

CHAPTER FOUR

A Rational God of Vengeance and of Reward? The Logic of Retrospective Accountability

What is more dramatic than the spectacle we have seen repeated, and doubtless long shall see—the popular judgment taking the successful candidates on trial in the offices—standing off, as it were, and observing them and their doings for a while, and always giving, finally, the fit, exactly due reward?

—Walt Whitman, *Democratic Vistas* (1871, 31)

To support the Ins when things are going well; to support the Outs when they seem to be going badly, this, in spite of all that has been said about tweedledum and tweedledee, is the essence of popular government.

—Walter Lippmann, *The Phantom Public* (1925, 126)

The developments in survey research, political psychology, and social choice theory summarized in chapter 2 severely undercut the intellectual foundations of the folk theory of democracy. Fourth of July rhetoric notwithstanding, the hope that elections could ensure “the continued responsiveness of the government to the preferences of its citizens” (Dahl 1971, 1) seemed to many students of democracy increasingly hollow in light of mounting evidence regarding voters’ opinions and behavior. Absent some reliable mechanism for eliciting meaningful popular preferences and aggregating them into a coherent policy prescription, what, concretely, should a “responsive” democratic government actually do?

No wonder, then, that when a less demanding version of democratic theory began to draw renewed attention in the 1960s, it was greeted with

considerable enthusiasm—if not by political philosophers or ordinary citizens, at least by political scientists who spent their time studying public opinion, elections, and the policy-making process. The underlying idea was not new, but its explicit and detailed formulation as a defense of democracy brought it fresh respectability.

The key insight of this alternative theory of democracy was that voters could exert substantial control over their leaders, despite knowing little about the details of public policy, simply by assessing the *performance* of incumbent officials, rewarding success and punishing failure. In one of the first and most influential formulations of this perspective, V. O. Key (1966, 61) portrayed “the electorate in its great, and perhaps principal, role as an appraiser of past events, past performance, and past actions. It judges retrospectively; it commands prospectively only insofar as it expresses either approval or disapproval of that which has happened before.”

This *retrospective theory* of political accountability seems to provide a compelling way to think about the relationship between leaders and citizens in democratic political systems. Empirically, it accounts for fluctuations in the electoral fortunes of incumbent leaders and parties much more successfully than any spatial theory of issue voting. Moreover, it rescues political leaders from their fate as hapless automatons “converging” on the policy preferences of the median voter in the spatial theory—or, perhaps more realistically, as demagogues pretending to cater to the garbled voice of the people. In Key’s words (1958, 590), “the most acute ear attuned to the voice of the people can sense only the vaguest guidance for innovation to cope with the questions that must be met day by day as an Administration governs. The efficacy of self-government thus depends on party and governmental leadership with the initiative and imagination necessary to meet the public problems that develop and with the courage to assume the political risks involved.” The retrospective theory gives political leadership its due, leaving initiative in the hands of elected officials to further voters’ well-being by any feasible and legitimate means at their disposal.

The normative appeal of the retrospective theory stems in no small part from the fact that it seems to save voters from the charge that they are too uninformed or too disengaged to play a meaningful role in the democratic process. For example, Morris Fiorina (1981, 5) argued that retrospective voters “need *not* know the precise economic or foreign policies of the incumbent administration in order to see or feel the *results* of those policies. . . . In order to ascertain whether the incumbents have performed poorly or well, citizens need only calculate the changes in their own welfare. If jobs have been lost in a recession, something is wrong. If sons have died in foreign rice paddies,

something is wrong. If thugs make neighborhoods unsafe, something is wrong. If polluters foul food, water, or air, something is wrong." By dispensing with the unrealistic notion that ordinary citizens vote on the basis of detailed preferences regarding every issue that might conceivably come before their future leaders, the theory of retrospective voting made the rather bleak portrait of poorly informed, habitual political behavior provided by the survey researchers of the 1950s and 1960s, if not quite irrelevant, at least not fatal. Voters need only monitor their own and their fellow citizens' day-to-day experiences and well-being.

The seminal works of Key (1966), Fiorina (1981), and Gerald Kramer (1971) all portrayed retrospective voting as evidence of the fundamental rationality of American voters and elections. For example, Kramer (1971, 140) characterized his analysis as demonstrating that election outcomes "are not 'irrational,' or random, or solely the product of past loyalties and habits, or of campaign rhetoric and merchandising." Fiorina (1981, 4) insisted that American democracy "functions better than one would expect, given behavioral political science's destruction of old illusions," and discerned "rough justice" in the electoral punishment meted out to incumbent politicians by American voters in the elections of 1932, 1952, 1958, 1968, and 1974. And Key (1966, 7) famously put the "perverse and unorthodox argument" of his book in a nutshell: "voters are not fools."

As often happens, a coherent account of retrospective voting within the framework of rational choice theory (Ferejohn 1986; Rogoff 1990; Banks and Sundaram 1993; Fearon 1999) came along only after considerable empirical evidence establishing the substantive importance of the phenomenon had already piled up. Nevertheless, the development of coherent accounts of why "rational" citizens might be expected to engage in retrospective voting—and might benefit from doing so—added considerably to the theory's normative appeal. In fact, two distinct accounts of that kind were produced. Much of the present chapter is devoted to summarizing them.

While we attach great importance to the realism, empirical power, and normative appeal of the retrospective theory, we believe that its implications for democracy are less unambiguously positive than existing literature tends to suggest. In particular, the theory as it stands fails to do justice to the very considerable logical and informational difficulties faced by retrospective voters attempting to assess "changes in their own welfare," as Fiorina put it, and to translate those assessments into meaningful evaluations of incumbent political leaders.

For one thing, it is by no means obvious that voters can "ascertain whether the incumbents have performed poorly or well" simply by calculating "changes

in their own welfare," as Fiorina claimed. If jobs have been lost in a recession, something is wrong, but is that the president's fault? If it is not, then voting on the basis of economic conditions may be no more sensible than kicking the dog after a hard day at work.¹ An even more fundamental problem is that voters may have great difficulty accurately assessing "changes in their own welfare." Proponents of retrospective voting have routinely assumed that voters *know* when "thugs make neighborhoods unsafe" or "polluters foul food, water, or air," as Fiorina put it. But that is by no means obvious. To the extent that voters' assessments of their own well-being are erroneous, retrospective voting will succeed much less well in selecting good leaders and in disciplining them to pursue voters' interests.

We believe that these difficulties are more serious than previous scholars of retrospection have generally thought. As a result, we are left with a much more measured view of the extent to which retrospective voting justifies "a portrait of citizens moving to considered decision as they play their solemn role of making and unmaking governments" (Key 1966, 4).

EVIDENCE OF RETROSPECTIVE VOTING

Politicians and political observers have long believed that voters punish failure and reward success, especially in the management of the economy.² President James Buchanan blamed his party's dismal showing in the 1858 midterm election on economic distress resulting from the Panic of 1857 (Huston 1987, 166–168). And no less a politician than Benjamin Disraeli recognized the electoral significance of bad harvests in 19th-century Britain.³ In 1879, he wrote to a colleague that "the only danger and difficulty which the present Ministry has to encounter are natural. . . . After four bad harvests in this country, we are apparently about to meet a fifth dearth" (Monypenny and Buckle 1929, 1347). Sure enough, in a disastrous election the following spring the Tory government fell.

The spatial model of party competition outlined in chapter 2 provides no help in understanding politics of this sort. As Donald Stokes (1963, 373)

¹ Fiorina (1981, 202, emphasis original) noted in passing that the normative appeal of the theory of retrospective voting hinges in significant part on the assumption "that the electorate does a passable job of attributing responsibility to government decision makers." However, his brief discussion of the problems raised by that assumption focused almost entirely on the issues of divided government and responsible parties, rather than on the more basic questions considered here.

² William Keech (2013) provided a comprehensive review of theory and evidence related to "pocketbook voting."

³ We are indebted to W. Phillips Shively for this reference.

argued in his insightful critique of Anthony Downs's version of the spatial model, "throwing the rascals out is very different from choosing between two or more parties on the basis of their advocacy of alternatives of government action." Stokes insisted upon the electoral significance of "valence-issues . . . that merely involve the linking of the parties with some condition that is positively or negatively valued by the electorate" in contrast to "position-issues" of the sort represented in Downs's model: "in American presidential elections of the past generation it is remarkable how many valence-issues have held the center of the stage," from depression and recovery in the 1930s and 1940s to the Korean War and corruption in 1952 to America's international prestige in 1960.

Political scientists in the subsequent half century have provided a great deal of more systematic evidence regarding the political significance of Stokes's "valence-issues." Key's evidence in *The Responsible Electorate* consisted primarily of statistical analyses of the correlates of vote-switching from one presidential election to the next. For example, in each of Franklin Roosevelt's reelections, poorer people and blue-collar workers—the presumed beneficiaries of New Deal policies—were less likely than wealthy people and those in business and professional occupations to report having switched their votes from Democrats to Republicans (Key 1966, 35, 37). Moreover, people who reported supporting specific policies of the incumbent administration—compulsory old-age insurance in 1936, the Wagner Labor Act in 1940, the Korean War in 1952—were less likely to defect than those who reported opposing those policies (Key 1966, 43, 47, 75, 97). And, most important for Key's argument, people who approved of the incumbent president's performance were more likely to "stand pat," even when the incumbent himself was not on the ballot, as in 1960 (Key 1966, 139).⁴

In *Retrospective Voting in American National Elections* (1981), Fiorina elaborated and extended Key's analyses in a variety of ways. He incorporated a wider variety of retrospective assessments—ranging from presidential

⁴ While Key emphasized the electoral significance of retrospective judgments of incumbent policies and performance, he clearly supposed that voters were forward-looking as well as backward-looking. Indeed, he reported even stronger statistical relationships between prospective judgments and vote choices than between retrospective judgments and vote choice. In Gallup data from 1960, for example, vote-switchers overwhelmingly rated the party they supported as "best for people like yourself," "more likely to keep the United States out of World War III," better at "keeping the country prosperous," and better at handling the "most important" specific problem facing the country (1966, 124, 125, 127, 133). Obviously, the causal status of judgments of this sort is far from clear. Did voters in 1960 support Nixon because they thought he would keep the country out of war, or did they think he would keep the country out of war because they already supported him?

performance to avoiding war to personal financial circumstances—in statistical analyses of vote choices in a dozen presidential and congressional elections (Fiorina 1981, 35–43). He used repeated interviews with the same survey respondents to document the impact of retrospective evaluations on shifts in partisan identification (Fiorina 1981, 94–102). And he examined the extent to which "mediated retrospective evaluations"—assessments of incumbent performance—were grounded in "simple retrospective evaluations"—assessments of economic and other conditions as good or bad (or improving or deteriorating) without reference to government, political parties, or the president (Fiorina 1981, 108–129).

Scholars following in the footsteps of Key and Fiorina have generated a substantial body of research relating individuals' expressed retrospective judgments to their vote choices. Most of this work focuses specifically on judgments of national economic conditions or personal economic circumstances or both (Kinder and Kiewiet 1981), rather than on the broader variety of retrospective assessments examined by Key and Fiorina. Although most of the evidence comes from the United States, similar patterns of retrospective voting have been documented in many other countries (Lewis-Beck 1988; Duch and Stevenson 2008).

Virtually all of this work is subject to much the same methodological criticism we raised with respect to empirical studies of "issue voting" in chapter 2: observed cross-sectional relationships between retrospective evaluations (for example, assessments of incumbent performance or perceptions of the economy) and vote choices may reflect the electoral impact of retrospective evaluations, but they may also reflect the extent to which retrospective evaluations are constructed to rationalize vote intentions whose real causes lie elsewhere.⁵ Indeed, as Kramer (1983) pointed out, in a single snapshot survey real national economic conditions are a constant, so all of the observed variation in perceived national economic conditions must reflect partisan bias,

⁵ Key clearly recognized this possibility, but downplayed its practical importance on grounds that seem distinctly tangential. The "relationship between policy outlook and vote," he wrote (1966, 45–46), "doubtless reflected to a degree the tendency of a voter on a specific question to improvise policy views that seem to be consistent with the way he planned to vote for other reasons entirely. A steadfast Democratic partisan might have been expected to opine that the 'Roosevelt administration has done a good job in handling the farm problem,' if the question were put to him in that form. Yet, however such opinions come into being, their supportive function in the political system should be the same." While it is true that even "rationalizing" retrospective judgments may have a "supportive function," the fact that they are not genuine causes of voting behavior seems to us to be the key point.

overgeneralization from personal experience or local conditions, and other vagaries of individual perception.

As in the case of issue voting, it is possible to get some traction on this possibility by analyzing data from repeated surveys of the same individuals. Gabriel Lenz's analyses along these lines provided a striking contrast between the apparent causal impact of voters' policy preferences on one hand and their performance evaluations on the other. As we noted in chapter 2, Lenz (2012, 216) found "surprisingly little evidence" that policy preferences "carried much weight in voters' judgments" once he allowed for the reciprocal impact of vote intentions on policy preferences. However, his parallel analyses of performance evaluations provided "further evidence of the importance of performance-related issues, such as the economy. Although politicians, journalists, and scholars often interpret elections ideologically," Lenz concluded (2012, 225), "a growing body of evidence suggests that it is the economy and other performance domains, not ideology, that largely explain election outcomes. My results support this view."

In the case of economic voting, the ready availability of objective economic data provides additional leverage for disentangling the causal relationship between retrospective assessments and vote choices. While economic perceptions and evaluations may be colored by politics, income and unemployment statistics have an independent reality that may (or may not) be manifested in voting behavior. Insofar as it is, the connection cannot simply be a matter of voters rationalizing choices unrelated to the actual condition of the economy. Thus, systematic analyses of the aggregate-level relationship between economic conditions and election outcomes may complement and bolster analyses showing that individual voters' economic perceptions shape their electoral behavior.⁶

Harold Gosnell and various coauthors produced a series of remarkably sophisticated and politically acute studies of the relationship between economic conditions and election outcomes in the New Deal era (Gosnell and Gill 1935; Gosnell and Schmidt 1936; Gosnell and Pearson 1939; Gosnell

⁶ Of course, the aggregate-level relationship between objective economic conditions and election outcomes need not be attributed solely to retrospective voting. For example, economic growth may inspire wealthy campaign donors to contribute to the incumbent's re-election campaign, providing resources to buy votes without the voters themselves knowing or caring about the state of the economy (Bartels 2008, 116–122). However, the strength of the relationships between economic conditions and aggregate economic perceptions and between economic perceptions and voting behavior leaves little doubt that most of the aggregate-level relationship is indeed attributable to retrospective voting of one sort or another.

and Cohen 1940; Gosnell and Coleman 1940; Gosnell 1942). Using an impressive variety of economic and political data from Chicago, Iowa, Pennsylvania, and Wisconsin, and statistical tools that would not come into general use in the social sciences until a quarter century later, they demonstrated that voters' recent economic circumstances did indeed appear to influence election outcomes.

The line of research advanced by Gosnell made little further progress over the next few decades, as scholars of electoral politics turned their attention to the exciting new possibilities for detailed individual-level analysis offered by the advent of scientific opinion surveys. However, the study of economics and elections was reinvigorated by the publication of Kramer's 1971 article on "Short-Term Fluctuations in U.S. Voting Behavior, 1896–1964." Whereas Gosnell and his colleagues had focused on single states or localities over relatively short periods of time, Kramer analyzed the relationship between national economic conditions and the national congressional vote across 34 biennial elections.⁷ He examined the electoral relevance of a variety of economic indicators, including real income, unemployment, and inflation, as well as the effects of congressional incumbency and presidential coattails. He concluded that economic fluctuations—most notably, election-year changes in real per capita income—"are important influences on congressional elections, . . . account[ing] for something like half the variance of the congressional vote, over the period considered" (Kramer 1971, 140–141).

Scores of scholars following in Kramer's wake have examined the impact of economic conditions on election outcomes in the United States and elsewhere.⁸ While various aspects of the relationship—including the magnitude and timing of electoral responses to specific economic conditions, the psychology linking economic conditions to voters' choices, and the implications of institutional and contextual variation—are far from settled, a virtual

⁷ Kramer (1971, 135) regarded congressional elections as providing the clearest possible test of retrospective theory, "since of the races for national office, House contests come closest to the Downsian case of relatively anonymous candidates competing as members of a common party team." His statistical analysis suggested that presidential elections "are substantially less responsive to economic conditions" (Kramer 1971, 141). However, subsequent analyses—most of which have focused on the post–World War II era—have consistently found larger effects of economic conditions in presidential elections than in congressional elections (for example, Erikson 1989; 1990).

⁸ Lewis-Beck and Stegmaier (2007) provided a broad survey of relevant literature. For U.S. presidential elections, Bartels and Zaller (2001) compared a variety of alternative measures of economic performance and probed the robustness of the statistical results to variations in model specification.

consensus has emerged that the electoral impact of economic conditions is real and substantial.

RETROSPECTIVE VOTING AS A MECHANISM FOR SELECTING COMPETENT LEADERS

The most straightforward way to interpret retrospective voting is as an attempt by voters to select the best available team of political leaders. In this view, there are consequential differences among the competing parties in any given election—differences in motivation, competence, ideology, or some combination of these and other factors. These differences imply differences in future personal or collective well-being, at least in expectation.⁹ The voters' problem is to forecast future well-being under each of the competing parties and choose the one offering the most favorable prospects.

This interpretation of retrospective voting portrays voters as rational and forward-looking; but their *prospective* choices are rendered *retrospective* through the auxiliary assumption that the parties' past performance in office can generate rational expectations about future performance. In the influential formulation of Anthony Downs (1957, 106, 39), "rational behavior is impossible without at least some way of forecasting future events. . . . Since one of the competing parties is already in power, its performance in period t gives the best possible idea of what it will do in the future, assuming its policies have some continuity."

While the basic logic of retrospective selection is straightforward, the precise implications for voting behavior depend on the nature of the presumed relationship between past performance and future prospects. Assuming for the sake of argument that the voter's well-being under the incumbent party in the most recent period provides "the best possible idea" of its future performance, how informative is that? And how informative is earlier experience with the incumbents, or with the "out" party? Does the diagnostic value of past experience vary with turnover in personnel or changes in social conditions?

The appendix to this book sets out a simple mathematical model of retrospective selection providing a framework for addressing questions of this

9. Political scientists have generated a substantial literature focusing on the distinction between "sociotropic" assessments of the national economy and "pocketbook" assessments of personal economic well-being (Kinder and Kiewiet 1981; Kramer 1983; Markus 1988). For our purposes, it does not matter whether voters define well-being individually or collectively; any consistent desideratum will suffice to ground a retrospective theory of democracy.

sort. The model assumes that a representative voter's *electorally relevant subjective well-being* under the incumbent is determined by a simple combination of the incumbent's intrinsic competence and random factors outside the incumbent's control—good or bad luck.¹⁰ The problem, from the voter's perspective, is to infer as much as possible about the incumbent's intrinsic competence, and thus about her likely performance in the next period if she is reelected.

If the incumbent's intrinsic competence does not vary over time, or varies purely randomly with no correlation across time periods, the best available estimate of her competence is simply the average well-being experienced under her leadership in the current and previous periods. An important implication of this fact is that a rational voter's assessment of the incumbent's competence will take into account performance in every relevant period, not just in the current period. In Fiorina's (1981, 84) felicitous phrase, the rational voter maintains a "running tally" of subjective well-being under the incumbent, updating it continually on the basis of good or bad experience. Thus, retrospection provides a basis not only for vote choices in a given election but also for more or less durable partisan preferences—what Fiorina (1977) called "a political theory of party identification."

If we relax the assumption that the incumbent's competence is constant over time, then our voter should form his forecast of the incumbent's future competence somewhat differently, depending upon exactly how competence is supposed to evolve over time (Gerber and Green 1998; Achen 2012). In general, however, the possibility of changes in competence makes previous experience less relevant, leading voters to attach relatively more weight to more recent experience.

The efficacy of the voter's effort to select a competent incumbent in this framework obviously depends on the quantity and quality of evidence provided by prior experience. If the continuity of party leadership is minimal, a party's past performance may have little bearing on how well it will perform in the future. If voters' subjective well-being is determined more by extraneous

10. We focus here on a single representative voter. More generally, one might posit a parallel relationship for each voter, with individual-specific well-being determined by individual-specific incumbent competence and individual-specific doses of luck. Doing so would add empirical plausibility at the cost of considerable strategic complexity. As Hibbs (2006, 570) noted, if voters' retrospective judgments are heterogeneous, "incumbents could pursue a divide and rule strategy by exploiting distributive conflicts in the electorate, and thereby mitigate, or perhaps avoid completely, the discipline of having to satisfy a minimal standard of macroeconomic performance augmenting aggregate welfare."

events such as droughts or oil price shocks than by the quality of the incumbent's policies and management, electoral rewards and punishments may often be misdirected. However, to the extent that voters' past political experience does shed light on the likely quality of future leadership, they can and should weigh that experience when they go to the polls.

RETROSPECTIVE VOTING AS A MECHANISM FOR SANCTIONING LEADERS

The logic of retrospective voting as a mechanism for selecting competent leaders is fairly straightforward. However, it may be more surprising that retrospective voting can promote voters' well-being even when there are *no differences in competence* among potential leaders. As long as incumbents (or their parties) desire reelection, the knowledge that voters at the next election will reward them for success or punish them for failure provides incentives for leaders to maximize voters' well-being as best they can. As Fiorina (1981, 11) put it, "Given political actors who fervently desire to retain their positions and who carefully anticipate public reaction to their records as a means to that end, a retrospective voting electorate will enforce electoral accountability, albeit in an *ex post*, not an *ex ante*, sense."

To explicate this logic, the appendix sets out a second model of retrospective voting in which variation in incumbent competence plays no role (Ferejohn 1986). Incumbents and challengers are assumed to be identical; the issue of political accountability is a simple matter of "moral hazard" of the sort familiar from economic models of principal-agent relationships (Laffont and Martimort 2002). The current incumbent may be tempted to focus on other goals besides maximizing voters' subjective welfare,¹¹ and voters cannot directly monitor how diligently the incumbent is working on their behalf. However, they can tell when they experience pain or pleasure, and they know that their pain or pleasure is attributable, in part, to the incumbent's efforts.

In contrast to the retrospective selection model, the *sanctioning* model assumes that each voter's electorally relevant subjective well-being depends solely on the amount of effort expended by the incumbent leader on the

¹¹ In the theoretical literature, this is often labeled "shirking." We think the image conjured up by that label, of politicians sitting around with their feet up on their desks, is inapt; however, models of this sort can be used to explore the implications of a much broader class of competing goals that might tempt incumbent leaders to deviate from doing whatever will maximize their prospects for reelection—including graft, courageous leadership on behalf of their constituents' long-term welfare, or anything in between.

voter's behalf and on the net effect of random forces beyond the incumbent's control. "Luck" plays much the same role in this model as in our model of selection on the basis of incumbent competence, representing the impact on the voter's well-being of factors unrelated to the incumbent's effort. However, we assume that the voter cannot directly observe the incumbent's expenditure of effort or distinguish the effects of effort and luck; thus, his decision whether or not to return the incumbent leader to office for the next period is governed by the sum of both factors.

In this second model, the incumbent knows that her probability of reelection depends in part on how much effort she exerts on the voters' behalf. However, she also knows that her fate depends in part on good or bad luck. Moreover, since effort devoted to increasing the voter's subjective well-being is presumed to be costly—it may require foregoing graft, ideological goals, or the esteem of future historians—incumbents weigh the opportunity cost of exerting effort on the voters' behalf against the potential benefit of reelection.

For their part, voters cannot directly control or even observe the incumbent's exertion of effort. However, they can decide whether or not to reelect the incumbent based on good or bad outcomes attributable, in part, to the incumbent's level of effort. They want to choose a standard for reelection that will elicit as much effort as possible from incumbents. Intuitively, one might think that they should set the standard as high as possible, since their expected well-being is always higher when incumbents exert more effort on their behalf. However, setting the standard too high actually discourages effort; if incumbents know they are unlikely to get reelected whatever they do, they are more likely to shirk. Indeed, in equilibrium, it turns out that voters should always set the standard for reelection so that the incumbent's *ex ante* probability of reelection will be .5, regardless of whether that standard turns out to induce incumbents to exert a little or a lot of effort on their behalf. Thus, an interesting implication of the model is that we should expect incumbents to be reelected half the time.¹²

Nevertheless, the voters' expected well-being is greater when their assessment of the incumbent's performance depends less on luck and more on incumbent effort, since in that case the incumbent can expect a closer correspondence between exertion and reward (in the form of reelection). In that

¹² David Mayhew (2008) has noted that, historically, incumbent U.S. presidents running for reelection have succeeded approximately two-thirds of the time. That success rate can be derived formally from a model that allows for differences in perceived competence between incumbents and challengers (Achen 2016), unlike the model we discuss here.

respect, the primary implication of the model focusing on variation in incumbent effort parallels that of the model focusing on variation in incumbent competence: Retrospective voting can be a powerful mechanism for electoral accountability, but only insofar as voters can discern and set aside irrelevant factors contributing to their subjective well-being.

CHALLENGES TO THE EFFECTIVENESS OF RETROSPECTIVE ACCOUNTABILITY

Jonathan Bendor, Sunil Kumar, and David Siegel (2010, 31) have argued that “it is important to start with a model of retrospective voting that is consistent with the strongest patterns uncovered by empirical students of voters: what voters know and how they think.” We heartily agree, and the models of retrospective voting set forth in the appendix do just that. They focus (as voters mostly do) on ends rather than means, and they allow for the fact that voters’ assessments of individual and collective well-being will only imperfectly reflect the competence and effort of political leaders.

The positive implication of these models is that retrospective voting can promote democratic accountability in two distinct ways—by selecting good leaders and by inducing leaders to exert effort on voters’ behalf.¹³ In that sense, our analysis validates the informal logic of Key, Fiorina, and other proponents of retrospective voting. However, our analysis also underlines the fact that the likely effectiveness of retrospective voting in promoting democratic accountability hinges crucially on the magnitude of random forces influencing voters’ electorally relevant subjective well-being. While this is a common feature of formal models of retrospective voting, previous analysts have given it little attention. We explore it briefly here, and more expansively in chapters 5 to 7.

In the simplest version of our model of retrospective selection, which assumes that the competence of the incumbent is constant over time, the un-

¹³ We have presented separate models explicating the logic of these two distinct mechanisms of accountability. Extending our analysis to deal simultaneously with differences in intrinsic competence and incentive effects within a unified model would make the analysis more complicated and the results sensitive to arbitrary choices of assumptions regarding how the various moving parts fit together. James Fearon (1999) provided an insightful examination of the interaction of “selecting” and “sanctioning” processes. In his framework, “any variation in politicians’ attributes or propensities relevant to their performance in office” gives voters incentives “to focus completely on choosing the best type when it comes time to vote” (Fearon 1999, 77); thus, the dual model reduces in practice to a model of selection. Jane Mansbridge (2009) provided a broader discussion of the history and implications of the “selection model” of political representation.

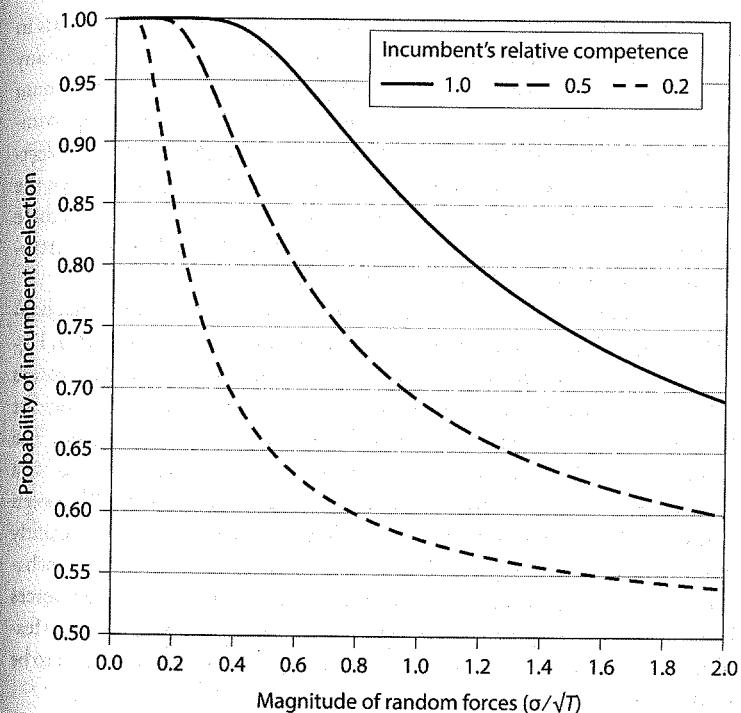


Figure 4.1. Blind Retrospection Impairs Voters’ Judgment of Good Incumbents

certainty of the voter’s assessment of that competence depends upon the magnitude of discrepancies between competence and subjective well-being and (inversely) upon the extent of the voter’s relevant experience.¹⁴ The implications of that uncertainty are illustrated in figure 4.1, which shows the probability of incumbent reelection as a function of competence and uncertainty.

¹⁴ Having proposed a model in which voters’ “party difference in benefits” is assumed to be constant, Achen (1992, 200) specified that the model was intended to apply “within realignments” of the party system. With major realignments typically occurring every 30 or 40 years (Sundquist 1983), this suggests that a typical voter will have a handful of terms of experience on which to base his estimate of party performance. Allowing performance to vary over time makes the voter’s prior experience less informative than in the simplest version of the model; the implications of randomness in that case are qualitatively similar, but more severe.

As the magnitude of random forces (represented on the horizontal axis in figure 4.1) shrinks to zero (at the left axis), the reelection probability for any incumbent with greater-than-average competence approaches its maximum value of 1.0.¹⁵ However, as the proportion of luck in the admixture of competence and luck experienced by voters increases, the probability of reelecting a competent incumbent declines. The decline is especially rapid when the incumbent's relative competence is only modest, as in the lowest of the three lines in figure 4.1. These results underline the extent to which random retrospection is likely to impair voters' judgment.

In our model of retrospective sanctioning, the key issue is how much effort retrospective voters can induce incumbents to exert on their behalf. Figure 4.2 shows how this equilibrium level of effort—and thus the voter's expected well-being—varies with the extent to which electorally relevant subjective well-being depends upon luck rather than incumbent effort. The implication of the figure is that, in any system where "moral hazard" is a concern—that is, in any system in which incumbents face a trade-off between desiring reelection and other goals—random retrospection can significantly reduce incumbents' diligence, degrading the efficacy of elections as mechanisms for inducing accountability. Indeed, as the magnitude of random forces increases, the incumbent's equilibrium level of effort goes to zero (since no feasible exertion of effort can increase her chances of reelection by enough to be worthwhile).

In light of these theoretical patterns, one might expect scholars of retrospective voting to have devoted substantial effort to assessing the magnitude of randomness in the perceptions and behavior of voters and to exploring the bases of that randomness. However, that has not been the case. Although allusions to the potential difficulties faced by retrospective voters appear with some frequency, they are usually made in passing and are often remarkably brief and vague.

Downs, one of the first and most influential theorists of rational retrospective voting, clearly recognized the problem. He wrote (1957, 45–46),

we have glibly spoken of voters computing their party differentials and performance ratings without pointing out how difficult such com-

¹⁵ Reelection probabilities for incumbents with negative (less than average) competence are a mirror image of those shown in figure 4.1. As the magnitude of random forces shrinks to zero, the probability of reelecting an inferior incumbent shrinks to zero; but increasing randomness increases the probability of reelecting an inferior incumbent, especially when her relative competence is only modestly negative.

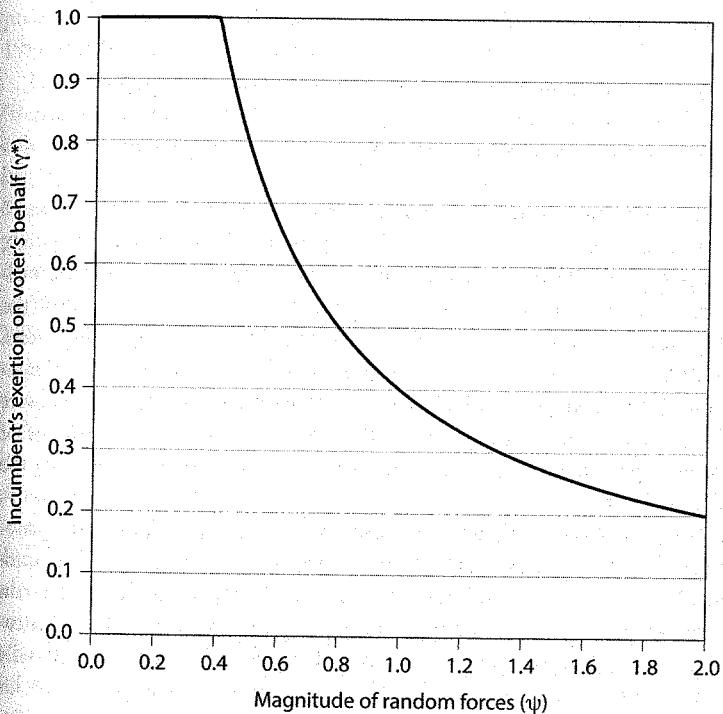


Figure 4.2. Blind Retrospection Erodes Incumbents' Diligence

putation is. In order to find his current party differential, a voter in a two-party system must do the following: (1) examine all phases of government action to find out where the two parties would behave differently, (2) discover how each difference would affect his utility income, and (3) aggregate the differences in utility and arrive at a net figure which shows by how much one party would be better than the other. This is how a rational voter would behave in a world of complete and costless information—the same world in which dwell the rational consumer and the rational producer of traditional economic theory.

In the real world, uncertainty and lack of information prevent even the most intelligent and well-informed voter from behaving in precisely

the fashion we have described. Since he cannot be certain what his present utility income from government is, or what it would be if an opposition party were in power, he can only make estimates of both. . . . When we open the door of our model to uncertainty, we must also admit such undesirables as errors, false information, and ignorance.

Having admitted the possibility of “errors, false information, and ignorance” in voting behavior, Downs had little more to say about their likely nature, magnitude, or consequences. In similar fashion, Key (1966, 110) acknowledged but then devoted little further attention to the importance of “the impressions of the march of affairs that exist in the minds of the voters. Differences in voters’ interest, in their range of information, in the orientation of their attention, in their first-hand experience, and in their exposure to communications produce enormous variation in their perceptions of events and, consequently, in their appraisals of the alternatives posed by the electoral system.”

Subsequent analysts have mostly followed suit, ignoring or dismissing substantial potential challenges to effective retrospective voting. Take, for example, Fiorina’s (1981, 5) striking claim that retrospective voters can “ascertain whether the incumbents have performed poorly or well” simply by “calculat[ing] the changes in their own welfare.” Of course, this claim is not literally true. If our voter slips on the ice and breaks his leg on the way to the polls, his own welfare has clearly changed for the worse, but we would not expect him to infer from his misfortune that the president has performed poorly. Fiorina’s claim makes sense, however, if we assume that voters know a good deal about *which* “changes in their own welfare” are plausibly attributable in some part to the incumbents’ performance. That is, they need to monitor indices of incumbent performance that contain a lot of honest signal and not too much noise. For some voters, domains of evaluation, and political contexts, that assumption may be a useful starting point; for others, not.

How are Fiorina’s retrospective voters supposed to monitor the extent to which “polluters foul food, water, or air”? Few of the most serious threats to environmental well-being are immediately evident to the senses. Indeed, when the staff of the U.S. Environmental Protection Agency compared public perceptions of the relative significance of various environmental threats with those of experts, they found little correlation. The agency’s Office of Policy Analysis (1987, 95) noted that public misperceptions of environmental threats seemed to be skewing the EPA’s priorities, inspiring the EPA’s Science Advisory Board to recommend that the agency “should work to im-

prove public understanding of environmental risks” (Science Advisory Board 1990).

Nor do voters seem to be very good at discerning the extent to which “thugs make neighborhoods unsafe.” Public perceptions of the prevalence of crime seem to be more strongly related to local media coverage of crime—largely a product of broadcasters’ commercial incentives—than to official crime rates (Graber 1980). Thus, Gallup polls typically find majorities of respondents saying that crime is increasing, and pluralities saying that crime *in their area* is increasing, even though recent actual “rates of violent crime as well as property crime have generally leveled off at extremely low numbers” (Saad 2007). Misperceptions of this sort are probably common in domains where voters have very limited personal experience, even (and perhaps *especially*) when, as in the case of crime, they care a lot about the true state of the world.

Even perceptions of economic well-being—a domain in which objective measures of social conditions are extraordinarily well-developed and salient—are subject to considerable vagaries. Prospective voters’ economic perceptions are powerfully shaped by partisan biases, rationalization, and sheer randomness (Kramer 1983; Conover, Feldman, and Knight 1987; Bartels 2002a; Erikson 2004). Scholars who recognize that fact often assume nonetheless that *the electorate as a whole* responds sensibly and sensitively to actual economic experience under the incumbent administration. As James Stimson (2004, 165) put it, “The net perception of the economy, neither biased nor ignorant, is . . . right on the mark.”

In our view, Stimson’s reassuring formulation significantly exaggerates the reliability of economic retrospections. Aggregate economic perceptions are far from perfectly correlated with objective economic indicators.¹⁶ And discrepancies between objective economic conditions and the public’s economic mood can be politically consequential, as they probably were in 1992, when

¹⁶ In support of his claim, Stimson (2004) cited the analysis of Erikson, MacKuen, and Stimson (2002, 98) reporting a correlation of .54 between “Business Retrospections” (the economic assessment most similar to those employed in most studies of retrospective economic voting) and the previous year’s income growth rate; but a correlation of .54 means that just under 30% of the variance in economic perceptions was explained by income growth, leaving plenty of room for bias and ignorance. Erikson, MacKuen, and Stimson’s more elaborate regression analyses predicting aggregate economic expectations and perceived good or bad “economic news” on the basis of leading economic indicators, inflation, and unemployment produced stronger correlations, but the strongest predictors in those analyses were not objective economic indicators but lagged *perceptions* (2002, 94). That gives people credit for having the same bad judgments this period that they had last period; it is not evidence that voters are “right on the mark.”

misleadingly negative media coverage of an improving economy contributed to widespread economic pessimism and the defeat of incumbent president George H. W. Bush (Hetherington 1996).

Moreover, even when aggregate economic perceptions do track real changes in economic conditions, they may provide a misleading basis for assessing voters' genuine well-being, and thus for selecting or sanctioning incumbents. For example, in chapter 6 we shall show that American voters focus inordinately on *recent* economic conditions, forgetting or ignoring most of their relevant experience under the incumbent and voting solely on the basis of how they feel about what has happened lately.

It does not seem unreasonable to imagine that a party's recent past performance might provide voters with a useful clue about its likely future performance. However, in light of the crucial importance of this assumption for the whole notion of retrospective selection, it is striking that it has never, as far as we know, been subjected to any systematic empirical examination. Most theorists of retrospective voting have simply *assumed* that there are real, persistent differences in competence between competing teams of political elites, and that voters (consciously or unconsciously) evaluate incumbents on the basis of criteria that do, in fact, systematically predict future performance.¹⁷

In chapter 6, we put those assumptions to the test.

LEADERSHIP AND PANDERING

One of the most attractive features of theories of retrospective accountability is that they free elected officials from subservience to the policy preferences of ordinary citizens—preferences that are often likely to be vague, uninformed, or incoherent. As Fiorina (1981, 201) put it, retrospective voting “lays no policy constraint on the governing administration; rather, the government is free to innovate, knowing that it will be judged on the results of its actions rather than their specifics. In a word, the accountability generated by a

¹⁷ We note in passing that the entire notion of retrospective accountability also hinges critically on the assumption that there are, in fact, competing teams of political elites willing and able to seek reelection. In his classic study of southern politics in the Jim Crow era, Key (1949, 302–305) observed that an absence of party competition, stringent term limits, and disorganized “kaleidoscopic” factional competition within the dominant Democratic Party often left voters with no one to reward or punish: “The candidates are new and, in fact, deny any identification with any preceding administration. Without continuing groups, there can be no debate between the ‘ins’ and ‘outs’ on the record.” The resulting “atomized and individualistic politics,” he argued, frustrated political accountability while placing “a high premium on demagogic qualities of personality that attract voter-attention.”

retrospective voting electorate and reaction anticipating politicians provides latitude for political leadership.¹⁸

The theories of retrospective voting we have considered assume that voters base their choices at the polls entirely on assessments of how much the incumbent party has contributed to their own or the nation's well-being. However, when voters have their own ideas about good policy, sensible or not, they may be tempted to vote for candidates who share those ideas, as in the spatial model of voting discussed in chapter 2. In that case incumbent politicians may face a dilemma: should they implement the policies voters want or the policies that will turn out to contribute to voters' welfare?

The strategic implications of this dilemma are nicely captured in the formal model of “leadership and pandering” developed by Brandice Canes-Wrone, Michael Herron, and Kenneth Shotts (2001). They posited a world in which an elected official has some private information regarding which of two alternative policies would serve the voters' interest. The elected official chooses a policy that may or may not comport with the preferences of voters, who do not have access to the elected official's private information.¹⁹

The impact of the elected official's policy choice on voters' welfare may or may not be revealed before the next election. If it is, voters revise their beliefs regarding the elected official's quality accordingly, and an incumbent who is revealed to have chosen the right policy is more likely to be reelected than one who is revealed to have chosen the wrong policy.¹⁹ However, if the impact of the policy is not revealed before the next election, voters may still condition their support on whether the incumbent chose the policy that they believe (but do not yet know) will better serve their interests.

If the incumbent's private information suggests that the policy the voters prefer will, in fact, maximize their welfare, then her choice is straightforward. However, if her private information suggests that the voters are mistaken, then she may have to choose between the risk of being punished for flaunting their will (if she chooses the policy she thinks is right, but its impact is not revealed before the next election) and the risk of being punished for choosing

¹⁸ The assumption that voters are relatively but not completely uninformed is crucial to the analysis. If voters knew as much as their leaders about the likely consequences of policy choices, there would be no need for leadership. On the other hand, if voters paid no attention to policy (as in the purely retrospective models we have outlined in this chapter), leaders would have no incentive to “pander.”

¹⁹ The model assumes—unrealistically—that voters, having observed the impact of only one of the two alternative policies, will know whether it was the right choice or the wrong choice.

the wrong policy (if she chooses the policy they think is right, but the negative consequences become evident before the next election).²⁰

Canes-Wrone, Herron, and Shotts's analysis identifies the circumstances under which an incumbent may be tempted to "pander"—implementing the policy preferred by the voters even though her private information suggests that it will not serve their interests.²¹ In their basic model, pandering occurs when the probability is not too high that the inferiority of the voters' preferred policy will be revealed before the next election (and if the expected quality of a prospective challenger is strong enough that the incumbent has to worry about her public standing at election time).²²

Alexander Hamilton argued in Federalist Number 71 that politicians' temptation to pander depends in part on the length of their terms in office, with longer terms encouraging politicians "to be the guardians of those [genuine] interests to withstand the temporary delusion." Canes-Wrone, Herron, and Shotts's analysis has the same implication: the more distant in time is the next election, the more likely bad policies are to be revealed as such by the time the voters go to the polls. An intuitive recognition of this fact may help to account for the fact that American governors' terms have been steadily lengthened since the late 18th century, when one-year terms were most common.

For lower-level offices, however, a good deal of variation in term lengths remains, and it seems to have just the sort of consequences suggested by Hamilton and by Canes-Wrone, Herron, and Shotts's analysis. For example, elected officials facing the issue of fluoridating drinking water in the 1950s and 1960s were significantly less likely to pander to their constituents' ungrounded fears when longer terms gave them some protection from the "sudden breezes of passion" that Hamilton associated with public opinion. Figure 4.3 shows the dramatic difference that longer terms made to mayoral

20 In a detailed study of politics and policy-making in Latin America, Stokes (2001) underlined the tension between populist campaign promises and "neoliberalism by surprise" once the winners took office.

21 Technically, elected officials in Canes-Wrone, Shotts, and Herron's model are of two types. "High-quality" incumbents know with certainty which policy will maximize voters' welfare, and it is never in their electoral interest to act contrary to their own judgment. The dilemma of whether to "lead" or "pander" arises for "low-quality" incumbents, whose private signals are informative but not perfect.

22 Canes-Wrone, Herron, and Shotts also consider a more complicated model in which some policy options are more likely than others to be revealed as good or bad before the next election. In that case, additional strategic possibilities arise, including such perverse strategies as "fake leadership"—choosing a policy that is both unpopular and (probably) inferior in hopes of convincing voters that the incumbent must know best.

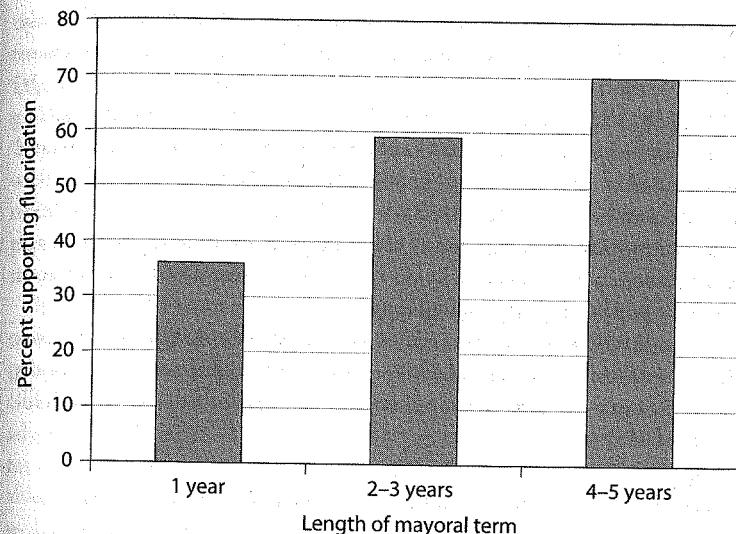


Figure 4.3. American Mayoral Terms and Support for Fluoridation

support for fluoridation.²³ Many political leaders, not caring deeply about the topic, ducked; but those with longer terms had more political leeway to do what was right, and a significant fraction of them used it.

RATIONAL CHOICE OR KICKING THE DOG?

So far, we have examined the logic of retrospective voting on the *assumption* that voters, however uninformed they may be, are at least behaving rationally. As Achen (1992, 199) put it, following Downs (1957, 106): "Retrospective voters" . . . choose at least partly on the basis of the past, even though they cannot hope to change it and its lessons may have long ceased to be relevant. For the rational voter, however, bygones are bygones, and only the future matters. . . . As standard decision theory teaches, the rational chooser looks forward, not backward. The rational voter is a prospective voter, and the past is useful only for its clues about the future." By this logic, voters may use the past to learn about the incumbent's likely future behavior, or they may reward

23 The data were reported by Crain, Katz, and Rosenthal (1969, 179–183). The percentages shown in the figure are based on 11, 75, and 54 cases, respectively.

or punish the incumbent for something that has already happened, but only as a means of enforcing discipline, maintaining incentives for future incumbents to attend to their interests. In the oft-quoted words of V. O. Key, Jr. (1964, 568), the electorate is “a rational god of vengeance and of reward.”

Scholars who have quoted Key’s colorful phrase have mostly failed to note that he used it derisively. “The Founding Fathers,” he wrote in the final edition of his influential textbook on party politics, “by the provision for midterm elections, built into the constitutional system a procedure whose strange consequences lack explanation in any theory that personifies the electorate as a rational god of vengeance and of reward.”

In the first edition of the same textbook, Key (1942, 628) offered an even clearer dismissal of the rational interpretation of retrospective voting, noting that voters seem to have rewarded and punished incumbents at the polls for good or bad times

even before it could be said that the national Government could do much of anything to improve their condition. . . . If the party control of the national Government had little or nothing to do with their fate, how is this behavior to be explained? Is it to be considered as a rational seeking to better one’s status by the ballot or is it merely blindly striking a blow at a scapegoat? To throw out the “ins” probably had about the same effect on economic conditions as evangelical castigation of Satan has on the moral situation. Perhaps the swing against the “ins” can best be described as a displacement of economic resentment on political objects. By this catharsis discontent was dissipated and the peace kept.

Readers whose only exposure to Key’s work is to *The Responsible Electorate*, or (especially) to simplistic summaries of that book, will be surprised to find Key characterizing retrospective voting in such bleak terms.²⁴ However, the apparent irrationality of the electorate’s vengeance and reward has been remarked by many political observers over the years. Indeed, in both of the 19th-century examples we cited earlier, the prominent politician on the losing end of the electorate’s vengeance wrote feelingly of its illogic. President Buchanan, whose party was stung by the effect of the Panic of 1857, protested

²⁴ This passage disappeared from the second (1947) and subsequent editions of Key’s textbook, replaced by more detailed analysis of New Deal voting patterns. It is unclear whether this alteration reflects a change in Key’s view or merely routine updating, of which there was a good deal from one edition of Key’s text to the next.

that “the administration are as responsible for the motions of the Comet as for the low price of iron” (Huston 1987, 167). For his part, Prime Minister Disraeli complained (Monypenny and Buckle 1929, 1395), “Never was so great a discomfiture with a cause so inadequate. I think, as far as I can collect, ‘hard times’ was the cry against us. The suffering want a change—no matter what, they are sick of waiting.” Presumably, voters in Victorian Britain did not imagine that their government controlled the weather, but that did not prevent them from exacting vengeance at the polls in the wake of a wrenching succession of bad harvests.

In the post-Keynesian era, governments are thought to have real influence on the course of their national economies. Economists tell us that competent policy-makers can reduce the likelihood of recessions and ameliorate their effects when they occur; and practicing politicians take their assessments and advice seriously. Thus, the strong tendency for voters to reward incumbents for good economic times and punish them for bad times is readily interpretable as reflecting rational retrospective voting along either or both of the lines we have sketched in this chapter.

However, the fact that voters rewarded and punished incumbents for economic booms and busts well before Keynes taught governments how to exercise (at least partial) control over their economies represents a significant embarrassment to the rational interpretation of retrospective voting. Moreover, the rational basis for economic voting even in modern industrial economies is murky at best, especially in small countries highly vulnerable to global economic tides. The economy may flourish or falter, but political leaders may or may not be responsible. Moreover, whatever they did right or wrong may or may not be relevant in the circumstances, possibly quite different, that prevail after the election.

Does it really matter whether retrospective voting is thought of as “a rational seeking to better one’s status by the ballot” or “merely blindly striking a blow at a scapegoat”? Debating whether a given pattern of behavior is or is not “rational” is largely a tedious matter of definition. Largely, but not entirely. Insofar as we think of retrospective voting as reflecting conscious, conscientious efforts by voters to further their future individual and collective well-being, we should expect them to overcome—as best they can, given inevitable constraints on their attention and information—the challenges to effective retrospection surveyed in the preceding section. However, if retrospective voting represents “a displacement of economic resentment on political objects,” as Key put it, then there is no particular reason to expect that displacement to be bound by careful thinking about cause and effect.

Some previous studies have attempted to gauge the “rationality” of retrospective voting by focusing specifically on the electoral impact of forces beyond incumbents’ control. For example, Justin Wolfers (2002) showed that U.S. governors in oil-producing states were rewarded and punished by voters for economic fluctuations traceable to changes in world oil prices. He concluded that the “simplest explanation” of his results was that “voters are quasi-rational” and “make systematic attribution errors” (Wolfers 2002, 16–17). Similarly, Daniela Campello and Cesar Zucco (2013) found that the fortunes of political leaders in Latin America could be predicted on the basis of international commodity prices and U.S. interest rates, a result that they suggested “should prompt democracy enthusiasts to engage in some soul-searching.” And Bartels (2014) found that incumbent parties in a variety of affluent democracies were punished at the polls for declines in their national economies in the wake of the Great Recession, regardless of how they fared relative to other OECD economies at the time.

While these studies and others in the same vein shed useful light on electoral behavior and political accountability, they shed little light on the underlying psychology of retrospection. Were voters swayed by world oil price shocks doing “a reasonable, albeit imperfect job of disentangling variation in the economy due to competence from variation due to other factors” (Wolfers 2002, 17), or were they punishing their leaders out of mere frustration?

Rather than quibble about which specific economic conditions can or cannot sensibly be attributed to incumbent politicians, in chapter 5 we focus on events that even “reasonable, albeit imperfect” rational voters ought to recognize as clearly outside any incumbent’s control—droughts, floods, and shark attacks. We argue that voters respond to those events in much the same way that they respond to ordinary economic downturns, and thus that most retrospective voting of all kinds is more a matter of kicking the dog than of rationally assessing blame or credit. However, that debate makes little difference for democratic theory. Even if the voters are doing the best they rationally can manage, the result of their efforts is sadly unimpressive, as we shall show. Hence, no matter how we interpret voters’ responses to bad times, the “blindness” of retrospection poses a significant challenge to democratic accountability.

CONCLUSION

In this chapter we have examined a stylized world in which ordinary voters think quite differently about politics than they are supposed to do in the conventional spatial model of voting outlined in chapter 2. These “retrospective”

voters have no policy preferences representable as “ideal points” in multidimensional space. They may know little or nothing about the policies any government has actually enacted. They only know whether things have gone well or badly under the incumbents, and they vote on the basis of that retrospective evaluation. As Key (1966, 7) insisted, such “voters are not fools”—but they are woefully ignorant about much of what is typically taken to be at the heart of democratic politics.

The theory of retrospective accountability demonstrates that, in principle, voters in this stylized world can select competent leaders and discipline those leaders to pursue the voters’ well-being, even though they cannot distinguish “politically relevant” pain and pleasure—aspects of well-being plausibly attributable to the policies of the incumbent government—from everything else going on in their lives. However, the *effectiveness* of retrospective accountability depends significantly on the precision with which voters can discern the contributions of the incumbent government to their well-being. Indeed, the implication of the formal models set out in this chapter and summarized in figures 4.1 and 4.2 is that even relatively small amounts of randomness in the relationship between incumbents’ actions and voters’ subjective well-being can significantly degrade the efficacy of elections as mechanisms for selecting and sanctioning political leaders.

The theory of retrospective voting promises a realistic account of democratic politics. But like any theory, it is a proposal, not a settled finding. How well can the voters manage what the theory of retrospective voting asks them to do? In the next three chapters we provide a more detailed assessment of how, and how well, retrospective voting works in actual elections.