

The Effect of the State Economy and State Tax Initiatives on Gubernatorial Voting:
An Examination of Gubernatorial Elections from 1990–2006

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Abstract: This study examines the influence of the state economy and state tax initiatives on gubernatorial voting. The dependent variable is the vote for governor. This project seeks to determine whether voters hold governors accountable for the performance of the state economy and state tax increases. It is expected that a depressed state economy or an increase in state taxes will lead to decreased electoral support. Due to the binary nature of the dependent variable, binary logistic regression is used to examine gubernatorial elections from 1990 through 2006. Using individual-level data from exit polls and aggregate-level data from a variety of sources, this study does not find strong support for the influence of state economic variables on gubernatorial voting. While increases in state taxes negatively and significantly affect the vote for governor in one model, the effect is small when compared to the influence of other variables such as party identification and national evaluations of the president and the economy.

With the honeymoon barely over in his first term as governor of New Jersey, Democrat James Florio, confronted with a projected deficit of \$3 billion in 1991, broke his campaign promise¹ and pushed a state tax increase of \$2.8 billion through the legislature.² In his bid for reelection four years later, the 1990 tax increases were still on voters' minds and Florio became the "first Governor in modern history to lose a second term in a general election."³ Voters who identified taxes as the most important issue voted for the Republican gubernatorial candidate by a ratio of three to one. Furthermore, polls indicated that six in 10 voters who identified the condition of the state economy as one of their main concerns voted for the Republican candidate. About the 1993 gubernatorial election, Joy Purdy, a state employee of New Jersey, stated, "I would say, taxes and auto insurance were the main things on my mind. I know it's nothing I can blame Florio for alone, but I just thought, after all we've been through, that it was time for a change."⁴ Six years later, Arkansas' Republican Governor Mike Huckabee proposed ARKids First, a children's health insurance program that would expand coverage for children from low-income families. At its inception the program was estimated to cost the state \$11 million annually.⁵ Two years later, Huckabee endorsed, and voters approved, the largest highway construction program in Arkansas history, funded by hiking state taxes on diesel fuel and gasoline three cents per gallon.⁶ Yet unlike Florio, whose tax increases seemingly cost him reelection, Huckabee won reelection relatively easy. In 1998, after establishing ARKids First, Huckabee won 60% of the vote; in 2002, despite voter sentiment that Arkansans are "just taxed out" and "sick and tired of tax

¹ Iver Peterson, "The 1993 Elections: Voters; In New Jersey, Concern Over Taxes and Trust," *New York Times*, November 3, 1993.

² Joelle Attinger, "New Jersey's Robin Hood," *Time*, July 2, 1990.

³ Jennifer Preston, "Once Burned, Now Shy about Florio; Some Democratic Leaders Are Wary of Former Governor's Senate Bid," *New York Times*, April 5, 1999.

⁴ Peterson 1993.

⁵ Rachel O'Neal, "Students Help Huckabee Promote Children's Insurance Program," *Arkansas Democrat-Gazette*, September 12, 1997.

⁶ Noel E. Oman, "Huckabee Fits Gasoline Tax Into Road Plan," *Arkansas Democrat-Gazette*, February 26, 1999.

increases,” voters reelected Huckabee with 53% of the vote (Arkansas 2004).⁷ While the case of Florio demonstrates that the state economy matters in gubernatorial elections, the case of Huckabee calls into question to what extent it matters. This study assesses the influence of state economic variables on gubernatorial elections. In particular, this analysis addresses the following research questions: Do voters hold governors accountable for the condition of their state economy or for increases in state taxes, and if so, to what degree?

Why is it important whether voters hold governors accountable for the state rather than the national economy? Accountability is the normative hallmark of the traditional model of representation. Mansbridge (2003) calls this promissory representation, which “focuses on the normative duty to keep promises made in the authorizing election” (516). While states do not have total control over their economies, Brace (1991) finds that in recent years “state-level politics have come to play a larger role in shaping their economies” (312). The responsibility of state officials in managing their state economy has increased, which has subsequently increased state officials’ electoral accountability for the performance of the state economy. Beyle (1986) provides further evidence of the role governors play in the state economy when he explains the types of questions voters ask about governors in regard to the state economy, such as: “Has the governor done enough to protect the state and its citizens from the impact of the economic recession?” (xxiii) Normative democratic theory promotes the idea that voters hold elected officials accountable for the policies and institutions for which they are responsible; therefore governors, as elected leaders of the state, should to some degree be held accountable for the state economy.

⁷ Michael Rowett, “Tax Angry Callers Give Governor Grief; People’s Wants, U.S. Court Orders Stirred Levy Proposal, Huckabee Says” *Arkansas Democrat-Gazette*, December 5, 2002.

Furthermore, in studying the electoral effects of the economy on voting, governors provide the best test because governors, by state law, are required to maintain balanced budgets. Because of this requirement, governors are forced to raise taxes much more often than are presidents. Thus, if voters do hold elected officials accountable for the condition of the economy the best place to test for this effect is by studying vote choice in gubernatorial elections.

While the vote choice of individuals is affected by a number of factors, a good portion of the research on vote choice focuses on the impact of the economy. The literature on economic voting centers around two main and contentious issues. The first debate is whether voters participate in pocketbook voting, which is voting based on their own financial situation, or sociotropic voting, which is voting based on the state of the national economy (Gomez and Wilson 2001; Kiewiet 1983; Kinder and Kiewiet 1981; Lanoue 1994; Lewis-Beck 1985). The second debate is whether individuals vote based on retrospective or prospective evaluations. Individuals who vote based on retrospective evaluations vote based on their evaluation of the governing coalition currently in office, while prospective voters make their vote choice based on how they expect political actors to behave if they are elected to office (Clarke and Stewart 1994; Fiorina 1981; MacKuen, Erikson, and Stimson 1992). While it is still uncertain whether voters are pocketbook or sociotropic and retrospective or prospective, the economic voting literature clearly demonstrates that the economy plays a substantial role in the vote choice of individuals.

While economic voting has been well accepted as influential in national-level elections, the influence of economic voting in gubernatorial elections is more disputed. The literature shows relatively strong support for the effect of the national economy on gubernatorial voting. Chubb (1988) demonstrates that “if gubernatorial elections turn on economic performance, it is generally the performance of the president in managing the national economy that really matters”

(149). Jewell and Olson (2000) also find that national economic issues prove influential in the vote choice of individuals in gubernatorial elections.

The evidence that evaluations of the state economy influence gubernatorial voting is much more tentative. Niemi, Stanley, and Vogel (1995) identify several reasons why it is likely that voters would hold governors accountable for the performance of the state economy. The first is that the governor as the executive is often seen as the leader of a state and as such is likely to be held accountable for changes in the state economy, particularly negative changes. The governor is the most visible state official and is elected by a statewide constituency, both of which make it much more likely that voters will assign the governor responsibility for the state economy. Using data from the 1982 CBS/*New York Times* exit poll, Stein (1990) finds empirical evidence that voters do assign at least some responsibility to the governor for the condition of the state economy. Fifteen percent of respondents identify the governor as the sole person responsible for the state economy, while 18% of respondents cite both the governor and the president as being responsible. Even those studies that find that the national economy plays the major influence on gubernatorial voting, Niemi et al. (1995) note, also find some evidence that the state economy has at least a marginal effect on the vote for governor.

In studying the role of the state economy on voters' evaluations of the governor, it is important to establish whether voters are able to distinguish between the national and state economies. In order for voters to hold governors accountable for the state economy, they must first be able to distinguish between national and state economies. Niemi, Bremer, and Heel (1999) find that voters' perceptions of state and national fiscal health are distinct and different phenomena, and that both are steeped in reality. Books and Prysby (1999) find that these perceptions affect each other—that voters' perceptions of the local economy influence their

perceptions of the national economy and vice versa. Hansen (1999) refocuses attention on local economic factors in determining that a state's unemployment rate should be added to the growing list of variables that affect a governor's job approval ratings.

The above research demonstrates that voters are able to distinguish between the national and their state's economies. So, then, does the state economy impact gubernatorial voting independent of voters' evaluations of the national economy? Research on the influence of the state economy on gubernatorial voting is decidedly mixed. The disparity in research stems from disagreement on the magnitude of the influence of the state economy on the vote decision. At one extreme are studies that find that the state economy only minimally affects the vote choice for governor. Chubb's (1988) influential study finds that gubernatorial elections "are affected more by national economic conditions and presidential responsibility for them than by state conditions and gubernatorial contributions to them" (149). Stein (1990) also finds evidence of economic voting, but concludes that, overall, voters assign more responsibility for the national *and* state economies to representatives at the national level rather than to governors. At the other extreme are studies that find a more substantial impact of the state economy on gubernatorial voting. Using individual-level data, Howell and Vanderleeuw (1990) find that voting for governor is almost wholly dependent on voters' evaluations of the state economy. Niemi et al. (1995) also find strong support for the influence of the state economy on gubernatorial voting. Further research demonstrates that the state economy significantly impacts vote choice for governor (Atkeson and Partin 1995; 2001; Carsey and Wright 1998; Svoboda 1995).

While it is important to examine the impact of the state economy on gubernatorial voting, measures of the state economy are not the only relevant economic variables that may impact the vote for governor. Much less studied, but still important, is the role of state tax initiatives on

gubernatorial voting. Multiple studies have found that state taxes influence the vote calculus individuals make when selecting a governor (Eismeier 1983; Sabato 1993). Governors are likely to be held accountable for state tax increases for the same reasons that they are likely to be held accountable for the performance of the state economy. Also, state tax initiatives may be more influential than the condition of the state economy on gubernatorial voting because the responsibility for state tax initiatives clearly rests with state officials, particularly the governor in most states. While there is some evidence that increasing taxes does not cost incumbent governors electorally (Pomper 1968), there is also evidence that increasing state taxes does (Jewell and Olson 2000; Kone and Winters 1993; Niemi et al. 1995).

Further research on the influence of state tax initiatives more finely parses their effect on gubernatorial voting. One avenue of research examines the interaction of the contextual location of the state and tax increases. Geography plays a role not just in the types of commodities a state is likely to host, but in how an electorate views tax increases. Besley and Case (1995) find that voters punish governors when a state's tax increases exceed those of neighboring states. Other research on state tax initiatives has teased out Niemi et al.'s (1995) grouping of taxes to see how electorates respond to specific types of tax increases. Hiking the income tax comes without penalty, but doing the same for the sales tax (Stults and Winter 2002) or for property taxes can cost a governor their job (Bosch and Solé-Ollé 2007).

While the literature has yet to firmly establish the role of the state economy and state tax initiatives on gubernatorial voting, it certainly provides compelling evidence to continue studying the effect of these state economic variables on vote choice for governor. Modeled after Niemi et al. (1995), our study uses individual- and aggregate-level data to determine the impact of the state economy and state tax initiatives on the vote for governor. As discussed above,

Niemi et al. (1995) find strong support for the impact of the state economy and tax increases on gubernatorial elections. However, their study is limited to the study of economic variables on gubernatorial vote choice in just one election year, 1986. This research employs an identical research design, but applies it to gubernatorial elections every four years from 1990–2006 to determine if state economic variables significantly affect the electoral outcome for governors. The hypotheses are as follows:

HYPOTHESIS 1: Below average state economic growth will negatively impact incumbent governors electorally.

HYPOTHESIS 2: An increase in state taxes will negatively impact incumbent governors electorally.

Data

Our study's sample comes from the 1990 *Voter Research and Surveys* exit poll, the 1994, 1998, and 2002 *Voters News Service* exit polls, and the 2006 *National Election Pool* exit poll.⁸ In this study, our sample contains all respondents from states holding gubernatorial elections

The dependent variable in our study is the vote for governor, which is coded 1 for a vote cast for the Republican gubernatorial candidate or 0 for a vote cast for either the Democratic candidate or a third-party candidate. People who did not cast a vote for governor are not included in this analysis. The issue of excluding abstainers will be discussed in further detail at the end of

⁸ Many of the same news organizations banded together for the exit polls conducted from 1990 through 2006 despite the variation in our sources of data. What effect these changes have in variations in the exit poll methodology and results when comparing across exit polls is unclear, but it is important to note that these changes may well result in some of the variation we see in our data comparisons, and that we did not control for them. For more on the influence of data choice, and specifically exit-poll data choice, on the study of state-level elections, see the debate between Atkeson and Partin (1995; 1998) and Carsey and Wright (1998).

the paper. The dependent variable is coded in this manner so that the coefficients demonstrate support for the incumbent candidate when combined with the partisan coding of the independent variables. This coding will be illustrated more clearly when discussing the independent variables.

One of the primary independent variables is the performance of the state economy. In this study, the performance of the state economy is operationalized using the percentage change in per capita real disposable income (RDI) from two years prior to the gubernatorial election to the year of the election, e.g., for 2002 the percentage change in per capita RDI is calculated from 2000 to 2002. This variable is multiplied by 1 if the incumbent governor is Republican and -1 if the incumbent governor is Democratic. Thus, a positive coefficient will indicate support for the incumbent governor regardless of political party. As Niemi et al. (1995) state, coding the variables in this manner “allows [them] to control straightforwardly for the strong partisan component of the voting decision and for other individual-level factors” (942). These data are collected from the *Survey of Current Business*.

The other main independent variable is state tax increases. This measure is operationalized in two different ways: first, by whether sales, personal, or income taxes in the state were raised by either a Republican or a Democratic incumbent governor (1 = raised by a Republican incumbent, 0 = no raises, and -1 = raised by a Democratic incumbent) and; second, by the number of state taxes including corporate, motor vehicle, sales, personal income, and sin taxes an incumbent governor raised. The number of taxes was then multiplied by 1 if the incumbent governor was a Republican and -1 if the incumbent governor was a Democrat. Thus, a value of -4 means that a Democratic incumbent governor raised four taxes from 2000 to 2002, while a value of 4 means that a Republican incumbent governor raised four taxes during that same time period. This analysis looks at the increase in state taxes two years prior to the

gubernatorial election to the year of the election because data from the year directly prior to the election were not available. These data were collected from *The Book of the States*.

The models in this study incorporate myriad other independent variables, including measures of the national economy and presidential approval, of candidate characteristics, and of individual voter characteristics that were collected directly from the exit polls.

Methods

We tested the model using logistic regression due to the binary nature of the dependent variable. Along with the coefficients from the logistic regression, we calculated the change in predicted probabilities to better understand the magnitude of the effect of the independent variables on the vote for governor. We ran two models for each election year included in our sample. Model 1 for each year includes the first operationalization of the tax variable: whether the Republican or Democratic incumbent raised sales, personal, or income taxes. Model 2 includes the second measure of the state tax variable: the number of state taxes raised multiplied by -1 for Democratic incumbents and 1 for Republican incumbents.

While our model, similar to that employed by Niemi et al., uses aggregate- *and* individual-level data, the usage of these two different levels of data suggests that the data may violate the independence assumption of logit. Because the data are gathered for individuals and also for state variables, the distribution of state-level variables is not independent among respondents, but rather it clusters. Primo, Jacobsmeier, and Milyo (2007) state that “clustering arises because the attributes of states in which individuals reside do not vary across individuals within each state” (448). For example, in this study the number of taxes increased for California is constant across all respondents from California; this violates the assumption that the errors are

independently distributed and that their variance is constant. Models with aggregate- and individual-level data need to use the appropriate statistical techniques to take account of this violation of the statistical methods assumptions. Not doing so can lead to an overstating of the statistical significance of coefficient estimates, particularly the coefficients for states. In light of the clustered nature of the data used in this study, the models are run with clustered standard errors.

Results

Model 1

Model 1 is run with the state tax variable operationalized as whether the incumbent governor raised state sales, personal, or income taxes. The results from the model are presented in Table 1.

[Table 1 about here]

In examining the model, it is evident that for some of the variables the model produces relatively consistent results across the elections included in the study. The factors that significantly influenced gubernatorial voting in all of the years studied were presidential approval, party identification, ideology, and race. In terms of presidential approval, during election years when there was a Republican president (1990, 2002, and 2006) the coefficient is positive, meaning that respondents who approved of the job the president was doing were more likely to vote for the Republican gubernatorial candidate. Similarly, during years when the president was a Democrat (1994 and 1998) the coefficient is negative, meaning that respondents who approved of the job the president was doing were less likely to vote for the Republican gubernatorial candidate. The personal characteristics of the respondents also played an influential role in the vote for governor. In all five election years studied, voters who identified themselves

as Republican or conservative were more likely to vote for the Republican gubernatorial candidate, while respondents who were African American were more likely to vote for the Democratic candidate.

In looking at our two main independent variables of interest, percent change in RDI and whether the sales, income, or sin taxes were raised, we see that whether sales, income, or sin taxes were increased is not significant in all of the years we examined, while the percent change in RDI significantly influences gubernatorial voting in 1990, 1994, and 1998, all else being equal. To further explore the economic variables in the model, we compare the results for percent change in RDI and respondents' evaluations of the national economy. In 1990, 1994, and 1998, the percent change in RDI significantly influences gubernatorial voting while respondents' evaluations of the state of the national economy do not. Conversely, in 2002 and 2006, the percent change in RDI does not significantly influence gubernatorial voting while respondents' evaluations of the state of the national economy do. It is important to note that in 1998 the coefficient for change in RDI is negative which is not what we expected. Overall, based on the results of Model 1, it seems that in some election years the state economy (as measured by percent change in RDI) significantly influences gubernatorial voting while respondents' evaluations of the national economy do not, while in other years respondents' evaluations of the national economy significantly influence the vote for governor while state economic factors do not.

To move beyond the coefficients and assess the magnitude of the effect of the state economy on gubernatorial voting, we calculated the change in predicted probabilities for the variables in the model by setting the variables to their actual values rather than to their means (Wolfinger and Rosenstone 1978, esp. Appendix C).

[Table 2 about here]

In this analysis it is evident that the variables which have the largest and most consistent impact on gubernatorial voting in all of the years studied are presidential approval, party identification, political ideology, and race. Despite the regular impact of these variables on gubernatorial voting, variations do occur among election years. For example, in 1998, the average likelihood of voting for the Republican gubernatorial candidate decreased by 17% as respondents moved from disapproval to approval of the way President Bill Clinton was handling his job. In contrast, moving from approval to disapproval of President George W. Bush increased the probability of voting for the Republican gubernatorial candidate by an average of 22% in 2002 to 24% in 2006. Party identification provides an even starker example of the variation in the models. In 1998, on average, the probability of voting for the Republican gubernatorial candidate increased by 14% as respondents moved from Democrat to Republican, whereas in 2002 the effect of party identification more than doubles, with the probability of voting for the Republican gubernatorial candidate increasing by 32% as respondents move from Democrat to Republican.

The state tax variable presents another consistent result across the election years studied. This variable, insignificant in the logit model, plays a minor role in gubernatorial voting, impacting the probability of voting for the Republican gubernatorial candidate in the 2–4% range across all the election years studied. When compared with the impact of other variables—such as presidential approval, party identification, political ideology, and race—the influence of state tax increases, in this model, is minimal.

The most interesting result from Table 2 is the influence of percent change in RDI. In 1990 and 1994, the percent change in RDI impacts gubernatorial voting on a level that is on par

with or exceeds that of variables such as presidential approval and party identification. In 1990, an increase in the percent change in RDI from its lowest to highest value, on average, leads to a 21% increase in the probability of voting for the Republican gubernatorial candidate. The change in probability of 21% as RDI changes is comparable to an increase in the likelihood of voting for the Republican candidate by 18% when moving from disapproval to approval of the president and the decrease of voting for the Republican candidate of 19% when the respondent is black. In 1994, the results for percent change in RDI are even more striking. While in the model for 1990 the impact of percent change in RDI on gubernatorial voting surpasses the influence of all of the other variables except for party identification, in 1994 the impact of RDI on the vote for governor surpasses *all* of the other variables in the model—and by a margin of at least 13%! In 1994, the probability of voting for the Republican candidate for governor increases, on average, by 40% as respondents move from the lowest to highest percent change in RDI.

Model 2

This model was run using the number of state tax initiatives that were raised (times the party of the incumbent governor) for the state tax variable. The results from the model are presented in Table 3.

[Table 3 about here]

The results for Model 2 are remarkably similar to those from Model 1. In both models, presidential approval, party identification, political ideology, and race significantly influence the vote for governor across all five election years studied. The results for percent change in RDI and voters' evaluations of the national economy are the same in both models as well, with the percent change in RDI significantly affecting gubernatorial voting in 1990, 1994, and 1998, but

not in 2002 and 2006, and the national economy significantly influencing the vote for governor in 2002 and 2006, but not for 1990, 1994, and 1998. However, again in 1998 the coefficient for change in RDI is negative, which is not what we expected.

Similar to Table 2 above, Table 4 displays the predicted probabilities, which were calculated by setting the variables to their actual values, for comparison between election years.

[Table 4 about here]

The predicted probabilities for Model 2 are strikingly similar to those in Model 1. In Model 2, presidential approval, party identification, political ideology, and race all consistently and substantially impact the vote for governor. Likewise, the impact of the number of state taxes raised plays a minimal role in all of the election years studied aside from 1994, where the probability of voting for the Republican gubernatorial candidate increases by 21% on average as the respondents move from being under a Democrat governor who raised multiple taxes to being under a Republican governor who raised multiple taxes. This result is not in the expected direction and it is important to remember that this coefficient from the logit model is not significant.

The result for percent change in RDI again produces an interesting and noteworthy pattern. In 1990 and 1994, the percent change in RDI substantially impacts gubernatorial voting on a level that is on par with or exceeds that of the other variables in the model. Similar to its effect in Model 1, in 1990, an increase in the percent change in RDI from its lowest to highest value, on average, leads to a 19% increase in the probability of voting for the Republican gubernatorial candidate. A change of 19% for RDI is equal to the change in the probability of voting for the Republican candidate when the respondent is black and exceeds the impact of presidential approval and political ideology. Again, 1994 provides striking results for percent

change in RDI with the impact of RDI on gubernatorial voting at 41% surpassing the impact of all of the other variables in the model. It is interesting to contrast the impact of RDI in 1990 and 1994 with the impact of respondents' evaluations of the national economy in 2002 and 2006. While the probability of voting for the Republican candidate for governor increases, on average, by 19% in 1990 and 40% in 1994 as RDI changes (from lowest to highest), respondents' evaluations of the national economy increases the likelihood of voting for the Republican candidate by only 4% in 2002 and by only 8% in 2006, despite the significance of these variables in their respective models.

Discussion and Conclusions

Gubernatorial voting is influenced by a multitude of variables, of which national factors and voters' individual characteristics are the most prominent and consistent. Across all five election years in this study, presidential approval, party identification, political ideology, and race impact the vote for governor. However, the goal of this study was to assess the impact of the state economy on gubernatorial voting, so how well did the state economy fare in comparison?

Our results suggest that voters today are throwing increasing weight behind the condition of the national economy when they calculate their vote choice for governor. This was certainly true for voters in the 2006 gubernatorial elections, whose vote choice was virtually unaffected by changes in per capita real disposable income (RDI), whether state taxes were raised, and the number of state taxes raised. From 1990, 1994, and 1998 to 2002 and 2006 the influence RDI has played on respondents' vote choice for governor has declined. In 1990 and 1994, the state economy significantly and substantially impacted the vote for governor. In 1998, the impact of the state economy of gubernatorial vote choice waned, but remained a statistically significant

effect (albeit in the wrong direction). By 2002 and 2006 the impact of the state economy was insignificant, but the influence of the national economy on gubernatorial voting was significant and substantial.

In regard to state taxes, the effect of an incumbent governor passing one or more tax hikes over the five elections studied reveals a less-clear pattern. The 2002 elections saw the probability of voting for incumbent governors who raised taxes decrease by 2% and 9%, respectively, in our two models. However, in almost all of the other elections included in the study, incumbent governors who raised taxes were *rewarded* with an increase in the likelihood of voters casting a ballot for them, a result seen most strikingly in Model 2 (Table 4). These results are inconclusive, but perhaps they demonstrate that voters pay little attention to state tax increases or that they reward governors who exercise fiscal discipline. Alternatively, they could signal a problem with the state tax measures used in this study. While the operationalization of state taxes in this study were the same as used by Niemi et al. (1995), they are rather blunt measures of state taxes. In other words, these measures incorporate tax data across a two-year period prior to the election and fail to consider their magnitude. A better measure of state tax increases would more carefully consider the time frame of the tax increase prior to the election and also the degree to which the tax increase affects individuals in the state. Including a variable that measures increases (and decreases) in individuals' tax burdens in each state is one possible avenue available for future research.

Overall, the results demonstrate that voters are increasingly taking their economic voting cues from national indicators. In our models, the national economy goes from being an insignificant concern of voters in 1990, 1994, and 1998 in deciding their vote for governor to playing a substantial role relatively equal to political ideology and race in 2002 and 2006. To

some extent this may reflect the changing nature of the U.S. economy, from one that still retained some semblance of local production in the early 1990s to one that is today increasingly outsourcing local needs to national and even international corporations. Voters may now take their economic voting cues from national economic indicators because they are no longer heavily invested in the independent main street shops and factories of yesteryear. It is also possible that the 2002 and 2006 elections are anomalous and that future gubernatorial elections will witness state economic factors' return to significance.

Though our results do not consistently support the idea that state economic factors substantially influence gubernatorial voting, they do suggest that they can play a role in voters' decisions. The influence of these factors is sporadic across elections, especially in comparison to that exercised by those old standard-bearers of voting behavior in political science modeling—party identification, ideology, race, and presidential approval. Further, it appears that the influence of state economic factors is waning as the influence of national economic factors waxes and that of these established and reliable measures remains constant. These results speak to the stability of personal characteristics in vote choice, and to the dynamism of the economic environment and voters' evaluations thereof.

Future research should take into consideration two major selection issues in our models. First, governors may decide whether to run for reelection based on the strength of the state economy. In other words, governors in states where the economy is doing poorly may decide not to run; governors could be self-selecting out of the model. Second, individuals who did not vote in the gubernatorial elections were excluded from the models. Future studies should consider incorporating abstainers into a model of gubernatorial voting since nonrandom selection is present in the voting process.

While our results do not dispute that state economics have some influence on gubernatorial voting, they certainly cast doubt on the degree of impact they have, particularly in recent gubernatorial elections. The lack of consistent results for the state economy and state tax increases on gubernatorial voting begs the question: Is there a distinctive state politics? This study suggests that states do have a distinctive set of politics, but that state politics are undoubtedly tied to national politics in the minds of voters. The level of autonomy states have, politically speaking, depends on the particular election year. In 1990 and 1994, state politics play a dominant role compared to that played by the national economy and respondents' evaluations of the president. In contrast, in 1998, 2002, and 2006, national conditions dominate state politics. Thus, this study suggests that the state economy does matter, but the degree to which it matters depends on the election year. The variability of the influence of the economic variables across election years suggests that the separation of state politics from national politics in the minds of voters is highly conditional and that the conditions have yet to be determined. Future research should explore in depth the historical and contextual effects which may lead national factors to dominate gubernatorial elections over state politics and vice versa.

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Table 1. Effects of National, State, Candidate, and Voter Characteristics on Gubernatorial Voting, Model 1

	1990	1994	1998	2002	2006
Independent Variables	Coefficient (Robust Std. Error)	Coefficient (Robust Std. Error)	Coefficient (Robust Std. Error)	Coefficient (Robust Std. Error)	Coefficient (Robust Std. Error)
National Economy and the President					
President Approval	0.90*** (0.14)	-1.28*** (0.11)	-1.55*** (0.12)	1.73*** (0.23)	1.36*** (0.16)
National economy	-0.01 (0.11)	-0.20 (0.15)	0.03 (0.08)	0.43** (0.15)	0.57*** (0.09)
State Economy and Taxes					
% change in per capita real disposable income (RDI)	0.03** (0.01)	0.13* (0.06)	-0.04** (0.01)	0.01 (0.02)	0.03 (0.03)
Sales, personal income, or sin taxes raised	0.01 (0.21)	0.31 (0.35)	0.19 (0.12)	-0.14 (0.18)	0.01 (0.27)
Candidate Characteristics					
Rep. Incumbent Candidate	-0.06 (0.27)	-0.90 (0.97)	0.99*** (0.13)	0.63* (0.29)	0.51 (0.36)
Margin of victory in last election (Rep. minus Dem. % of two-party vote)	-0.01 (0.004)	-0.01 (0.01)	0.004 (0.00)	0.00 (0.00)	-0.02 (0.01)
Voter Characteristics					
Personal financial situation worse now than two years ago	0.06 (0.08)	-0.08 (0.14)	-0.03 (0.09)	-0.11 (0.18)	-0.27* (0.11)
Personal financial situation better now than two years ago	0.00 (0.11)	-0.04 (0.17)	-0.01 (0.07)	0.03 (0.14)	0.09 (0.11)
Party identification	1.23*** (0.13)	1.36*** (0.29)	1.49*** (0.13)	2.10*** (0.26)	1.57*** (0.11)
Liberal/conservative	0.88*** (0.18)	0.91*** (0.26)	0.63*** (0.10)	1.45*** (0.19)	0.67*** (0.12)
Race	-1.04*** (0.22)	-1.77*** (0.45)	-0.93*** (0.16)	-1.24*** (0.36)	-1.09*** (0.30)
Union household	—	—	—	-0.43** (0.15)	—
Constant	-1.59*** (0.22)	0.50*** (0.43)	-1.13*** (0.24)	-2.97*** (0.34)	0.67*** (0.12)
n	3674	1528	3639	2949	4649
Model chi-square	307.84	486.18	343.05	836.82	782.91
p	0.0000	0.0000	0.0000	0.0000	0.0000

Notes: "—" indicates variable not included in model. The dependent variable is 1 if the respondent voted Republican, 0 if the respondent voted Democrat or other (abstainers are excluded). * $p \leq 0.1$ ** $p \leq 0.01$ *** $p \leq 0.001$, two-tailed t tests.

Table 2. Predicted Probabilities of Voting for Gubernatorial Incumbents, Model 1

	1990	1994	1998	2002	2006
Independent Variables	Change in Probability	Change in Probability	Change in Probability	Change in Probability	Change in Probability
National Economy and the President					
President Approval	0.18	-0.22	-0.17	0.22	0.24
National economy	-0.001	-.03	-0.008	0.04	0.08
State Economy and Taxes					
% change in per capita RDI	0.21	0.40	-0.03	0.03	0.11
Sales, income, or sin taxes raised	0.002	0.04	0.004	-0.02	0.00
Candidate Characteristics					
Rep. Incumbent Candidate	-0.01	-0.13	0.08	0.05	0.07
Margin of victory in last election	-0.15	-0.13	-0.05	0.00	-0.17
Voter Characteristics					
Personal financial situation worse now than two years ago	0.001	-0.006	-0.01	-0.01	-0.04
Personal financial situation better now than two years ago	0.01	-0.01	-0.02	0.002	0.01
Party identification	0.26	0.22	0.14	0.32	0.28
Liberal/conservative	0.18	0.15	0.21	0.17	0.10
Race	-0.19	-0.27	-0.10	-0.12	-0.14
Union household	----	----	----	-0.04	----

Note: The values represent the change in probability moving from 0 to 1 on the independent variable aside from several exceptions including RDI, the state tax measure, and margin of victory whose predicted probabilities were calculated moving from the low

Table 3. Effects of National, State, Candidate, and Voter Characteristics on Gubernatorial Voting, Model 2

	1990	1994	1998	2002	2006
Independent Variables	Coefficient (Robust Std. Error)	Coefficient (Robust Std. Error)	Coefficient (Robust Std. Error)	Coefficient (Robust Std. Error)	Coefficient (Robust Std. Error)
National Economy and the President					
President Approval	0.91*** (0.14)	-1.28*** (0.12)	-1.55*** (0.12)	1.73*** (0.23)	1.36*** (0.15)
National economy	-0.01 (0.11)	-0.19 (0.14)	0.33 (0.76)	0.43** (0.15)	0.57*** (0.09)
State Economy and Taxes					
% change in per capita real disposable income (RDI)	0.03** (0.01)	0.13* (0.06)	-0.04** (0.01)	0.03 (0.03)	0.03 (0.03)
Number of state taxes raised	0.05 (0.07)	0.21 (0.21)	0.07 (0.10)	-0.22* (0.12)	0.01 (0.08)
Candidate Characteristics					
Rep. Incumbent Candidate	-0.08 (0.28)	0.95 (0.97)	0.97*** (0.15)	0.61* (0.29)	0.51 (0.37)
Margin of victory in last election (Rep. minus Dem. % of two-party vote)	-0.01* (0.004)	-0.01 (0.01)	0.004 (0.00)	0.00 (0.00)	-0.02 (0.01)
Voter Characteristics					
Personal financial situation worse now than two years ago	0.05 (0.08)	-0.08 (0.14)	-0.03 (0.10)	-0.11 (0.18)	-0.27* (0.11)
Personal financial situation better now than two years ago	0.00 (0.11)	-0.05 (0.17)	-0.01 (0.07)	0.03 (0.14)	0.09 (0.11)
Party identification	1.24*** (0.13)	1.37*** (0.29)	1.49*** (0.13)	2.12*** (0.26)	1.57*** (0.11)
Liberal/conservative	0.88*** (0.18)	0.91*** (0.26)	0.63*** (0.97)	1.44*** (0.19)	0.67*** (0.12)
Race	-1.04*** (0.22)	-1.75*** (0.45)	-0.93*** (0.16)	-1.26*** (0.36)	-1.09*** (0.29)
Union household	—	—	—	-0.44** (0.15)	—
Constant	-1.62*** (0.22)	0.48 (0.41)	-1.12 (0.24)	-2.92*** (0.32)	-2.05*** (0.13)
n	3674	1528	3639	2,949	4,649
Model chi-square	253.02	354.25	329.58	865.54	782.91
Model p value	0.0000	0.0000	0.0000	0.0000	0.0000

Notes: "—" indicates variable not included in model. The dependent variable is 1 if the respondent voted Republican, 0 if the respondent voted Democrat or other (abstainers are excluded). * $p \leq 0.1$ ** $p \leq 0.01$ *** $p \leq 0.001$, two-tailed t tests.

Table 4. Predicted Probabilities of Voting for Gubernatorial Incumbents, Model 2

	1990	1994	1998	2002	2006
Independent Variables	Change in Probability	Change in Probability	Change in Probability	Change in Probability	Change in Probability
National Economy and the President					
President Approval	0.18	-0.22	-0.17	0.22	0.24
National economy	-0.002	-0.03	-0.008	0.04	0.08
State Economy and Taxes					
% change in per capita RDI	0.19	0.41	-0.03	0.05	0.11
Number of state taxes raised	0.08	0.21	0.08	-0.09	0.01
Candidate Characteristics					
Rep. Incumbent Candidate	-0.01	-0.13	0.08	0.05	0.07
Margin of victory in last election	-0.18	-0.13	-0.1	-0.006	-0.17
Voter Characteristics					
Personal financial situation worse now than two years ago	0.0006	-0.007	-0.01	-0.01	-0.04
Personal financial situation better now than two years ago	0.01	-0.01	-0.02	0.003	0.01
Party identification	0.26	0.22	0.15	0.32	0.28
Liberal/conservative	0.18	0.15	0.21	0.17	0.10
Race	-0.19	-0.27	-0.10	-0.12	-0.14
Union household	---	---	---	-0.04	---

Note: The values represent the change in probability moving from 0 to 1 on the independent variable aside from several exceptions including RDI, the state tax measure, and margin of victory whose predicted probabilities were calculated moving from the low