

# Study looks for reason, solutions for voters' short-term view of economic returns when casting their ballots

January 29 2014, by Kathleen Maclay

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(Phys.org) —American voters are pointedly asked during every presidential campaign if they are better off today than four years ago. But a new study published in the latest edition of the *American Journal of Political Science* examines why voters actually consider how the economy has performed only in the last six months, even though they say they mean to look at the entire preceding four-year period.

In the paper, "Substituting the End for the Whole," UC Berkeley associate professor of [political science](#) Gabriel Lenz and Andrew Healy, an associate professor of economics at Loyola Marymount University, examine reasons for this myopic voting and how it might be corrected.

"The results are pretty shocking," said Lenz in a conversation.

In more than two dozen national surveys and experiments conducted between March 2010 and July 2012, Lenz and Healy tested two standard explanations for this voter behavior when it comes to pocketbook issues: either [voters](#) just don't remember earlier economic conditions, or they consider election-year data more informative. Instead, Lenz and Healy found that voters substitute the final year's conditions because cumulative data isn't easily available to them and they fail to realize that they have substituted the short term for the whole four years.

Psychologists have documented a similar tendency in many domains.

"Indeed," Healy and Lenz write in the journal, "people seem to evaluate entire experiences from colonoscopies to shopping according to the conditions at the peak and at the end..."

"The way we elect presidents in this country is bizarre, when you think about it," said Lenz. "Even if voters are better off than they were four years ago, they will throw out the president if the country experiences a slowdown just before Election Day. Likewise, voters can be worse off than they were four years ago and yet still reelect a president if the economy happens to pick up just in time."

On the positive side, he and Healy report that voters armed with yearly and cumulative information on income growth for typical American families do weigh all years, each fairly equally. To illustrate possible real-world impacts, the researchers cite research by others showing voters acting on four years' worth of economic performance data would have elected a different U.S. president in 1952, 1968 and 2000.

Lenz and Healy maintain that this disconnect can be resolved if government agencies such as the Bureau of Labor Statistics or Bureau of Economic Analysis report cumulative economic information as part of releasing the most recent data. "Getting bureaucracies to change is hard, but these are non-partisan (agencies)," Lenz said. And if these agencies adjusted their reporting practices, he added, so would the media, which generally report the data the way it is released. He and Healey suggest that even political candidates could help by reframing the way they discuss the economy.

This rather simple change would alleviate three key threats to democratic accountability in the United States and probably in other countries, too, according to the researchers.

The first problem is that voters' short-term economic focus leads

incumbents to prioritize election year growth ahead of the overall public welfare.

Healy and Lenz point to President Richard Nixon's pressure on Federal Reserve Bank Chair Arthur Burns in 1971 and 1972 to pursue expansionary monetary policies in the lead-up to the 1972 presidential election. Nixon won re-election in a landslide, but those policies were blamed for high inflation rates in the following years. Similar maneuvers in Russia, Turkey and Mexico also are credited with spurring inflation and recession in those countries, according to Lenz and Healy.

This leads to the second major threat – voters' with limited information and abbreviated economic attention spans are more susceptible to electing the best economic manipulators, rather than the best leaders.

**More information:** Healy, A. and Lenz, G. S. (2014), Substituting the End for the Whole: Why Voters Respond Primarily to the Election-Year Economy. *American Journal of Political Science*, 58: 31–47. [DOI: 10.1111/ajps.12053](https://doi.org/10.1111/ajps.12053)

Provided by University of California - Berkeley

Citation: Study looks for reason, solutions for voters' short-term view of economic returns when casting their ballots (2014, January 29) retrieved 3 May 2024 from <https://phys.org/news/2014-01-solutions-voters-short-term-view-economic.html>

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