

**ECONOMIC VOTING AND RELATIVE IMPORTANCE OF
DOMESTIC AND INTERNATIONAL REFERENCE POINTS**

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**ECONOMIC VOTING AND RELATIVE IMPORTANCE OF
DOMESTIC AND INTERNATIONAL REFERENCE POINTS**

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ABSTRACT

ECONOMIC VOTING AND RELATIVE IMPORTANCE OF DOMESTIC AND INTERNATIONAL REFERENCE POINTS

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Keywords: Economic Voting, Substitutive Nature of Reference Points, Elections,
Opponent Strength, Polarization

This thesis examines the substitutive nature of the effects of relative domestic and international economic growth on incumbent vote share by using an extended cross-national dataset. The findings suggest that the positive marginal effect of relative domestic growth (international growth) on incumbent vote share is stronger when relative international growth (domestic growth) is lower. In other words, the use of domestic and international reference points by incumbents varies depending on the relative importance of these reference points. An equally important question this thesis seeks to answer is whether opponent party strength and ideological divergence between the opponent and the incumbent party are significant determinants of incumbent support. The empirical analyses suggest that opponent strength and party polarization have significant effects on incumbent vote share, but only after passing some threshold and for some particular economic conditions. Moreover, I check the validity of my findings from cross-national analyses in a case study on Turkey by employing individual-level data. The main findings from the in-depth case study reveal that partisan attitudes formed in the early political socialization process rather than economic evaluations determine voters' party preferences. On the other hand, economic evaluations have a positive and significant impact on incumbent vote for voters with weak partisan attachment to the AK Party. However, since the number of those people is very small, we cannot talk about a substantive significance of economic evaluations on incumbent vote.

ÖZET

EKONOMİK OY VERME VE YURT İÇİ VE ULUSLARARASI REFERANS NOKTALARININ GÖRECELİ ÖNEMİ

MELEK HİLAL EROĞLU

SİYASET BİLİMİ YÜKSEK LİSANS TEZİ, TEMMUZ 2019

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Anahtar Kelimeler: Ekonomik Oy Verme, Referans Noktalarının İkame Edici
Niteliği, Seçimler, Rakip Parti Gücü, Kutuplaşma

Bu tez genişletilmiş bir veri seti kullanarak göreceli iç ve dış ekonomik büyümenin çeşitli ülkelerdeki hükümet partilerinin oy oranları üzerindeki etkilerinin ikame edici niteliğini incelemektedir. Bulgular nispi yurt içi ekonomik büyümenin (uluslararası büyüme) hükümet partisi oy oranı üzerindeki pozitif marjinal etkisinin nispi uluslararası büyüme (yurt içi büyüme) düşük iken en yüksek olduğunu ileri sürmektedir. Başka bir deyişle, iç ve dış referans noktalarının hükümet partisince kullanımı bu referans noktalarının nispi önemine göre değişmektedir. Bu tezin cevap vermeye çalıştığı önemli bir diğer soru ise rakip parti gücü ve hükümet partisi ile rakip parti arasındaki ideolojik ayrışmanın hükümet partisi desteğinin önemli belirleyicileri olup olmadığıdır. Ampirik analizler, rakibin gücünün ve parti kutuplaşmasının hükümet partisi oy oranı üzerinde önemli etkilerinin olduğunu ancak bu etkinin ancak bir takım eşikleri geçtiğinde ve bazı özel ekonomik koşullarda geçerli olduğunu ileri sürmektedir. İlaveten, uluslararası analizlerden gelen bulguların geçerliliği bireysel düzeyde veri kullanılarak Türkiye üzerine bir vaka çalışmasında kontrol edilmektedir. Derinlemesine vaka çalışmasının ana bulguları ekonomik değerlendirmeler yerine erken siyasal sosyalleşme sürecinde şekillenen partizan tutumların seçmenlerin parti tercihlerini belirlediğini ortaya çıkarmaktadır. Öte yandan, AK Parti'ye partizan bağları görece zayıf seçmenlerin ekonomik değerlendirmelerinin oy davranışlarına olumlu ve önemli bir etkisi olduğu sonucuna ulaşılmaktadır. Fakat bu kişilerin sayısı çok az olduğu için ekonomik değerlendirmelerin hükümet partisi oy oranı üzerindeki etkisine dair istatistiki olarak anlamlı bir çıkarım yapılamamıştır.

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To all women who fight for their future.

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1. INTRODUCTION

The economic voting literature has been largely expanding and reached about 600 published works according to a rough estimate (Lewis-Beck and Lobo 2017, 606). A large amount of empirical studies in literature agree on that economy plays an important role in elections in democracies around the world. Economic voting is accepted as one of the most significant indicators of democracy since it reveals a control mechanism over elected officials by people (Kayser and Peress 2012, 663). For an effective functioning of electoral accountability, the economic voting is necessary such that voters systematically punish (reward) incumbents for weak (satisfactory) national economic outcomes (Kayser and Peress 2012, 662).

Despite our assumption that the presence of electoral accountability, empirical research often shows an unstable relationship between economic performance and incumbent vote (Cheibub and Przeworski 1999; Dorussen and Palmer 2002; Paldam 1991). The effect of economic conditions on incumbent vote share is observed only occasionally and the magnitude of this effect is often found as weak (Duch and Stevenson 2008; Fiorina 1981). This weak effect is explained through different contexts in which whether political and institutional accountability for economic outcomes are clearly defined, which is a sine qua non for voters to hold governments responsible for economic outcomes (Powell and Whitten 1993; Whitten and Palmer 1999; Samuels and Hellwig 2010; Royed, Leyden, and Borrelli 2000). However, although political and institutional contexts are taken into account, the referred relationship is still noted as an unstable one across different contexts and time periods (Anderson 2007; Dalton and Anderson 2011).

As a result, the aim of this thesis is to depict a clearer picture of economic voting. In order to shed light on economic voting theory, I will test alternative explanations, which emphasize the substitutive nature of domestic and international economic outcomes, and analyze the conditional effects of relative economic measures, opponent strength, and polarization on incumbent vote share by using a macro-level, cross-national dataset, and by digging deeper and checking the validity of my findings from cross-national analysis in a case study on Turkey and employing micro-level

data.

The previous economic voting literature emphasizing the importance of domestic and international reference points voters employ in evaluating incumbents' economic performance does not refer to the substitutive nature of these reference points. However, the theoretical expectation is that incumbents emphasize the better aspect of their economic performance especially when the difference between within-country and cross-national comparisons of economic growth is substantial since voters are expected to reward incumbents who present relatively better economic performance (Aytaç 2018 16-7).

Empirical findings provide evidence for the substitutive nature of relative domestic and international economic performance. In other words, incumbents' strategy to stress upon which reference point (domestic and international) prior to elections varies depending on which implies higher economic performance. My findings suggest that the positive marginal effect of relative domestic growth (international growth) on incumbent vote share is stronger when relative international growth (domestic growth) is lower. The broader significance of these findings is that they help increase our understanding of rational actions of political elites.

A very recent study on economic voting in which the effects of relative domestic and international economic outcomes on incumbent vote are differentiated for the first time notes that voters use two reference points, domestic and international, to assess whether the given economic outcome is good or bad (Aytaç 2018, 17). Therefore, my expectation that incumbents choose to emphasize their better performance on domestic and international fronts to be rewarded in elections rests on the recent literature. Consequently, this thesis also provides a more nuanced explanation for the so-called reference theory in economic voting.

Furthermore, no study directly looks at the relationship between opponent strength and polarization, and economic vote. Earlier studies suggest that the existence of a reliable alternative party is important for economic voting (Çarkoğlu and Yıldırım 2018, 177) which has not been tested. Curiously, most research on the effects of polarization on turnout does not aim to explain incumbent vote share (e.g., Aldrich 1993; Geys 2006; Abramowitz and Saunders 2008; Rogowski 2014). Therefore, the question of whether the opponent party strength and ideological divergence between the opponent and incumbent parties are significant determinants of voting for the incumbent appears worthy of consideration. Empirical findings support my expectation that in bad economic conditions voters do tend to vote against incumbent parties when opponent strength is higher. Moreover, in order to vote against incumbent parties, ideological positions of the incumbent and that of the

major opponent party are needed to be taken into account. When they both stand on the same side of the ideological continuum and when the opponent is strong, we observe voters punishing the incumbent. These findings also have implications for over understanding of economic voting by providing alternative explanations that affect how of economic voting works at the individual level.

An equally important question this thesis seeks to answer is whether individuals' economic evaluations affect vote preferences. Even though the economic voting literature on Turkey has been rapidly growing in the last decades, previous studies have failed to clearly explain when and how voters vote against incumbent parties when economic conditions are poor. By using individual-level data on the two most recent Turkish general elections, I demonstrate how the effect of the economic evaluations on vote choices might have been underestimated in the previous literature. Even after incumbent party affiliation and demographic factors are controlled for, the impact of economic evaluations on incumbent vote is found as statistically significant. The findings are noteworthy in showing that Turkish voters who place themselves at around the midpoint of the ideological space and its left can and, indeed, do hold the Justice and Development Party (AK Party) accountable. Those electorates tend to reward (punish) incumbent parties when they evaluate the state of economy has gotten better (worse). However, the substantive significance of these findings will be discussed in detailed. Such broad implication of the individual-level analyses in my case study should, however, be considered tentative given the lack of available long-term survey, and preferably panel data on Turkey.

Overall, the previous literature does not provide clear explanations for when and in which context economic voting is stronger. Furthermore, economic voting has little to say about the electoral response to a situation where only one of the relative economic measures (domestic or international) presents relatively good performance. Therefore, how voters respond to the contrasting domestic and international economic outcomes, if any, in elections, and when and in which political and institutional context the effect of economic conditions is stronger and positive, are the key questions motivating this research.

In order to answer these crucially important questions informed by previous literature, this thesis merges data from several sources. An extended macro-level cross-national dataset covering 501 presidential and parliamentary elections in a total of 63 countries between 1960 and 2017 is employed in the second chapter. Moreover,

two individual-level survey data, CSES Modules 4¹ and 5², collected shortly after the June 2015 and June 2018 Turkish general elections and conducted with 1062 respondents in total, are used in the third chapter. The CSES data include a number of questions that make it suitable for measuring voters' economic evaluations, partisanship, ideological distance to the incumbent, and other relevant demographic factors influencing their vote decision-making.

This thesis consists of two empirical chapters. The next chapter first defines and reviews the relevant literature on economic voting. After providing the theoretical framework for the comparative analysis on economic voting by explaining the substitutive nature of relative domestic and international economic outcomes along with the effects of opponent strength and polarization on the incumbent vote share in detail, I introduce the hypotheses derived from the theory. Then, I explain the data and methods used throughout the comparative analysis part. The fourth subsection of chapter two discusses the results of empirical analyses. I conclude the second chapter by discussing the findings and their implications.

Beginning with the first section of the third chapter, an empirical analysis of the electoral behavior in Turkish parliamentary elections employing survey dataset will be presented. The concluding chapter summarizes the findings from the economic voting perspective, discusses the limitations of this thesis, and presents a road-map for further research.

¹ *The Comparative Study of Electoral Systems (CSES) data*, Module 4 Full Release (May 29, 2018), <https://cses.org/data-download/module-4-2011-2016/>

² *The Comparative Study of Electoral Systems (CSES) data*, Module 5 First Advance Release (May 21, 2019), <https://cses.org/data-download/cses-module-5-2016-2021/>

2. ECONOMIC VOTING AND RELATIVE IMPORTANCE OF DOMESTIC AND INTERNATIONAL REFERENCE POINTS

In this comparative analysis chapter, I examine the relationship between economic outcomes and the incumbent support within the domestically and internationally comparative frameworks. I argue that politicians emphasize the better aspect of their economic performance among within-country and cross-national comparisons since voters reward incumbents who present relatively better economic performance. For instance, before France's presidential run-off in 2012, the two candidates, incumbent Nicolas Sarkozy and Socialist challenger Francois Hollande, appeared on television. Mr. Sarkozy answered questions about his competence in managing the economy by stressing on the positive economic performance of France compared to other European and OECD countries. In the same way, Turkish president Erdoğan's references to the period before his first term in office are to highlight domestic economic performance of his government as better.

As rational actors, politicians decide to emphasize domestic or international economic growth by looking at the national and cross-national comparisons. Incumbents stress on the better aspect of their economic performance especially when the difference between within-country and cross-national comparisons of economic growth is substantial. Similarly, opponents stress the worse economic outcomes in domestic and international comparisons during the incumbency term. This argument underlines two different comparison mechanisms in understanding the relationship between economic outcomes and support for incumbent: the first is using a domestic and international comparative framework whereas the second is comparing domestic and international economic outcomes.

This research aims to increase our understanding of the rational actions of politicians. Politicians' aim is to win elections and the conventional wisdom suggests that the effect of positive retrospective evaluations on incumbent's economic performance is crucially important for the reelection. Accordingly, incumbents highlight their best performance among domestic or international comparisons. Voters evaluate the current economy as good or poor based on highlighted reference points

by politicians. This argument rests on the recent literature, which states that incumbents with relatively better economic records in the domestic and international comparisons will be rewarded, whereas relatively poor economic outcomes in domestic and international comparisons will be punished in elections (Aytaç 2018, 16-7).

This argument reveals the research question of this study. What is the importance of substitutive nature of domestic and international economic growth, in other words, the reference points, on the electoral outcomes of incumbent party/leader? Under specific conditions in which domestic economic growth is higher than international economic growth, for instance, the effect of domestic growth on incumbent vote share will be substantively more significant.

In this first empirical chapter, first, I will define and review the relevant literature on economic voting. Second, I will explain my argument on the substitutive nature of relative domestic and international economic growth along with the effects of opponent strength and polarization on incumbent vote share in detail. Then, I will introduce the hypotheses derived from the theory. Further, I will discuss the results of the empirical analyses through the theoretical perspective introduced in previous sections. Finally, I will conclude by discussing the importance of substitutive nature of reference points and the significance of the effects of opponent strength and polarization on incumbent vote share.

2.1 Literature Review

The conventional wisdom is that there is a relationship between the electoral fortune of the incumbent party and the change in economic conditions. Does this link really exist? To what extent economic policies of a government affect voting behavior? The first systematic analysis of these questions was conducted by Kramer in 1971 (Kramer 1971). He found that real income and inflation impact aggregate vote shares, but unemployment does not (Fiorina 1978, 427). The first attack against Kramer was brought by an economist, Stigler, in 1973 (Fiorina 1978, 427) through his rejection of the so-called retrospective economic voting model, which suggests that incumbents prosper in good and suffer in bad times (Fiorina 1978, 427-428). Stigler argues that voting in response to economic matters might be policy-oriented (Kinder and Kiewiet 1981, 134) as contrary to retrospective voting, which presumes that citizens look to outcomes rather than policies themselves (Fiorina 1978, 430).

Since the studies of Kramer (1971) and Stigler (1973), a large number of studies supporting both approaches were conducted (Fiorina 1978, 428). However, in the first empirical chapter of this thesis, I will mostly focus on studies indicating that electoral outcomes are driven by economic fluctuations.

Fiorina (1978) investigates the macro-level relationship between election outcomes and economic conditions at the individual level. He finds, on average, no impact of personal economic conditions on electoral outcomes, but some support “for some types of election at some particular times” (Fiorina 1978, 440). The personal economic grievances’ effect on voting behavior is called pocketbook voting. It assumes that citizens who are worried about their pocketbooks tend to support candidates and parties that have benefited to their economic gains (Kinder and Kiewiet 1981, 130). Similarly, in the “American Voter” (Campbell et al. 1960), it is asserted that policy preferences reflect primitive self-interest (Kinder and Kiewiet 1981, 131). That is to say that pocketbook politics reflect economic self-interest. However, the empirical analysis in Kinder and Kiewiet’s (1981, 144) study indicates that the effect of personal economic grievances on voting preferences is not statistically significant, but sociotropic judgments, which is defined as ‘citizens’ assessments of the nation’s economic predicament” (Kinder and Kiewiet 1981, 130), are related to congressional voting (Kinder and Kiewiet 1981, 135). Similarly to the distinction between pocketbook and sociotropic voting, another model in the literature distinguishes retrospective and prospective voting. MacKuen and his colleagues (1992, 597) define retrospective economic voter as peasants “who base [their] expectations solely on recent economic performance or personal economic experience” and prospective voter as the banker “who incorporates new information about the future into personal economic expectations”. The question they ask is to what extent political judgments are led by experienced personal economic conditions and expectations about a nation’s economic future (MacKuen, Erikson, and Stimson 1992, 597). The findings suggest that the source of current changes in presidential approval lies in the immediate economic future, not in the past (Mackuen, Erikson, and Stimson 1992, 606). This finding might lead to many interesting future research opportunities about strategic behavior of political actors in convincing the electorate that the economy will improve in order to not lose their electoral support. This is a very intriguing idea for this thesis as well and constitutes theoretical underpinnings of my argument on the relative importance of economic reference points, which I explain below in detail.

Gomez and Wilson (2001), on the other hand, make a contribution to the pocketbook/sociotropic voting literature by stressing on political sophistication. Their findings indicate that pocketbook voting is common among sophisticated voters be-

cause they can make distal associations between their personal economic conditions and governmental policy (Gomez and Wilson 2001, 899), contrary to unsophisticated voters who blame themselves for their economic grievances since the distal associations between their pocketbook and governmental policy are harder for them (Gomez and Wilson 2001, 902). Sociotropic evaluations, on the other hand, are common among less-sophisticated voters because they assume that the president who is the most visible actor in the relevant sphere is responsible from the national economy (Gomez and Wilson 2001, 903). On the contrary, the relatively more sophisticated voters are able to comprehend that economic outcomes are beyond the president’s ability and affected by many actors such as the Congress, Federal Reserve, business community, and international actors (Gomez and Wilson 2001, 906). However, the clarity of the government’s political responsibility is a necessary function for this account. Because the effects of economic performance weaken in countries with diffused responsibility (Powell and Whitten 1993, 399), even sophisticated voters might have difficulty in assigning responsibility for economic outcomes to incumbents. Thus, Powell and Whitten (1993) highlight the importance of political factors: the ideological image of the government, its electoral base, and the clarity of its political responsibility that can affect the electoral impact of economic performance (Powell and Whitten 1993, 391). Moreover, the usage of a relative measure of economic performance by comparing it with the performance of other industrialized democracies at the same time (Powell and Whitten 1993, 392) is very crucial for preceding studies on economic voting.

For instance, Aytaç (2018, 16) notes that “economic voting is driven by the incumbents’ relative performance”. Differently from Powell and Whitten (1993), he introduces two reference points –i.e., a domestic and an international one– and states that by domestic economic growth, voters can easily evaluate the current incumbent’s performance by comparing the incumbent’s performance with those of previous incumbents. Likewise, by international economic growth, voters can distinguish the incumbent’s performance from the exogenous economic shocks through cross-national comparisons (Aytaç 2018, 18). In sum, these reference points make easier to evaluate the incumbent’s performance, thus, provide a better assessment of incumbent competence (Aytaç 2018, 18). Moreover, the unified perspective that takes into consideration relative domestic and international growth have significant implications for the literature on economic voting. However, he does not refer to the relative importance of these reference points in the study.

I offer a theoretical account of the relative importance of these reference points and look into the electoral salience of relative economic performance. Although the unified perspective that takes account of both relative domestic and international

growth has significant implications on economic voting, I argue that the omission of the relative importance of reference points would lead to invalid conclusions about voting behavior. When we analyze the support for the incumbent, it is odd to assume that incumbents' emphases on such references will be irrespective of the relative importance of these reference points. Since the incumbents' poor past performances will be punished, they will put more weight on their relatively better economic performances which lie in either domestic or international comparisons.

In the economic voting literature, there are a few studies that employ relative measures of economic outcomes as explanatory variables and none of them look at the electoral importance of relative economic performance. Campello and Zucco (2016), Kayser and Peress (2012), Leigh (2009), and Powell and Whitten (1993), for instance, study the effect of relative international performance on incumbents' electoral fortunes. In addition, Hansen, Olsen, and Bech (2015), and Kayser and Leininger (2016) examine the electoral importance of relative international performance, albeit using single country cases. Moreover, they do not include the domestic aspect of relative performance in their analyses. The reason for the omission of relative domestic performance in the studies could be associated with including gross domestic product (GDP) growth as a measure of economic performance, which is often thought as a comparative measure (Aytac 2018, 17). However, a given value of economic outcome for different countries might signal different levels of incumbent competence. For instance, although a 5% GDP annual growth rate in Turkey can be accepted as normal, it is a high growth rate for the more developed United Kingdom. Consequently, using GDP annual growth rate for measuring a country's economic growth more cannot explain incumbent competence unless one employs reference points for within and cross-country comparisons.

Palmer and Whitten's article (1999) is the only study that distinguishes the domestic aspect of relative performance by focusing on the electoral effects of expected and unexpected components of economic outcomes. They find that unexpected shocks in growth and inflation have stronger effects on electoral outcomes than their overall levels. However, the findings do not clearly demonstrate that voters are rewarding incumbents on the grounds of whether because incumbents are competent or because they are in power during a global expansion period.

Kayser and Peress (2012, 681) state that their aim is to show that voters in advanced democracies make cross-national comparisons, but they leave unanswered whether it is more or less important than within-country evaluations. Moreover, their analysis does not include developing countries since they examine elections only from high-income OECD countries.

Aytaç (2018) recognizes the impact of both relative domestic and international economic growth on incumbent vote share. He develops a reference point theory for both sorts of growth and argues that these reference points allow voters to put the incumbent's performance into the proper domestic and international contexts (Aytaç 2018, 22). Although his study has significant contributions to our understanding of electoral accountability, it does not account for the relative importance of these reference points neither.

2.2 Theoretical Overview

2.2.1 Substitutive Nature of Relative Economic Performance

I offer a theoretical account for the relative importance of the reference points. In terms of incumbents' domestic and international references to their relative economic performances, I argue that they will put more weight on their relatively better economic outcomes in domestic and international comparisons since voters reward incumbents in the elections who present relatively better economic performance. Consequently, the use of domestic and international reference points by incumbents varies depending on the relative performance of these reference points. For instance, if the difference between relative domestic and international economic growth is substantial, and international comparisons are significantly better than domestic outcomes, then incumbent parties would be more likely to stress on their international economic performance to cover up domestic macroeconomic problems.

Historical and international accounts of the Turkish economy's performance might constitute a suitable example when they are used substitutively to explain the voting behavior and the success of the ruling AK Party in the last 12 elections. Before every parliamentary, presidential, and local elections, the question of 'where is the economy headed?' is at the center of electoral debates.¹ So far in every election since 2002, when AK Party came to power, the ruling party managed to have a significant electoral victory. Consequently, even in times of economic slowdown like

¹Melek Hilal Eroğlu, "Turkish Polls: Economic Growth Effective Voting Determinant When Relatively Meaningful," *Daily Sabah*, March 2, 2019, <https://www.dailysabah.com/economy/2019/03/02/turkish-polls-economic-growth-effective-voting-determinant-when-relatively-meaningful>

in 2009, one possible answer to the question of how did the AK Party manage to secure wins, lies in a closer look to the substitutive natures of relative domestic and international performance of the Turkish economy in the discourse of party elites.

Using different references before every election strikingly demonstrates the relative importance of domestic and international economic growth. Erdoğan's statements regarding his domestic achievements in terms of growing economy and taming inflation since AK Party is coming to power in November 2002 would indicate that domestic economic growth is better than the international growth at the time, while during the 2008 financial crisis, Erdoğan's remarks about the global financial crisis of 2008-9 would only slightly touch upon the Turkish economy, highlighting the relative importance of international rather than domestic growth on the AK Party's vote share. During a rally before the 2011 elections, Erdoğan had said:

“Turkey’s economy is in a much better situation than the global average, especially Europe, despite the many risks around. Our country is geographically proximate to many crisis regions in the Middle East, North Africa, the Caucasus, and the Black Sea. All developments in our neighbors Syria and Iraq directly affect us”²

In the aftermath of the global financial meltdown of 2008, only two years before the 2011 elections when the AK Party emerged triumphant with 49.8 percent of the total votes, the Turkish economy contracted by 4.7 percent.³ The global financial crisis in 2008 and 2009 yielded the worst domestic economic growth during an AK Party government, the Turkish economy still saw a better outcome relative to the so-called target countries. The growth of Turkey's top five main export partners – Germany, Iraq, the U.K., Italy, and France – could only an average growth rate of 0.4 percent between 2007 and 2011 as opposed to the 1.5 percent average GDP expansion of the Turkish economy in this period. These figures earned Turkey a margin of 1.3 percent in relative international growth, which is better than the domestic growth. Hence, Erdoğan had chosen to highlight relative international rather than domestic economic growth since it was the one showing a positive value.

Only 15 days ahead of the June 24 elections in 2018, the first-quarter economic growth data were announced and Erdoğan immediately hailed the results, particu-

²“Turkey’s Economy Faring Better Than World, Europe: Erdoğan,” *Hurriyet Daily News*, November 4, 2016, <http://www.hurriyetdailynews.com/turkeys-economy-faring-better-than-world-europe-erdogan-105761>

³Eroğlu, “Turkish Polls.”

larly pointing to the comparatively high performance of the Turkish economy vis-à-vis the G20 and other OECD countries. “The Turkish economy expanded by 7.4 percent in the first quarter of this year. It came first among the OECD member-countries and ranks second among the G20 countries. Turkey continues to be one of the fastest-growing economies in the world,” the President said on Twitter by pointing international growth.

Consequently, incumbents’ strategy to stress upon which reference point (domestic and international) prior to elections varies depending on which implies higher economic performance.

H1: The marginal effect of Relative International Growth on Incumbent Vote Share is positive and strongest when Relative Domestic Growth is at its lowest level. This effect declines in magnitude as Relative Domestic Growth increases.

H2: The marginal effect of Relative Domestic Growth on Incumbent Vote Share is positive and strongest when Relative International Growth is at its lowest level. This effect declines in magnitude as Relative International Growth increases.

2.2.1.1 The Strength of Opponent

Economic voting is essential for electoral accountability and thus for democracy. According to the economic voting theory, incumbent governments that provide poor economic outcomes will be punished by voters in elections. As a result, governments which subject to recurring popular elections govern better and watch over the well-being of their citizens to be re-elected (Kayser and Peress 2012, 680). However, if there is no reliable opponent party or candidate, how can we understand that electoral accountability works? The standard view of how electoral accountability works in previous literature is that “voters set some standard of performance to evaluate governments, and they vote out the incumbent unless these criteria are fulfilled” (Hindriks and Myles 2013, 644). Thus, in order to vote out the incumbent when voters’ expectations are not fulfilled by the government, a reliable challenger should be there as an alternative to the incumbent.

Therefore, the existence of a strong challenger is important for the economic voting hypothesis, which necessitates holding the incumbent responsible for the economic outcomes. The study of Çarkoğlu and Yıldırım (2018, 177) supports this argument by stating that the weak economic development is not enough for explaining incumbent vote share, but also there should be a credible alternative party or candidate.

Otherwise, even though the macroeconomic performance of the incumbents is poor, if there is not an alternative party that is considered better in its expected macroeconomic performance, voters would not respond to the incumbent's poor economic record.

The availability of a challenger is not sufficient to vote for the opponent party/candidate as an electoral response to the incumbent when the incumbent's macroeconomic performance watches poorly. This challenger should be also reliable and electorally strong. When the vote share of the opponent is close to that of the incumbent, voting for the opponent party/candidate is more likely according to the rational choice theory.

According to the basic model of voting, citizens have three simple actions in a two-candidate election contest: vote for one candidate, vote for the other, or abstain from voting. Citizens' preferences are defined over outcomes and there are three outcomes (A wins, tie, B wins) with their related utilities for the individual (Aldrich 1993). Rational choice theory suggests that "expected utility associated with outcomes generates preferences for the particular actions at hand... and the individual prefers outcomes with the higher utility to those with lower utility and chooses actions to receive more highly valued outcomes" (Aldrich 1993, 248). If costs of voting, the C term, which are obtaining and processing information, and deciding what to do in addition to registering and going to the polls are greater than the benefits, the voter should always abstain (Aldrich 1993). Most of the time, C is greater since the probability of making or breaking a tie by only one vote, P term, is very small and it would make the benefits, the B term, derived from electing a preferred candidate to office also small.

$$R = PB - C$$

The calculus of voting developed by Downs (1957) and extended by Riker and Ordeshook (1968) (Aldrich 1993, 251) added a famous D-term which represents the value of doing one's duty as a citizen, civic duty, which is expected to increase turn out (Aldrich 1993, 251; Moral 2016, 733-34).

$$R = PB - C + D$$

Accordingly, a close contest is one of the conditions for the electoral accountability mechanism to work. In a close contest in which the vote share of the opponent is close to that of the incumbent, shifting of vote choice from incumbent to opponent party/candidate is more likely given that the expected utility associated with outcomes increases with the higher P term.

In close contests, both the challenger and incumbent would conduct an effective electoral campaign. In bad economic circumstances, incumbents are more vulnerable and strong challengers are more likely to run (Aldrich 1993, 267). Thus, the B term would be higher as a result of increasing information and awareness levels of the electorate about the differences in policy offerings of the candidates (Aldrich 1993, 273; Geys 2006, 648). Moreover, the P term, probability of affecting the election result (i.e., making or breaking a tie) increases in close contests (Aldrich 1993, 268; Geys 2006, 646); and lastly campaigns help voters remember to vote and feel more civic duty, the so-called D term (Aldrich 1993, 267; Geys 2006, 648). Hence, higher P, B, and D terms can help increase the opponent's support. Such political factors, closeness of vote shares and campaign expenditures would likely to affect the electoral results. Overall, in the bad economic conditions, the electoral strength of the opponent party would likely to have a decreasing effect on the incumbent's vote. The electorate would evaluate the challenger party or candidate as a strong and credible alternative that would provide the better economic performance. Consequently, electoral accountability works better through the electoral punishment of the incumbent who is no longer seen as the only option as a result of the emergence of a strong opponent. Thus, voters may hold the incumbent responsible for the unsatisfactory economic performance and shift their preferences.

H3: The marginal effect of opponent strength on incumbent's vote share is negative and strongest when the relative economic performances are lower. This effect declines in magnitude as the relative domestic and international economic growth increases.

Another important concern that can affect the working of electoral accountability mechanism is that the ideological position of the major opponent party as well as its electoral strength. The ideological position of the parties is important as much as the strength of the party. Although the opponent party might have strong electoral support, people might not see it as an alternative in bad economic times due to its ideological position. Hence, ideological polarization between the incumbent and opponent parties is another important explanatory variable for incumbent vote share. In previous literature, scholars looked into the relationship between polarization and turnout and reached conflicting findings about the direction of the effect of polarization on voter turnout. Abramowitz and Saunders (2008, 552) found that contrary to what Fiorina (1978) argues since the 1970s, ideological polarization has increased among the mass public in the U.S. as well as among political elites; and polarization energizes the electorate and stimulates political participation. They argue that the greater the perceived difference by voters between the parties, voters' payoff, the B term, will be greater. Consequently, voters care more about who wins the election

and they engage more in politics (Abramowitz and Saunders 2008, 552). However, contrary to what Abramowitz and Saunders (2008) argue, Rogowski (2014, 487) found that when the ideological divergence between pairs of candidates in the U.S. House and Senate races increases from 25th to 75th percentile, turnout propensity decreases by about 5 percentage points.

With respect to the U.S. case, it is stated that “polarization without a centrist third party alternative may alienate citizens at around the center of the ideological space, and therefore lead to a decrease in turnout due to the alienation of those with moderate ideological views” (Moral 2017, 939). However, the effects of party polarization on turnout rate in European democracies, which have multiparty systems and provide voters with a number of distinct party policies, are different from the U.S. case. Moral (2017, 951) found that both actual and perceived party polarization increases voter turnout in multiparty systems since proportional representation (PR) systems provide relevant policy alternatives to those with moderate views as well (Moral 2017, 941). Consequently, diversity and distinctiveness of party policy offerings are identified as crucial factors in voting behavior (Moral 2017, 936).

By accounting for these conflicting arguments on the effect of polarization on turnout, I argue that for shifting of the vote from incumbent party to opponent party in bad economic times, polarization between the incumbent and the opponent party should not be so large. Because the opponent party is needed to be recognized by voters as a credible alternative. At the same time, some ideological divergence between parties should be necessary for a higher B term, the payoff derived from the differences in policy offerings of the candidates. As a result, I measure polarization by taking into account the distances between the two main parties in the system. Following two different spatial models, Downs’ (1957) proximity model, and Rabinowitz and MacDonald’s (1989) directional model, polarization is defined as negative if the parties are on different sides of the median value of 5, and positive if they are on the same side, which is also similar to what Orriols and Balcells (2012, 398) suggest in their study. I argue that only positive polarization has a negative effect on incumbent’s vote. The expectation is that under bad economic conditions, rational voters would shift their preferences to the strongest second party with the similar ideological offering, which is viewed as ideologically acceptable by voters (Moral and Zhirnov 2018).

H4: The marginal effect of positive polarization on incumbent’s vote share is negative and strongest when the opponent strength is at its highest level. This effect declines in magnitude as polarization decreases.

2.3 Research Design

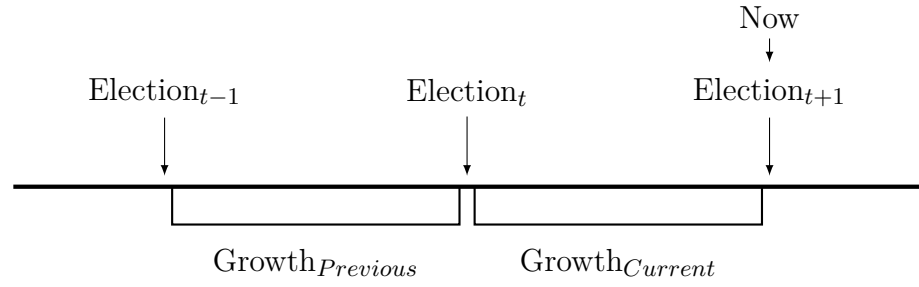
In this section, I will focus on the electoral consequences of relative economic performances in domestic and international comparisons. Ordinary least squares (OLS) regressions will be employed in empirical analyses of the proposed hypotheses. All estimations were conducted in STATA version 15. The unit of analysis is country-election year. Country-level statistical analysis of substitutive effects of relative domestic and international economic growth on incumbent vote share constitutes the central component of the research. In this section, I briefly review the data compilation efforts for the empirical study of economic voting hypothesis, explain the coding procedure and the operationalization of relative domestic and international performance along with the opponent strength and party polarization, and then provide an overview of the dataset.

2.3.1 Data

I employ an extended cross-national dataset covering 501 national-level executive elections in 63 countries from 1960 to 2017. The dataset includes the elections from developing democracies along with those from high-income OECD countries. The sample comprises of countries with higher democracy ratings according to the Polity IV (Marshall, Jaggers, and Gurr 2002) and excludes post-communist countries. This decision is informed by the literature suggesting that these countries have a different dynamic in terms of economic voting: fluctuating economic condition as a result of the transition from communism create long-lasting effects on voting behavior. Parties' stance vis-a-vis the communist past and the reform period rather than their economic performance determine voting behavior (Aytaç 2018; Fidrmuc 2000; Pop-Eleches and Tucker 2011; Tucker 2006). In other words, in post-communist countries, voters reward pro-transition parties instead of the incumbent party in times of growing economy (Tucker 2006, 33-34). Hence, parties' relationships with the transition are a better determinant of their electoral fortunes than they are according to the conventional economic voting hypothesis in non-communist countries.

The dependent variable in this analysis is the vote share of the incumbent party, *Incumbent Vote*, in presidential and legislative elections. Incumbent party corresponds to the prime minister's party in parliamentary democracies and to the president's

Figure 2.1 Relative Domestic Growth Measure



$$\text{Relative Domestic Growth} = \text{Growth}_{\text{Current}} - \text{Growth}_{\text{Previous}}$$

party in presidential and semi-presidential democracies. Even in coalition governments, the prime minister's party is rewarded or punished for economic outcomes (Van der Brug, Van der Eijk and Franklin 2007; Duch and Stevenson 2008). In this respect, taking the vote share of the incumbent party as the dependent variable is a standard operationalization in the literature (e.g., Hellwig and Samuels 2007; Duch and Stevenson 2008; Kayser and Peress 2012). For multi-round elections, I use electoral results from the first round of elections. Similarly, if the country witnessed two general elections in the same year, the first election's outcomes are used in the analysis. Furthermore, the incumbent party vote share in the previous election, *Previous Vote of Incumbent*, is also included in the models to control for past election outcomes.

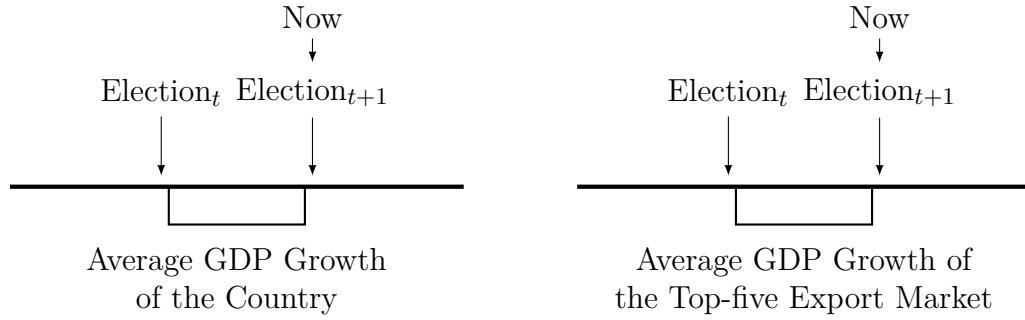
The key independent variables in the analyses are measures of relative domestic and international economic performance. I used Aytaç's (2018) measure of relative domestic economic performance as illustrated in Figure 2.1. It is measured by taking the difference in average annual real GDP growth rates of the current incumbent's term and the previous term. According to the proposed measure voters at the time of Election_{t+1} evaluate the relative domestic performance of the incumbent by comparing the current growth (from Election_t to Election_{t+1}) with previous growth (from Election_{t-1} to Election_t). Accordingly, the difference between these average growths gives *Relative Domestic Growth*. Suppose that the current average growth of the incumbent's term is 7%, and that of the previous term is 3%. Then, relative domestic growth takes the value of 4%. Moreover, by following Hellwig and Samuels (2007), I do not include economic data from the election year but the year preceding the election if the election was held in the first six months of the year. For instance, if the election is held in March 2014, the year 2014 is dropped from the incumbent's examined term.

Aytaç's (2018) measure of relative domestic growth is dissimilar to the previous

economic voting literature since the incumbent’s whole term is taken into account. However, in previous studies, economic conditions in narrower periods such as the election-year are taken as the economic explanatory variables (Healy and Lenz 2014, 31). As a result, I measure *Relative Election-year Domestic Growth* by taking the difference in average economic growth between only the current (Election_{t+1}) and previous election years (Election_t). This theoretically guided measure is in line with the existing literature suggesting that “voters... reward incumbents not broadly for economic growth throughout incumbents’ terms, but narrowly for conditions in the six months or year before Election Day” (Healy and Lenz 2014, 31). However, I may not capture the true effect of relative election-year growth by this measure since the year of economic data included in the analysis varies depending on whether the election was held in the first six months of the year. For instance, in a country where the election was held in May, the year preceding the election will be included which means the economic data of the last 5 months disregarded from the analysis. Similarly, in a country where the election was held in August, the economic data of the whole election-year will be included which means the economic data of first 8 months of the year will be extrapolated to last 4 months of the year. Therefore, in order to decrease measurement error, I measure last two years’ domestic and relative domestic growths. The former is quite clear, it includes only the average economic growth in the last two years’ of the incumbent’s term. The effects of the last two years’ domestic and international economic outcomes on incumbent vote share are illustrated in Table A.3 and Figure A.1 of the appendix. The latter, last two years’ relative domestic growth, is measured by taking the difference in last two years’ average growth of incumbent and that of the previous term. However, considering the whole term rather than shorter periods is more relevant for evaluating the incumbent’s competence according to Aytaç (2018) since it is more informative. Empirical evidence suggesting that the election-year economic outcomes are significant determinants of incumbent vote share (e.g., Achen and Bartels 2004; Kiewiet 1983; Kramer 1971) might not be generalizable to other countries since all such studies are about the U.S. presidential elections (Aytaç 2018, 24). In all models, I, however, control for the election-year growth in real GDP, *Election-Year Growth*, to assess whether it also has an impact on incumbent vote share.

Before measuring the second key independent variable, *Relative International Economic Growth*, we need first to get an international reference point. I thus follow Kayser and Peress (2012), and as does Aytaç (2018). First, I identified the top five export markets for each country and election year. The weighted average growth rate of the top five export markets of a given country gives the international reference point, *International Growth* (Kayser and Peress 2012, 666). Weights are

Figure 2.2 Relative International Growth Measure



$$\text{Relative International Growth} = \text{Average GDP Growth of the Country} - \text{Average GDP Growth of the Top-five Export Market}$$

the proportion of exports sent to each market, thus, the top export markets would have a higher effect on the country's international reference point (Aytaç 2018, 24). Following Aytaç (2018), the difference between the average growth of a country during the incumbent's term and the weighted average growth rate of the country's five export markets gives relative international growth, which is presented in Figure 2.2 For instance, Germany's top five export partners between 2013 and 2017 were as: the U.S., France, China, United Kingdom, and the Netherlands. The average GDP growth of these countries during this period was 3% and the average GDP growth of Germany in the same period was 2%, as a result, the relative international growth became -1%. Furthermore, as I considered an alternative measure to relative domestic growth, relative election-year growth, I create a variable relative election-year international growth which takes the difference in real GDP growth between the incumbent's term election-year and that of top five export markets. The effects of relative election-year domestic and international economic growth on incumbent vote share are presented in Table A.4 and Figure A.2 of the appendix. Moreover, I consider the last two years' relative international growth which is measured by taking the difference in average growth of the last two years' between the incumbent's term and those of its top five export markets. The effects of last two years' relative domestic and international economic growth on incumbent vote share are shown in the Table 2.3 and Figure 2.5 of the analysis section.

The model specification is thus as follows:

$$\widehat{\text{Incumbent Vote}} = \hat{\beta}_0 + \hat{\beta}_1(\text{Relative Domestic Growth} \times \text{Relative International Growth}) + \hat{\beta}_2(\text{Relative Domestic Growth}) + \hat{\beta}_3(\text{Relative International Growth}) + \hat{\beta}_4(\text{International Growth}) + \hat{\beta}_5(\text{Election-year Growth}) + \hat{\beta}_6(\text{Previous Vote of Incumbent}) + \hat{\beta}_7(\text{Coalition}) + \hat{\beta}_8(\text{Effective Number of Parties}) + \hat{\beta}_9(\text{Presidential System})$$

There are many ways to measure party strength. My conception of party strength is related to the parties' electoral strength, therefore, it will be measured by parties' vote share in the previous election rather than their seat shares in the legislature (e.g., Giles and Pritchard 1985; Primo and Snyder 2010). Thus, for measuring the strength of the opponent, the second-largest party in the electorate will be taken as the main opponent.

The model specification is as follows:

$$\widehat{\text{Incumbent Vote}} = \hat{\beta}_0 + \hat{\beta}_1(\text{Opponent Strength} \times \text{Relative Domestic Growth} \times \text{Relative International Growth}) + \hat{\beta}_2(\text{Opponent Strength} \times \text{Relative Domestic Growth}) + \hat{\beta}_3(\text{Opponent Strength} \times \text{Relative International Growth}) + \hat{\beta}_4(\text{Relative Domestic Growth} \times \text{Relative International Growth}) + \hat{\beta}_5(\text{Opponent Strength}) + \hat{\beta}_6(\text{Relative Domestic Growth}) + \hat{\beta}_7(\text{Relative International Growth}) + \hat{\beta}_8(\text{International Growth}) + \hat{\beta}_9(\text{Election-year Growth}) + \hat{\beta}_{10}(\text{Previous Vote of Incumbent}) + \hat{\beta}_{11}(\text{Coalition}) + \hat{\beta}_{12}(\text{Effective Number of Parties}) + \hat{\beta}_{13}(\text{Presidential System})$$

In country-level regressions, since I focus on the vote share of the incumbent party, in order to measure party polarization I look at the incumbent and the opponent parties' ideological positions on the left-right continuum. I used the left-right scores in ParlGov dataset (Doring and Manows 2019), which is operationalized on a 0-10 scale with the data from Castles and Mair (1984). At the country-level, I estimate polarization by taking into account the distances of two main parties in the system. Inspired from two different spatial models: the proximity (Downs 1957) and the directional model (Rabinowitz and MacDoanld 1989), polarization is measured by the absolute distance between the incumbent party's left/right position and that of the opponent party. However, I recoded polarization as negative if parties are on different sides of the median value of 5, which is similar to Orriols and Balcells' (2012, 398) operationalization of electoral utilities of voters at individual-level. Suppose that the incumbent party's position is 7 and that of the opponent party is 4, then the polarization is coded as -3. However, if that of the opponent party is 6, the polarization would take the value of 1.

The model specification is as follows:

$$\widehat{\text{Incumbent Vote}} = \hat{\beta}_0 + \hat{\beta}_1(\text{Opponent Strength} \times \text{Polarization}) + \hat{\beta}_2(\text{Opponent Strength}) + \hat{\beta}_3(\text{Polarization}) + \hat{\beta}_4(\text{Relative Domestic Growth} \times \text{Relative International Growth}) + \hat{\beta}_5(\text{Relative Domestic Growth}) + \hat{\beta}_6(\text{Relative International Growth}) + \hat{\beta}_7(\text{International Growth}) + \hat{\beta}_8(\text{Election-year Growth}) + \hat{\beta}_9(\text{Previous Vote of Incumbent}) + \hat{\beta}_{10}(\text{Coalition}) + \hat{\beta}_{11}(\text{Effective Number of Parties}) + \hat{\beta}_{12}(\text{Presidential System})$$

of Incumbent)+ $\hat{\beta}_{10}$ (Coalition)+ $\hat{\beta}_{11}$ (Effective Number of Parties)+ $\hat{\beta}_{12}$ (Presidential System)

There are some other commonly employed control variables in literature. The existence of a coalition government in parliamentary democracies, *Coalition*, is expected to have a negative effect on the vote share of the incumbent party. I control for the effective number of parties, *Effective Number of Parties*, which should also be negatively associated with parties' vote shares. In case of missing data regarding the effective number of parties, I used Gallagher (2019) dataset. The models also include a control for the election type, *Presidential System*, which is a dummy variable indicating whether the election is presidential or legislative. All variables are listed in the Table A.2 of the appendix.

2.4 Empirical Analyses and Findings

2.4.1 Substitutive Nature of Relative Economic Performance

All models are estimated with OLS regression using robust standard errors clustered by country following with the standard approach in the previous literature (e.g., Bartels 2014; Hellwig and Samuels 2007; Kayser and Peress 2012). Using the extended dataset, Table 2.1 presents the findings for recent models of economic voting in previous literature which emphasize the effect of relative economic performance of government on incumbent vote share (Aytaç 2018). In Model 1, election-year growth is taken as the key independent variable as in the traditional model of economic voting. It is seen that growth in the election year is positively associated with the incumbent vote share as suggested in the existing literature. Model 2 includes the measures which are recently introduced by Aytaç (2018), *Relative Domestic Growth* and *Relative International Growth*. The effects of both variables on incumbent vote share are positive and statistically significant in line with Aytaç (2018).

Table 2.2 presents a comparison of the recent model of economic voting employing relative measures of economic conditions (Aytaç 2018) and my model, which introduces the new interaction of relative performances. In Model 1, positive and

Table 2.1 OLS Regression on Incumbent Vote Share

Incumbent Vote Share	Model.1	Model.2
Relative Domestic Growth		0.560*** (0.164)
Relative International Growth		0.919*** (0.271)
International Growth		0.408 (0.315)
Election-year Growth	0.414*** (0.144)	0.036 (0.133)
Previous Vote of Incumbent	0.644*** (0.074)	0.649*** (0.072)
Coalition	0.325 (1.184)	0.099 (1.137)
Effective Number of Parties	-1.782*** (0.415)	-1.805*** (0.414)
Presidential	-0.460 (1.077)	-0.885 (1.155)
Constant	15.065*** (3.755)	15.094*** (3.751)
N	501	501
R ²	0.514	0.556

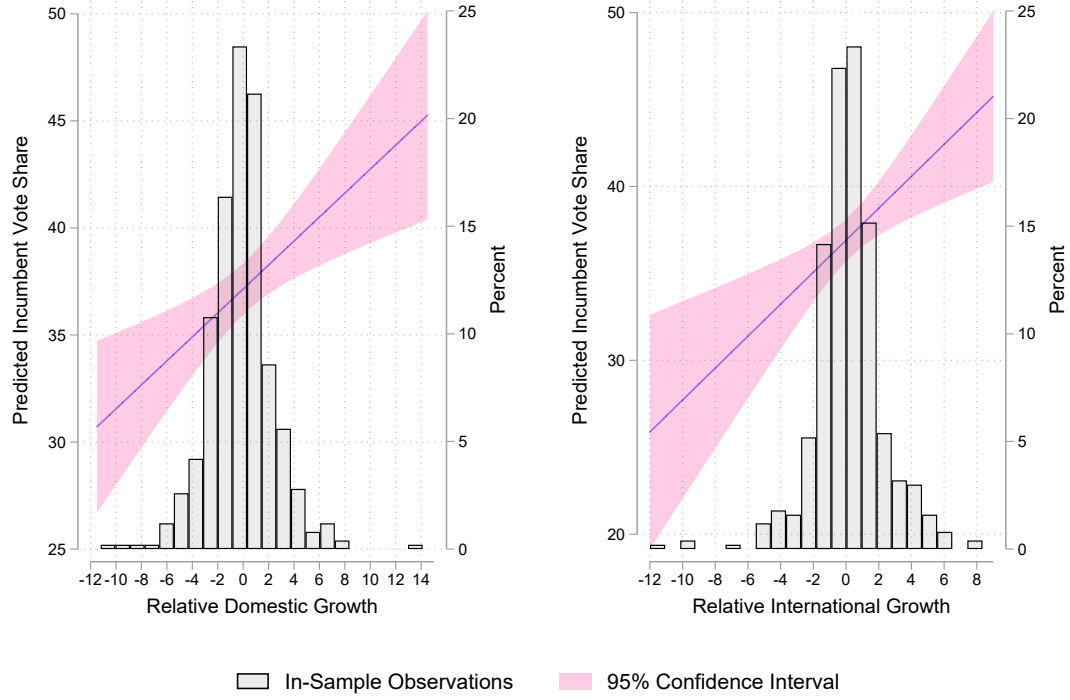
Notes: Robust standard errors clustered by country in parentheses.

* p<0.1, ** p<0.05, *** p<0.01

statistically significant effects of relative domestic and international growth provide evidence for the argument in previous literature that voters reward (punish) incumbents who present relatively better (worse) economic performances in domestic and international comparisons. Furthermore, even though the election-year growth is taken as the main indicator in the earlier studies on economic voting, its effect on the incumbent's vote is no longer significant after accounting the measures for relative performance. Figure 2.3 illustrates the predicted effects of relative domestic and international economic growth on incumbent vote share. Substantively speaking, the findings indicate that for each percentage point increase in relative domestic growth, the incumbent's vote increases by .6% percent. One percentage increase in relative international growth is associated with a 1.1% percentage point increase in incumbent vote share.

Model 2 introduces my interaction of relative performances, *Relative Domestic Growth x Relative International Growth*. It has a negative effect on the incumbent's vote which provides some evidence for the first two hypotheses that relative domestic growth (international growth) has an enhancing effect on the incumbent

Figure 2.3 Relative Domestic and International Growth (Additive Model)



Note: The graph illustrates the out-of-sample predictions of relative international and domestic growth on incumbent vote. The colored area indicates the confidence intervals at 95% level (N=501).

vote share when the relative international growth (domestic growth) is lower. The negative coefficient on the interaction term means that this enhancing effect increases as relative international growth (domestic growth) decreases. However, we know interpreting results of an interactive model based on the information in Table 2.2 can be difficult in understanding the relationship (Brambor, Clark, and Golder 2006, 75). Therefore, Figure 2.4 graphically illustrates how the marginal effect of relative domestic economic growth (international growth) varies across the in-sample range of relative international growth (domestic economic).

Figure 2.4 based on Model 2 in Table 2.2, shows the conditional effect of relative international growth across the in-sample range of relative domestic growth. The marginal effect of relative international growth on incumbent vote share decreases when relative domestic economic growth increases. The effect of relative international growth is statistically significant only for the values of relative domestic growth that are less than 3. The marginal effect of relative international growth is not statistically distinguishable from 0 for the values of relative domestic growth higher than 3. The findings support my first hypothesis that the positive marginal effect of relative international growth on incumbent vote share is stronger when relative domestic growth is lower. This effect declines in magnitude as relative domestic

Table 2.2 Substitutive Nature of Relative Domestic and International Economic Growth

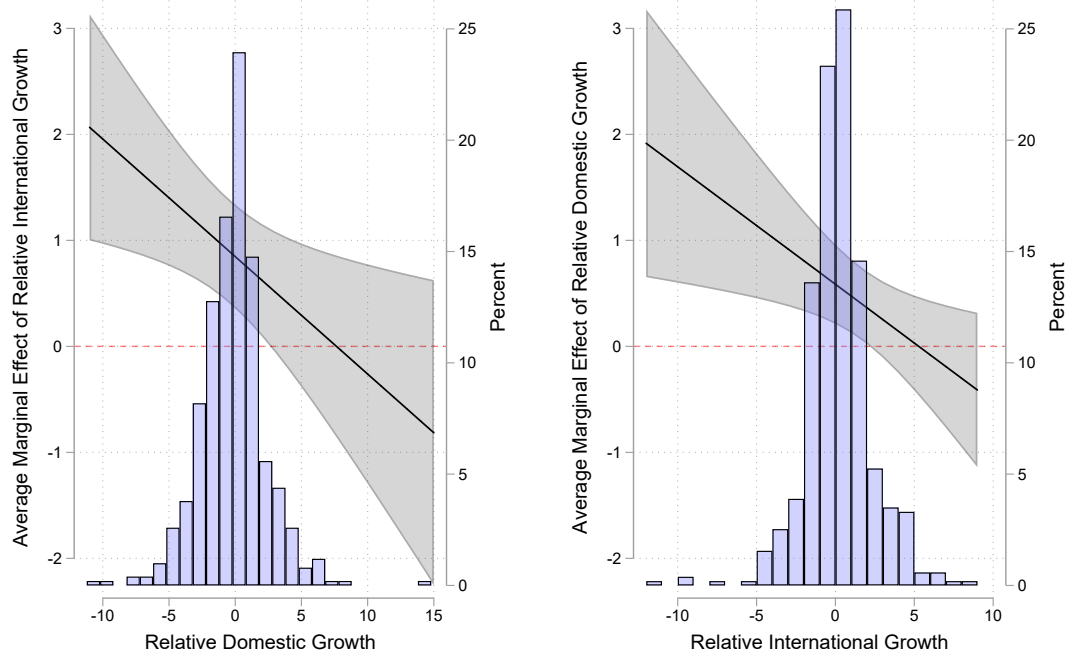
Incumbent Vote Share	Model.1	Model.2
Relative Domestic Growth $\times$ Relative International Growth		-0.111** (0.044)
Relative Domestic Growth	0.560*** (0.164)	0.586*** (0.187)
Relative International Growth	0.919*** (0.271)	0.848*** (0.245)
International Growth	0.408 (0.315)	0.400 (0.314)
Election-year Growth	0.036 (0.133)	0.041 (0.123)
Previous Vote of Incumbent	0.649*** (0.072)	0.653*** (0.072)
Coalition	0.099 (1.137)	-0.113 (1.141)
Effective Number of Parties	-1.805*** (0.414)	-1.798*** (0.406)
Presidential System	-0.885 (1.155)	-1.028 (1.140)
Constant	15.094*** (3.751)	15.312*** (3.712)
N	501	501
R^2	0.556	0.561

Notes: Robust standard errors clustered by country in parentheses.
* $p < 0.1$, ** $p < 0.05$, *** $p < 0.01$

growth (international growth) increases.

Figure 2.4 shows the marginal effect of relative domestic growth for the sample range of relative international growth based on Table 2.2. It is significant only when relative international growth is lower than 3. The t value at 3 of international growth is 1.41 which falls below the critical value. It means that only for lower levels of relative international growth, the effect of relative domestic growth on incumbent vote share is statistically significant. The findings also support the second hypothesis that the positive marginal effect of relative domestic growth on incumbent vote share is stronger when relative international growth is lower. This effect declines in magnitude as relative international growth increases. That is at a value of 3 and higher of relative international growth, relative domestic growth has no effect on incumbent vote share. If we compare the average marginal effects of relative domestic and international growth, the marginal effect of international growth on

Figure 2.4 The Average Marginal Effects of Relative International and Domestic Growth on Incumbent Vote Share



Note: The graph illustrates the marginal effect of relative international growth (domestic growth) on incumbent vote for different values of relative domestic growth (international growth). The colored area indicates 95% confidence intervals around the predicted marginal effect calculated from conditional standard errors. (N=501).

incumbent vote share over the range of domestic growth is higher than that of domestic growth.

2.4.1.1 An Alternative Measure for Relative Performances

In Table 2.3, we see an alternative measure to relative domestic and international performance. The measure of relative domestic performance is the difference in ave-

rage annual real GDP growth between the current incumbent's term and the previous term. However, for a deeper understanding of how voters evaluate the present economic outcomes by considering the previous periods, I construct an alternative measure which takes account of the last two years' of the incumbent's term and the previous term. It is an alternative to relative domestic performance. Similarly, for the relative international growth, I consider the difference between the last two

Table 2.3 The Effects of Last Two Years' Relative Domestic and International Economic Growth on Incumbent Vote Share

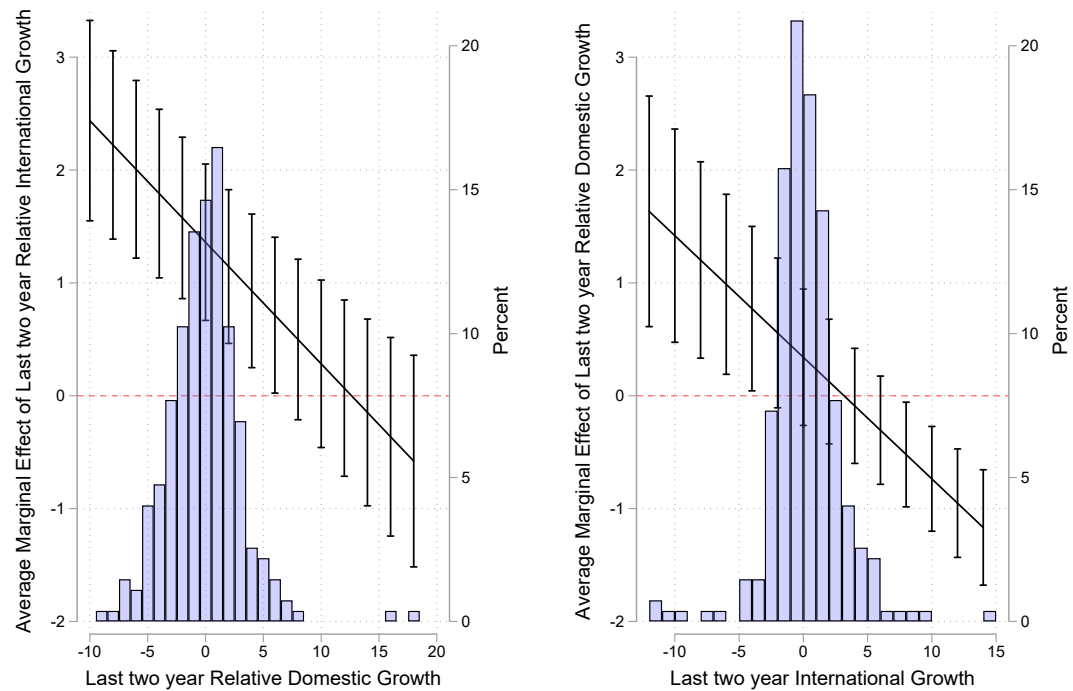
Incumbent Vote Share	Model 1	Model 2
Last 2 years' Relative Domestic Growth × Last 2 years' Relative International Growth		-0.108*** (0.022)
Last 2 years' Relative Domestic Growth	0.139 (0.290)	0.341 (0.302)
Last 2 years' Relative International Growth	1.225*** (0.415)	1.361*** (0.346)
International Growth	1.102** (0.541)	1.130** (0.530)
Election-year Growth	-0.261 (0.238)	-0.348* (0.189)
Previous Vote of Incumbent	0.672*** (0.107)	0.691*** (0.104)
Coalition	0.328 (1.605)	0.336 (1.429)
Effective Number of Parties	-1.715*** (0.507)	-1.670*** (0.477)
Presidential System	-1.076 (1.617)	-1.075 (1.614)
Constant	12.553** (5.257)	12.247** (5.046)
N	273	273
R ²	0.483	0.502

Notes: Robust standard errors clustered by country in parentheses.

* p<0.1, ** p<0.05, *** p<0.01

years' domestic growth and that of the average of the top-five markets. To test this proposition, I generate the variables *Last 2 years' Relative Domestic Growth* and *Last 2 years' Relative International Growth*. In Model 1, we see that the last two years' relative domestic growth does not predict incumbent vote share. This result is not surprising since the expectation is that the original measure of relative domestic growth provides voters with more information about the incumbent's competence because of the inclusion of the incumbent's whole term. However, we cannot argue the same for the alternative measure for relative international growth. The effect of the last two years' international growth on incumbent vote share is positive and significant. Moreover, its coefficient is larger than that of the previous models. Substantively, the analysis indicates that for each percentage point increase in new measure of relative international growth, the incumbent's vote increases by 1.2% percent, which is similar to the original measure of relative international growth.

Figure 2.5 The Average Marginal Effects of Last Two Years' Relative Domestic and International Growth on Incumbent Vote Share



Note: Error bars indicate 95% confidence intervals around the predicted marginal effects calculated from conditional standard errors (N=273).

Model 2 introduces the interaction of relative performances of the last two years', *Last 2 years' Domestic Growth x Last 2 years' International Growth*. It has negative effects on the incumbent vote share which means that last two years' relative domestic growth (international growth) has an enhancing effect on the incumbent vote share when the last two years' relative international growth (domestic growth) is lower. The negative coefficient on the interaction term means that its mediating effect increases as the last two years' relative international growth (domestic growth) decreases. Figure 2.5 graphically illustrates how the marginal effect of the last two years' relative domestic economic growth (international growth) varies across the in-sample range of the last two years' relative international growth (domestic economic).

Based on Model 2 in Table 2.3 Figure 2.5 shows the conditional effect of last two years' relative international growth across the in-sample range of last two years' relative domestic growth. The marginal effect of international growth on incumbent vote share decreases when domestic economic growth increases. The effect of relative international growth is statistically significant only for the values of the last two years' relative domestic growths less than 8 at 95% confidence level. Regarding the marginal effect of last two years' relative domestic growth for the in-sample range

of last two years' relative international growth, it is significant only when last two years' relative international growth is lower than -2. This means that only for lower levels of international growth, the effect of domestic growth on incumbent vote share is statistically significant.

When we compare the average marginal effects of last two years' relative international growth and our original measure of relative international growth, the marginal effect of the last two years' international growth on incumbent vote share is substantively more significant than that of the original measure. However, the sample size substantially decreases from 501 to 273 in Table 2.3.

2.4.2 The Opponent Party Strength

The third hypothesis is regarding the availability of a reliable alternative challenger as a condition for the electoral salience of relative domestic and international performance. My dataset includes vote shares of other parties from a diverse set of developed and developing countries, which allows us to test this hypothesis.

In close contests and bad economic conditions, alternative candidates have a greater likelihood of winning the election. Following the rational choice theory (Aldrich 1993, 246), the benefits derived from electing an alternative candidate would be higher in close contests with the higher P term, the probability of making or breaking a tie. Consequently, the electorate would evaluate and vote for the challenger party, which is believed to win the election and perform better in economic terms. From this point of view, bad economic conditions become a special case that can affect vote choices only when opponent strength is high. From an empirical standpoint, this implies a three-way interaction. Thus, I introduce a three-way interaction between relative economic measures and opponent strength.

The results in Table 2.4 present the effect of opponent strength and the conditional effects of relative economic measures and opponent strength on incumbent vote share. In Model 1, we see that opponent strength has a negative effect on incumbent vote share, a result in line with my expectation, but this effect is not statistically significant. Model 2 introduces the three-way interaction of relative domestic and international economic performance and opponent strength. In order to understand the effect of corresponding three-way interaction for opponent strength along with the relative economic measures and to assess varying effects of these measures on the predicted outcome it is needed to graphically illustrate.

Table 2.4 The Effect of Opponent Strength on Incumbent Vote Share

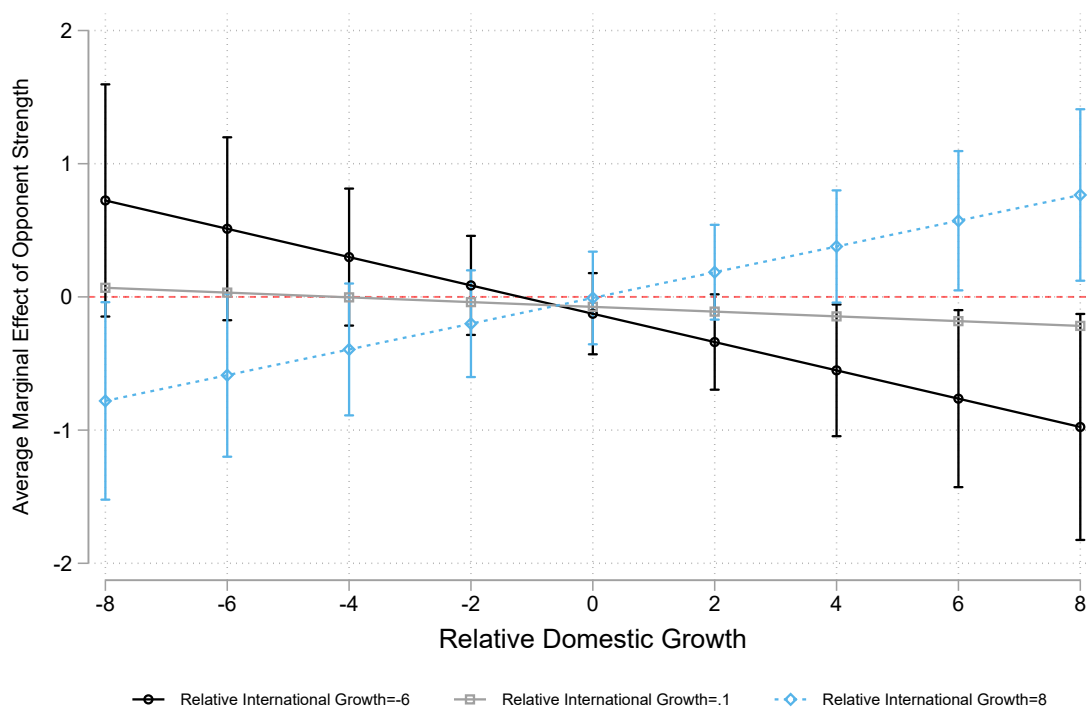
Incumbent Vote Share	Model 1	Model 2
Opponent Strength $\times$ Relative Domestic Growth $\times$ Relative International Growth		0.014*** (0.005)
Opponent Strength $\times$ Relative Domestic Growth		-0.019 (0.028)
Opponent Strength $\times$ Relative International Growth		0.008 (0.021)
Relative Domestic Growth $\times$ Relative International Growth	-0.106 (0.083)	-0.516*** (0.178)
Opponent Strength	-0.052 (0.052)	-0.075 (0.050)
Polarization	-0.276** (0.116)	-0.298** (0.119)
Relative Domestic Growth	0.246 (0.164)	0.840 (0.869)
Relative International Growth	0.608** (0.217)	0.432 (0.722)
International Growth	0.550* (0.305)	0.582* (0.311)
Election-year Growth	0.013 (0.101)	0.001 (0.095)
Previous Vote of Incumbent	0.671*** (0.075)	0.666*** (0.072)
Coalition	-0.345 (1.057)	-0.230 (1.042)
Effective Number of Parties	-1.656*** (0.512)	-1.704*** (0.483)
Presidential System	3.996 (3.287)	3.966 (3.293)
Constant	14.906** (5.683)	15.819*** (5.428)
N	298	298
R^2	0.715	0.719

Notes: Robust standard errors clustered by country in parentheses.

* $p < 0.1$, ** $p < 0.05$, *** $p < 0.01$

Figure 2.6 provides some evidence for the third hypothesis. In bad economic times, the effect of opponent strength on incumbent vote share is negative and strongest. Figure 2.6 plots the conditional effect of opponent strength (Model 2) across the in-sample range of relative domestic and international growth. The marginal effect of opponent strength on incumbent vote share is stronger in bad economic times when either relative domestic or international growth takes negative values. However, it becomes statistically significant only after a threshold. In other words, the opponent strength has a negative and statistically significant effect only when relative domestic

Figure 2.6 The Average Marginal Effect of Opponent Strength on Incumbent Vote Share

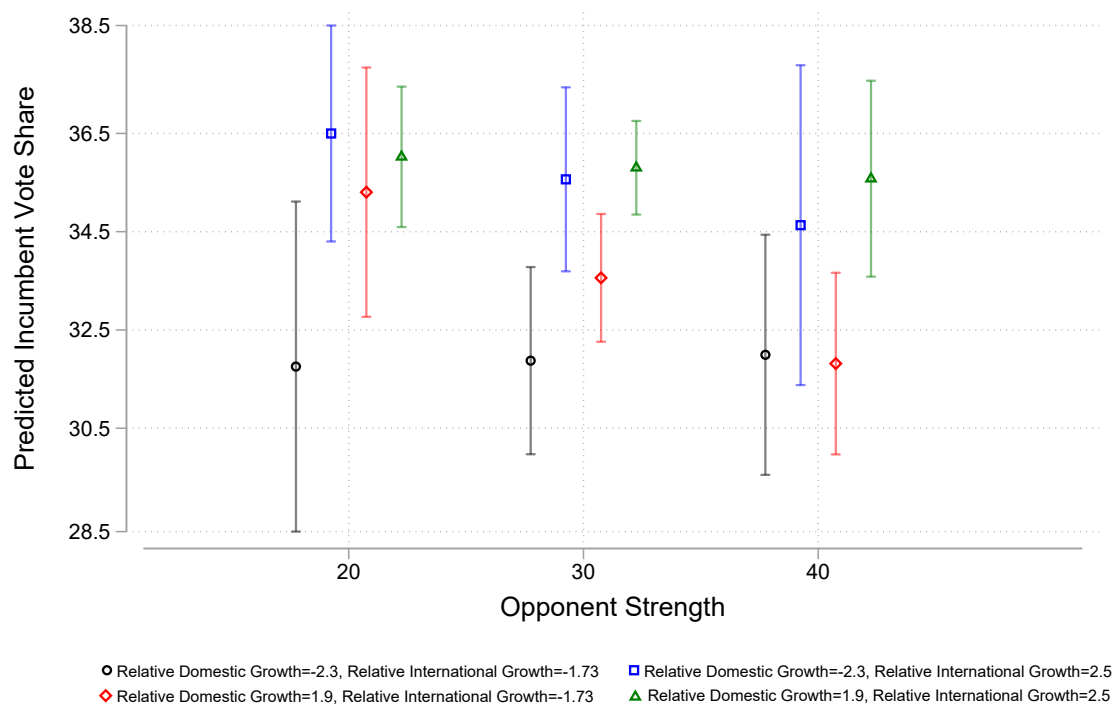


Note: Error bars indicate 95% confidence intervals around the predicted marginal effect calculated from conditional standard errors (N=298).

or international growth is at their lower levels. The effect decreases in magnitude as the relative economic measures are close to 0, which are also close to their mean values. The intriguing finding is that in very bad economic conditions where both the relative domestic or international economic performance is low and negative, the effect of opponent strength on incumbent vote share is positive, however, it is not statistically significant. When relative international growth is at -6 and relative domestic growth is at 4 and higher, the average marginal effect of opponent strength on incumbent vote share is negative and statistically significant. When relative domestic growth is at its lowest level -8 and relative international growth is at its highest level 8 average marginal effect of opponent strength on incumbent vote share is also negative and statistically significant. The incumbent vote share increases as opponent strength increases when relative international growth is at 8 and relative domestic growth is at 6 and higher.

Figure 2.7 illustrates the predicted incumbent vote share over the in-sample range of opponent strength which is held fixed at one standard deviation above the mean and one standard deviation below the mean. I also define high values of relative domestic and international growth as being one standard deviation above their respective means. Lower values are defined as one standard deviation below their means.

Figure 2.7 Predicted Incumbent Vote Share for Different Values of Relative Domestic and International Growth, and Opponent Strength



Note: Error bars indicate 95% confidence intervals around the predictions calculated from conditional standard errors (N=298).

Altogether there are four possible combinations for each denoted value of opponent strength (20 and 40). Figure 2.7 presents similar findings in Figure 2.6. Either relative domestic or international growth are their low levels, the incumbent vote share decreases when there is a two standard deviation move on opponent strength. In order to answer to what extent the effect of relative economic measures depends on opponent strength, I look to the differences in predicted incumbent vote shares. When the relative domestic growth is 1.9% and the relative international growth is at -1.73%, the difference is 3.5 ($35.3 - 31.8 = 3.5$) largest effect compared to other conditions. The predicted incumbent vote share decreases as the opponent strength increases from 20% to 40%. A similar but weaker association can be observed when relative domestic growth is -2.3% and relative international growth is 2.5%. The difference between predicted incumbent vote shares in given conditions is 1.9 ($36.5 - 34.6 = 1.9$) which is the second largest effect of opponent strength on incumbent vote share.

The findings in Table 2.5 show the effects of polarization in ideological positions of incumbent and opponent parties, and opponent strength on incumbent vote share. In Model 1, polarization has a negative and statistically significant effect on incum-

Table 2.5 The Effects of Polarization and Opponent Strength on Incumbent Vote Share

Incumbent Vote Share	Model 1	Model 2
Opponent Strength $\times$ Polarization		-0.030** (0.012)
Opponent Strength	-0.052 (0.052)	-0.126* (0.062)
Polarization	-0.276** (0.116)	0.537 (0.374)
Relative Domestic Growth $\times$ Relative International Growth	-0.106 (0.083)	-0.107 (0.084)
Relative Domestic Growth	0.246 (0.164)	0.218 (0.162)
Relative International Growth	0.608** (0.217)	0.671*** (0.231)
International Growth	0.550* (0.305)	0.601* (0.307)
Election-year Growth	0.013 (0.101)	0.005 (0.101)
Previous Vote of Incumbent	0.671*** (0.075)	0.673*** (0.074)
Coalition	-0.345 (1.057)	-0.426 (1.039)
Effective Number of Parties	-1.656*** (0.512)	-1.675*** (0.512)
Presidential System	3.996 (3.287)	3.946 (3.313)
Constant	14.906** (5.683)	16.861*** (5.709)
N	298	298
R^2	0.715	0.717

Notes: Robust standard errors clustered by country in parentheses.

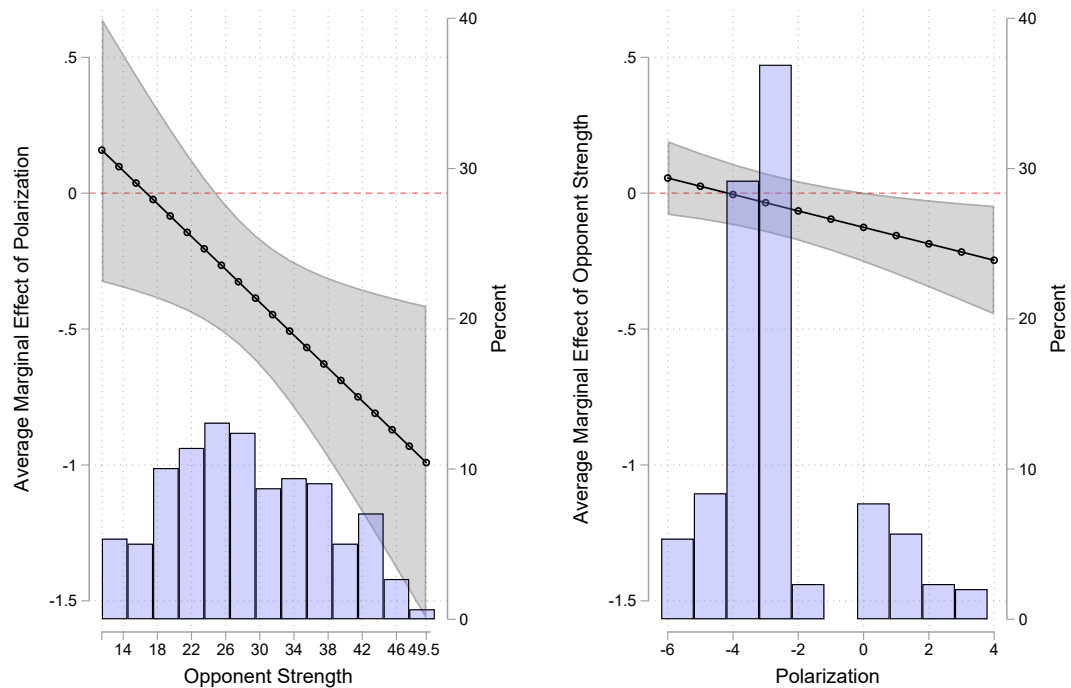
* $p < 0.1$, ** $p < 0.05$, *** $p < 0.01$

bent vote share. Substantively speaking, the findings suggest that for each point increase in polarization, incumbent vote share decreases by .38% percent. However, we should keep in mind that positive values of polarization indicate a difference of ideological positions for parties that are on the same side of the midpoint of the 10-point left-right scale. Similarly, the lowest value of polarization, -6.2, represents the highest polarization for the parties on different sides of the midpoint. Thus, the negative and significant effect of polarization suggests that when parties are on the same side of ideological space, the incumbent vote share decreases. When polarization is negative, incumbent vote share increases. The opponent strength has a

negative effect on incumbent vote share as well which is in line with our theoretical expectation. Nonetheless, it is not statistically significant at 0.05 level.

Model 2 includes the interaction of opponent strength and polarization. It has a negative effect on the incumbent vote share which provides evidence for the fourth hypothesis that polarization (positive) has a significant negative effect on incumbent vote share when the opponent's electoral strength is higher. In other words, as polarization decreases and becomes negative, which should indeed be read as an increase in polarization for two parties who are on different sides of ideological space, the incumbent vote share increases. Because the parties that are located on the same side of ideological space are more likely recognized as alternatives, but not the party located at on the other side of the incumbent's. For positive values of polarization, incumbent vote share decreases as opponent strength is high. This would also enhance the party's likelihood of being received by the electorate as a credible alternative to the incumbent.

Figure 2.8 The Average Marginal Effects of Polarization and Opponent Strength on Incumbent Vote Share



Note: The colored area indicates 95% confidence intervals around the predicted marginal effect calculated from conditional standard errors (N=298).

In order to better interpret the results of the interactive model, Figure 2.8 graphically illustrates how the marginal effect of polarization (opponent strength) varies across the in-sample range of opponent strength (polarization). Based on Model 2 in Table 2.5, Figure 2.8 shows the conditional effect of polarization across the in-sample range

of opponent strength. The marginal effect of polarization on incumbent vote share increases as opponent strength increases. The effect of polarization is statistically significant only when opponent strength is more than 26. To put in a different way the marginal effect of polarization is not statistically distinguishable from 0 for the values of opponent strength less than 26. The findings provide empirical support for the fourth hypothesis that the marginal effect of polarization on incumbent vote share is stronger when opponent strength is higher.

Figure 2.8 also shows the marginal effect of opponent strength for the in-sample range of polarization. It is significant only when polarization is higher than 0. It means that only for positive values of polarization, the effect of opponent strength on incumbent vote share is statistically significant. In other words, when the incumbent and opponent party are on the same side of the ideological space, opponent strength has a significant negative effect on incumbent vote share. This effect increases as polarization increases but only for parties that are on the same side of the ideological continuum. These findings provide empirical support for the fourth hypothesis that the effect of opposition strength on incumbent vote share is stronger when polarization is positive -i.e. when two major parties are on the same side. This effect increases in magnitude as polarization increases. This result is also in line with our expectation since the B term is expected to increase as polarization increases.

2.5 Conclusion

This study addresses both empirical and theoretical limitations in the literature on economic voting. Theoretically, the existing literature fails to account for the substitutive effects of relative domestic and international growth on the incumbent vote. Even though Aytaç (2018, 16) begins his article with some intriguing anecdotes of incumbent politicians who focus in their speeches on either their international or domestic economic growth depending on their better performance in either front, he does not explain the relative nature of these two reference points. Building on this puzzle, I argue that, to better understand the relationship between the economy and electoral outcomes we should look into the relative importance of international and domestic reference points for voters. I propose that these two sorts of comparison are used substitutively by incumbents and found empirical support. Furthermore, not all studies in the economic voting literature account for electoral strength and

ideological position of the parties in their analyses. I, thus, introduce a three-way interaction in the second model specification.

Empirically, by comparing the incumbent vote shares with several datasets such as ParlGov (Doring and Manows 2018) and Manifesto Project (Lehmann et al. 2017), I recoded the incumbent vote share. Moreover, the question of how voters take into account previous economic outcomes when evaluating the current economic performance is not clear. Thus, alternative measures to the key independent variables, relative domestic and international growth, are introduced.

I believe that the recognition of substitutive effects of the domestic and international economic reference points along with the electoral strength and ideological position of the parties is a theoretical contribution to the study of economic voting. This study constitutes only one aspect of a broader research agenda. One of the most intriguing research avenues is looking into voters' reference points through an individual-level analysis by using survey data. During the same incumbency term, some voters perceive economic performance as good and some others consider it as bad. Which factors shape their perceptions when they evaluate the economy? What is the effect of party identification on incumbent vote share across the observed range of economic performance? Does voters' stronger party identification in a country intensify the effects of economic factors due to their biased perception? Does the ideological position of the incumbent party matter for holding them as responsible for the economic outcomes? In order to answer some of those questions, I conduct micro-level analyses in the next chapter, where individuals' economic evaluations are used to predict incumbent support after controlling for the partisan commitments and ideological positions of the individual survey respondents. The main focus in micro-level analyses is the individuals' assessments of the current economy over the 12 months prior to the collection of survey data. This does not directly allow us making a comparison of the macro- and micro-level of determinants of economic voting due to a lack of information regarding individuals' domestic and international reference points in evaluating the incumbent's competence but, nonetheless, allows us to draw inferences about micro-level motives of economic voting.

3. ECONOMIC VOTING IN TURKEY

Since the first competitive multi-party elections in 1950, a total of 19 general elections were held in Turkey. A bunch of studies in the earlier literature present descriptive and aggregate level examinations of voting behavior (Çarkoğlu 2012b, 160), whereas the number of individual-level studies has been increasing in recent decades (Toros 2014, 1011). Although the empirical studies on voting behavior are on the rise, there are some contradictory results regarding economic voting in Turkey in the previous literature. For instance, the traditional economic voting hypotheses, that individuals' economic evaluations about the past affect their vote choice, found support in Toros's (2014) study of the 2002 elections and Kalaycıoğlu's (2010) study of the 2007 elections. However, in examining the 1999 elections Esmer (2002) found no impact, and Çarkoğlu and Toprak (2000) found a secondary, small impact of voter evaluations of economic conditions on party choice. Therefore, this chapter aims to re-examine the factors that shape party preferences in Turkey by looking at the most recent general elections, the June 2015 and June 2018 elections.

Since November 2002, the conservative AK Party has dominated the electoral scene in Turkey. There are two main concerns in the earlier literature regarding the factors affecting incumbent party support which are individuals' ideological positions and their evaluations of the government's economic performance. Hence, the objective of this chapter is reviewing whether the long-term ideological or short-term pragmatic concerns as well as the incumbent partisanship influence voting behavior, along with providing a comparative assessment of the incumbent AK Party support in the two most recent general elections. All analyses are based on the post-election surveys conducted shortly after the election dates. The analyses show that all the aforementioned factors are significant determinants of voting behavior. The incumbent partisanship and left-right ideological positions have significant effects in both elections, while the economic performance evaluations have been important only for the 2018 election and the effect is largely conditional on the ideological position of voters.

In this chapter, first, the previous literature on Turkish electoral behavior will be

briefly reviewed. Second, some major findings from the previous literature concerning the center-periphery cleavage and the economic voting hypothesis in Turkey will be presented. Then, I will introduce the hypotheses derived from my theory and demonstrate the main empirical results concerning the effects of economic evaluations on electoral preferences of individual voters in the most recent Turkish general elections in 2015 and 2018 by using individual-level from the CSES data. In the final section, I will discuss the main implications of my findings.

3.1 The Determinants of Voting Behavior in Turkey

Çarkoğlu (2012b, 160) notes that previous studies on voting behavior in Turkey point out the sui generis character of Turkish elections. Electoral studies on Turkey are not consistent with the cutting-edge political science research (Çarkoğlu 2012b, 160), thus, the major theoretical discussions presented elsewhere may not be applicable to the Turkish case. Three reasons are cited: the repeated military interventions in the country, the limited influence of the rational choice approaches within the political science community in Turkey, and lastly, the lack of data and methodological sophistication concerning empirical/quantitative analysis in the field (Çarkoğlu 2012b, 160). Regarding the last reason, it is stated that for a long time the comparable individual-level data were not available for long term data analysis because of lack of institutional funding and permanent academic team to manage data collection attempts (Çarkoğlu 2012b, 160-61). Moreover, existing research on the available data remained largely descriptive unlike the Western political science literature, which is predominantly quantitative with a particular focus on theoretical concerns and hypothesis tests (Çarkoğlu 2012b, 161).

In these respects, two main concerns in shaping voters' preferences, ideological cleavages and economic evaluations in the previous literature will be outlined below with their possible application to Turkish voting analyses.

3.1.1 Ideological Cleavages and Turkish Voting Behavior

Both spatial and Michigan voting models can be applicable to the Turkish case and supported within Mardin's (1973) framework of center-periphery cleavage (Çarkoğlu 2012b, 161-62). According to the spatial model, the distance between individuals' ideal positions along the left-right spectrum and the perceived positions of the parties helps explain the vote choice of people. Such kind of a distance measure was first used by Çarkoğlu and Toprak (2000, 112-18). The authors confirm the expectation that as the distance between the ideal point of individual and the party's perceived positions increases, casting a ballot for the party in question is likely to decrease.

Based on survey data collected in 2001, about a year and a half prior to the 2002 elections, Çarkoğlu and Hinich (2006) suggest a spatial interpretation of issue space in Turkey. In their two-dimensional space, the first dimension is a reflection of the center-periphery cleavage in Turkish politics in which the left corresponds to a secularist position and the right overlaps with the pro-Islamist stance. These positions are shaped around the religious issues. The second dimension, the positions are shaped around the social and economic reforms in the country. Individuals who support the European Union (EU) reforms and who are Turkish nationalists constitute the two opposite ends of the second dimension. Through this two-dimensional space model, Çarkoğlu and Hinich (2006) successfully differentiate party positions as well.

Furthermore, voters of the same party generally share common demographic characteristics such as age, gender, socio-economic group, ethnicity, religious identity, and ideological beliefs, which largely influence the Turkish electoral behavior literature (Çarkoğlu 2012b, 162). Following the so-called Michigan school (Campbell et al. 1960), scholars have used a model that heavily relies on party attachments, in reference to the so-called funnel of causality. According to the model, voters' information gathering and processing are closely related to their party identification (PID). PID, which is defined as an outcome of the family influence in early childhood and youth, shapes their perceptions and party preferences. It creates a process in which voters are attracted or repelled toward certain parties, thus, generates biased considerations (Çarkoğlu 2012b, 162). According to the model, vote preferences are formed in the early political socialization process and are hard to change.

However, it seems that Turkish voting behavior differs from the Michigan model in one respect. In Turkey, we may not talk about the long-term party identification since there is no party that existed throughout the entire multiparty election period, without some sort of an interruption (e.g., party closures or military interventions) (Çarkoğlu 2012b, 162). Nonetheless, it is stated in literature that the reference to PID is made through a party family identification rather than a single party one

(Çarkoğlu 2012b, 162).

3.1.1.1 Center-Periphery Cleavage

Categorizing parties in accordance with their origins is the first approach that Mair and Mudde (1998) examine. In this approach, parties are grouped based on the historical conditions that gave rise to them as well as the type of interests they represent. This is closely related to the center-periphery cleavage, which is explained in Lipset and Rokkan's seminal study (1967). Mardin (1973) introduced the center-periphery cleavage for the first time to the study of Turkish politics. Çarkoğlu and Hinich (2006) claim that the dominant secularist vs. pro-Islamist cleavage in Turkey is a reflection of the center-periphery divide and, in some respects, it has common characteristics with the Left-Right (L-R) policy space in Western party systems.

The center-periphery cleavage and the “church-state” cleavage constitute the main cleavages in Turkey around which the party system has evolved. According to Özbudun (2013), however, the center-periphery cleavage in Turkey is distinctive in terms of representing an opposing relationship between the rulers and the ruled, rather than being a mere geographical division as originally presented by Lipset and Rokkan (1967). This division has a historical root, which emerged during the Ottoman era when the center had represented the ruling circle consisted of the imperial house and its many allies, and the periphery had contained of various ethnic and religious groups that were excluded from the ruling group (Çarkoğlu 2012b, 162). Furthermore, Çarkoğlu (2018, 7) notes that “a ‘center’ with its modernizing universalist value basis largely overlaps with the left, while local traditionalist parochialism of the ‘periphery’ largely intersects with the right within the conventional L-R framework.” This division represents a cultural divide, which has remained similar and continued to shape Turkish politics since the Republican period (Çarkoğlu 2012b, 162). Hence, in previous literature, it is expected that ‘centrist’ parties represent religiosity and ethnic minorities less, and appeal more to urban voters. However, more religious and lesser educated electorates are attracted to the ‘peripheral’ parties (Çarkoğlu 2012b, 163).

3.1.1.2 Previous Empirical Studies on Center-Periphery Cleavage

In the earlier voting behavior literature, the first systematic study of Turkish electoral behavior was conducted prior to the 1977 general election by Ergüder and Özgediz (Çarkoğlu 2007, 258). In order to differentiate major parties' constituencies, they used a left-right scale (Ergüder 1980-81). Çarkoğlu and Hinich (2006, 2008) also point to that left-right is the dominant dimension in Turkish politics. However, Çarkoğlu (2007, 258) also notes that a single dimensional left-right depiction of the ideological space is questionable, and a multidimensional framework better explains the ideological competition in the Turkish party system. The first dimension represents the center-periphery cleavages, and the second dimension is for ethnic cleavages based on Turkish and Kurdish identities (Çarkoğlu 2007, 258).

In 1977 data, Ergüder and Özgediz found that ethnicity, religiosity, occupational categories, and education level were helpful in differentiating the parties' constituencies, which is in line with the center-periphery framework (Çarkoğlu 2012b, 163). For instance, voters of the Republican People's Party (CHP) consisted of mostly workers and civil servants in addition to those who were younger and with higher education levels (Çarkoğlu 2012b, 163). Moreover, 79 % of people who stated that they did not pray on a daily basis along with 55 % of those whose mother tongue was not Turkish were CHP voters (Çarkoğlu 2012b, 163). In sum, Ergüder and Özgediz (1980-81) successfully showed the extent to which the center-periphery cleavage shaped electoral preferences in 1977.

Using the 1990 World Values Survey (WVS), a nationwide representative sample, Esmer (1995) found that variations within left-right placement, education, and religiosity, as well as the attitudes toward gender issues, indicate the differences across parties (Çarkoğlu 2012b, 163).

With respect to the 1999 elections, there were two studies: a pre-election survey of Çarkoğlu and Toprak (2000) and a post-election survey of Esmer (2002). According to their findings, self-placement on the left-right ideological scale was statistically significant for all party constituencies (Çarkoğlu 2012b, 164). What is important to us, it is reported that voter evaluations of economic conditions have no impact on vote choice in Esmer's (2002) study and have a secondary impact in the study of Çarkoğlu and Toprak (2000). Furthermore, religiosity was found as a significant variable distinguishing the pro-Islamist party constituencies in both studies. Kalaycıoğlu (1994) also use the religiosity measure to operationalize the center-periphery divide by using the 1990 WVS data. He was the first to associate the center-periphery framework of Mardin (1973) with the party choice (Çarkoğlu 2012b, 164). These empirical findings suggest that religiosity has a significant effect on party choice (Kalaycıoğlu 1994, 421). Centrist voters were more likely to have low reli-

giosity levels while peripheral voters tend to have higher religiosity levels (Çarkoğlu 2012b, 164). Following a similar approach in his 1994 study, Kalaycıoğlu used the 1997 WVS data and reported that historical-cultural factors have a significant effect, rather than socio-economic factors, on party choice (Çarkoğlu 2012b, 164).

3.1.2 Economic Voting in Previous Literature

Başlevent, Kirmanoğlu, and Şenatalar (2004, 2005) used the 2002 Turkish Social, Economic, and Political Research Foundation (Türkiye Sosyal Ekonomik Siyasal Araştırmalar Vakfı - TÜSES) pre-election data, and found that 88 percent of respondents believed that the economy had gotten worse over the 12 months prior to the collection of survey data. This is however not surprising when the effects of the 2001 financial crisis on the Turkish economy are recalled. Nonetheless, there was not any evaluation in Başlevent, Kirmanoğlu, and Şenatalar's (2004, 2005) study regarding respondents' attribution of responsibility for the economic condition of the country (Çarkoğlu 2012b, 165).

As another important issue, Başlevent, Kirmanoğlu, and Şenatalar (2005, 553) showed some future evaluations regarding economic developments: 92 percent of respondents reported that their family's economic condition would worsen over the following year. However, in Çarkoğlu and Kalaycıoğlu's (2007, 142-52) data which were collected six months after the TÜSES study, an increase was observed in positive prospective evaluations at the time of the 2002 general elections.

As a critical issue for this study, the economic voting hypothesis may find support in the case of Turkish electoral behavior in the analyses based on the survey data collected prior to the 2002 general elections. However, the effects of the 2001 financial crisis on the Turkish economy should not be ignored (Çarkoğlu 2012b, 166). Moreover, Çarkoğlu (2012b, 166) notes that when the nature of economic voting hypothesis, which requires the responsibility attribution concerning economic developments to the government by voters, was disregarded in the analyses, the economic evaluations of voters per se would not be useful determinant in explaining the vote choice.

Nonetheless, in the studies of both Başlevent, Kirmanoğlu, and Şenatalar (2004, 2005), and Çarkoğlu and Kalaycıoğlu (2007), the aim was differentiating the major parties' constituencies from each other rather than testing the economic voting hypotheses. Hence, their findings suggested that the issue position variables

have larger effects than the economic evaluations on profiling party constituencies (Çarkoğlu 2012b, 167).

Using the 2003 data, Başlevant, Kirmanoğlu, and Şenatalar (2009) observe some changes in voter profiles. For instance, 62.4 % of the respondents reported AK Party as the party they identify with (Başlevant et al. 2009, 380). According to the findings, economic evaluations have a positive effect on AK Party support (Çarkoğlu 2012b, 167). Furthermore, by employing survey data collected before the 2007 elections, Çarkoğlu (2008) addressed which factor, economic evaluations or ideological background, is having a more salient effect on vote decision. By comparing the results with those of 2002, he reported that economic evaluations were more significant than ideological predispositions in the 2007 elections (Çarkoğlu 2012b, 167).

3.2 Theory

Two competing influences are discussed in the Turkish electoral behavior: one is about long-term ideological orientations, and the other is about short-term economic evaluations of voters (Çarkoğlu 2012a, 513; Kalaycıoğlu 2010, 30). Therefore, in this second empirical chapter of this thesis, the aim is to re-examine the effects of these factors on voting for the incumbent party in the most recent two Turkish general elections in 2015 and 2018 by using available part of the CSES data, the nationwide representative surveys.

The incumbent AK Party, which has been in government since the November 2002 elections, has managed to win every election with a significant electoral margin. What is noteworthy here is that whether we can relate the AK Party's success to long-term ideological orientations and partisanship of voters or to the AK Party's relatively good macroeconomic performance as the incumbent party. The AK Party was established in 2001 as a conservative party with strong Islamist references and its founders, who are called as the "Young Turks" were within the movement of the political Islamist National Outlook (Kalaycıoğlu 2010, 29-30). Hence, the AK Party's electoral victories were related to its religious stand by some scholars and in the international media (Kalaycıoğlu 2010, 30).

However, in general, the studies of the Turkish voting behavior since the 1990s concentrate on two major phenomena, ideological orientation and economic prospects,

in shaping Turkish voters' party preferences (Kalaycıoğlu 2010, 30). This is a two-stage process: in the first one, voters' preferences are shaped by the ideological factors, and the economic prospects or cost-benefit calculations dominate the second stage in forming their vote choices (Kalaycıoğlu 2010, 31). Consequently, it is stated that voters would likely to make their party choice without entering the second stage, where the cost – benefit calculations are made, and simply act upon their ideological orientation (Kalaycıoğlu 2010, 31). However, the ideological position on the left-right spectrum does not always explain vote preferences. Sometimes, the voter needs to make a further evaluation between parties and votes on the basis of the economic conditions (Kalaycıoğlu 2010, 31-32). Therefore, in order to understand which factors are overwhelmingly effective in shaping the vote choice of individuals, the following hypothesis will be tested.

H5: Controlling for voters' ideological orientations, the effect of voters' economic evaluations on incumbent party support is positive and significant.

However, the effect of voters' economic evaluations should be conditional on their ideological distance to the incumbent party. The so-called 'projection effects' is simply about that voters pull parties/candidates they like closer to their personal ideal position, while they push candidates/parties they dislike further away (Grand and Tiemann 2013, 497). As a result, voters whose ideological positions overlap with the AK Party, or who place themselves far from the AK Party would likely to perceive economy based on their party identifications. For instance, when the ideological distance between the voter and the incumbent party is close to 0, then s/he is likely to perceive the country's economy as in good shape. However, when the perceived distance between the voter and the incumbent party is at its higher level, then the voter is more likely to evaluate the economic conditions as bad. This is explained in the literature in two different ways. The first one is mentioned above, originated from the PID, which can become a biased filter of evaluation (Çarkoğlu 2012b, 162). Those with strong partisanship are unlikely to change their party choice, while individuals with low PID more easily shift their party choices (Çarkoğlu 2012b, 162). Second, it is noted that the adverse evaluations of economic policy performance is one of the characteristics of the "Left" "Right", on the other hand, is characterized by more trusting and happy individuals who side with the maintenance of the status-quo (Çarkoğlu 2007, 268). Hence, it is expected that economic voting theory works well for individual voters placing themselves in the midpoint of the ideological scale since they are expected to have relatively more neutral evaluations regarding the incumbent's competence and to be free from the effects of the so-called projection bias that arises from the stronger partisan attitudes.

H6: The marginal effect of voters' economic evaluations on voting for the incumbent party is positive and significant, when ideological distance with the incumbent party is at higher values.

3.3 Empirical Analysis

3.3.1 Data

My two hypotheses on Turkish voting behavior will be tested using two survey studies from the CSES Modules 4 and 5, collected shortly after the June 2015 and June 2018 general elections. The reason of choosing these two survey studies is related to the aim of comparing the empirical findings regarding Turkish electoral behavior in two different general elections as well as addressing the most recent general elections. The earlier CSES modules were not examined here since they do not include the same questions, if any, for the state of economy questions. The sample size in the CSES Module 4 for the 2015 Turkish general elections is 1086, and the number of respondents in the CSES Module 5 for the 2018 Turkish general elections is 1051.

3.3.2 Variables

3.3.2.1 Dependent Variable

The dependent variable in the analyses is the respondent's vote choice for party list in the November 2015 and the June 2018 Turkish elections. In the original dataset, it is a categorical variable taking the value of 1 for AK Party, 2 for CHP, 3 for MHP, 4 for HDP, 5 for SP, 90 for the others, 92 for the invalid ballot, 97 for "No Answer", 98 for "Don't Know", and 99 for the missing case (the options from 92 to 99 are

excluded from the analyses). These answers are recoded into a dummy variable. In contrast to earlier works, party preferences are operationalized in a binary fashion, where 1 indicates the vote choice for the incumbent party, AK Party, and 0 denotes the votes for all other parties. This is because the main focus in this thesis is on the incumbent vote, rather than differentiating major parties' constituencies.

3.3.2.2 Independent Variables

Economic Voting

In order to assess subjective economic perceptions of respondents, a question is asked in two survey studies. Retrospective sociotropic evaluations are derived from the survey question “would you say that over the past twelve months, the state of the economy in Turkey has gotten better, stayed about the same, or gotten worse?” The options of “gotten better”, “stayed the same”, and “gotten worse” are common in both datasets. However, the CSES survey for the 2018 elections, include a larger option scale including “gotten somewhat better” and “gotten somewhat worse”. The answers to this question are recoded into a categorical variable ranging from 1 to 5 where 1 stands for “gotten worse” and 5 stands for “gotten better”. Another survey question allows us to assess for the presence of prospective economic voting in the CSES Module 5, which is “over the next ten years or so, how likely or unlikely is it that you will improve your standard of living? Very likely, somewhat likely, somewhat unlikely, or very unlikely?” However, this question will not be used in our analyses, since there is no information regarding the same attitude in the CSES Module 4.

Sociodemographic and Economic Factors

Sociodemographic variables consist of gender, age, education level, and settlement type. Gender is a dummy variable that denotes females as 1 and males as 0. Age is a continuous variable and ranges from 17 to 90. The age-squared is also included in all models assuming that the effect of age is non-linear. In other words, the effect of age on incumbent vote could be negative up until, let's say, the age of 35, then positive until 50, and negative again thereafter. As a result, adding the age-squared variable to the models allows us to capture more accurately the non-linear effect of age. The settlement, rural or urban residence, variable takes values of 1 for large town or city, 0 for the rural area, village, small or middle-sized town, and suburbs of the large town. Education level is an ordinal variable that ranges from 0 to 6. 0 is assigned to those with no education, 1 to primary school graduate, 2 to lower

secondary graduate, 3 to upper secondary graduate, 4 to university graduate, 5 to those with a master's degree, and 6 to those having a doctoral degree. Income is our socioeconomic variable and measured as quintiles where 1 indicates the lowest household income quintile and 5 the highest household income quintile.

Identity

Attendance to religious services is measured using a 6-point scale. The options are never, once a year, two to eleven times a year, once a month, two or more times a month, once a week or more than once a week. This is one of the most commonly used measures of religious attitudes in survey research (Kempf-Leonard 2004, 373). Furthermore, for the ethnic identity, the question of which language is usually spoken at home is used. Language is a binary variable where 1 indicates those who speak Kurdish at home, and 0 indicates other languages.

Party Identification and Ideological Distance

The question of which party respondents feel closest to is employed to measure the partisanship along with the statement on the degree of closeness to the party in question. Since our aim is to explain incumbent party vote, the former question is recoded as a binary variable where 1 indicates to those who report that they feel closest to the incumbent party, the AK Party. As a result, the degree of closeness provides us with the information about the extent to which a respondent feels close to the AK Party, which can take values of 1 for very close, and 0 for somewhat close or not very close. Moreover, the questions of “where would you place the AK Party, incumbent party, on a scale from 0 to 10 where 0 means the left and 10 means the right?” and “where would you place yourself on this scale?” are used in order to measure individuals' self placements and placements of the incumbent party. The ideological distance measure is created by taking the difference between the mean reported ideological position of the AK Party (8.44 and 8.5 in the 2015 and the 2018 elections). The reason for taking the mean ideological position of the AK Party is related to our aim to cancel out projection bias inherent in survey data. However, the perceived ideological distance variable is also generated by taking the difference in reported positions of self and the AK Party, and presented in the appendix.

3.4 Empirical Findings

All models which are presented in Table 3.1 are estimated via logistic regression. Model 1 includes all the socio-demographic and economic, identity related, and ideological distance variables. The effect of ideological distance on incumbent vote is negative and statistically significant. As the ideological distance between a voter and the incumbent party increases, incumbent support decreases. With respect to socio-demographic and economic variables, education level has a negative and statistically significant effect on voting for the AK Party. Model 1 shows that when the level of education decreases the AK Party support increases. In other words, lowly educated tends to vote for AK Party. The effect of income is also negative and significant, which means that the AK Party is more popular among those who belong to lower household income quintiles. Furthermore, female voters are significantly more likely to prefer the AK Party than male voters do. In terms of identity related variables, religiosity has a positive and significant effect on AK Party support. More religious voters tend to vote for the incumbent party. The language spoken at home has a negative and significant effect on the incumbent vote as well. Voters who speak Kurdish at home tend to not vote for the AK Party. Overall, all the results derived from Model 1 are in line with the previous literature (e.g., Çarkoğlu 2012b; Çarkoğlu 2018; Çarkoğlu and Toprak 2000; Ergüder 1980-81; Esmer 2002; Kalaycıoğlu 1994).

Model 2 aims to test the fifth hypothesis. The effect of voters' economic evaluations on incumbent party support is positive and significant. Indeed, Model 2 indicates that those who report that the state of economy has gotten worse tend to vote for other parties, while those who find the economy gotten better over the previous 12 months are significantly more likely to vote for the AK Party. However, Model 3 presents contradictory results to the specified hypothesis. Incumbent partisanship and degree of partisanship appeared as possible confounding variables in Model 3. Not only the relationship between the economic voting variable and incumbent vote vanishes when the incumbent partisanship and degree of partisanship are controlled for, but also all the socio-demographic and economic, and identity related variables on the incumbent vote become insignificant. Hence, the conclusion is that the effects of all the independent variables except for the ideological distance are likely to be mediated by partisanship, which makes the hypothesized relationship a spurious one.

Model 3 also introduces the interaction of incumbent partisanship and degree of partisanship. Figure 3.1 illustrates the effects of incumbent partisanship on incumbent vote for the in-sample range of degree of partisanship. In the first case, incumbent partisanship equals to 0, which indicates those who state that they feel not close to AK Party but to some other party, the probability of voting for the incumbent is at

Table 3.1 The Effects of Economic Evaluations, Ideological Distance, and Partisan Commitments on Incumbent Party Vote

	Model.1	Model.2	Model.3	Model.4
Incumbent Vote				
Economic Evaluations × Ideological Distance				0.256*** (0.079)
Economic Evaluations		0.752*** (0.073)	0.075 (0.149)	-0.422** (0.215)
Ideological Distance	-0.688*** (0.051)	-0.612*** (0.053)	-0.341*** (0.105)	-0.969*** (0.251)
Incumbent Partisanship			9.914*** (1.246)	10.128*** (1.289)
Degree of Partisanship			0.831* (0.455)	0.896* (0.466)
Incumbent Partisanship × Degree of Partisanship			-2.233*** (0.614)	-2.255*** (0.630)
Education	-0.290*** (0.085)	-0.267*** (0.092)	-0.156 (0.177)	-0.145 (0.182)
Religiosity	0.210*** (0.050)	0.193*** (0.055)	0.111 (0.102)	0.111 (0.106)
Income	-0.134** (0.064)	-0.172** (0.071)	0.123 (0.137)	0.109 (0.139)
Gender	0.375** (0.166)	0.462** (0.181)	-0.241 (0.366)	-0.217 (0.371)
Age	-0.020 (0.031)	-0.017 (0.033)	0.014 (0.059)	0.012 (0.060)
Age ²	-0.000 (0.000)	-0.000 (0.000)	-0.001 (0.001)	-0.001 (0.001)
Language	-1.040*** (0.352)	-0.713* (0.368)	-0.191 (0.816)	-0.188 (0.904)
Urban Residence	-0.012 (0.167)	-0.186 (0.183)	-0.145 (0.353)	-0.153 (0.360)
2018 Election=1	0.417** (0.166)	0.153 (0.183)	0.178 (0.366)	0.242 (0.372)
Constant	2.413*** (0.741)	0.588 (0.815)	-3.948** (1.794)	-2.808 (1.831)
N	1062	1062	1062	1062
Pseudo-R ²	0.352	0.440	0.803	0.809
Log-likelihood	-476.297	-412.092	-145.027	-140.131
AIC	974.594	848.184	320.055	312.261
BIC	1029.241	907.799	394.573	391.748

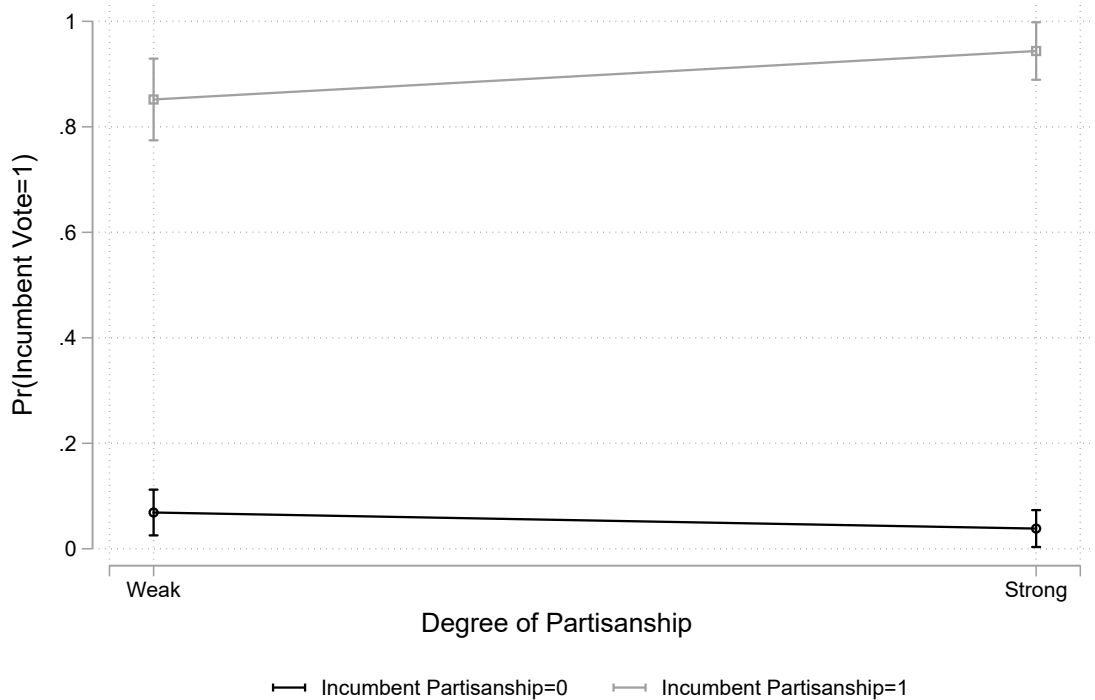
Notes: Standard errors in parentheses.

* p<0.1, ** p<0.05, *** p<0.01

its lowest level. However, among those who state that they feel closest to AK Party, the probability of incumbent vote dramatically increases. When voters report to

feel closest to AK Party but not really very close, the probability of voting for the incumbent decreases but it is not a substantial decrease.

Figure 3.1 The Effect of Incumbent Partisanship on Incumbent Vote



Note: The graph illustrates the marginal effect of incumbent partisanship on incumbent vote for different levels of partisanship. Error bars indicate 95% confidence intervals around the predictions calculated from conditional standard errors. (N=1062).

Furthermore, when the partisanship variables are included, the AIC value dramatically drops from 848 to 320. The smaller AIC value in Model 3 indicates that the Model 3 is the preferable model and provides the better fit. In addition, a likelihood ratio (lr) test is used. Model 3 is considered as the full model, and a model nested in Model 3 is generated by imposing restrictions on the parameters of the Model 3 which are reported in Table 3.2. The first model drops economic evaluation variable from the model. The output of lr test gives the chi-squared value for the test (0.60) as well as the p-value for a chi-squared of 0.60 with one degree of freedom. Degrees of freedom in lr test indicates the number of parameters that are constrained (i.e., dropped from the model), which is the economic evaluation variable here. The result of the lr test shows that adding the economic evaluation variable does not provide a statistically significant improvement in model fit. The Wald test also examines whether restricting some parameters seriously harms the fit of the model, which also suggests the same conclusion. Based on a p-value of 0.44, we are not able to reject the null hypothesis that the coefficient for economic evaluation is not

Table 3.2 The Effect of Economic Evaluations on Incumbent Vote

	Model.1	Model.2
Incumbent Vote		
Economic Evaluations		0.075 (0.149)
Incumbent Partisanship $\times$ Degree of Partisanship	-2.269*** (0.612)	-2.233*** (0.614)
Incumbent Partisanship	10.065*** (1.218)	9.914*** (1.246)
Degree of Partisanship	0.835* (0.457)	0.831* (0.455)
Ideological Distance	-0.349*** (0.104)	-0.341*** (0.105)
Education	-0.158 (0.176)	-0.156 (0.177)
Religiosity	0.114 (0.102)	0.111 (0.102)
Income	0.130 (0.137)	0.123 (0.137)
Gender	-0.249 (0.365)	-0.241 (0.366)
Age	0.016 (0.059)	0.014 (0.059)
Age ²	-0.001 (0.001)	-0.001 (0.001)
Language	-0.092 (0.837)	-0.072 (0.832)
Urban Residence	-0.175 (0.358)	-0.195 (0.361)
2018 Election=1	0.204 (0.362)	0.178 (0.366)
Constant	-3.875** (1.792)	-3.948** (1.794)
N	1062	1062
Pseudo-R ²	0.803	0.803
Log-likelihood	-145.154	-145.027
AIC	318.308	320.055
BIC	387.859	394.573

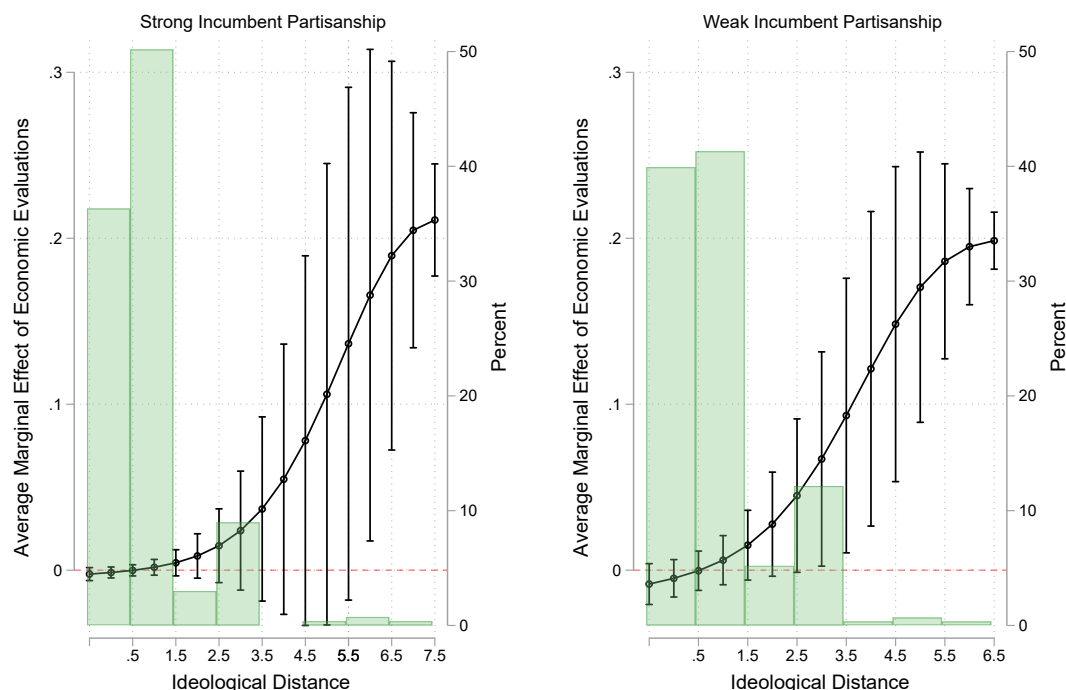
Notes: Standard errors in parentheses.

Two-tailed tests. * p<0.1, ** p<0.05, *** p<0.01

different from zero, meaning that including economic evaluation variable does not statistically significantly improve the fit of the model to the CSES data.

Model 4 introduces the interaction term of voters' economic evaluations and ideo-

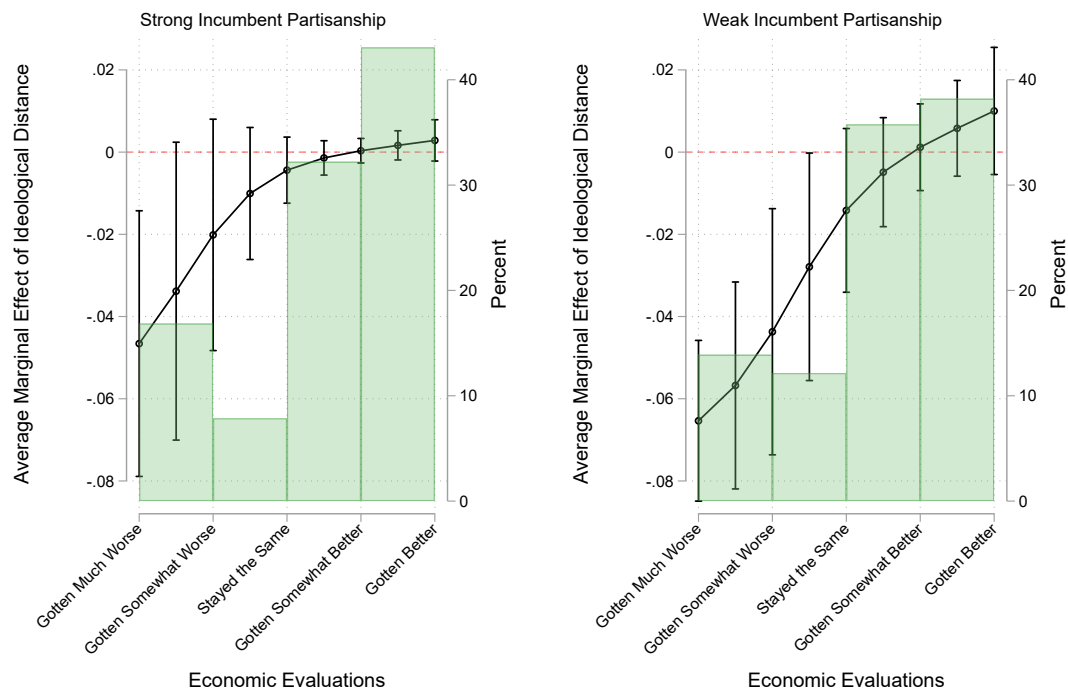
Figure 3.2 The Average Marginal Effect of Economic Evaluations on Incumbent Vote for Different Levels of Incumbent Partisanship



Note: The graph illustrates average marginal effect of voters' economic evaluations on incumbent vote across the in-sample range of ideological distance for voters with strong and weak incumbent partisanship. Error bars indicate 95% confidence intervals around the predicted marginal effect calculated from conditional standard errors (N=1062).

logical distance from AK Party. Figures 3.2 and 3.4 graphically illustrate how the marginal effect of voters' economic evaluations (ideological distance) varies across the in-sample range of ideological distance (economic evaluations). Figure 3.2 illustrates the effect of economic evaluations on incumbent vote for voters who state that they feel closest to the incumbent party. For voters who feel closest to AK Party, the effect of economic evaluations on the AK Party vote is positive and significant only for those who place themselves far from the AK Party's ideological position. This effect is stronger for those who have weaker partisanship commitments toward the AK Party. For those who place themselves at 5 or to its left of the ideological scale and those who have weaker commitments toward the AK Party, the effect of economic evaluations on incumbent vote is positive and statistically significant. More specifically, economic voting does not work for stronger partisans but works well for those who have weaker partisan commitments. However, the number of incumbent partisans who place themselves at 5 or to its left of the midpoint of the ideological scale are very few. Therefore, substantively speaking, such effect of economic evaluations on incumbent vote is not a meaningful one.

Figure 3.3 The Average Marginal Effect of Ideological Distance on Incumbent Vote for Varied Economic Evaluations



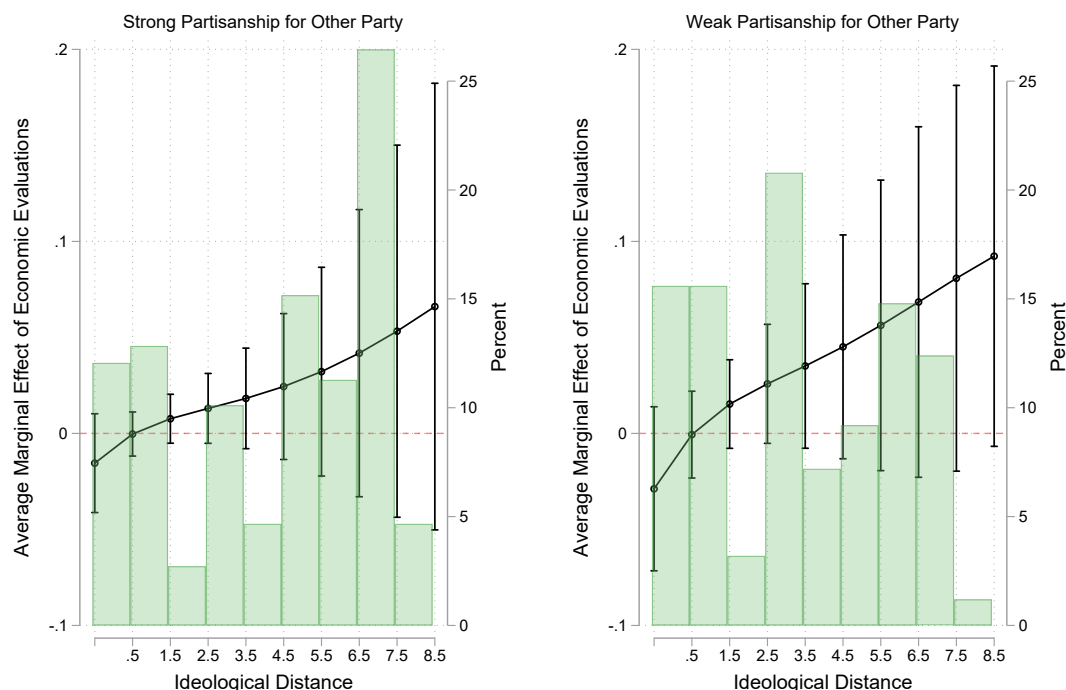
Note: The graph illustrates the average marginal effect of voters' economic evaluations on incumbent vote across the in-sample range of economic evaluation for voters with strong and weak incumbent partisanship. Error bars indicate 95% confidence intervals around the predictions calculated from conditional standard errors (N=1062).

Figure 3.3 illustrates the average marginal effect of ideological distance with the AK Party on incumbent vote across the in-sample range of economic evaluations. For weaker incumbent partisans who perceive that the state of economy has gotten much worse and somewhat worse, ideological position has a negative and significant effect. For stronger incumbent partisans, the negative effect is significant only for those who state that the economy has gotten much worse. This explains partisan commitments are more important for strong AK Party partisans rather than weak AK Party partisans.

Figure 3.4 on the other hand, illustrates the effect of economic evaluations on incumbent vote for voters who state that they feel closest to another party than the incumbent AK Party. For such voters, the effect of economic evaluations on the AK Party vote is positive, however, not significant for any value of ideological distance. In other words, partisanship commitments for other party partisans are more important than their economic evaluations in shaping their vote preferences.

Additionally, Figure 3.5 presents an intriguing nuance regarding the effect of eco-

Figure 3.4 The Average Marginal Effect of Economic Evaluations on Incumbent Vote for Other Party Partisans

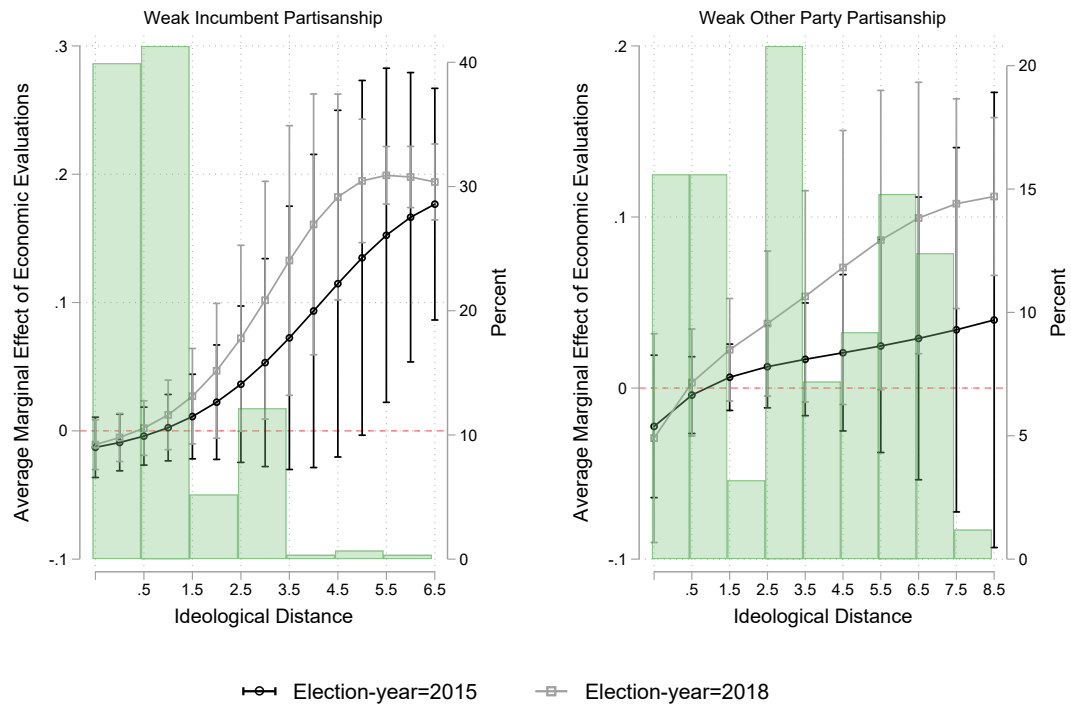


Note: The graph illustrates the average marginal effect of voters' economic evaluations on incumbent vote across the in-sample range of ideological distance for voters with strong and weak other party partisanship. Error bars indicate 95% confidence intervals around the predicted marginal effect calculated from conditional standard errors (N=1062).

economic evaluations on incumbent vote in different election years. It demonstrates that the average marginal effect of economic evaluations on incumbent vote for voters with weak partisanship commitments toward the incumbent or other parties in the two Turkish elections examined here based on Table A.7 in the appendix. Both figures show similar patterns, -i.e., as the ideological distance increases the positive effect of economic evaluations increases, as expected. When there is no difference between the ideological positions of voters and that of the incumbent party, the economic voting hypothesis does not work. When the ideological distance is at its higher levels, the effect of the economic evaluations is positive and statistically significant in both elections only for weak incumbent partisans. Among other party partisans with weaker commitments, the positive effect is only significant in the 2018 elections and for voters who place themselves at 1 or 2 on the ideological scale.

The effect of economic evaluations on incumbent vote is stronger in the 2018 elections in general. In the 2018 elections, when the macroeconomic conditions in Turkey had

Figure 3.5 The Average Marginal Effect of Economic Evaluation on Incumbent Vote for Voters with Weak Partisanship Commitments toward Incumbent or Other Party in Different Election Times



Note: The graph illustrates the average marginal effect of voters' economic evaluations on incumbent vote for different values of ideological distance in different elections. Error bars indicate 95% confidence intervals around the predicted marginal effect calculated from conditional standard errors (N=1062).

considerably worsened¹ the effect is statistically significant for voters with weaker incumbent partisanship commitments and for those who place themselves at 5 or to its left on the ideological continuum. However, as noted above, the number of incumbent partisans with a leftist ideology are very few. As a result, we are not able to confidently reject the null that there is no effect of voters' economic evaluations on voting for the incumbent party. All in all, the findings provide only limited evidence for the sixth hypothesis that the effect of economic evaluations on incumbent vote is positive and significant, when the ideological distance with the incumbent party is at higher values.

3.5 Conclusion

¹Carlotta Gall, "Turkey Enters Recession, a Blow for Erdogan as Elections Near," *The New York Times*, March 11, 2019, <https://www.nytimes.com/2019/03/11/business/turkey-recession.html>

Available nationally representative survey data on Turkey collected shortly after the 2015 and 2018 elections, and with the same question wording, provide us with an opportunity to compare the salience of economic evaluations in different electoral environments. The influence of negative economic evaluations on incumbent support seems insignificant in both contexts when partisanship is controlled for. Similarly, all other socio-demographic and economic, and identity related factors are also insignificant. These results suggest that voting for the incumbent party is contingent on individual voters' party identification, which is in line with the previous literature (e.g., Çarkoğlu 2012b; Çarkoğlu and Toprak 2000; Esmer 2002). More specifically, individuals' evaluations concerning the government's economic performance are likely to be parallel to their feelings toward the incumbent party, thus, their economic evaluations are biased, especially those of individuals with stronger partisan attitudes.

However, the findings also suggest that critical economic evaluations become significant for those with weaker partisanship commitments and whose ideological position is distant from the incumbent party's ideological position. This negative effect of economic evaluations on incumbent party vote is stronger in the 2018 election and for voters with weaker incumbent partisanship commitments. On the other hand, the influence of economic evaluations is insignificant for the 2015 elections for other party partisans. That is the vote for the incumbent in the 2015 elections hardly affected by economic evaluations.

Since the same incumbent party run in the 2015 and 2018 elections, we can compare of statistical and substantive significance of different factors shaping vote choice. The conclusion that the incumbent vote in the 2018 election was shaped by economic concerns only for those who have weaker incumbent partisanship commitments with higher ideological distance to the incumbent party is only relevant for very few voters. In general, the influence of long-term partisan commitments on incumbent party support was higher than the effect of economic evaluations despite the small nuances between the two elections. In other words, AK Party seems to have gained its electoral support in two elections mostly from those with strong partisan commitments.

In sum, shifting salience of short-term economic evaluations and long-term ideological orientations and partisan commitments on the incumbent vote needs more attention in future research on Turkish electoral behavior. I hope the implications of these findings regarding Turkish electoral behavior will be discussed in further research. The empirical findings in this thesis suggest that the AK Party is able to appeal to its core constituency, who has previously cast their vote for the party. The

conservative Turkish electorate, who stands more to the right-of-the-center than to the left, has been increasing in size, which largely affects new party preferences and incumbent support (Çarkoğlu 2012a, 519). Since partisanship commitments tend to change slowly, the effect of evaluations of the government's economic performance on vote choice crucially important in terms of electoral accountability. Electoral accountability through the economic vote works better when the incumbent who is held responsible for the unsatisfactory economic conditions is punished by the electorate. However, as long as the perceptions of economic performance are shaped by party identification and partisanship, the economic voting theory would not be sufficient to explain voting behavior. The findings suggesting that the influence of economic concerns on incumbent vote is significant only for very few people with weaker incumbent partisanship commitments and when their ideological distance with the incumbent party is high is one of the most important indicators of high level of polarization in Turkish politics. Stronger partisans and ideologically more polarized voters over time seem like an impediment to the functioning of electoral accountability in Turkey. This highly polarized environment is more likely to have shaped the party preferences in the last two general elections, thus, should be subject to further research.

4. CONCLUSION

Electoral accountability is essential for democracy. When governments are subject to recurring popular elections, they govern better and watch over the well-being of their citizens to be re-elected (Kayser and Peress 2012, 680). Economic voting is one of the most direct evidences of electoral accountability, which implies the governments' dependence on the governed in democracies. According to the economic voting theory, incumbent governments that provide poor economic outcomes will be punished by voters at the polls. Thus, democratic theorists are reassured that the incumbent government is assessed and controlled by people (Kayser and Peress 2012, 680). If this relationship does not work, the concerns about electoral accountability raise (Cheibub and Przeworski 1999, 222-50).

Accordingly, this thesis examines the relationship between incumbent governments' economic performance and their electoral support. We have learned from the economic voting literature that voters electorally penalize incumbent governments on the basis of national economic conditions. Incumbents are punished for their bad economic performances and rewarded for the good. However, previous literature suggests that for a proper understanding of this relationship between economic outcomes and incumbent support, a domestically and internationally comparative framework is necessary. Voters use domestic and international reference points in interpreting economic outcomes and evaluating incumbents performance (Aytaç 2018, 17). A given economic outcome is perceived as good or bad depending on the comparisons voters make. Consequently, the economic voting theory is revised in such a way that "incumbents who preside over relatively better (worse) economic outcomes in domestic and international comparisons will be rewarded (punished) in elections" (Aytaç 2018, 17).

Differently, from the previous literature, this thesis considers the substitutive nature of these reference points and asks about the extent of economic voting when an incumbent performs well in only one of these economic fronts, either in terms of relative domestic economic growth or relative international economic growth. This question constitutes the major focus of the first empirical chapter. Employing an extended

cross-national dataset covering 501 national-level executive elections in 63 countries from 1960 to 2017, I analyzed the substitutive effects of relatively better domestic and international economic performances on incumbent support. Moreover, I develop an argument about the necessity of a strong challenger party/candidate as an alternative to the incumbent government accounting for the ideological divergence of the challenger and incumbent parties. Those serve to a better and more realistic understanding of economic voting.

In the second empirical chapter of the thesis, economic voting was tested on two most recent Turkish parliamentary elections in 2015 and 2018 by employing individual-level data and estimating a logistic model regression. Again, for a better and realistic understanding of economic voting, the effects of partisan commitments and the distance between the ideological position of the AK Party and ideological self placements of voters were discussed in detail. In identifying the determinants of voting behavior in Turkey for the 2015-2018 period, gender, age, education level, settlement, and income level are defined as socio-demographic and socio-economic determinants, ethnicity and religiosity as identity determinants, and retrospective sociotropic evaluations are defined as economic voting determinants as informed by the previous literature in Turkey.

The findings from the macro-level, cross-national study provide evidence for the first two hypotheses that relative domestic growth (international growth) has a significant enhancing effect on incumbent vote share when relative international growth (domestic growth) is lower. When relative domestic growth is less than 3% percent, the effect of relative international growth on incumbent vote share becomes statistically and substantively significant, and positive. When relative international growth is less than 3% percent, relative domestic growth has a statistically and substantively significant, and positive effect on incumbent vote share. In other words, better relative international and domestic economic performances are more likely to shape voters' party preferences and to increase incumbent vote share. In brief, the marginal effect of relative international growth (domestic growth) on incumbent vote share declines as relative domestic growth (international growth) increases.

The findings regarding my third hypothesis show that availability of a reliable alternative challenger is a condition for the electoral effect of relative domestic and international performance. In bad economic times, the effect of opponent strength on incumbent vote share is negative and strongest. However, this negative effect is statistically significant only when either the relative domestic or international growth is at their low levels. More specifically, when relative domestic growth is 1.9% percent (one standard deviation above the mean that denotes a high of rela-

tive domestic growth level) and relative international growth is -1.73% (one standard deviation below the mean that denotes a low level of relative international growth), an increase in opponent strength from 20% to 40% (a two standard deviation increase in opponent strength) decreases the predicted incumbent vote share by 3.5 percentage points. When relative domestic growth is -2.3% (one standard deviation below the mean) and relative international growth is 2.5% (one standard deviation above), a similar increase in opponent strength (from 20% to 40%) decreases the predicted incumbent vote share by 1.9 percentage points.

The findings also provide evidence for the fourth hypothesis that polarization of the ideological positions of two parties on the same side of the ideological space, has a significant negative effect on incumbent vote share when opponent's electoral strength is higher. In other words, as polarization increases for two parties who are on different sides of ideological space, incumbent vote share increases, on the other hand, when polarization between two parties who are on the same side of ideological continuum increases, incumbent vote share decreases since it is more likely that voters see the alternative party as reliable. However, this effect is statistically significant only when opponent strength is more than 26%.

With respect to the case study on Turkey using individual-level data, the main findings reveal that we are not able to reject the null hypothesis, which states that introducing individuals' economic evaluations into our baseline model does not create a statistically significant improvement in the fit of the model after partisanship commitments are controlled for. Incumbent partisanship and degree of partisanship appear as possible confounding variables, which suppress not only the effects of voters' economic evaluations, but also the effects of socio-demographic and economic, and identity variables on incumbent vote. More specifically, partisan attitudes formed in the early political socialization process are the major determinant in shaping voters' party preferences. Voters are more likely to perceive the national economic outcomes depending on their partisanship commitments. As a result, party identification is revealed as a crucial source of individuals' biased evaluations which is in line with previous literature (Çarkoğlu 2012b; Campbell et al. 1960). Thus the case study on Turkey has important implications about the inherent partisan bias contained in survey evaluations of the economy and confirms that partisanship tends to influence economic evaluations.

Intriguingly, the findings also indicate that economic voting is present in Turkey in the sense that economic evaluations affect the likelihood of voting for the incumbent party conditionally on the distance between the perceived ideological positions of one's self and that of the ruling AK Party. As the ideological distance increases the

positive effect of economic evaluations on the propensity to vote for the AK Party increases. However, for the voters whose ideological positions overlap with that of the AK Party, economic evaluations, however, have no impact on the likelihood of voting for the incumbent party. Those voters are most likely the core constituencies of the AK Party and their partisanship commitments have a higher impact on their voting propensity for the AK Party. On the contrary, individuals whose ideological positions are far away from the AK Party are most likely left-wing party constituencies. Nonetheless, there can be incumbent partisans among these voters with strong or weak partisan attitudes. Economic evaluations have a positive and significant impact on incumbent vote for voters with weak partisanship affiliations toward the AK Party when they place themselves 5 or lower scale on ideological scale. However, the number of these people is very few, hence, we can not talk about a substantive significance of economic evaluations on incumbent vote.

In sum, ideological concerns matter for voters with weaker incumbent partisan affiliations, on the other hand, partisan attitudes are more important determinant than economic evaluations in shaping other party constituencies' vote preferences which provide partial evidence for the sixth hypothesis that the marginal effect of voters' economic evaluations on incumbent vote is positive and significant when the ideological distance between the incumbent party and the voter is at higher values. Moreover, it is noted that this impact is stronger in the 2018 Turkish elections regardless of incumbent partisan attitudes. One possible explanation for the 2015 elections might be that the CSES data were collected shortly after the June 2015 election. However, two general elections were held in Turkey in 2015. The first was on June 7, 2015 and the second on November 1, 2015, since the previous failed to produce a clear majority in the parliament. During the post-June election period, the state of affairs with repeated terror attacks in many parts of the country would likely to change voters' perception concerning the most important problem of the country to terrorism and security issues from economic satisfaction (Aytaç, Çarkoğlu, and Yıldırım 2017, 14). Hence, the responses could be affected from situation at the time survey conducted. Therefore, the impact of economic evaluations on voting for the AK Party might have varied between the two consecutive elections which were held in the same year.

To sum up, the aim of this thesis is to provide a better and realistic understanding of economic voting. The comparative analysis chapter addresses some empirical and theoretical limitations in the economic voting literature. From a theoretical perspective, the earlier literature fails to account for the substitutive effects of relative domestic and international growth as well as the effects of opponent strength and polarization on incumbent vote share. Empirically speaking, the question of how

voters' reference points are defined is not clear in the previous literature. Thus, theoretically guided alternative measures for the relative domestic and international growth are introduced and respective empirical findings are presented. However, with alternative measures of relative economic performance, the number of observations decreases due to the given limited World Bank^{1 2} economic data. Moreover, cross-national data in Aytaç's (2018) analyses are extended from 2014 to 2017 and introduced 2 more countries which are Luxembourg and Malta. As a result, the extended dataset employed in this thesis comprises 501 presidential and legislative elections instead of 475. Consequently, not only the recognition of the substitutive natures of domestic and international economic reference points and introduction of opponent strength and polarization but also the extension of cross-national dataset constitute the major theoretical and empirical contributions of this thesis to the economic voting literature.

In this thesis, I assume that an incumbent government frames its economic performance in a specific way (i.e., covers the worse and highlights the better economic outcomes on domestic and international fronts). That is, how incumbents make use of domestic and international reference points is assumed here to vary depending on which of those reveals a better performance.

However, a more direct explanation of the expectation that political actors strategically alter their discourse necessitates an in-depth analysis. In this respect, further research on incumbent strategies (i.e, stressing either the domestic or international reference point) should be supplemented with comprehensive content analyses of incumbents' speeches over the course of examined election campaigns. Data from content analyses of political speeches can be used to investigate whether incumbents actually stress their better performance on domestic and international fronts.

Consequently, I believe that further research that supplements the data on relative domestic and international growth with those on the content and frequency of political discourse regarding domestic or international reference points would not only help assess an important assumption this thesis makes, but also contribute to the economic voting literature by testing the causal mechanism with more appropriate data.

Moreover, the question of why the impacts of similar levels of economic performance on incumbent support vary across countries and time periods might be one of the intriguing research avenues. One possible explanation might lie in the variation of

¹World Integrated Trade Solution (WITS, 2017). Available at <https://wits.worldbank.org/>

²World Development Indicators (WDI, 2017). Available at <https://data.worldbank.org/indicator/NY.GDP.MKTP.KD.ZG>

democratization measures such as the existence of checks and balance mechanisms, and a free information environment. The scope and media coverage of parties might constitute a crucially important explanation. As MacKuen and his colleagues (1992, 605) assert, mass media is a very important source that affects voters' expectations. People build their expectations based on what it is told in mass media. Therefore, in the elections where there is a weak opponent, it is relatively easy to manipulate the news about economic and political outcomes. The information on economic performance would be distorted as a result of unequal access to mass media during election campaigns. The incumbent would try to be reelected by convincing the electorate about that economy works well and will continue to do so by selecting better economic outcomes among domestic and international reference points. As Çarkoğlu and Yıldırım (2018, 167; 178) state in light of the Turkish example, the incumbent president can successfully deflect the policy specific issues that can threaten his/her electoral success and blame external actors for the poor economy. Therefore, capturing the direct effect of economic developments on incumbent politicians' electoral support can be challenging when there is an omission of democratization measures such as the existence of checks and balance mechanisms and a free information environment. Leader change in parties is also another important variable, which may affect individuals' vote preferences. Regarding media coverage and leader change, there is a recent dataset collected in 2018 by Debus, Somer-Topçu, and Travis. However, it could not be used in this thesis since it covers only nine European countries and between 2005 and 2015.

With regard to the case study on Turkey, there are some limitations regarding the availability of long-term comparative data for testing the economic voting hypothesis. Only one economic evaluation question available in the CSES data, it is hard to capture the effects of voters' retrospective economic evaluations on their vote preferences. For the 2018 elections, the CSES Module 5 questionnaire is limited in the sense that it does not include survey items on prospective pocketbook voting. Moreover, there are no questions about whether respondents hold government responsible for the nation's economic condition. Further research should look into voters' evaluations concerning the government's domestic and international economic performance by conducting a micro-individual level analysis preferably on the long-term. Overall, I provide here a first step toward this broad research agenda that I would like to pursue in my doctoral research and future academic career. Further research on which voters take domestic and international reference points differently and how voters decide to choose which reference in evaluating the incumbent's economic performance have important consequences for our understanding of who gets elected and what policy gets enacted.

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APPENDIX A

Data Sources of Comparative Analysis

Electoral Variables: identification of incumbents, election results, opponent strength, polarization of parties, presence of coalition

The starting point for the construction of electoral variables was the publicly available datasets used in Aytac(2018), which is available in the JOP Dataverse¹. I checked and extended these datasets by consulting to the following sources:

- Doring, Holger and Philip Manow. 2019. Parliaments and Governments Database (ParlGov). Available at <http://www.parlgov.org>.
- Volkens, Andrea, Pola Lehmann, Theres Matthieß, Nicolas Merz, Sven Regel, Bernhard Weßels. 2017. The Manifesto Data Collection. Manifesto Project (MRG/CMP/MARPOR). Version 2017a. Available at <https://doi.org/10.25522/manifesto.mpps.2017a>

Effective Number of Parties

- Gallagher, Michael, 2019. Election Indices Dataset. Available at <http://www.tcd.ie/PoliticalScience/people/michaelgallagher/ElSystems/index.php>

Annual% GDP growth

- The primary source of information is World Development Indicators (WDI, 2017) of the World Bank. Available at <https://data.worldbank.org/indicator/NY.GDP.MKTP.KD.ZG>

Economic Variables: trade statistics

- The primary source of information is World Integrated Trade Solution (WITS, 2017) of the World Bank. Available at <https://wits.worldbank.org/>

¹<https://dataverse.harvard.edu/dataset.xhtml?persistentId=doi:10.7927/H73T-6K91>

Elections in the Cross National Dataset

Table A.1 List of Elections in the Cross National Dataset

Countries	Election-years
Argentina	1995, 1999, 2003, 2007, 2011
Australia	1966, 1969, 1972, 1974, 1975, 1977, 1980, 1983, 1984, 1987, 1990, 1993, 1996, 1998, 2001, 2004, 2007, 2010, 2013, 2016
Austria	1966, 1970, 1971, 1975, 1979, 1983, 1986, 1990, 1994, 1995, 1999, 2002, 2006, 2008, 2013, 2017
Bangladesh	1996, 2001
Belgium	1965, 1968, 1971, 1974, 1977, 1978, 1981, 1985, 1987, 1991, 1995, 1999, 2003, 2007, 2010, 2014
Benin	2001, 2006, 2011
Bolivia	1989, 1993, 1997, 2002, 2005, 2009
Brazil	1994, 1998, 2002, 2006, 2010
Canada	1965, 1968, 1972, 1974, 1979, 1980, 1984, 1988, 1993, 1997, 2000, 2004, 2006, 2008, 2011, 2015
Chile	1999, 2005, 2009, 2013
Colombia	1978, 1982, 1986, 1990, 1994, 1998, 2006, 2010, 2014
Costa Rica	1966, 1970, 1974, 1978, 1982, 1986, 1990, 1994, 1998, 2002, 2006, 2010, 2014
Denmark	1966, 1968, 1971, 1973, 1975, 1977, 1979, 1981, 1984, 1987, 1988, 1990, 1994, 1998, 2001, 2005, 2007, 2011, 2015
Dominican Republic	1982, 1986, 1990, 1994, 1996, 2000, 2004, 2008, 2012
Ecuador	1988, 1992, 1998, 2006
El Salvador	1989, 1994, 1999, 2004, 2009, 2014
Finland	1966, 1970, 1972, 1975, 1979, 1983, 1987, 1991, 1995, 1999, 2003, 2007, 2011, 2015
France	1969, 1981, 1988, 1993, 1995, 1997, 2002, 2007, 2012, 2017
Germany	1965, 1969, 1972, 1976, 1980, 1983, 1987, 1990, 1994, 1998, 2002, 2005, 2009, 2013, 2017
Ghana	2004, 2008, 2012
Greece	1981, 1985, 1989, 1990, 1993, 1996, 2000, 2007, 2009, 2012, 2015
Guatemala	1999, 2003, 2007
Honduras	1993, 1997, 2001, 2005, 2009, 2013
India	1967, 1971, 1977, 1980, 1984, 1989, 1991, 1996, 1998, 1999, 2004, 2009, 2014
Indonesia	2009
Ireland	1965, 1969, 1973, 1977, 1981, 1982, 1982, 1987, 1989, 1992, 1997, 2002, 2007, 2011, 2016
Israel	1965, 1969, 1973, 1977, 1981, 1984, 1988, 1992, 1996, 1999, 2003, 2006, 2009, 2013, 2015
Italy	1968, 1972, 1976, 1979, 1983, 1987, 1992, 1994, 1996, 2001, 2006, 2008, 2013
Jamaica	1967, 1972, 1976, 1980, 1993, 1997, 2002, 2007, 2011

Japan	1967, 1969, 1972, 1976, 1979, 1980, 1983, 1986, 1990, 1993, 1996, 2000, 2003, 2005, 2009, 2012, 2014, 2017
Luxembourg	1999, 2009, 2013
Kenya	2007
Madagascar	1996, 2001, 2006
Malawi	2004, 2009, 2014
Malaysia	2013
Mali	2007
Malta	1996, 1998, 2003, 2008, 2013, 2017
Mexico	2006, 2012
Netherlands	1967, 1971, 1972, 1977, 1981, 1982, 1986, 1989, 1994, 1998, 2002, 2003, 2006, 2010, 2012, 2017
New Zealand	1966, 1969, 1972, 1975, 1978, 1981, 1984, 1987, 1990, 1993, 1996, 1999, 2002, 2005, 2008, 2011, 2014, 2017
Nicaragua	1996, 2001, 2006, 2011
Norway	1965, 1969, 1973, 1977, 1981, 1985, 1989, 1993, 1997, 2001, 2005, 2009, 2013, 2017
Pakistan	1990, 1993, 1997
Panama	1999, 2004, 2009, 2014
Paraguay	1998, 2003, 2008, 2013
Peru	1990
Philippines	1998, 2004
Portugal	1986, 1991, 1995, 1996, 1999, 2001, 2002, 2005, 2006, 2009, 2011, 2015
Senegal	2007, 2012
Sierra Leone	2012
South Africa	1999, 2004, 2009, 2014
South Korea	1997, 2002, 2007, 2012
Spain	1982, 1986, 1989, 1993, 1996, 2000, 2004, 2008, 2011, 2015, 2016
Sri Lanka	1965, 1970, 1977
Sweden	1968, 1970, 1973, 1976, 1979, 1982, 1985, 1988, 1991, 1994, 1998, 2002, 2006, 2010, 2014
Thailand	1995, 1996, 2001, 2005
Trinidad and Tobago	1981, 1986, 1991, 1995, 2000, 2001, 2002, 2007, 2010
Turkey	1965, 1969, 1973, 1987, 1991, 1995, 1999, 2002, 2007, 2011, 2015
United Kingdom	1966, 1970, 1974, 1974, 1979, 1983, 1987, 1992, 1997, 2001, 2005, 2010, 2015, 2017
United States	1968, 1972, 1976, 1980, 1984, 1988, 1992, 1996, 2000, 2004, 2008, 2012
Uruguay	1994, 1999, 2004, 2009
Venezuela	1968, 1973, 1978, 1983, 1988, 1993, 1998, 2000
Zambia	2011

Table A.2 Summary Statistics of Macro-level Variables

Variable	Mean	Std. Dev.	Min.	Max.	N
Incumbent Vote Share	35.653	12.55	0.6	71.2	549
Relative Domestic Growth	-0.128	2.499	-11.205	14.119	515
Relative International Growth	0.191	2.124	-11.994	8.346	514
Last 2 year Domestic Growth	3.203	2.819	-10.877	16.943	356
Last 2 year Relative Domestic Growth	-0.03	3.287	-9.481	18.355	282
Last 2 year Relative International Growth	0.283	2.788	-16.37	14.853	356
Relative Election Year Domestic Growth	-0.05	3.287	-9.634	17.229	356
Relative Election Year International Growth	0.248	3.563	-29.262	23.636	363
Polarization	-2.479	2.116	-7.632	3.72	330
Opponent Strength	29.714	8.826	12.5	50.92	330
Incumbent Position	5.667	1.609	1.053	9.576	365
Opponent Position	5.175	1.927	1.053	9.026	330
International Growth	3.107	1.348	-1.007	7.537	544
Election-year Growth	3.497	3.248	-7.3	20.266	611
Previous Vote Share of Incumbent	39.418	11.209	8.6	71.2	552
Coalition	0.359	0.48	0	1	529
Effective Number of Parties	3.459	1.55	1.18	10.36	530
Presidential System	0.293	0.456	0	1	532

Last Two Years' Economic Performance and Incumbent Vote

Here I consider a simpler alternative measure to the relative last two years' domestic performance variable. The variable, last two years' domestic growth, looks to average GDP growth in only last two years' of the incumbent's term without a domestic comparison.

Table A.3 The Effects of Last Two Years' Domestic and International Economic Growth on Incumbent Vote Share

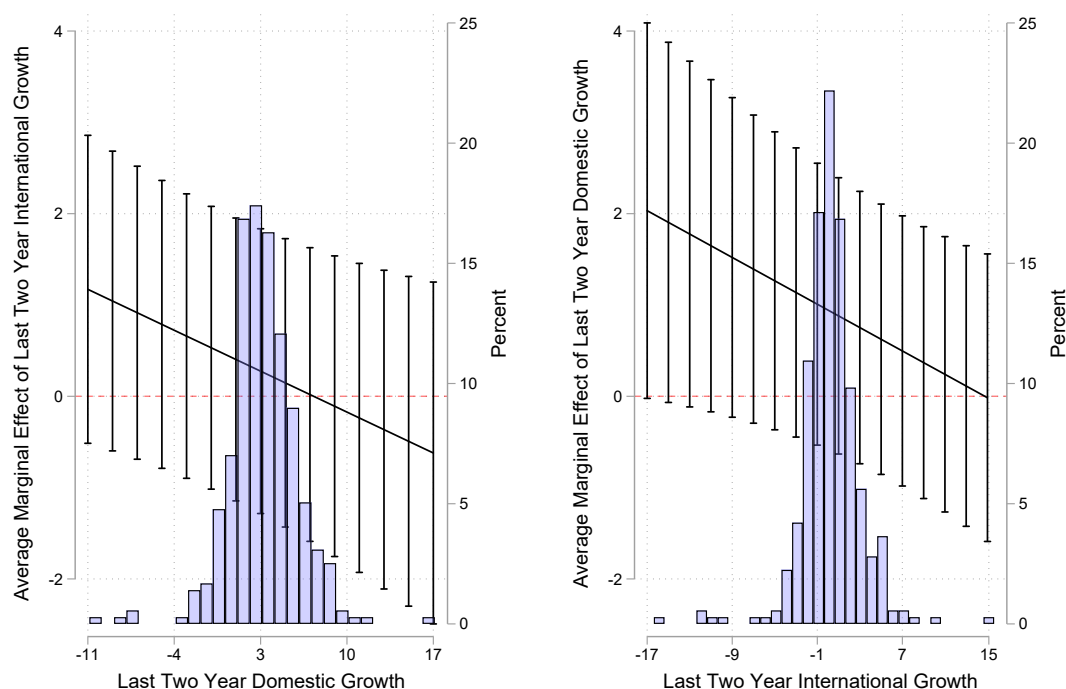
Incumbent Vote Share	Model 1	Model 2
Last 2 year Domestic Growth × Last 2 year Relative International Growth		-0.064** (0.031)
Last 2 year Domestic Growth	0.898 (0.791)	0.945 (0.763)
Last 2 year Relative International Growth	0.329 (0.765)	0.467 (0.774)
International Growth	0.107 (0.865)	0.146 (0.855)

Election-year Growth	-0.213 (0.198)	-0.263 (0.158)
Previous Vote of Incumbent	0.661*** (0.098)	0.677*** (0.097)
Coalition	1.062 (1.437)	1.044 (1.323)
Effective Number of Parties	-1.695*** (0.498)	-1.603*** (0.482)
Presidential System	-0.358 (1.413)	-0.288 (1.380)
Constant	12.291** (4.859)	11.631** (4.758)
N	319	319
R ²	0.485	0.496

Notes: Robust standard errors clustered by country in parentheses.

* p<0.1, ** p<0.05, *** p<0.01

Figure A.1 The Average Marginal Effects of Last Two Years' Domestic and International Growth on Incumbent Vote Share



Note: Error bars indicate 95% confidence intervals around the predicted marginal effect calculated from conditional standard errors (N=319).

Relative Election-Year Performance and Incumbent Vote

Here I consider another alternative measure to relative domestic and international performance by assuming that voters only look at the election year performance as relative to that in the previous election year which is in line with the earlier literature suggesting that voters reward (punish) incumbents by evaluating the months or a year before election date (Healy and Lenz 2014, 31). I generate a new variable, relative election-year domestic and international growth. The former takes the difference in real GDP growth between the election year and the previous election year. The latter looks at the difference in real GDP growth between the incumbent's election-year and the country's examined top five export markets in the same year. In Table A.4 and Figure A.2 we see that these measures have significant effects on incumbent vote share albeit in lower magnitudes than those of the measures employed in Table 2.2.

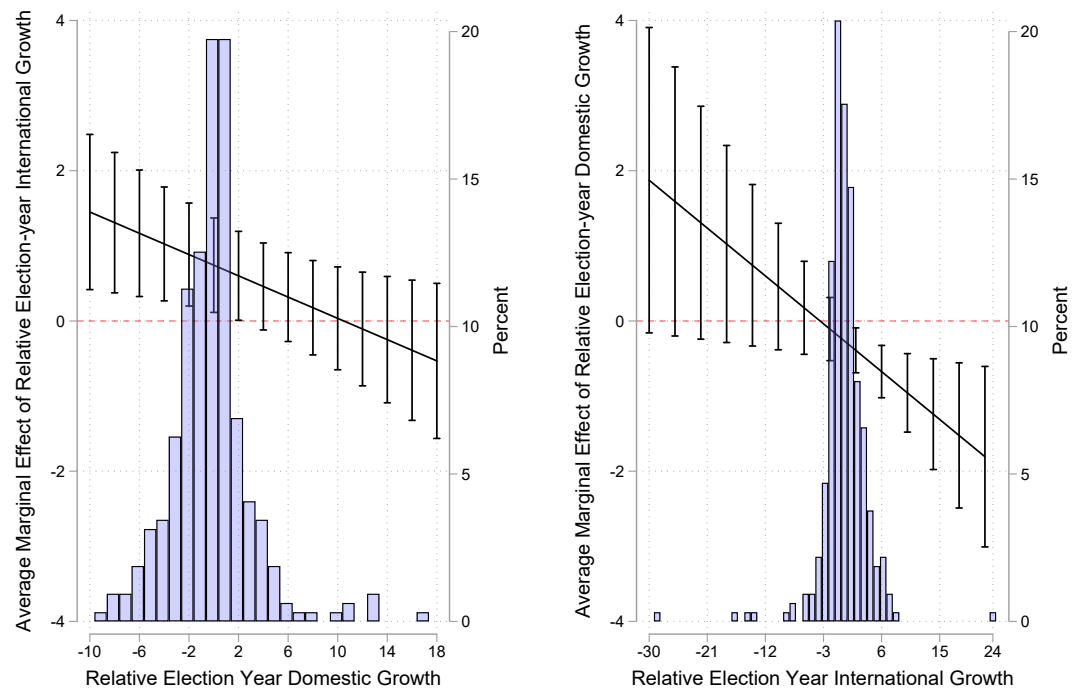
Table A.4 The Effects of Relative Election-year Domestic and International Economic Growth on Incumbent Vote Share

Incumbent Vote Share	Model 1	Model 2
Relative Election-year Domestic Growth $\times$ Relative Election-year International Growth		-0.071** (0.031)
Relative Election Year Domestic Growth	-0.439** (0.178)	-0.249 (0.172)
Relative Election-year International Growth	0.614* (0.333)	0.742** (0.314)
International Growth	0.598 (0.497)	0.684 (0.498)
Election-year Growth	0.242 (0.285)	0.132 (0.268)
Previous Vote of Incumbent	0.641*** (0.100)	0.650*** (0.099)
Coalition	1.258 (1.517)	1.423 (1.439)
Effective Number of Parties	-1.826*** (0.502)	-1.786*** (0.489)
Presidential System	-0.158 (1.451)	-0.165 (1.435)
Constant	13.259*** (4.930)	13.053*** (4.837)
N	319	319
R ²	0.468	0.483

Notes: Robust standard errors clustered by country in parentheses.

* p<0.1, ** p<0.05, *** p<0.01

Figure A.2 The Average Marginal Effects of Relative Election-year Domestic and International Growth on Incumbent Vote Share



Note: Error bars indicate 95% confidence intervals around the predicted marginal effect calculated from conditional standard errors (N=319).

Three-way Interaction of Relative Domestic and International Economic Measures and Polarization

Here I consider a three-way interaction of relative domestic and international economic performance, and polarization.

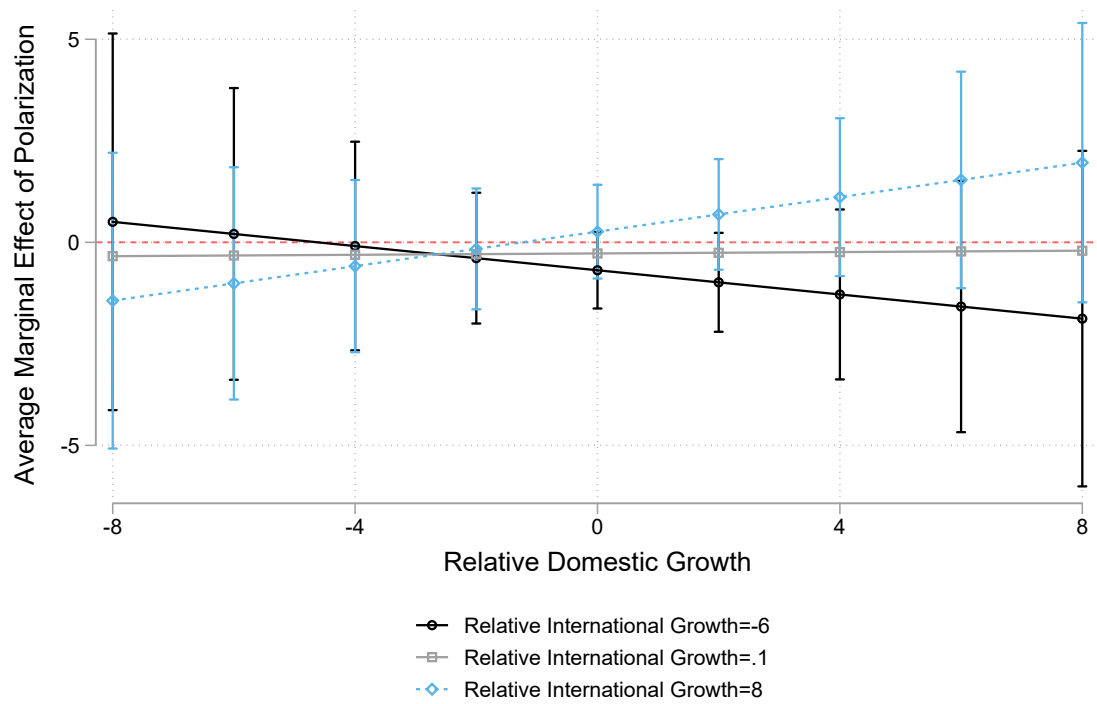
Table A.5 The Effects of Relative Election-year Domestic and International Economic Growth on Incumbent Vote Share

Incumbent Vote Share	Model 1
Polarization $\times$ Relative Domestic Growth $\times$ Relative International Growth	0.026 (0.030)
Polarization $\times$ Relative Domestic Growth	0.006 (0.111)
Relative Domestic Growth $\times$ Relative International Growth	-0.039 (0.085)
Polarization	-0.280** (0.106)
Relative Domestic Growth	0.297 (0.300)
Relative International Growth	0.756*** (0.221)
Polarization $\times$ Relative International Growth	0.068 (0.071)
Opponent Strength	-0.063 (0.056)
International Growth	0.559* (0.302)
Election-year Growth	0.007 (0.100)
Previous Vote of Incumbent	0.669*** (0.075)
Coalition	-0.313 (1.078)
Effective Number of Parties	-1.711*** (0.538)
Presidential System	3.812 (3.392)
Constant	15.502** (5.964)
N	298
R^2	0.717

Notes: Robust standard errors clustered by country in parentheses.

* $p < 0.1$, ** $p < 0.05$, *** $p < 0.01$

Figure A.3 The Average Marginal Effect of Polarization on Incumbent Vote Share



Note: Error bars indicate 95% confidence intervals around the predicted marginal effect calculated from conditional standard errors (N=319).

APPENDIX B

Table B.1 Summary Statistics of Individual-level Variables

Variable	Mean	Std. Dev.	Min.	Max.	N
Incumbent Vote	0.493	0.5	0	1	1717
Economic Evaluations	2.316	1.349	1	5	2071
Incumbent Partisanship	0.527	0.499	0	1	1567
Degree of Partisanship	1.537	0.554	1	3	1522
Ideological Distance	3.09	2.418	0.44	8.5	1865
Perceived Ideological Distance	3.023	2.988	0	10	1762
Education	2.189	1.279	0	6	2132
Religiosity	4.64	1.801	1	6	1987
Income	2.949	1.428	1	5	1809
Gender	0.521	0.5	0	1	2137
Age	39.985	14.964	17	90	2130
Language	0.092	0.289	0	1	2120
Urban Residence	0.43	0.495	0	1	2137
Election-year	2016.475	1.5	2015	2018	2137

Table B.2 The Effects of Economic Evaluations and Ideological Distance on Incumbent Vote in the 2015 and 2018 General Elections

Incumbent Vote	Model 1
2018 Election=1 × Economic Evaluations × Ideological Distance	0.125 (0.154)
Economic Evaluations × Ideological Distance	0.202* (0.106)
2018 Election=1 × Economic Evaluations	-0.078 (0.395)
2018 Election=1 × Ideological Distance	-0.338 (0.485)
Economic Evaluations	-0.369 (0.270)
Ideological Distance	-0.846*** (0.327)
2018 Election=1	0.491 (1.260)
Incumbent Partisanship	5.510*** (0.484)
Degree of Partisanship	-0.656

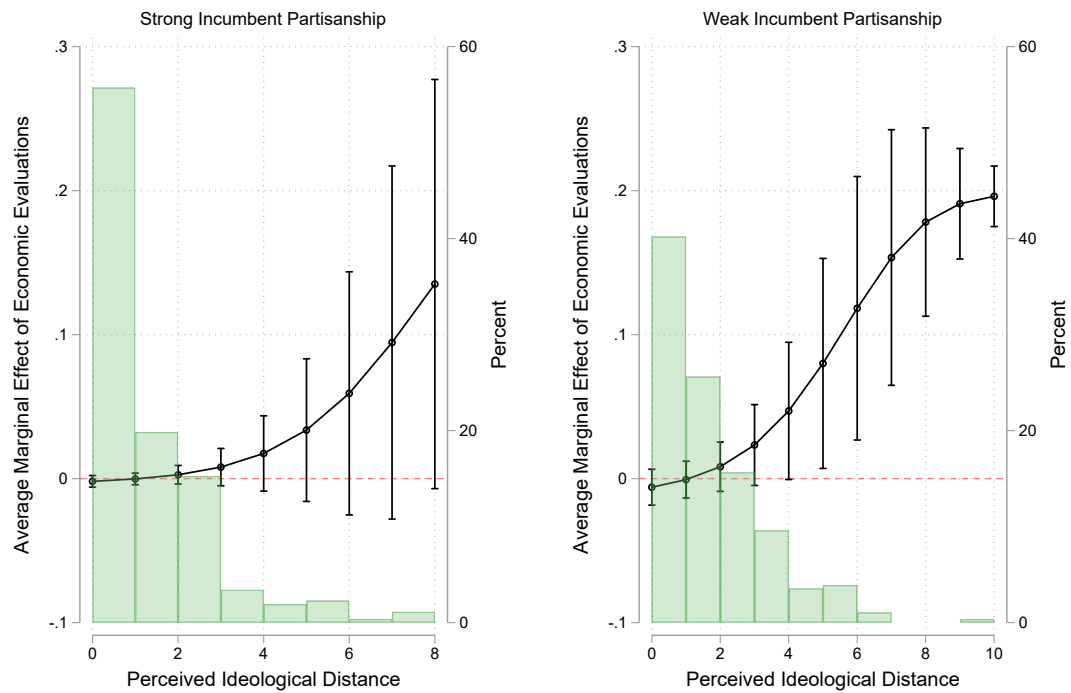
	(0.586)
Incumbent Partisanship $\times$ Degree of Partisanship	1.904**
	(0.785)
Education	-0.169
	(0.183)
Religiosity	0.132
	(0.108)
Income	0.109
	(0.139)
Gender	-0.247
	(0.374)
Age	0.001
	(0.061)
Age ²	-0.000
	(0.001)
Language	-0.187
	(0.909)
Urban Residence	-0.156
	(0.364)
Constant	-0.937
	(1.650)
N	1062
Pseudo-R ²	0.806
Log-likelihood	-142.912
AIC	323.823
BIC	418.213

Notes: Standard errors in parentheses.

* $p < 0.1$, ** $p < 0.05$, *** $p < 0.01$

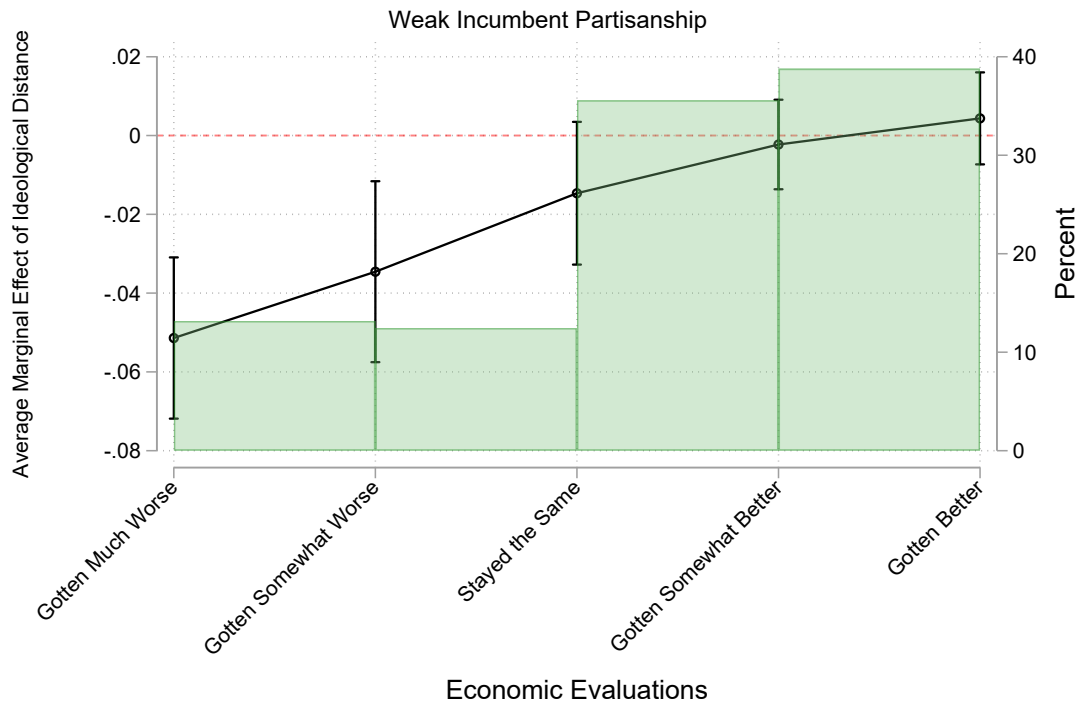
Perceived Ideological Distance and The Effect of Economic Evaluations on Incumbent Vote

Figure B.1 The Average Marginal Effect of Economic Evaluations on Incumbent Vote for Incumbent Partisans



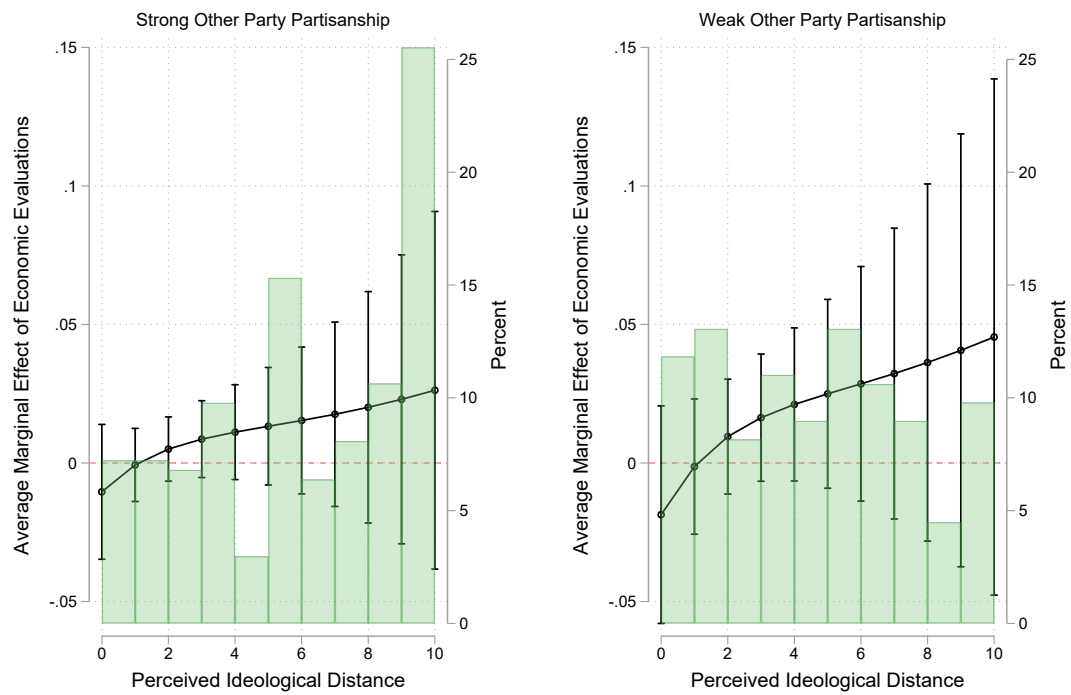
Note: Error bars indicate 95% confidence intervals around the predicted marginal effect calculated from conditional standard errors (N=1023).

Figure B.2 The Average Marginal Effect of Perceived Ideological Distance on Incumbent Vote across the in-sample Range of Economic Evaluations



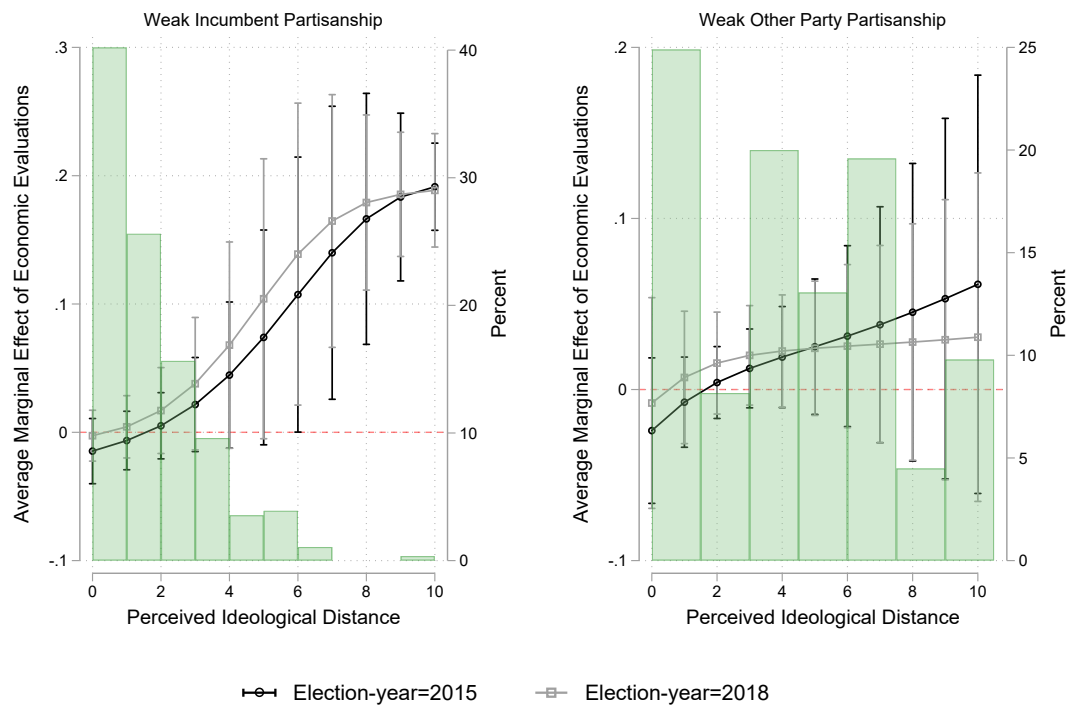
Note: Error bars indicate 95% confidence intervals around the predicted marginal effect calculated from conditional standard errors (N=1023).

Figure B.3 The Average Marginal Effect of Economic Evaluations on Incumbent Vote for Other Party Partisans



Note: Error bars indicate 95% confidence intervals around the predicted marginal effect calculated from conditional standard errors (N=1023).

Figure B.4 The Average Marginal Effect of Economic Evaluations on Incumbent Vote for Weak Party Partisans in the Two Elections



Note: Error bars indicate 95% confidence intervals around the predicted marginal effect calculated from conditional standard errors (N=1023).