# Partisan Elites as Culprits? How Party Cues Shape Partisan Perceptual Gaps 🕡 😊

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Abstract: Partisanship often colors how citizens perceive real-world conditions. For example, an oft-documented finding is that citizens tend to view the state of the national economy more positively if their party holds office. These partisan perceptual gaps are usually taken as a result of citizens' own motivated reasoning to defend their party identity. However, little is known about the extent to which perceptual gaps are shaped by one of the most important forces in politics: partisan elites. With two studies focusing on perceptions of the economy—a quasi-experimental panel study and a randomized experiment—we show how partisan perceptual differences are substantially affected by messages coming from party elites. These findings imply that partisan elites are more influential on, and more responsible for, partisan perceptual differences than previous studies have revealed.

**Replication Materials:** The data, code, and any additional materials required to replicate all analyses in this article are available on the *American Journal of Political Science* Dataverse within the Harvard Dataverse Network, at: http://doi.org/10.7910/DVN/TJ1ZXX.

■ undamental to the study of democratic politics is how citizens form perceptions of political reality. Without public opinion being grounded, at least to some degree, in reality (e.g., the actual development of the economy), it is difficult to imagine how citizens can send a meaningful signal to policy makers, or how they can hold their representatives accountable (Anderson 2007; Soroka and Wlezien 2010). Yet there is growing evidence that citizens of different partisan stripes diverge in their perceptions of reality. In some instances, partisans are found to disagree over matters of fact to the extent that Republicans and Democrats cannot "even agree on the direction of change" in leading macroeconomic indicators (Bartels 2002, 137, emphasis in original; also see Flynn, Nyhan, and Reifler 2017; Schaffner and Roche 2017; Shapiro and Bloch-Elkon 2008). In other cases, partisans appear to agree on facts, but differ wildly in their interpretations

of the same objective conditions (Bisgaard 2015; Gaines et al. 2007; Lavine, Johnston, and Steenbergen 2012).

Partisan perceptual differences—in factual beliefs and interpretations alike—are often taken as evidence that citizens seek to bolster and confirm beliefs that reflect well on their party. Driven by an inescapable motivation to defend their partisan identity, citizens process information selectively and actively find ways to bring real-world conditions in line with what they *want* to believe (e.g., Jerit and Barabas 2012, 673; Parker-Stephen 2013, 1079). Indeed, "the prevailing wisdom" is that "the culprit [behind partisan perceptual gaps] is individual-level motivation" (Jerit and Barabas 2012, 673).

However, citizens are rarely faced with just neutral facts. Politicians are eager to portray the same reality in ways that serve their electoral interests, and unemployment figures, growth rates, and crime statistics are

DOI: 10.1111/ajps.12349

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We thank Jørgen Goul Andersen, Jason Barabas, Cheryl Boudreau, John Bullock, Scott Clifford, Jamie Druckman, Stanley Feldman, Steven Finkel, Donald P. Green, Jane Green, Kasper Møller Hansen, Austin Hart, Hans Hassel, Frederik Hjorth, Sara B. Hobolt, Ulrik Hvidman, Jennifer Jerit, Howie Lavine, Thomas J. Leeper, Gabe Lenz, Michael Lewis-Beck, Matt Loftis, Sergi Pardos-Prado, Markus Prior, Paul M. Sniderman, Stuart Soroka, Kim M. Sønderskov, Rune Stubager, and B. Dan Wood, as well as seminar participants at Aarhus University, University of Copenhagen, and University of Southern Denmark for comments and advice, and Annette Andersen, Mia Brunebjerg, Maria Doohan, and Rie Schmidt Knudsen for research assistance. We are particularly grateful to Michael Bang Petersen for collaborating on the larger project from which this article originates. We acknowledge support from the Faculty of Social Sciences at Aarhus University and the Danish Council for Independent Research (11-104605 and DFF-4003-00192B). The authors are listed in alphabetical order.

American Journal of Political Science, Vol. 62, No. 2, April 2018, Pp. 456-469

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not left unattended by partisan elites (Hart 2013; Pardos-Prado and Sagarzazu 2016; Vavreck 2009). Indeed, one of the major influences of political parties in contemporary democracies might be their ability to shape how citizens interpret a complex reality. Yet, perhaps surprisingly given the prevalence of partisan elite messaging, "existing work ... says little about how partisan-motivated reasoning is affected by the ebb and flow of information" (Jerit and Barabas 2012, 673). Consequently, we know little about the extent to which partisan perceptual differences are *elite* driven, that is, shaped by how partisan elites talk about reality. If citizens follow cues from their party and reject cues from the opposing parties, then even a single signal from a party could hold the potential to shape partisan perceptual differences. Under these circumstances, "the culprit" behind the often lamented partisan perceptual gaps could be partisan elites at least as much as ordinary citizens.

We contribute to this debate by offering the first direct test of how elite partisan rhetoric influences the perceptual divides between partisans. Specifically, we focus on interpretations of facts as one important aspect of political perception. While a burgeoning literature addresses some of the aggregate consequences of elite partisan messaging on public opinion (e.g., Pardos-Prado and Sagarzazu 2016; Vavreck 2009), no study to date has examined, at the individual level, how partisans adjust their interpretations of reality in response to party cues. One reason for this paucity of research might be that testing the impact of elite rhetoric is inherently difficult. Parties often attempt to "stay on message," making dramatic changes in partisan elite rhetoric exceedingly rare (Zaller 1996). Even when such changes do occur, they are likely confounded by preexisting trends in public opinion and other realworld events that could also affect citizens' interpretations of reality. What is more, without high-quality data, it is difficult to rule out that citizens might choose to affiliate with a party because of their perceptions of real-world conditions rather than having formed these perceptions in response to elite rhetoric (Lenz 2012).

To confront these challenges, we rely on two empirical studies that, like the majority of work in this literature, focus on perceptions of the economy. Our first study exploits a closely spaced five-wave panel survey collected just before and after a marked shift in how the (at the time) Center-Right coalition government in Denmark changed its portrayal of the public budget deficit. Our second study relies on population-based survey experiments collected in the same country, where participants were randomly assigned to different party cues.

Across both studies, we find robust and substantial effects of party cues on how partisans perceive the econ-

omy. When the incumbent parties suddenly promoted a more dire interpretation of the budget deficit, citizens identifying with these parties followed suit and formed more negative views of the deficit. Conversely, the incumbent party cue made little difference to citizens identifying with the opposition parties. As a result, interpretations among government identifiers became as negative as those already held by citizens identifying with the opposition. Consequently, a change in party cues effectively reduced, and even neutralized, the partisan gap in interpretations of whether the budget deficit posed a serious macroeconomic problem. Perhaps our most important contribution is to show not just that party cues can shape perceptions among partisans, but that the gulfs of disagreement between partisans are not a stable, inevitable pattern.

#### **Theoretical Background**

Public opinion scholars will hardly be surprised by the finding that citizens affiliating with opposite parties arrive at different factual beliefs and interpretations of reality. To many, the persistent perceptual gaps between partisans only seem to reaffirm the seminal idea in *The American Voter* that citizens' party identification, the affective attachment to a party, "raises a perceptual screen through which the individual tends to see what is favorable to his partisan orientation" (Campbell et al. 1960, 133).

The partisan perceptual screen is an amalgam of various psychological mechanisms, and political psychologists have been successful in scrutinizing some of the most important ones. Drawing on the theory of motivated reasoning (Kunda 1990; Taber and Lodge 2006), an impressive array of recent studies has illuminated the implications of selective exposure and judgment (Gaines et al. 2007; Nyhan and Reifler 2010; Schaffner and Roche 2017), demonstrated selective recall of factual information (Jerit and Barabas 2012), and shown how partisan differences in economic perceptions are tempered by individuals' partisan ambivalence (Lavine, Johnston, and Steenbergen 2012), motivations and incentives to make accurate judgments (Bullock et al. 2015; Prior, Sood, and Khanna 2015), and unambiguous real-world developments (Parker-Stephen 2013; but see Bisgaard 2015). Although certain boundary conditions do exist, extant work suggests that partisans themselves appear quite apt at rationalizing their perceptions of political reality.

But in formulating their original ideas, Campbell et al. (1960) also envisioned another important driver of partisan perceptual differences that, perhaps surprisingly, has received much less scrutiny in subsequent

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research. Specifically, they saw the political party as "an opinion-forming agency of great importance," where the role of the party was to be "a supplier of cues by which the individual may evaluate the elements of politics" (Campbell et al. 1960, 128). In other words, partisan perceptual differences may emerge, not solely because citizens "make the interpretations themselves," but because they "let others—partisan politicians, for instance—do it for them" (Gaines et al. 2007, 959).

Following this reasoning, others have alluded to the possibility that partisan divides in economic perceptions could be driven by elite rhetoric. For example, Evans and Andersen (2006, 194) speculate that diverging views of the economy among different partisan groups "could derive from the role of the party as a source of trusted information on the basis of which people assess the economy." Likewise, Parker-Stephen (2013, 1087) proposes that a "possibility for future research is to allow for the influence of elite rhetoric" (also see Bisgaard 2015, 859; Enns and McAvoy 2012, 632; Gaines et al. 2007, 971; Pardos-Prado and Sagarzazu 2016, 2; Peffley 1984, 289; Zaller 1992, 163–65, 269).

However, despite these intuitions, there is a dearth of studies attempting to isolate the impact of elite partisan rhetoric on the perceptual divides between partisans. A number of important studies have addressed whether party cues affect citizens' perceptions of the national economy in the aggregate (e.g., De Boef and Kellstedt 2004; Wood 2007), and whether elite influence is more pronounced when the source of the message has high credibility on the issue (Alt, Lassen, and Marshall 2016; Pardos-Prado and Sagarzazu 2016). Yet none of this work considers whether partisan elite cues matter differently depending on the partisanship of the receiver.

#### How Party Cues Shape Partisan Perceptual Gaps

We study the impact of elite partisan rhetoric on partisan perceptual gaps by examining party cue effects. Party cues "link a party to a stand on an issue" (Bullock 2011, 497). Here, we focus on party cues in the form of interpretations by political parties about whether a specific economic fact is good or bad. We expect party cues to influence how partisans perceive the economy due to both a supply and a demand for party cues.

First, there is a steady supply of party cues about real-world conditions aided, in particular, by the news media. The state of the national economy is a major topic in contemporary societies and an important factor influencing approval ratings of incumbents (e.g., Lewis-Beck and Stegmaier 2007). The ubiquitous importance of the economy gives political parties clear strategic incentives to shape when and how citizens think about economic reality (Hart 2013; Vavreck 2009). Moreover, given its immediate importance to citizens and politicians alike, the economy grants the news media an obvious source of newsworthy material to report. Consequently, flows of partisan messages about the economy abound (Wood 2007).<sup>2</sup>

Next, there is a demand for party cues among citizens. Citizens can use party cues as an informational shortcut to "compensate for an inaccessibility to original information and simultaneously deal with the overload of secondary political messages that characterize contemporary society" (Carmines and Kuklinski 1990, 135). Few citizens are motivated or able to learn the details of specific issues, and citizens generally lack knowledge about pertinent macroeconomic facts (Delli Carpini and Keeter 1996; Paldam and Nannestad 2000). In such instances, citizens might turn to their political party for guidance on what the complex economic facts mean (Hobolt, Tilley, and Wittrock 2013; Lupia and McCubbins 1998; Zaller 1992). Alternatively, the demand for party cues might arise if citizens are motivated to defend their partisan identity and thus seek to process information selectively (e.g., Druckman, Peterson, and Slothuus 2013; Slothuus and de Vreese 2010). In this case, the perceptions that motivated partisans want to form—as well as the justifications they use to get there—will depend on how partisan elites talk about political reality.

Our interest is not to identify the precise psychological mechanism(s) behind party cue effects. Both theoretical accounts—using party cues as an informational shortcut and partisan-motivated reasoning—suggest that partisans will follow cues from their party (Leeper and Slothuus 2014). Our contribution, rather, is to connect this general insight to research on partisan gaps in economic perceptions. We argue that to understand the dynamics and origins of partisan perceptual differences, we need to take elite partisan rhetoric into account. On this basis, our core expectation is that party cues will substantially shape partisans' economic perceptions. When citizens receive a cue from their party, they will tend to

<sup>&</sup>lt;sup>1</sup>Party cues, of course, could also be about the facts themselves, as parties might promote different, perhaps even false, factual information (Flynn, Nyhan, and Reifler 2017).

<sup>&</sup>lt;sup>2</sup>Of course, political elites do not have unconstrained access to the public through the mass media. The news media play an important role as a gatekeeper of information (Larcinese, Puglisi, and Snyder 2011; Patterson and Donsbagh 1996), and we return to this issue in our empirical analysis.

follow it and form perceptions of the economy in line with the party. In contrast, if the cue comes from the outparty, they will tend to reject or just ignore it (Lupia and McCubbins 1998; Zaller 1992). This way, political parties might ultimately drive the economic perceptions of their supporters. In this case, partisan elites should be assigned at least some culpability for the perceptual divides among citizens.

#### A Quasi-Experimental Panel Study

Our first study relies on a simple but strong quasiexperimental design. We use a closely spaced five-wave panel survey that was fielded in Denmark in 2010-11. The purpose of the panel survey was to track public opinion on a range of economic issues facing Denmark in the wake of the economic crisis, including citizens' perceptions of the budget deficit and unemployment. Fortunately for our purposes, just after the second wave of survey data was collected, the Center-Right government in Denmark, a coalition of the Liberals and the Conservatives (the party names reflecting the European meaning of ideological labels, of course), dramatically changed its portrayal of the severity of the public budget deficit. Previously, the governing parties did not express much concern about the deficit, indicating it was not a serious problem. However, as we describe below, with the prime minister as the spearhead, the government suddenly made the public deficit the chief problem to combat.

The fact that elite partisan cues suddenly changed between our second and third survey waves provides a unique opportunity to examine the impact of party cues on partisans' economic perceptions. Specifically, our panel design gives rise to at least four key advantages. First, by design we eliminate an alternative explanation that cross-sectional studies cannot rule out: Any change in how partisan groups perceive economic reality may simply be brought about because partisanship itself, and not economic perceptions, changes over time (Lenz 2012). This problem can be particularly acute in the case of changing party cues, since a party would likely attract (and turn away) different voters when it changes its message. With repeated measurements of the same individuals, however, we can use a respondent's party affiliation measured in the first wave to predict economic perceptions in all consecutive waves. Thus, any future events like sudden changes in elite rhetoric or changes in respondents' economic perceptions cannot have caused prior partisanship. Furthermore, to make sure the partisan groups are composed of the same individuals over time, we balance the panel so that respondents, whom we fail to interview

in the posttreatment period, are dropped from the analysis.<sup>3</sup>

Second, because the sudden change in party cues happened during May 2010, the timing of the interviews allows us to assess the shifts in public opinion near this crucial event. Clearly, party leaders' decision to change their message is hardly random but opportunistically related to other events that may explain citizens' perceptions (Hart 2013; Vavreck 2009; Wood 2007). Yet with closely spaced panel waves, we are better able to attribute changes in individual-level perceptions to changes in elite party cues. As noted by Gerber and Huber (2010, 157), "the narrower the event window, all else equal, the more persuasive is the attribution of a causal effect to the event ... rather than other things occurring between the interviews."

Third, even though the closely spaced waves make the panel design more persuasive, this feature does not rule out that individual-level changes are simply artifacts of preexisting trends. For example, a shift in economic perceptions before and after the change in party cues could still come about because voters are already changing their economic perceptions in a specific direction. Fortunately, with more than two waves of panel data, it is possible to estimate more complex panel models that attempt to control for observed time trends—including the possibility that different groups of partisans are subject to different trends (for applications, see Dee and Jacob 2011; Finkel and Smith 2011). As we explain below, because these models recover the same estimates, it furthers our confidence in the results.

Finally, our study allows us to carry out various placebo tests to further ensure that the effect of party cues is not confounded by some other unobserved event that also affects our outcome of interest. These robustness checks further our confidence in the results.

#### **Survey Design**

The data collection was fielded as an Internet survey administered by the private polling company Epinion. Epinion's pool of respondents was recruited through random-sample telephone surveys and various online sources to obtain a sample approximately representative of the adult population aged 18–65 years in Denmark, the target population of our study. From this pool of respondents, 2,902

<sup>3</sup>While balancing the panel ensures that we compare the same individuals over time, some caution is warranted to avoid concerns about posttreatment bias. To mitigate these concerns, we analyze panel attrition and missingness in more detail in Supporting Information (SI) Section D. Moreover, the results remain the same when using the unbalanced panel (see SI Section J.1).

individuals completed the first wave of the survey (55% of invitees), and of these, 81% agreed to be recontacted for further questions. Wave 1 was conducted February 17–26, 2010; Wave 2, March 26–April 12, 2010; Wave 3, June 9–21, 2010; Wave 4, January 5–16, 2011; and Wave 5, June 20–30, 2011. We focus our analysis on the 1,206 respondents who completed all five waves of the survey (49% of all respondents completing Wave 1).

#### **Survey Measures**

Our panel survey measured the necessary variables to examine how the shift in the Center-Right government's rhetoric about the public budget deficit affected partisans' perceptions.

**Perceptions of the Budget Deficit.** We asked the following question, which serves as our dependent variable: "Do you think that a budget deficit of this size is a problem in the current situation?" Respondents were provided with six options: A very big problem, A big problem, Somewhat of a problem, Not a big problem, and No problem at all, as well as a don't know option. All respondents answering "don't know" are removed from the analysis and treated as missing (see SI Section D for more detail on missingness and attrition). The variable is scaled from 0 to 1, where 1 is the most pessimistic view (A very big problem; M = 0.61, SD = 0.22).

Party Identification. We focus on a respondent's attachment to the major Center-Right incumbent parties, the Liberals ("Venstre") and the Conservatives ("De Konservative"), and the major Center-Left opposition parties, the Social Democrats ("Socialdemokratiet") and the Socialist People's Party ("Socialistisk Folkeparti"). Respondents identifying with the incumbent parties are coded as 0; those identifying with the two opposition parties are coded as 1. Specifically, in the first wave, the following question was used to measure a respondent's party identification: "Many people see themselves as supporters of a specific party. There are also many people who do not see themselves as supporters of a specific party. Do you see yourself as supporter of a party, for example, as social democrat, conservative, social-liberal, liberal, people's socialist or something else, or do you not see yourself as supporter of a specific party?" The respondents who did not feel attached to a specific party, but nevertheless leaned toward one of the four parties, were also included

in the measure. To measure whether a respondent leaned toward one of the parties, the follow-up question "Upon reconsideration, is there one party you see yourself as closer to than other parties?" was used. Using these questions, 795 out of the 1,206 respondents completing all five waves were coded as partisans (66%), where 333 identified with the incumbent and 462 identified with the opposition (the effective sample in the analysis is slightly lower than this due to missing data).

In addition, we included a respondent's sex, house-hold income, education, and age as control variables to adjust for baseline imbalances between the partisan groups. All of these variables are treated as time-invariant and measured in the first wave. For more details on coding and description of the measures, see SI Section A.

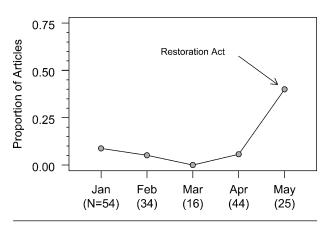
### The Treatment: A Sudden Change in Party Cues

From 2008 onward, Denmark, like many other countries, was hit by a deep economic downturn. Much of the immediate political debate was about how to prevent a virtual breakdown in the financial sector. In 2010, however, political initiatives shifted focus and increasingly turned toward remedying other effects caused by the economic downturn. On May 19, 2010, the Center-Right government launched the Restoration Act. The act contained a series of initiatives such as maintaining a zero-growth policy in the public sector and postponing promised tax cuts. Yet importantly, the Center-Right government, headed by Prime Minister (and party leader of the Liberals) Lars Løkke Rasmussen, justified the act in public with particular reference to one key consequence of the recession: a looming budget deficit. Tellingly, the first pages of the Restoration Act read that "there is a bill to be picked up" and that the financial crisis "has been displaced by risk of a public debt crisis" (Restoration Act 2010, 3-4).

To further document the shift in the Center-Right government's message, we carried out a content analysis of news coverage appearing in four of the most widely circulated national Danish newspapers, coding all full-text articles in which the prime minister was quoted directly in the period from January through May 2010 (N=173; see SI Section B for details). For each article, we coded whether the prime minister talked about the public budget deficit and, if he did, to what extent he portrayed the deficit as a problem. As it happened, when the prime minister talked about the deficit, he almost always portrayed it as a problem. This is consistent with work on agenda setting showing that governments mostly respond to public problems (see Mortensen et al. 2011). In effect, the

<sup>&</sup>lt;sup>4</sup>The question wording includes "this size" because respondents were first asked to report their factual beliefs about the size of the public deficit (see SI Section N for more details).

FIGURE 1 The Prime Minister's Message Changed in May 2010



*Note*: The proportion of articles, from four major Danish newspapers, in which the prime minister said that the budget deficit was a problem out of the total number of articles in which he was quoted. The total number of articles in each month is shown in parentheses. For more detail on the content analysis, see SI Section B.

practical question is whether the prime minister talked more, and thus more negatively, about the budget deficit in May 2010 as compared to the previous months.

As Figure 1 shows, there is a marked spike in May 2010; almost half of the times the prime minister was quoted in an article in May, he was explicitly stating that the budget deficit was a problem. Compared to the preceding months, this represents a dramatic increase. (The raw frequency of articles yields a similar pattern; see SI Section B.3.) Thus, crucial for our test of the impact of party cues on economic perceptions, the Center-Right government—led by the prime minister—suddenly made a clear shift in its rhetoric in May 2010: While the public deficit was not depicted as a major problem earlier, it now became the chief problem to combat. Just as important, this rhetorical shift was widely communicated to the public.<sup>5</sup>

## Results from a Quasi-Experimental Panel Study

How did partisans respond to the changing party cue? We expect Center-Right voters to adjust their perceptions of the public deficit in accordance with the cue from their

<sup>5</sup>In SI Section C, we present an expanded media analysis, showing that the Restoration Act and budget deficit issue attracted considerable media attention across all major news sources in Denmark. We also show that media attention was driven by partisan elite behavior and not alternate events that could lead the media to report on the budget deficit, suggesting limited independent media agenda setting (see SI Section C.4).

party. In contrast, Center-Left voters should not respond to the outpartisan cue. Consequently, because the Center-Right governing parties now argued for perceiving the budget deficit as a problem, this change in party cues is expected to alter—and narrow—the perceptual differences between opposition and incumbent partisans.

Figure 2 shows how partisans' interpretations of the budget deficit changed in response to the changing party cue when we consider the simple group means. Figure 2 offers strong support for our hypothesis. In the beginning of the period, opposition identifiers interpreted the public deficit as a bigger problem than did government identifiers. In line with most previous work, partisans seem to perceive real-world conditions as rosier if their party is in office. Importantly, however, this appears to change markedly after the change in government party cues in May 2010. After the Restoration Act was proposed, and the Center-Right government acknowledged that public deficits posed a more serious threat to the national economy, partisans identifying with government parties followed suit and, consequently, neutralized the gap between opposition and government supporters. Furthermore, this change in economic perceptions seems to be relatively enduring over time. Thus, there are virtually no partisan differences in the months following May 2010 in terms of whether voters think the public deficit poses a problem to the Danish economy.<sup>6</sup>

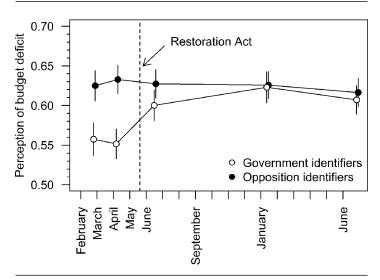
In order to test, more formally, whether partisans responded differently to the changing party cue, we estimate a panel model that relies only on the two survey waves fielded just around the sudden change in elite cues in May 2010 (i.e., Waves 2 and 3). While this model ignores the information contained in the remaining waves (an issue we return to below), it provides the perhaps most intuitive statistical test of whether partisan groups responded differently. The model takes the following form, where i indexes each respondent and t each survey wave:

$$Y_{it} = \gamma Cue_t + \beta Opposition I D_{i t=1}$$
  
+  $\delta [Opposition I D_{i t=1} \cdot Cue_t] + \mathbf{X}_i \mathbf{\phi} + e_{it}. (1)$ 

Here, *Cue* is a binary indicator that takes the value 0 for observations in the pretreatment period and 1 for observations in the posttreatment period. *OppositionID* is a binary indicator that takes on the value 1 if an individual identifies with the major opposition parties and 0 if the respondent identifies with the Center-Right parties in government. As explained earlier, our measure of

<sup>6</sup>In SI Section F, we show that results are similar for weak and strong party identifiers. Furthermore, in SI Section E, we find no indication that party cue effects were driven by selective news exposure.

FIGURE 2 Government Identifiers' Perceptions of the Budget Deficit Change in Response to the Government's New Message



*Note*: Perceptions of the budget deficit conditional on partisanship measured in Wave 1 and month of interview are shown. Vertical lines represent 95% confidence intervals for the means. Numbers are based on the balanced panel (n = 570; N = 2,850). See SI Section J for robustness to different coding strategies and balancing. The dependent variable is scaled from 0 (*No problem at all*) to 1 (*A very big problem*). Question wording: "Do you think that a budget deficit of this size is a problem in the current situation?"

partisanship is obtained in the first wave, which ensures that any future events cannot have caused prior partisanship. Crucial to testing the central claim in this study, the *OppositionID* and *Cue* variables are interacted, which allows the two groups of partisans to respond differently to the change in party cues. By this logic,  $\gamma$  estimates the change in interpretations among government identifiers and  $\delta$  yields the difference-in-differences when comparing the over-time shifts among government and opposition identifiers. Finally,  $\mathbf{X_i}$  is a row vector of time-invariant control variables recorded in the first wave and a constant. We estimate the model using pooled ordinary least squares (OLS) and cluster the standard errors by individuals in order to account for potential serial correlation and heteroskedasticity.<sup>7</sup>

Table 1 shows the estimates from the model that relies only on the two panel waves bracketing the sudden change in party cues. In corroborating the results from Figure 2, the first estimate shows that the partisan gap in interpretations of the deficit was 0.08 on a 0 to 1 scale

TABLE 1 Change in Partisans' Interpretations of the Budget Deficit Pre and Post the Change in Party Cues

	Perceptions of Budget Deficit
Opposition Identifier <sub><math>t=1</math></sub>	0.080***
	(0.018)
Cue	0.049***
	(0.013)
Cue × Opposition ID. $_{t=1}$	$-0.054^{**}$
	(0.018)
Constant	0.486***
	(0.062)
Controls	$\checkmark$
Waves	2
Units	570
Observations	1,140

*Note*: Estimates are from a pooled OLS regression model fitted for the two waves bracketing the change in party cues. Cluster-robust standard errors are in parentheses. Control variables include respondents' age, sex, household income, and education. All control variables are time-invariant and based on answers provided in Wave 1 (for full model output, see first column of Table S15, SI Section H).

<sup>&</sup>lt;sup>7</sup>We opt for the simplest estimation technique and use pooled OLS with cluster-robust standard errors. Since we analyze a balanced panel where all covariates either vary over time *or* individuals (and not both), more complex panel models using unit-level random or fixed effects will return identical estimates for the parameters and their standard errors (see SI Section K).

<sup>\*</sup>p < .05; \*\*p < .01; \*\*\*p < .001 (two-sided tests).

and clearly distinguishable from 0 (p < .001) *prior* to the change in party cues. Partisans do appear to form more positive perceptions of economic reality if their party is in office.

Yet the crucial questions are whether the change among government identifiers that we observed in Figure 2 is statistically significant and, importantly, whether this change is any different from the pre-post change observed among opposition identifiers. The second and third estimates in Table 1 speak to these questions. More specifically, government identifiers became 0.049 points (on a 0 to 1 scale) more convinced that the public deficit presented a problem to the national economy (p < .001), whereas no over-time change was detectable for opposition identifiers. The latter result is given by the sign, magnitude, and statistical significance of the interaction effect (i.e., the -0.054 coefficient, p < .01, more than cancels out the change among government identifiers; hence, the pre-post change for opposition identifiers is -0.006, p = .66). Consequently, after the change in party cues, the partisan perceptual gap dropped from 0.08 (p < .001) to 0.026 (p = .16).

This result is important. If we are willing to assume that the change in interpretations of the budget deficit would have been the same for both partisan groups had the Center-Right parties not changed their message in May, the difference in how the two groups actually changed provides the causal effect of the party cue on government identifiers. If this assumption about common trends is correct, we can conclude that the change in party cues caused government identifiers to become 5.4 percentage points more pessimistic about the deficit when factoring out trends and events that are common to both partisan groups.<sup>8</sup>

#### **Correcting for Time Trends**

Obviously, the credibility of the difference-in-differences design rests on the assumption that the two partisan groups would have followed similar trends between Waves 2 and 3 had the government not changed its message. With only two periods of survey data, it is impossible to assess the plausibility of this assumption. With five waves, however, it is possible to estimate a series of panel models that control for time trends that are either common or specific to the partisan groups. In SI Section L, we report a series of extended models. The results from these alter-

native specifications are highly similar to those obtained in the two-wave difference-in-differences model. Across all of the models, regardless of whether we control for a common trend, a party-specific trend, or a party-specific pretreatment trend, government identifiers become more convinced that the budget deficit poses a problem to the national economy after the change in party cues. Similarly, all models recover a *negative* interaction effect, suggesting that opposition identifiers were less responsive to the changing party cue. Again, government identifiers respond to the changing party cue, whereas opposition identifiers do not, effectively reducing the partisan gap in perceptions of the budget deficit.

#### **Placebo Tests**

So far we have shown that the effect of changing party cues on partisans' perceptions is substantial and statistically significant over a variety of different models. Thus, the support for our finding that elite partisan rhetoric shaped economic perceptions seems robust. Still, because the pretreatment period is limited to only two waves of data, the models may not fully account for more general trends. For example, partisans might be converging in their perceptions of the budget deficit due to a generally worsening economic climate—not a sudden change in party cues. Two periods of closely spaced pretreatment data may simply not be enough to capture a more general drift toward consensus.

As we explain in SI Section M, our design included parallel measures of partisans' interpretations of unemployment. Since unemployment is a closely related economic issue that was *not* emphasized in the Center-Right government's new message, we can use unemployment as a placebo outcome. That is, if cues about the budget deficit really do influence partisans who identify with the partisan sponsor, we should find no convergence in partisans' perceptions of unemployment, since no abrupt change in party cues happened on this issue. And this is exactly what we find. While partisans converged after May 2010 in how they perceived the budget deficit, the difference between partisans in their interpretations of unemployment is virtually unchanged throughout the whole period. In other words, the abrupt convergence found on the issue of budget deficits was not simply the result of a more general drift toward a consensus about the economic situation.

A final alternative explanation that we address is the possibility that the change in interpretations of the budget deficit could be caused by a sudden change in the budget deficit itself. That is, if government partisans suddenly learned that the deficit was, in factual terms, higher than

 $<sup>^8</sup>$ The difference-in-differences prior to the change in party cues (i.e., between Waves 1 and 2) is 0.014 and insignificant (p = .43), suggesting that the two groups moved in similar ways prior to the change in party cues.

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they previously thought, this could explain why they updated their interpretation of whether the deficit posed a problem. To test this, we use a question measuring factual beliefs about the size of the budget deficit and find that this alternative explanation is unlikely (see SI Section N).

In sum, the evidence from the panel study and the robustness tests are clear: Partisans respond to elite partisan rhetoric on the economy, but they only seem responsive to cues coming from their own party. This has important consequences for the perceptual gap between partisans. In our case, partisan differences in economic perceptions—a well-documented and discussed finding—simply disappeared after the Center-Right government suddenly admitted that things were not as rosy as they used to say they were. This is strong evidence for the impact of party cues on economic perceptions.

## **Experimental Evidence on the Effect of Party Cues**

Our panel study provided a unique opportunity for testing the effects of changing party cues on economic perceptions in a real-world setting. Ultimately, however, we will never know what would have happened had the Center-Right government not changed its rhetoric in May 2010. While the various robustness tests make for a persuasive case that the cue effect is not simply an artifact of preexisting trends or alternative influences, it is difficult to rule out entirely that some other unobserved and sudden event occurring in May 2010 made government partisans (and not opposition partisans) change their interpretations of the budget deficit.

To mitigate these concerns, we carried out a follow-up study (with other respondents) in which party cues were randomly assigned to participants in two survey experiments. The experiments were part of a survey fielded in Denmark in 2015 from early February to the beginning of March. The data collection was administered online by the private company YouGov, where 1,160 respondents accessed the questionnaire. The experimental design allows us to examine in a more controlled setting whether party cues influence partisans' economic perceptions when all potential confounds are ruled out by

<sup>9</sup>Of the 1,160 respondents who chose to participate, we focus our analysis on the 486 respondents who affiliated with either of the two incumbent Center-Left parties (Social Democrats and Social Liberals) or the Center-Right opposition parties (Liberals and Conservatives). Out of the 486 partisans, 68 dropped out of the study or answered "don't know" on the one of the dependent variables. As shown in Table S24 in SI Section P, the propensity to be missing was not related to the experimental treatment or partisanship.

design. Since party cues were randomly assigned to participants, being exposed to a given cue is, in expectation, uncorrelated with observed as well as unobserved factors that may potentially explain the outcome of interest—which we could ultimately not reject in our panel study.

The experiments have at least two additional advantages over our closely spaced panel study. First, the experimental data were collected in a period when a coalition of Center-Left parties, specifically the Social Democrats and Social Liberals, was in power. In the panel study, the governing parties consisted of a Center-Right coalition. Thus, if we find similar effects of party cues, it suggests that party cue effects are not limited to parties and partisans with a specific ideological profile.

Second, to maximize comparability with the panel study, the experiment used similar question wordings and focused on the same core issue: budget deficits. In addition, participants were exposed to a second experiment on the issue of unemployment (i.e., the placebo issue in the panel study) to further probe the generalizability of results beyond the budget deficit issue.

All participants took part in both experiments, with the budget issue always occuring first. In each experiment, participants were randomly assigned to one of two conditions with a party cue coming from the Social Democrats, at the time the major party in government and the party of the prime minister.<sup>10</sup>

There are two notable features of the experimental conditions. First, in each experiment, both conditions included a party cue (i.e., the Social Democrats, interpreting the economic reality). This choice reflects that our aim, as in the panel study, was to investigate whether it matters to citizens' perceptions when the incumbent moves from interpreting the public deficits or unemployment one way rather than another. Obviously, without a control group we cannot say how much each cue mattered relative to a pretreatment baseline, but importantly, we can test whether a shift in the partisan message matters (Slothuus 2016). Second, in each experiment, both conditions included the same factual information about public deficits or unemployment, respectively, because again we were interested in gauging the effects of a shift in party cue on interpretations while holding factual reality constant. Hence, we focus on how partisans perceive the same economic reality under different elite partisan interpretations of the relevant facts. Specifically, the experimental [no problem | problem] manipulations took the following form:

<sup>&</sup>lt;sup>10</sup> As shown in SI Section O, randomization produced balance across a number of covariates.

TABLE 2 The Conditional Effect of Party Cues on Perceptions of the Budget Deficit and Unemployment

	Dependent variable:	
	Perceptions of Budget Deficit (1)	Perceptions of Unemployment (2)
Opposition Identifier	0.204***	0.084**
	(0.033)	(0.031)
Cue (Gov't says [issue]	0.156***	0.151***
is a problem)	(0.031)	(0.030)
Cue × Opposition Id.	-0.132**	-0.130**
	(0.046)	(0.044)
Constant	0.379***	0.546***
	(0.022)	(0.021)
Observations	380	417
Adjusted R <sup>2</sup>	0.136	0.055
RMSE	0.225	0.223

*Note*: Unstandardized OLS regression estimates are shown. Standard errors are in parentheses.

**Budget Deficit:** New key figures show that the public budget deficit will reach around 13.5 billion kroner in 2015. The Social Democrats have commented that a deficit of this size is [not a | a serious] problem. Do you think that a budget deficit of this size is a problem in the current situation?

**Unemployment:** New key figures show that there is around 132,000 unemployed people in Denmark nowadays. The Social Democrats have commented that unemployment of this scale is [not a | a serious] problem. Do you think that unemployment of the current size is a problem?

As in the panel survey, participants were provided with six response options: A very big problem, A big problem, Somewhat of a problem, Not a big problem, and No problem at all, as well as a don't know option. All participants answering "don't know" are removed from the analysis and treated as missing. The variable is scaled from 0 to 1, where 1 is the most pessimistic view (A very big problem).

#### **Experimental Results**

Table 2 presents the unstandardized OLS regression estimates of the conditional effect of party cues on the two

issues in question: budget deficits and unemployment. Because the experimental manipulation is interacted with party affiliation, the first parameter in both models shows the estimated differences between partisans when the main incumbent party says that the issue in question is not a problem. As can be seen across the two issues, the estimated gap between partisans goes in the same direction as in the panel study: When the incumbent says that the budget deficit or unemployment does not pose a problem, partisans disagree over how to perceive the issue. In this situation, opposition identifiers are markedly more inclined to interpret the budget deficit or unemployment as a problem in the current situation than are government identifiers. Specifically, the partisan gap on public deficits is a staggering 0.204 (p < .001) on a 0–1 scale. With respect to unemployment, this difference is smaller (0.084, p < .01) but still substantial and confirms the general pattern: Opposition and government identifiers arrive at very different interpretations of the same reality.

However, these differences change dramatically when partisans are exposed to a different cue from the main incumbent party. As witnessed by the second parameter in the models, government identifiers become around 0.157 (p < .001) points more convinced that public budgets pose a problem when the incumbent party presents a gloomier interpretation of the issue. Strikingly, the causal impact of being presented with a more negative party cue, for partisans who identify with the sponsor, is the same in the case of unemployment (0.151, p < .001). Thus, the effect of party cues on economic perceptions is not simply limited to a relatively abstract economic issue like public deficits but also occurs on unemployment, an aspect of the economy in which citizens are generally thought to have more personalized experiences.

Lastly and importantly, across both issues, opposition identifiers are virtually unaffected by changing cues from the incumbent. As witnessed by the interaction term in both models, the effect of party cues is significantly smaller for opposition than government identifiers. Specifically, when the incumbent party presents a more dire interpretation of economic reality, opposition identifiers are unaffected on the issue of budget deficits (0.025, p = .47) as well as unemployment (0.022, p = .50).

These results are more clearly depicted in Figure 3, which presents the predicted mean response conditional on partisanship and treatment assignment for both issues. In the case of budget deficits, the change within each partisan group caused by being presented with different party cues is remarkably similar to the pattern found in our panel study. In the case of unemployment,

<sup>\*</sup>p < .05; \*\*p < .01; \*\*\*p < .001 (two-sided tests).

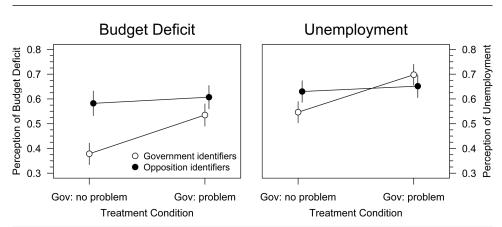


FIGURE 3 Changing Party Cues Shape Partisan Perceptual Differences on Both Economic Issues

*Note*: The figure displays mean response conditional on party affiliation and treatment assignment where the government states that the issue is (not) a problem. Point estimates are depicted with a 95% confidence interval.

the same basic pattern is evident. When the incumbent party states that the issue does not pose a problem, partisans differ in their perceptions of reality. When the incumbent party states that the deficit does pose a problem, government identifiers follow suit, dramatically narrowing the partisan perceptual gap (and almost reversing the gap in the case of unemployment). This is strong support for our core expectation that perceptual differences between partisan groups are elite-driven. By promoting a given interpretation of economic reality, party elites can either foster or inhibit partisan perceptual differences.

#### **Conclusion and Discussion**

When surveyed about the state of the national economy, partisans supporting the incumbent party typically offer a rosier view than supporters of the opposition. Usually, citizens' motivation and own efforts to defend their party identity are taken as the "culprit" behind these perceptual gaps (Jerit and Barabas 2012; Lavine, Johnston, and Steenbergen 2012). Our results do not challenge this general view, yet our study highlights a crucial driver of partisan selectivity that does not feature prominently in existing work: partisan elites.

More precisely, our study shows that elite partisan rhetoric shapes partisans' economic perceptions. Drawing on a closely spaced five-wave panel survey conducted before and after a major shift in party cues as well as randomized experiments, we found that when a major incumbent party acknowledged that economic conditions were not as rosy as previously stated, its supporters fol-

lowed suit, whereas outpartisans rejected the message. Consequently, changing party cues about how to interpret the state of the economy can effectively narrow, and even cancel out, partisan perceptual differences.

By bringing elite partisan rhetoric into the study of partisan perceptual differences, our study opens up for a better understanding of why partisan gaps vary over time (Bullock et al. 2015; Enns and McAvoy 2012). Partisans do not always disagree over specific facts (Gaines et al. 2007) or how to interpret reality (Bisgaard 2015; Healy and Malhotra 2013; Parker-Stephen 2013), and these dynamics may be shaped by how party elites respond to changes in the objective economy: If party elites begin to agree on how to interpret real-world conditions, partisan perceptual differences tend to evaporate. Thus, partisan perceptual differences do not represent an inevitable pattern. Rather, these differences are variable, and the behavior of party elites can help in understanding these dynamics.

While a great deal of studies have examined the link between citizens' retrospective perceptions of the national economy and their voting behavior (Lewis-Beck and Stegmaier 2007), the question of how citizens arrive at a particular perception of the state of the economy is less clear (Bisgaard, Dinesen, and Sønderskov 2016; Soroka, Stecula, and Wlezien 2015; Stevenson and Duch 2013). Perhaps tellingly, many studies begin by the often implicit assumption that parties can only influence retrospective voting by altering the salience or accessibility of preexisting economic perceptions, not the perceptions themselves (Hart 2013; Vavreck 2009). This is not to say that indirect and subtle influences such as priming are unimportant, but our study points to a

more direct route to influence: Parties may directly shape how citizens who trust or identify with them interpret the facts at hand (also see Pardos-Prado and Sagarzazu 2016).<sup>11</sup>

From one perspective, this presents a grim outlook for the idea of accountability. If elites are held accountable for perceived economic conditions that they themselves define, the idea of accountability is circumvented. Partisan elites might, through shaping citizens' interpretation of reality, mold public support for policy change or voting behavior in elections. From another perspective, though, partisan elites seem capable of helping citizens figure out how they should interpret a complex reality. As our findings show, political parties can encourage citizens of different partisan stripes to converge on a common interpretation of reality, hence creating a shared point of departure for debates about policy solutions to societal problems.

As with all studies, ours leaves questions to be explored in future work. First, we studied one aspect of perceptions—interpretations of facts—and encourage future research to illuminate whether party cues can also influence citizens' factual beliefs. Second, our aim was to assess the causal impact of party cues on perceptions, but we did not test under what conditions partisan sources might be more or less influential (e.g., if incumbent parties are more persuasive than opposition parties, or how a party's credibility on the issue constrains its persuasiveness). Third, we found little indication that the news media as gatekeepers constrained partisan elites in our case, but future studies will benefit from more directly assessing the influence of news media along with political elites. Finally, like other studies on party cues, our results can be interpreted as consistent with both party cues as informational shortcuts and as drivers of motivated reasoning, and more work is needed to pinpoint the precise psychological mechanism(s) underlying party cue effects.

Regardless of the underlying mechanism and specific moderating conditions, however, our findings highlight an important and often neglected duality of the partisan perceptual screen: Just as individual citizens' own efforts to bend reality is a non-ignorable component of partisan selectivity, so too is it impossible to ignore the impact of the messages from party elites. Obviously, party leaders

are not the sole culprits behind perceptual gaps among citizens, but partisan elites are more influential on, and more responsible for, partisan perceptual biases than previous studies have revealed.

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<sup>&</sup>lt;sup>11</sup>In fact, our data suggest that the power of parties to shape citizens' perceptions extends beyond their own supporters. Although the Center-Right parties could not move perceptions among supporters of the opposition parties, we show in SI Section G that nonpartisans and partisans affiliating with the Danish People's Party, a steady supporter of the Center-Right government, did change their perceptions of the budget deficit in the direction of the government's message.

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#### **Supporting Information**

- Additional Supporting Information may be found in the online version of this article at the publisher's website:
- **A:** Description of Key Measures
- **B:** Manual Coding of Party Cues
- C: Media Coverage of the Restoration Act
- **D:** Panel Attrition and Missingness
- E: Partisan Selection into News Outlets
- **F:** Strength of Party Identification as a Moderator
- G: Aggregate Trends and Trends for all Partisan Groups

- H: Full Model Output for Table 1
- **I:** Panel Models Using Perceptions of Unemployment (Placebo Outcome) as the Dependent Variable
- **J:** Robustness to Different Coding Strategies and Data Characteristics
- **K:** Pooled OLS, Fixed Effects, and Random Effects Models Return Identical Estimates
- **L:** Correcting for Time Trends

M: Placebo Test I: Perceptions of Unemployment

N: Placebo Test II: Factual Beliefs About the Deficit

- **O:** Covariates are Balanced Across Treatment Conditions (Study 2)
- **P:** Dropout is not Related to Treatment Assignment (Study 2)
- **Q:** Cues about the Public Budget do not Influence Perceptions of Unemployment (Study 2)