willingness to pay for fact-checking about political topics in general.

An online experiment from the Warwick school found that demand for fact-checking of a politics newsletter was low when the source was ideologically aligned with the survey respondent.¹⁷ Fact-checking saw increased demand among all respondents when the source differed ideologically from respondents' own views. This indicates that fact-checking could potentially help reduce misinformation by taking advantage of partisans' willingness to fact-check the other party. This would be most beneficial if users share information and interact with people of diverse ideological preferences on social media, so users are exposed to fact-checking of their preferred and trusted sources.

While some studies have likely overestimated the degree of ideological segregation on social media, there is evidence that some social media users primarily interact with other people who have similar ideological preferences.¹⁸ So-called "echo chambers" may mean that people do not organically come across information on social media that challenges their beliefs or presents alternative points of view.¹⁹ Similar to online echo chambers, the political leanings of a persons'

¹⁵ Pennycook, "Shifting Attention to Accuracy Can Reduce Misinformation Online," 593.

¹⁶ Brendan Nyhan and Jason Reifler, "When Corrections Fail: The Persistence of Political Misperceptions," *Political Behavior* 32, no. 2 (March 30, 2010): 303–30, <https://doi.org/10.1007/s11109-010-9112-2>.

¹⁷ Felix Chopra, Ingar Haaland, and Christopher Roth, "The Demand for Fact-Checking" *Warwick Economics Research Papers*, no. 1357 (May 2021), https://warwick.ac.uk/fac/soc/economics/research/workingpapers/2021/twerp_1357_-_roth.pdf.

¹⁸ Elizabeth Dubois and Grant Blank, "The Echo Chamber Is Overstated: The Moderating Effect of Political Interest and Diverse Media," *Information, Communication & Society* 21, no. 5 (January 29, 2018): 729–45, <https://doi.org/10.1080/1369118x.2018.1428656>.

¹⁹ Pablo Barberá et al., "Tweeting from Left to Right," *Psychological Science* 26, no. 10 (August 21, 2015): 1531–42, <https://doi.org/10.1177/0956797615594620>.

friends and family can influence how often they are exposed to differing ideological viewpoints. To examine this, we gathered data on how many of a respondent's friends and family belong to each political party through a survey question. Ninety-six percent of respondents said they had at least a few friends or family who were Democrats and 46.9% of respondents said more than half their friends and family were Democrats. Somewhat fewer respondents had at least a few Republican friends and family at 86.5%, while 26% of respondents said more than half their friends and family were Republicans.

Our experiment focuses on how partisan cues influence people's willingness to pay for fact-checking about immigration topics. Attitudes about immigration are highly polarized and correlated with political affiliation.²⁰ We hypothesized that respondents would be more likely to believe statements from ideologically aligned sources, and therefore less willing to pay for fact-checking of those sources. This would be in direct contradiction to preferred fact-checking behavior, since people are more likely to believe things that align with their prior beliefs, whether or not they are true.²¹ However, we found that partisan cues have no significant effect on individuals' willingness to pay for fact-checking. There is also no significant effect on how accurately individuals can identify true statements or how certain they are about a statement's veracity.

²⁰ Andrew Daniller, "Americans' Immigration Policy Priorities: Divisions between – and within – the Two Parties," *Pew Research Center* (November 12, 2019), <https://www.pewresearch.org/fact-tank/2019/11/12/americans-immigration-policy-priorities-divisions-between-and-within-the-two-parties/>.

²¹ Stephan Lewandowsky et al., "Misinformation and Its Correction," *Psychological Science in the Public Interest* 13, no. 3 (September 17, 2012): 106–31, <https://doi.org/10.1177/1529100612451018>.

Methodology and Experimental Design

Economic research has increasingly made use of randomized experiments in the several decades. Experimental data permits researchers to glean insights that are difficult to achieve with observational data and enable economists to make *ceteris paribus* comparisons, allowing for valid estimates of causal effects. In non-experimental studies, much effort is spent identifying how to correctly estimate treatment effects in the absence of randomization.²² Many observational studies rely on a policy change as a treatment. Identifying individuals in a population who were affected by the policy change can sometimes be imprecise. Experiments allow researchers to easily determine exactly which individuals are affected by the treatment.²³

One concern about economic experiments is that they are not generalizable from a lab setting to a field setting. Similar to traditional observational studies, this concern can be resolved through replication and running related experiments in similar contexts.²⁴ Any experiment has a limited scope and conclusions from one study should not be generalized without additional research. An additional benefit of experiments is a reduction in bias effects. In many experiments, including our own, subjects are not aware that they are taking part in an experiment which can help avoid bias issues.²⁵

Data for this research was collected from an online experiment using the website Prolific, an online platform where volunteers are paid to participate in research studies. Volunteers were

²² Omar Al-Ubaydli and John A. List, "On the Generalizability of Experimental Results in Economics: With a Response to Camerer," *National Bureau of Economic Research*, (November 21, 2013), <http://www.nber.org/papers/w19666>.

²³ Abhijit V. Banerjee and Esther Dufló, "The Experimental Approach to Development Economics," *National Bureau of Economic Research*, (November 6, 2008), <http://www.nber.org/papers/w14467>.

²⁴ Ibid.

²⁵ Al-Ubaydli and List, "On the Generalizability of Experimental Results in Economics: With a Response to Camerer," 8.

paid a minimum of \$3 to complete our survey, and could earn more based on how accurate their answers were. The monetary amounts are denoted throughout the experiment in Experimental Francs (EF). At the end of the experiment payoff is made to participants in US dollars at a rate of $40\text{EF}=\$1$. Respondents are aware of the exchange rate and are given instructions indicating how their payoff will be calculated.

There were 450 survey respondents. Roughly a third are registered to vote with each political affiliation. Interestingly, there is some difference between political party affiliation and self-stated political ideology. Forty-two percent of respondents consider themselves Democrats, but only thirty-one percent identify as liberal. Meanwhile, 35% identify as Republican but 42% consider themselves conservative. To outline other basic demographics, 50.88% of respondents were female and 47.79% were male. Caucasian respondents represented 69% of the survey pool, African Americans 9%, and Asians 12%.

Using an economic experiment, we elicit individuals' beliefs regarding the accuracy of thirty statements related to immigration. The statements are previously fact-checked by Politifact or Snopes and rated as *True* or *False*. To determine whether partisan cues influence individuals' beliefs and willingness to pay for fact-checking, we separate the participants into a control group and a treatment group. The control group sees the same thirty statements that the treatment group sees, but does not see who made the statement. The treatment group sees the thirty statements and also whether the statement was made by a Democrat or a Republican.

We use a quadratic scoring rule to elicit beliefs, with respondents indicating their beliefs about the veracity of statements on a scale of 0-100.²⁶ Participants are told that they will be paid based on how close their beliefs are to the True or False third-party rating. This incentivizes

²⁶ Selten, R. "Axiomatic Characterization of the Quadratic Scoring Rule," *Experimental Economics* 1, 43–61 (1998). <https://doi.org/10.1023/A:1009957816843>.

them to pay attention and makes them less likely to answer ideologically if their ideological bias runs opposite the stated fact.

After reporting their beliefs regarding the veracity of a statement, respondents then disclose how much they are willing to pay to see each of the statements fact-checked. There are six possible costs, and respondents do not know how much the actual price of fact-checking will be when they indicate their willingness to pay, just that it will be within the range given. For each statement, the cost of the fact-check is randomly assigned between zero dollars to slightly over one dollar (0EF-50EF).

All of the statements are fact-checked if the participant has indicated they are willing to pay the randomly selected cost of fact-checking, but only one of the thirty statements is randomly picked for payment to the participant. To calculate payment, respondents' beliefs are updated following fact-checking and then the cost of the fact-check is deducted. If the statement is false and the respondent has paid for fact-checking, their beliefs automatically update to 0 and if the statement is true, beliefs update to 100.

After stating their beliefs and indicating their willingness to pay, respondents then complete a task designed to elicit their risk preferences. They are presented with a grid of boxes and told that behind one of the 100 boxes is a "bomb". One box will be revealed per second, and for each box uncovered the participant earns 2EF. If the "bomb" is uncovered, the participant loses all the earnings associated with the previously uncovered boxes. The final step of the experiment is a survey questionnaire which asks about respondents' political views, news consumption, and personality traits (using the OCEAN framework).²⁷

²⁷ Lewis R. Goldberg, "An Alternative 'Description of Personality': The Big-Five Factor Structure.," *Journal of Personality and Social Psychology* 59, no. 6 (1990): 1216–29, <https://doi.org/10.1037//0022-3514.59.6.1216>.

Results

In our experiment, partisan cues were varied on a between-subjects basis. Since there is likely to be correlation of responses for a given individual, we use individual level data for our statistical tests. We report results for four main variables of interest: Overall beliefs, accuracy of beliefs (distance from the truth), certainty, and willingness to pay for fact-checking.

We find that Democrats are on average more skeptical than Republicans or Independents, with lower overall belief scores. Republicans are the most likely to believe a statement is true (at 50.5%).

We found that partisan cues had no significant effect on any of our four variables of interest: overall belief, distance from the truth, certainty, or willingness to pay for fact-checking. Democrats were on average more accurate about the veracity of statements than Republicans or Independents. Republicans were the least likely to be correct about a statement's truthfulness, with an average distance from the truth of 43 compared to Democrats' 33.

The fact that respondents' willingness to pay for fact-checking is not affected meaningfully by partisan cues could be a positive sign. Respondents appear equally willing to pay to fact-check their own party or the opposition. Since people are more likely to believe statements that match their previously held beliefs, a willingness to pay to fact-check statements they agree with could help prevent the spread of misinformation.

One contribution of this paper is that it shows that demand exists among individuals for fact-checking. The average willingness to pay among respondents was 20EFs (\$0.50), out of a possible 50EFs (\$1.25). Given that people tend to seek information that aligns with their views,

fact-checking may provide an important mechanism to help people be better informed.²⁸ There is evidence that fact-checking induces people to update their beliefs, with relatively persistent time effects.²⁹ However, willingness to update beliefs following fact-checking is mitigated by political ideology and emotion.³⁰ Further research could explore under what circumstances individuals' willingness to update their beliefs in response to fact-checking changes based on political ideology.

²⁸ Ana Lucía Schmidt et al., “Anatomy of News Consumption on Facebook,” *Proceedings of the National Academy of Sciences* 114, no. 12 (March 6, 2017): 3035–39, <https://doi.org/10.1073/pnas.1617052114>.

²⁹ Dustin Carnahan, Daniel E. Bergan, and Sangwon Lee, “Do Corrective Effects Last? Results from a Longitudinal Experiment on Beliefs toward Immigration in the U.S.,” *Political Behavior*, January 9, 2020, <https://doi.org/10.1007/s11109-020-09591-9>.

³⁰ John Cook, Ullrich Ecker, and Stephan Lewandowsky, “Misinformation and How to Correct It” *Psychological Science in the Public Interest* 13, no. 3 (September 17, 2012), <https://www.cssn.org/wp-content/uploads/2020/12/Misinformation-and-how-to-correct-it-John-Cook.pdf>.

Brian E. Weeks, “Emotions, Partisanship, and Misperceptions: How Anger and Anxiety Moderate the Effect of Partisan Bias on Susceptibility to Political Misinformation,” *Journal of Communication* 65, no. 4 (June 19, 2015): 699–719, <https://doi.org/10.1111/jcom.12164>.

