

Electoral accountability

Lecture 3

Today

- Theory of electoral accountability
- Techniques for studying accountability
- Postcommunist results

1. Theory of electoral accountability

What is accountability?

- “Relationships that formally give some actor the authority of oversight and/or sanction relative to public officials”
- Vertical accountability: voters can sanction parties/representatives at elections for their performance
- Horizontal accountability: state agencies are legally enabled and practically willing to sanction elected officials
 - Ombudsman, court, bicameralism
 - If government not held in check by these agencies, then will it pursue public good?

Digression – alternative definitions

- Do politicians give an accounting or justification for their actions?
 - Don't they always do this?
- Do politicians take responsibility for their actions?
 - “I am responsible”, “The buck stops here”
 - What if they remain in office?
- How do politicians apologize?
 - I'm sorry for... or I'm sorry that I...
 - I'm sorry if... (someone was hurt) or I'm sorry that you...(were offended)

Case for electoral accountability

- Easy for voters: simple judgment on performance of incumbents
- Powerful incentive for politicians: they may lose office
- Can remove bad politicians from office
- Keeps politicians guessing: they don't know what the standards are, so they need to try very hard

Case against electoral accountability

- Politicians under pressure to overreach because sanction is so powerful
- Politicians have a free hand between elections
- Backwards looking
- Myopic: only what happened recently – so can be manipulated
- Doesn't utilize all of citizens' knowledge

Types of economic voting

	Sociotropic: judgments about national economy	Pocketbook or egocentric: judgments about personal situation
Retrospective: judgments about past	Has the economy performed well in recent years?	Have I personally done well in recent years?
Prospective: judgments about future	Will the economy perform well in near future if party wins?	Will I personally do well in near future if party wins?

When will accountability yield the best policies?

- Voters need to set the highest attainable standards for politicians
 - Standards can't be too high – then politicians will give up
 - Or too low – then politicians won't do their best
- Voters need to distinguish what politicians have the power to change and what is beyond their power

2. Techniques for studying accountability

The key issues

- What are the standards for judging performance?
 - Should we rely on subjective impressions of voters – approval ratings, confidence in economy?
 - Should we pick our own objective standards – eg, economic growth, corruption?
- What are the punishments/rewards?
 - Voting reports from surveys
 - Actual vote totals (national, regional)
 - Survival in government
 - Jail/death – Athenian accountability

Actual economic and election results

(Powell & Whitten)

- Look at differences in vote shares for governing parties
 - $\text{Vote \% (t)} - \text{Vote \% (t-1)}$
- Are they related to economic conditions in the last year of the electoral term?
 - Why the last year of the term?
- Results
 - Differences between left and right governments
 - Left governments held accountable for unemployment
 - Right governments held accountable for inflation
 - Differences based on type of government (clarity of responsibility)

Clarity of responsibility

- For voters to punish governments, they need to know who is responsible for outcomes
 - Not always easy to tell
- Depends on institutional design
- Veto points and consensus government make it difficult to judge
 - Coalition government, minority government, bicameralism, federalism, strong judiciary, strong parliamentary committees – who should I punish?
 - Westminster majority government easiest to judge
 - Who would you punish in US?

An alternative method

- Use regional differences in vote shares within a single country and regional economic conditions
 - Why can't you use measures of how people actually vote?
- But ecological inference problem
 - You can't say anything about individuals from differences across regions
 - Eg, if poor regions vote for social democrats, does this mean that poor people vote for social democrats?

Political business cycle

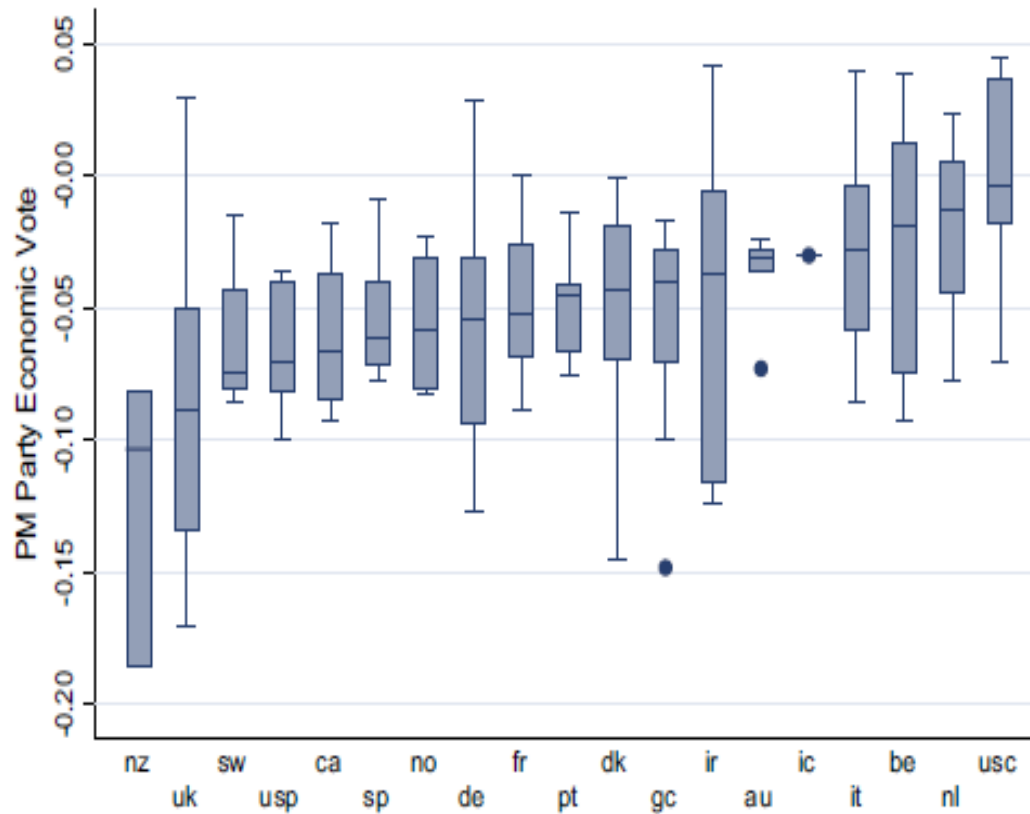
- Politicians know that key is performance of economy just before an election because citizens are myopic (short-sighted)
- Therefore they should time policies so that growth comes just before election
 - Expand money supply, tax cuts, spending increases in year before election
- But this is often bad for welfare
 - After election, inflation or budget deficits => recession
 - But politicians then have three years to fix
- Strong accountability gives politicians strong incentives for a political business cycle
 - This is reason why we have independent central banks

Cross-sectional and subjective judgments

Duch & Stevenson

- Look at pre or post-election public opinion surveys
 - Performance: “Over the past year has the economic situation gotten better, stayed the same, gotten worse?”
 - Vote choice: Who will/did you vote for?
- How much do judgments of economy affect vote choice?
- Results
 - In most cases strong effect of economic perceptions: more negative judgments of economy lower vote probability by 4-5%
 - Clarity of responsibility effects
- Problems
 - What explains different perceptions of economy across individuals?
 - Can we trust surveys?

Country differences in economic vote



Note: PM Vote responding to economic perceptions that move one unit in worse direction

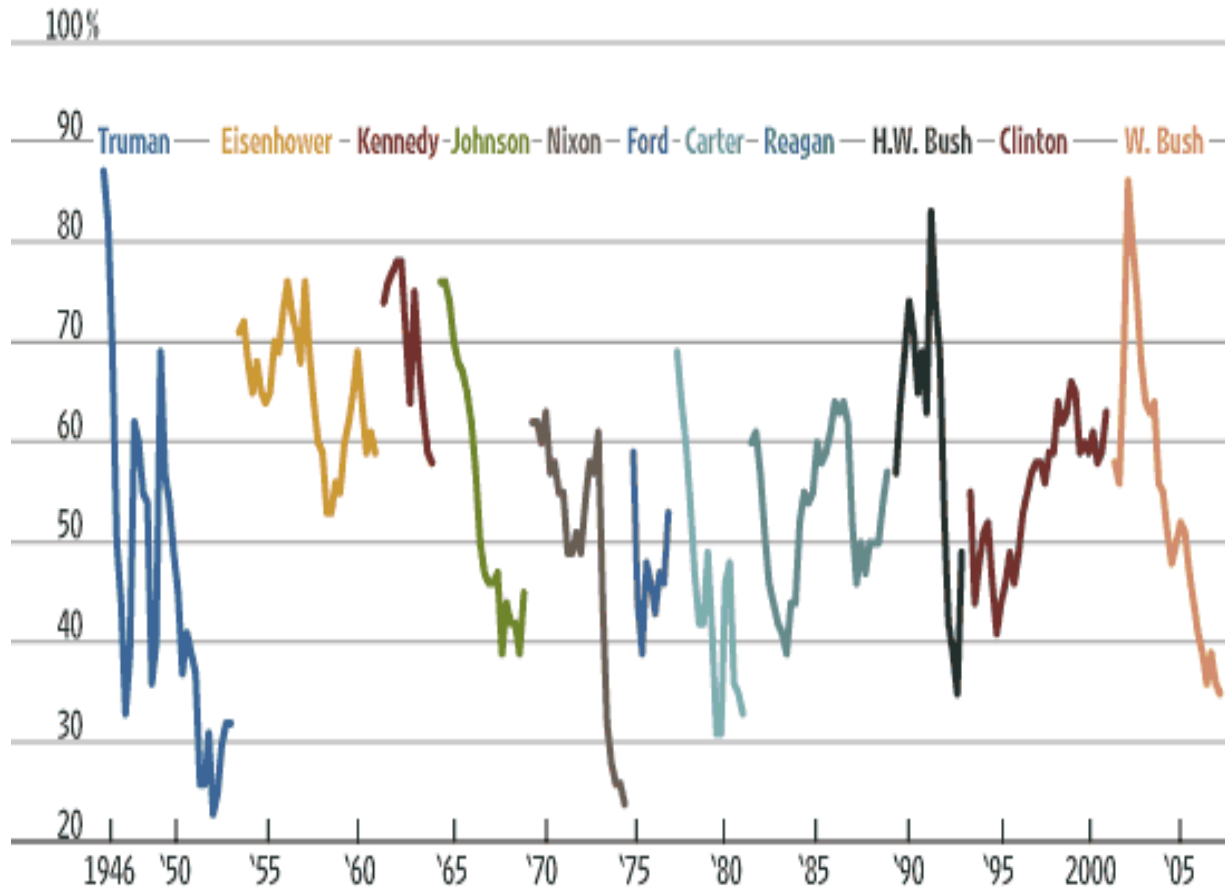
Fig. 2. PM party economic vote by country.

Time-series and subjective judgments

Mackuen, Erikson, and Stimson

- Time-series of presidential approval
 - “Do you approve of the job the president is doing?”
- Judgments about economy
 - Sociotropic and pocketbook
 - Retrospective and prospective
 - Objective economic facts
- What best explains presidential approval?
 - Prospective sociotropic judgments => voters are bankers
- Problems
 - Does approval matter?
 - Are voters really so smart? But not individuals, only aggregate

US Presidential approval



What is missing?

- Can voters hold politicians accountable for something other than economy?
 - Specific policies, broken promises, corruption & scandals
- What should politicians be held accountable for? What can they actually influence?
- Should we focus on votes or on office?

Strong punishment in postcommunist region

Roberts

- Almost all incumbent governments lose
- Usually lose big – average vote loss is 15% versus 2-3% in old EU members
- Few parties return to government
- Punishment is correlated with economy, particularly unemployment
 - Higher unemployment leads to fewer votes
 - 1% increase in unemployment leads to 1-2% loss in vote share

Is it a good thing?

- Strong accountability should keep governments honest
 - Incentive for good economic performance
- But what happens if you punish everyone?
- Governments lose incentive to perform
 - May as well shirk or steal if they will automatically lose
- Why such consistent punishment?
 - Corruption? Incompetence? A vicious circle?
 - Few other ways of expressing dissatisfaction – civil society and protest weak

Dilemma of economic reform

- Economic reforms (eg, privatization, price liberalization) often cause short-term inflation, unemployment, and slow growth
 - But they have positive benefits in long term
 - Klaus: “Unless unemployment rises to 8-10%, we will not be doing our job”
- If voters use short-term economic voting, then they will punish governments for economic reform
- Governments therefore will be reluctant to pursue economic reform
- So how do we get transition from communism to capitalism?
 - Altruism, self-sacrifice?
 - Or are voters smarter?

Other responses to decline

Stokes

- Intertemporal voting: voter believe that the worse things get, the more they will improve in the future
- Exonerating or antidotal voting: voters blame previous government for problems

Table 1

Alternative Patterns of Public Responses to Economic Deterioration

	Support Reforms/ Government	Oppose Reforms/ Government
Optimistic about future of economy	Intertemporal	Distributional (envy or solidarity)
Pessimistic about future of economy	Exonerating or antidotal	Normal economic voting

What explains election of Trump?

- Voters are not ideologues
 - Trump has non-traditional views for Republican, but popular with many voters
- Voters organize opinions around social groups
 - Appeals to white identity and race
 - Politics about status not policy
- The economy matters
 - Make people feel bad about economy

Other factors

- Strong partisans, weak parties
- Clinton a weak candidate
 - <https://www.youtube.com/watch?v=pU06-3mPH1I>
- US not ready for a woman president
- Republicans run on ideas, Democrats on policy proposals