Voting and Electoral Competition

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On the organization of the course

• Lectures, exam at the end
• Articles to read. In more technical articles, it suffices to read introduction and conclusion
• Level of difficulty of lectures can be adjusted after the first four themes. Give feedback on whether the lectures are too easy/difficult!
Topics to be covered
(T= theory, E = empirics)

• Theme 1: Why people vote? (T and E)
• Theme 2: Median voter model (T)
• Theme 3: Probabilistic voting model (T)
• Theme 4: Party platforms (T)
• Theme 5: Pocketbook voting (T and E)
• Theme 6: Selection into politics (T and E)
• Theme 7: Candidate appearance and electoral success (E)
• Theme 8: Politics and the media (T and E)

Theme 1: Why people vote?

• Instrumental motivation: people vote for the election outcome that they would expect to maximize their utility
• In any large electorate, the probability of being a decisive voter is close to zero
• As a result, if voting is costly, the expected utility from voting is negative
Why people vote?

- Thus, we should see most people not voting, if voting is costly (including time cost)
- Nonetheless, people vote
- Paradox of voting: the costs of voting usually exceed its expected benefits for a rational self-interested voter. Despite this, a large number of people vote. (Downs 1957, An Economic Theory of Democracy)
- Why?

Potential solutions

- Expressive motivation: voting is like cheering in a football match. People do not expect to affect electoral outcome, but vote nonetheless
- Brennan and Hamlin (1998), Public Choice
- Even if not expecting to change the outcome, people could vote to register their preference. A landslide victory gives a stronger mandate than a narrow one
Potential solutions

• People may vote in order to encourage others from their groups / with similar preferences to vote. If everyone abstains, a Prisoners’ Dilemma

• Active voter groups better represented in the political process. F.ex., farmers and pensioners usually vote actively and are well represented

Potential solutions

• Voting as a civic duty
  – intrinsic satisfaction from behaving in accordance with a norm
  – extrinsic incentives to comply

• This could take place either for voters as citizens or, alternatively, for citizens as members of various interest groups that could organize rallies for their members
Theory: Brennan and Lomasky and Brennan and Hamlin

• Focus on benefits and costs of supporting electoral candidates, rather than on benefits from electoral outcomes
• If the probability of changing the electoral outcome is very small, then instrumental motivation is not likely to be decisive
• Two reasons not to vote: alienation and indifference

Alienation and voting

• Voters are more likely to vote if their preferred party’s platform is close to their ideal point
• If platforms centrists, voters at the extremes of political spectrum may decide not to vote for either candidate
Al Gore vs. George W. Bush

- In 2000, Green Party’s Ralph Nader stated that he thinks that there is no big difference between Bush and Gore
- Nader ran as independent, getting a small number of votes (2.74 %)
- These votes were enough to cause Bush elected
- In general, extremist candidates can serve as spoilers and change election outcomes

Indifference

- From the perspective of a voter whose ideal point is between party platforms (in a two-party system), there is no difference from which party wins
- So, why vote? From instrumental perspective, indifference could lead into abstention by centrists voters.
- With expressive motivations, there is no reason to abstain due to indifference
Voting and shopping

• In the same way as a customer, who has two ice-cream sellers in equal distances on a beach, could randomize between these, an indifferent voter could randomize between the two parties at equal distances

Electoral competition with alienation and expressive voting

• What matters is the median ideal point of those citizens who vote, not the median ideal point of all citizens
• For details, see the article
Empirics: Gerber et al. (2008)

- A large-scale field experiment involving several hundred thousand registered voters who received a series of mailings
- Setting: Michigan 2006 primaries, with no significant contest among Democrats but some competition among Republicans

Methodology

- Four different types of mailings, sent to a subset of population
- All four treatments carry the message “DO YOUR CIVIC DUTY— VOTE!”
- First mailing does little beside this
“You are being studied!”

• The second mailing adds a mild form of social pressure. Households were told “YOU ARE BEING STUDIED!” and informed that their voting behavior would be examined by researchers by means of public records.

• Thus, voting observed by researchers

“We tell your family”

• The third mailing exerts more social pressure by informing that who votes is public information and listing the recent voting record of each registered voter in the household.

• The mailing informed voters that after the primary election “we intend to mail an updated chart” (also to family members), filling in whether the recipient voted in the August 2006 primary.

• The purpose was to test whether people are more likely to vote if others within their own household are able to observe their voting behavior.
“We tell your neighbors!”

- The fourth mailing lists also the voting records of those living nearby.
- A promise/threat “we intend to mail an updated chart” after the primary, showing whether members of the household voted in the primary and who among their neighbors had actually voted in the primary. Same for neighbors.
- The implication is that members of the household would know their neighbors’ voting records, and their neighbors would know theirs.
- Threat to “publicize who does and does not vote” to increase social pressure.

Effects?

- Each treatment increased turnout relative to control group not subject to mailing.
- The control group voted at a rate of 29.7%.
- The “Civic Duty” treatment group 31.5%.
- “researchers watch you”: turnout 32.2%.
- The effect of showing households their members’ voting records is dramatic. Turnout climbs to 34.5%, a 4.9 percentage-point increase over the control group.
Effects?

• Even more dramatic is the effect of showing households both their members’ voting records and the voting records of their neighbors.
• Turnout in this experimental group is 37.8%, which implies a remarkable 8.1 percentage-point treatment effect.

Empirics: Funk (2010)

• Funk (2010). Social incentives and voter turnout: Evidence from the Swiss mail ballot system. *Journal of the European Economic Association*
• Uses a natural experiment of a change in voting system in Switzerland to test the effects of social pressure on voting
Postal vote in Switzerland

- Switzerland has 26 cantons. These introduced a possibility of postal voting at different times
- Main argument to do so: this reduces the cost of voting by making it easier. If return envelope is provided, all that voter has to do is to fill in the ballot and drop it in a letter box. Lower transaction costs
- Main argument against: fear of misuse

Testing the effects of postal vote

- Difference-in-difference analysis: compare change in turnout in cantons that introduced postal vote to those that did not
- Analysis of voting in federal elections
- Challenge: introduction of a postal vote is not random. If it is related to trends in voting turnout, these may confound the findings
- Solutions:
  - additional controls, including canton and year fixed effects
  - study trends in turnout before postal vote was introduced anywhere in cantons that adopted it early and late (when trends similar before postal vote adopted, one can expect that they would have stayed similar without postal vote)
Findings

• Community structure matters: “in those cantons where no citizens live in small communities, the average increase in turnout is 6.5 percentage points after postal voting was introduced. In contrast, for the canton with the highest share (36%) of people living in small communities, the predicted effect on average turnout is −7 percentage points.”

Interpretation

• The increase in average turnout in cantons with no small municipalities is in line with reductions in voting costs increasing turnout
• The fact that turnout increases less, or even decreases, in cantons with a lot of small municipalities can be explained by social pressure being an important motivations to vote
• With postal vote, whether one votes or not becomes harder to observe. Without postal vote, important to be seen to vote
Conclusion?

• Social pressure increases voting a lot
• People may vote in order to signal others that they vote
• Also, some effect already without social pressure from being reminded of a civic duty

Other observations about voting

• Idols / Popstars / Eurovision: people pay to vote in a variety of situations, even if the likelihood of being pivotal is very small, and their voting behavior cannot be observed by others (sms / phone voting)
• Suggests that people genuinely have a preference for expressing their preference
Still on Eurovision

• Furthermore, people seem to vote sometimes quite strategically, even in Eurovision. Neighbors voting neighbors and expecting to be voted back.
• Voting as being part of a group?
• Identity

Voting as information aggregation

• One reason to vote is to gather information
• Some people are better informed that others
• Starting point: some people are informed about the state of the world, others are not
The Swing Voter's Curse

• Feddersen and Pesendorfer show that less informed indifferent voters strictly prefer to abstain rather than vote for either candidate even when voting is costless.

• The swing voter's curse leads to the equilibrium result that a substantial fraction of the electorate will abstain even though all abstainers strictly prefer voting for one candidate over voting for another.

Assumptions on voting in this course

• From now on, focus in theory on models in which everyone votes, and people vote in order to maximize their utility from realized policy

• Some empirical support for pocketbook voting, but also empirical evidence indicating that aspects like candidate appearance also matter