THE ECONOMIC VOTE

This book proposes a selection model for explaining cross-national variation in economic voting: Rational voters condition their economic vote on whether incumbents are responsible for economic outcomes because this is the optimal way to identify and elect competent economic managers under conditions of uncertainty. This model explores how political and economic institutions alter the quality of the signal that the previous economy provides about the competence of candidates. The rational economic voter is also attentive to strategic cues regarding the responsibility of parties for economic outcomes and their electoral competitiveness. Theoretical propositions are derived linking variation in economic and political institutions to variability in economic voting. The authors demonstrate that there is economic voting, and that it varies significantly across political contexts, and then test explanations for this variation derived from their theory. The data consist of 165 election studies conducted in 19 different countries over a 20-year time period.

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THE ECONOMIC VOTE

How Political and Economic Institutions Condition Election Results

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Nuffield College, Oxford University

RANDOLPH T. STEVENSON

Rice University
Dedicated to my parents, Duke and Shirley Duch

R. M. D.

Dedicated to Rick Gritz

R. T. S.
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As our friends, families, and colleagues will attest—and bemoan—this book has taken almost eight years to complete. The ultimate product has little in common with the initial idea that we intended to explore, which was examining the extent to which the impact of the “real” economy on political behavior is mediated by its representation in the electronic and print media. We got side-tracked with the question of whether there was, in fact, an economic vote and whether it varied across contexts in any significant fashion. And then we decided we needed to come up with a theory to explain this contextual variation.

Our treatment of the economic vote in this book is a significant departure from much of the comparative economic voting literature. One of its novel aspects is that it takes seriously the importance of writing down a rigorous theoretical model of the vote decision and of precisely how context conditions the importance of economic evaluations in the voter’s preference function.

We hope our readers will appreciate that this has been an ambitious project both in our effort at developing a theory of the economic vote and in our determination to assemble and analyze the appropriate data for testing these theoretical hypotheses. We could not have accomplished these tasks without generous support from a number of funding institutions and academic institutions. Most importantly, we benefited from a National Science Foundation grant (#SBR-0215633) that enabled us to undertake the ambitious data collection and analysis.

We also extend our sincere gratitude to our home academic institutions. They have been particularly supportive and patient—the University of Houston, where Ray was based for much of the project, as well as Nuffield College, Oxford University, where he has spent the past year, and Rice
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University, where Randy is based. The initial work on this project occurred while Ray, at the generous invitation of Dave Brady, was a visiting scholar at the Graduate School of Business, Stanford University.

We both owe a particular debt to our advisor, Bingham Powell, who, whether he likes it or not, is responsible for our commitment to a truly cross-national approach to explaining the economic vote. He has also been extremely supportive of the project and provided helpful comments. We are also indebted to Jim Alt who, very early in the project, took some time out from his busy American Political Science Association (APSA) schedule to have coffee with us. In his inimical fashion, he posed the obvious question: “Guys, why do you think anyone would be interested in this?” And then, of course, Jim proceeded to suggest precisely what questions about comparative economic voting are important and interesting. His early, very critical review of the manuscript proved particularly helpful. Michael Lewis-Beck has been wonderfully supportive of our project, and we have benefited tremendously from the wisdom of the “dude’s” many years studying the comparative economic vote. An early, and premature, APSA roundtable discussion (2005!) of the book “manuscript” provided invaluable insights at an important juncture in its development. In addition to Jim Alt, Michael Lewis-Beck, and Bingham Powell, we thank the additional roundtable participants Rob Franzese and Jonathan Nagler (and Doug Hibbs, who provided detailed comments in absentia). And, as we finally completed the manuscript, we were particularly heartened by the positive reaction we received from Steve Ansolabehere, who had just assumed the editorship of the Cambridge University Press Political Economy of Institutions and Decisions series.

We would like to acknowledge and thank the participants of seminars at the University of Houston (2002), Princeton University (2004), Université de Montréal (2004), New York University (2006), the European University Institute Conference on Contextual Effects in Electoral Research (2006), the Nuffield Politics Seminar Series (2006), Washington University (2006), the European University Institute Conference on Electoral Forecasting Models (2007), University of California, Los Angeles (2007), not to mention the participants on the countless panels at the annual meetings of the APSA and Midwest Political Science Association where we presented various versions of book chapters. Among the numerous participants at these venues who provided insightful comments we thank Ken Benoit, Geoff Evans, Mark Franklin, Mark Kayser, Orit Kedar, Michael Marsh, Harvey Palmer, Meredith Rolfe, Josh Tucker, Wouter van der Brug, Cees van der Eijk, Lynn Vavrek, and Guy Whitten.
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This project has involved the analysis of many public opinion surveys, and we are indebted to the various national and international entities that have funded these studies and made them widely available to the public. These include national elections studies that were initiated in the United States in 1948 but have since spread to most developed democracies in the world. Our study would have been impossible without the rich, comparative electoral data that are available in the Euro-Barometer Studies and in the studies that make up the Comparative Study of Electoral Systems. We hope this book and the findings we report here are testimony to the importance of continuing these and similar efforts at providing comparative electoral behavior data.

As a result of the proliferation of national election studies and multinational electoral surveys there exists an abundance of voter preference data. The challenge was collecting all of these data and getting them into a format that we could use to estimate the models that are the foundation of the empirical work in this book. And to estimate properly specified models employing these very diverse voter preference studies, we undertook an extensive review of the electoral behavior literature related to each of the 19 countries in our study. These data collection and cleaning tasks and detailed reviews of the electoral behavior literature were completed by our graduate students, to whom we are truly indebted. Accordingly, we thank Jeff May, Beth Miller, Chandru Swaminathan (our IT “guru”), Jessy Tyler, and Toshi Yuasa. We and our graduate students were also assisted by Guillermo Useche Gonzalez and Federico Orozco during our data-gathering efforts in Spain – we thank them for their help.

Much of the creative efforts and the more tedious data work associated with this project took place at Ray’s home, Le Tournié, in France. We and our graduate students owe a debt of gratitude to Crisanto Hernandez, who so competently managed the practical, day-to-day details of these research meetings. And finally, a special thanks to Scott Parris at Cambridge University Press, our editor, who at an early stage in the gestation of this project responded so positively to our efforts and continued to encourage us over the lengthy time it took us to complete the manuscript.