A RETROSPECTIVE ON RETROSPECTIVE VOTING

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This paper critically reviews the extensive literature on retrospective voting in response to economic conditions. Each of the major types of analyses which have been performed—time-series analyses of national vote totals, presidential popularity, and cross-sectional analyses of individual survey responses—has raised several interesting and important questions. The answers that have been obtained, however, are only partial and limited, as each of these approaches entails serious problems of estimation and interpretation. Further progress in this area, we argue, requires explicit treatment of conceptual and statistical issues that have hindered previous research: the dynamic formulation of expectations and preferences, the incidence of policy (and nonpolicy) effects across the population, and notions of incumbency and political responsibility.

And the whole congregation of the children of Israel murmured against Moses and Aaron in the wilderness: And the children of Israel said unto them, Would to God we had died by the hand of the Lord in the land of Egypt, when we sat by the flesh pots, and when we did eat bread to the full; for ye have brought us forth into this wilderness, to kill this whole assembly of people with hunger (Exodus 16: 2–3).

The idea that a leader's political fate turns upon the material well-being of the people he or she leads is, as this passage from the Old Testament indicates, an old one. To be sure, few economies have fluctuated as extremely as that of the Israelites in the wilderness, and few political figures have experienced as many large swings in their popularity as Moses. More recently, though, historians have traced the origin of the French Revolution to a series of bad harvests followed by increasing prices, falling wages, and mass unemployment (Doyle, 1980). In Britain, following the expansion of the
franchise in the early part of the nineteenth century, electoral fluctuations were regularly attributed to grain prices and other economic factors (Olney, 1973; Nossiter, 1974).

Political observers in the United States have also long believed that prevailing economic conditions exert a strong influence upon the choice voters make in national elections. Research in this area makes up for one of the oldest quantitative traditions in political science (for reviews of this early literature see Kramer, 1971, and Monroe, 1979). These studies examined several different conjectures: prosperity aids the Republicans; farm sector depressions lead to support for the populists; and conservative candidates fare better during good times. In short, the vague notion that economic conditions influence voting admits to a wide range of specific hypotheses.

The focus of research in this area narrowed considerably, however, following publication of Gerald Kramer's seminal article, "Short-Term Fluctuations in U.S. Voting Behavior, 1896–1964," in 1971. Following Kramer's lead, most subsequent studies have concentrated on a few interrelated hypotheses: that voting in response to economic concerns is (1) retrospective, (2) incumbency-oriented, and (3) based upon the results of economic policies, and not upon the actual policies themselves. Taken together, these imply that voters give greater support to candidates of the incumbent party when the election is preceded by a period of prosperity than when times have been poor. We will henceforth refer to these interlocking hypotheses as the retrospective voting model.

In some respects the subsequent concentration of work on this one model is unfortunate, given that there are other plausible ways different types of economic concerns might influence voters' decisions. On the whole, however, the narrowing of attention to a few potentially testable propositions has been beneficial. Retrospective voting is probably the simplest and most straightforward model of those that have been posited (perhaps also, as suggested above, the oldest as well), and it makes good sense to examine simple hypotheses before entertaining more complicated theories about political-economic relationships. Combined with the fact that most studies in this area have utilized much the same data, this concentration on retrospective voting has made it much more feasible than in other areas of political research to compare the results of different studies, and thus to identify the particular features of models and methods that lead to differences in findings.

In the next section of this paper we review the many time series analyses that followed the publication of Kramer's original article. We then turn to an examination of the other major body of research in retrospective voting—analyses of individual-level survey data. In both cases we identify the more robust findings that have emerged from the various strands of research,