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Macroeconomic Indicators of Working Class Voter Abstention in US Presidential Elections, 1948-2004

Christopher Kessing

University of New Orleans

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Macroeconomic Indicators of Working Class Voter Abstention in US Presidential Elections, 1948-2004

A Thesis

Submitted to the Graduate Faculty of the
University of New Orleans
in partial fulfillment of the
requirements for the degree of

Master of Arts
In
Political Science
Political Economy

By
Christopher P. Kessing
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Abstract

In this paper I explore the causal relationship between the strategic economic interdependence advanced by Western democracies after WWII and the “puzzle of participation” in US presidential elections. More specifically, I seek to illustrate first how economic convergence within the West and then the transition from Keynesian to monetarist policy rhetoric reflexively diminish the degree to which US working class voters can realistically petition their elected officials regarding the most salient matters of economic self-interest. My results indicate that from 1948-2004, the working public became more isolated from their most salient economic decisions, voted less often due to heretofore unexplored macroeconomic indicators.

Keynesian economics, public isolation, working class, voter participation, Bretton Woods, economic interdependence, GATT/WTO
1. Introduction: Bretton Woods and Voter Abstention

Scholars have devoted a great deal of attention to the “puzzle of participation”—the curious decline in aggregate national voter turnout in presidential elections that has occurred since 1964 despite increasing levels of education in the electorate and reductions in legal and practical barriers to voter participation (Brody 1978). To investigate the causes of this decline, researchers have examined the influence of many micro-level explanatory variables, including education, income, partisanship, mobility and access to news periodicals. Further, some have supplemented these micro-level variables with economic variables, to better determine socioeconomic indicators of voter participation, including the state of the economy. Given the unsettling realities of unemployment, underemployment and high prices, especially since the 1980s, it is of little surprise that citizens’ perceptions of both incumbent presidents’ economic policies and candidates’ economic platforms play a significant role in determining whether or not voters bother to participate in the electoral system.

I contend that previous research has not sufficiently considered substantive macro-level economic variables or citizens’ perceptions of them. While Hellwig (2001) addresses the effects of globalization on voter participation, research has heretofore neglected the substantive changes in the state-society relationship in the United States that occurred concurrently with the advent of the Bretton Woods international economic system. With each iteration and treaty expansion of the General Agreement on Tariffs and Trade (GATT)/ World Trade Organization (WTO), it became clear that the voting public was becoming increasingly isolated from the decision making processes that determined import quotas, tariff levels, and outward capital flows. In short, the international economic regime drastically transformed the US’s economic sovereignty. Between the “fast track” trade negotiation policy, which allowed the president an unprecedented
independence with which to determine US trade policy following the Trade Act of 1974\(^1\), and the strengthening of the US Trade Representative, who negotiates directly with GATT/WTO, the efficacy with which a civilian could petition elected officials on the most salient economic issues diminished significantly. Voting lost its leverage as a vehicle by which citizens could express their economic needs and desires, affecting working class voters more directly, and contributing to the class bias of the electorate (Leighley and Nagler 1992). While the Bretton Woods system attained an increased level of formalized international cooperation, one must not overlook that the main catalyst for economic integration was the reduction of the same protective tariffs that allowed the US industrial sector to grow in its infancy and adolescence. With GATT/WTO’s expansion and the corollary developments in globalized economics, capital flowed increasingly across borders, while labor remained stationary, without the leverage to make the demands it had once made. Overall, integration into the world economic system alienated the voting public by reducing the importance of their role as decision makers.

Moreover, I contend that the shift in public discourse, from support for Keynesian demand-stimulation and the welfare state to support for monetarist economic rhetoric, provides a second economic avenue for voter alienation. While economists, philosophers and theorists debate the pros and cons of both frameworks, I claim that working class voters clearly distinguish one framework from the other. For the working class, the demand-stimulation prescriptions of the Keynesian model better address their economic well-being than the supply-side and austerity prescribed by the monetarist model. I contend that monetarist and supply-side rhetoric, as it relates to low business taxes, allows at least short-term employment volatility. It also eschews entitlement spending and alienates the working class. In short, both the isolation

\(^1\) Congress has the power to simply vote yes or no, and cannot debate the specifics of any proposed agreement.
from international economic decision making and the policy program of the supply-side focused monetarist model reduce the perceived effectiveness of electoral politics for the working class, thus reducing the incentive to participate.

In this paper I seek to address how these two macroeconomic trends and other related variables influence voter participation, contributing previously unconsidered variables to explain voter abstention. More precisely, I seek to provide a theoretic treatment of the global systems’ contribution to economic alienation among potential voters. I then present an empirical test suggesting that when these two factors interact, voter abstention follows. My results show that while indicators of economic interdependence increase the likelihood for voter participation for the rest of the population, these indicators decrease the likelihood of voting among the working class.

The paper continues as follows. In chapter two I both review the previous relevant literature regarding voter participation and economic voting and address the theoretic foundations of my model. In chapter three I will lay out six hypotheses and the quantitative means with which I will test them, report my results and conclude with a discussion. Finally, in chapter four I will offer my conclusions and suggestions for future research.
2. Previous Literature

Previous voter participation literature has addressed the “puzzle of participation” via three main avenues: broad theories of political behavior, micro-level socioeconomic explanations and explanations based on societal trends. While all three have distinct limitations, each also offers unique insight into both the determinacy of social arrangements and the civilian psyche.

Broad Theories of Political Behavior

As summarized by Cox (1997:10), the three main broad theoretical approaches to voter participation are social choice theory, public choice theory and spatial theory. Social choice theory, based on the work of Arrow (1951), views elections as a means of collective decision making that attempts to translate individual preferences into aggregate decisions. Public choice theory measures the development individuals’ electoral decisions that result in the society’s adaptation of new social norms. (Mueller 1989). Spatial theory (Palfrey 1984) quantitatively studies voter decisions as pragmatic evaluations of different candidate’s platforms in terms of the axial distance between candidates’ stance on given issues and an individual’s ideal. Downs’ (1957) seminal piece jump started spatial theory in terms of a voter’s comparison of candidate’s economic platforms relative to their expected economic benefit.

The most essential broad theory relevant to my model is rational choice theory. Under the assumptions of rational choice theory, political actors make decisions that they believe will maximize their own expected utility. According to this theory, in deciding whether to vote, a citizen determines whether the expected utility of voting is positive or negative. A positive expected utility results when pB>C, where p equals probability of the individual voter’s vote changing the outcome of the election, b is the expected differential benefit that the individual
voter would receive by virtue of that voter's preferred candidate winning the election rather than the other candidate and c represents the costs involved in casting a vote. Rational choice theorists posit that participation and voter choice depend on a simple cost-benefit analysis (Tullock 1967; Schwartz 1987). Some suggest that while rational choice is a valid starting point, it has subtle complexities, and that one theory cannot adequately explain voter behavior on its own (Merill and Grofman 1999:10). Others, including Green and Shapiro (1994:69), criticize assumptions directly, specifically the assumption of universal rationality.

_Sociological Indicators_

The importance of various individual-level socioeconomic variables in determining voter turnout decisions remain heavily debated among researchers. While many point to a lack of education as a key impediment to voting (Wolfinger and Rosenstone 1980; Tenn 2005), others question its statistical significance (Brody 1978; Liskin 1988; McDonald and Popkin 2001). Some also argue that socioeconomic indicators can also determine secondary effects. For example, as Golstein and Ridout (2002) suggest, those with a lower socioeconomic status are less likely to be approached by candidates’ public relations campaigns, leaving them largely immobilized. In the same way, Matsusaka (1995) suggests that those with low education and low income do not vote as often because they have less regular contact with news periodicals, and hence do not have the information necessary to make a sound electoral choice. Unfortunately, sociological indicators are highly correlated even at the theoretical level, which means they are ripe for quantitative multicollinearity. Indeed, as Leighley and Nagler (2006) suggest, depending on the precision of measurement, a researcher’s employment of income, education or occupation as a determinant of electoral participation might in fact be addressing the same phenomenon.
Societal Trends: Atomization and Alienation

Previous research has focused on certain social trends as a source of voter abstention. For example, Putnam (1995) suggests that the decline in voter participation stems from an aggregate abandonment of basic civic engagement, which leads to an increase in free-riding and collective action problems (Olson 1971). Other social critics, including Ellul (1965) note that post-industrial technological society is ripe with the distraction of fashionable consumption and material gain, pacifying the masses and engendering apathy.²

As Chen (1992) and Adams, Dow and Merrill III (2006) suggest, a myriad of socioeconomic indicators explain voter alienation. I consider this a significant point of reference in addressing the “puzzle of participation.” Notwithstanding the small faction of the population that one can label genuinely disinterested in the political process, the fact that most eligible voters do, at some point, engage in the electoral process suggests that their rational choice to not participate might require a more substantive explanation than simply citing ubiquitous costs and questionable benefits. In short, the polls will always be crowded, work will always let out at 5pm on that November Tuesday, and traffic will always be excessive during rush hour, yet voting patterns are not equally constant.

² Social critics like Noam Chomsky might consider this a more deliberate phenomenon. In multiple sources, including but not limited to Herman and Chomsky (1988), he quotes Walter Lippmann and Reinhold Niebuhr, suggesting that elite US citizens desire an intellectual oligarchy shrouded by repeated cultural narratives of democracy: Prominent intellectuals called for the development of effective propaganda to impose on the vulgar masses “necessary illusions” and “emotionally potent oversimplifications.” It would be necessary, they urged, to devise means of “manufacture of consent” to ensure that the “ignorant and meddlesome outsiders,” the general population, be kept “in their place,” as “spectators,” not “participants in action,” so that the small privileged group of “responsible men” would be able to form policy undisturbed by the “rage and trampling of the bewildered herd.”
Abramson and Aldrich (1982)\textsuperscript{3} offer two key variables to the literature on voter turnout based on their examination of survey data: a feeling that government does not serve citizens’ interests and a decline in partisanship. To properly define macroeconomic-induced working class alienation, I examined Chen’s (1992) lucid treatment of voter alienation, and his discussion of alienation’s subcategories. Building on Hajda and Travis’s (1981:214) alienation continuum measuring the disaffected voter’s feelings, from extreme powerlessness on one side and meaningfulness on the other, Chen (1992:94) distinguishes between three alienation typologies: inefficacy (powerlessness), distrust(normlessness) and meaningfulness. These typologies provide my model a theoretic precedent for understanding why potential voters might feel dissuaded to vote given the current economic paradigm. For the purposes of my research, alienation based on inefficacy, or powerlessness in the face of a global political economy with concentrated spheres of influence, offers a relevant and substantive reference point.

Put simply, there is plenty of reason to believe that working class alienation might derive from the clear advantages enjoyed by business interests over the working class. For example, previous research suggests that economic alienation might increase with the ostensible role private money plays in politics. Specifically, in his investment theory of politics, Ferguson (1995:33) expects politicians to “make modest appeals to the public on issues that affect major investors” but remain intractable on issues that are of direct interest to investors, concluding that politicians focus on adjusting political opinion towards investor’s interests rather than investors’ towards public opinion.

\textsuperscript{3} As discussed by Flanigan and Zingale (1991:22).
The problem is, of course, that the population evaluates and elects a given candidate based on their campaign promises to improve policy. "However, it is likely that, as Ferguson (1995:352) illustrates, campaign promises designed to gain popular support quickly erode as those who contributed campaign money desire a payback. Despite the limitations placed on donations to PACs, soft money and related donations to organizations such as charities and think tanks skew campaign finance in ways that proposed reforms do not address.

Moreover, political apathy (Hadley 1978; Flanigan and Zingale 1983; Chen 1992), a phenomenon distinct from alienation and defined as “a general lack of interest in the political process,” cannot fully explain the significant abstention rates found among the working class. Ultimately, large scale non-involvement solely due to disinterest violates the rules of rational citizenship, because rational citizens would engage in the political process to work towards ensuring their best political options. While one might argue that a small percentage of US citizens lack interest in the political process, it would seem that this small percentage of outliers would remain constant over time or grow consistently with the increase in post-modern distractions—neither of which reflects with the actual voter participation rate. Instead, I contend that the majority of “indifference” (Chen 1992:101) is contextual—specifically due to macroeconomic arrangements, and explained much more substantively by alienation than apathy or primary disinterest.

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4 It should be noted that empirical evidence of the existence of quid-pro-quo arrangements between contributors and candidates is seen by many scholars to be tenuous at best. See Primo (2000) for one discussion.
2.2 Theoretical basis for my explanatory variables, using previous literature

As previous research indicates, the socio-economic divide in the US is greater at present than in the past and has more or less increased gradually since the 1960s: the rich vote more often than the poor (Danziger and Gottschalk 1995; Gottschalk and Danzinger 2005). Moreover, both Jones and Weinberg (2000) and Leighley and Nagler (2006) report that income inequality increased significantly during the 1980s. That these socioeconomic trends occur amidst an aggregate decline in voter participation in US presidential election years inspires research into a potential causal relationship. Unfortunately, the imprecision of the previous literature’s socio-economic indicators, employed to address the electorates’ class bias, leads to conflicting results, especially in the case of ordinal level employment data (Shields and Goidel 1997). It is useful, then, to specify the logical foundations of my model before discussing specific concepts and measurements.

As Flanigan and Zingale (1991:15) say “all but a small proportion of the population votes at least occasionally, but individuals vary in the regularity with which they cast their ballots.” In short, then, most citizens both vote occasionally and abstain occasionally. If the average adult’s education level remains constant and if the average adult’s income remains fairly constant, then one must address the potential indicators that do in fact vary. Moreover, given the salience of economic indicators in potential voters’ rational decisions (Downs 1957), I seek to address the social indicators with substantial variance: economic fluctuations. It follows that my model’s basic assumption is that changes in alienating macroeconomic policies related to fluctuations in the international economic regime lead to voter abstention.
Though previous research addresses certain macroeconomic indicators, it has heretofore ignored significant trends related to both the Bretton Woods economic regime—central to post WWII international economic affairs—and voters’ perceptions of whether or not they can effectively alter the international economic regime electorally (Huckfeldt and Sprague 1987; Pacek and Radcliff 1995). At the aggregate level, previous literature, including Powell and Whitten (1993) and Nannestand and Paltam (1994), has focused on both classic aggregate economic performance indicators such as GDP, unemployment and inflation and institutional features such as electoral systems. In the same way, scholars debate whether rational economic voters employ these measures to vote sociotropically, holding the government accountable for these aggregate level measures, even if they themselves fail to prosper, or whether they egotropically evaluate their personal economic realities (Kiewiet 1983; Lewis-Black and Paldam 2000).

I contend that while these classic measures provide a fruitful starting point for understand why citizens do not vote, they fail to address the actual shifts responsible for economic alienation. Specifically for the working class—those perpetually underrepresented at the polls—alienation results from the feeling of powerlessness and detachment from economic decision making, after both retrospective (Fiorina 1981) and prospective (Mackien, Erikson and Stimson 1992, 1996) systemic evaluations of their prior and potential votes’ efficacy (Teixeira 1987). Therefore, I will now offer the substantive macroeconomic indicators that I contend affect working class voter participation.
As monetarist economic rhetoric supplanted Keynesian rhetoric, the grounds for alienation grew. While Keynesian policies seek to stimulate demand by manipulating the deficit and fiscal instruments (Hall 1986:72), reducing if not eliminating unemployment and increasing government spending, monetarism seeks to control money supply as a means to control inflation (Hall 1986:96). Further, while Keynesian economists seek to control economic ebbs and flows, monetarists focus on a steady flow of money as a means of keeping interest rates low. As Galbraith (1995) summarizes, monetarists posit that a focus on the supply side instead of the Keynesian demand side, dictated by strict monetary policy, leads to low inflation and increase capital investment. Further, deregulation, including GATT negotiation pressures to repeal the Glass-Steagall Act (Ferguson 1995:299), assists by improving efficiency.

A concurrent reduction in safety nets, the monetarist argument continues, would stimulate the poor to participate in the economy and reduce social spending. It follows then that monetarists—following the prescriptions of classical economic theory (Colander 1994)—promote policies that diminish government funded entitlements and discretionary spending and favor the supply-side by lowering taxes and regulations, while keeping interest rates stable. For example, monetarists argue that though the Federal Reserve’s significant increase in money supply in 1971 led to a short-term increase in household income and a decrease in unemployment, it created conditions in the mid-1970s that were worse than those at the beginning of the decade. While the demand-stimulation increased output in the short term—before prices could catch up—it led to inflation in the long term when prices did catch up (Colander 1994:353).
For the voting public, the shift towards monetarism seems to favor the business sector over the everyday citizen. Though monetarist theory strives to generate the largest and efficient economic returns, and use them as a catalyst to improve the standard of living and wages, the positive effects of their proposed economic restructuring takes time, and that alienates the public. As Fowler and Kam (2006) suggest, candidates’ economic platforms require patience from election day until implementation: voters incur the costs of participation either on election day or before, yet do not enjoy the benefits until much later. Therefore, the shift from the immediately palpable benefits of Keynesian demand-stimulation to the long-term benefits of supply-side economics negatively affects the working class’s cost-benefit evaluation of political participation and merits attention as a possible cause for voter abstention.

The shift towards monetarism, however, did not happen in a vacuum. As Ruggie (1982: 412) suggests, the post-war period was essentially one of adapting to new international circumstances. While the new tasks included post-war reconstruction and stifling Soviet expansion, they also focused on ensuring neither another Great Depression nor intra-West warfare. Embedded liberalism can be seen as a validation of the convergence thesis, which contends that industrialized countries will seek simple public policies to maximize profitability while addressing the public’s demands for improving living standards and stability (Adilino and Blake 2001; Wilensky 1975). Offe (1984:193) illustrates how Keynesianism became the de facto Western paradigm for economic stability, growth and integration. Assembly-line Fordism and Keynesianism were responsible for the great postwar boom from 1945 to the mid 1970s, which underwrote basic social democratic tendencies and the welfare state (Hirst and Zeitlin 1991). To buttress these claims, Cameron (1978) and Jahn (2006) provide quantitative tests to illustrate how economic openness correlated with an expansion of the welfare state.
The recessions of the 1970s raised questions about the Keynesian model’s sustainability. Global overproduction, increases in energy costs, and the development of industrial technology that decreased demand for traditional industrial materials and labor suggested the need for a paradigm shift. The era of assembly-line Fordism gave way to a new framework of flexible specialization within industry. According to Hirst and Zeitlin (1991), flexible specialization within the post-Fordist era requires versatile labor, rather than subdivided constant labor, encouraging employment volatility, squeezing wages and poor working conditions.

Still, the monetarist revolution in the United States began with public intellectuals before it spread to the political arena. As discussed by Turner and Hulme (1997:18), neo-classical economists preparing to press for political power in the late 1970s set their focus on the public sector’s inefficiency, and the need for public policy to address market growth with a “managerialist” approach. The best way, they reasoned, to stimulate the economy was via private sector expansion, freedom from government intervention and a focus on profitability. In response to the recessions, the US—following Margret Thatcher’s policies in Great Britain—focused on the private sector as the main tool to combat economic stagnation.

The shift from government planning to private sector managerialism had serious implications for state-society relationships. Starting with President Carter’s Private Sector Initiative Program, and followed by the Job Training Partnership Act of 1982 (Smith 2000:77), policy shifted towards the neo-classical economic model. Via a focus on monetary policy and private sector managerialism, US corporations had more pronounced confidence in the “input” stage of public policy making. “New public management” fused both actors and ethos from the private sector to the public sector and included the abolition or non-enforcement of anti-trust or consumer protection measures (Pollitt 1993; Miller 1992:176). This added to the disparity
between rich and poor, and concentrated private power. Moreover, as both Downs (1957) and Ferguson (1995:29) claim, it is easier for those in the business sector to absorb the costs of remaining informed with public policy-related information than it is for the working class majority. The disparity between the working class’ costs and benefits of participation only increases when a concentrated minority have the imbalanced power to shape public policy.

Lastly, Miller (1992:62) notes that the profit motive that drives firm behavior affects the policy-making process. When firms are solely motivated to maximize profits, any outcome—in the private or public sphere—that fails to do so constitutes failure. It is no surprise, then, that as private firms were included with more regularity into public policy debates, and as profit-making has replaced other firm goals, compromise with the preferences of the working classes become more difficult for firms.

In summary, while automatic economic stabilizers like unemployment insurance remain constant—residuals left over from the welfare state—the related public policy rhetoric changed with the monetarist ascendancy of the late 1970s, first in Great Britain under Margret Thatcher, then in the US, and later more generally among advanced capitalist states. So while one might argue that President Reagan did in fact stimulate the economy with a brand of “military-industrial Keynesianism,” the general acceptance of his rhetoric favoring tax cuts for business and other supply side stimulus represents a decided shift in economic philosophy. Moreover, because monetarist rhetoric has replaced demand stimulation rhetoric as a primary element of US macroeconomic policy discussions, and given the lingering rhetorical challenge of the Keynesian welfare state’s legitimacy, I expect MONETARISM to correlate negatively with working class voter participation.
It is my contention that the interdependent economic order that emerged after WWII—specifically related to GATT/WTO—also changed state-society relations in the US by isolating the public from the making of salient economic decisions. First, the direct role of Congress in trade negotiations declined with the Trade Expansion Act of 1962 and the Trade Act of 1974—the first of which granted the president authority to negotiate tariff reductions and the second, via fast-track/trade promotion authority, granted the president the ability to negotiate free of Congressional debate and oversight. Even if these changes were at first subtle, and even if time lagged before the population felt their significance, these acts no less altered the possibility of populist pursuit of economic interests. Any economic decline resulting from international economic agreement increased economic alienation.

Without question, the most game-changing result of the successive GATT/WTO meetings was the reduction of tariffs, which altered leverage enjoyed by industrial working people in the US. Krasner (1976:338) depicts US policy makers from 1919-1939 as unwilling to increase international trade. Both Hathaway (1998) and Epstein and O’Halloran (1996) suggest that the main reason for this was the effective popular support for the protection of domestic industries, and politicians’ desire for re-election. In short, for their efforts, strident US distributional coalitions (Olson 1982) were much better able to shift policy in their favor prior to the formalization of international trade.

After the advent of international economic regimes seeking to reach a Western consensus in favor of lower tariffs as a means of integrating economies, scholars debated their effectiveness at achieving openness and any secondary effects they had. Hagen (1958) suggested that intra-
Western comparative advantage would have been enough of a deterrent against excessive tariffs, while Johnson (1967) concluded that any potential benefit from tariffs—even if the US were to force optimal ones, reflecting their industries’ preferences—would potentially disrupt lucrative economic flows. In the same way Milner and Yoffie (1989:11 fn) suggest the mobility of production—which I will address shortly—might increase tariffs’ costs for multinational corporations. A key theoretical point offered by Mansfield and Busch (1995:358), is that multinational corporations and “industries that depend on or are highly sensitive to the price of imports” are expected to petition for low levels of trade barriers. Moreover, Mansfield (1994:732) and Krasner (1976) argue that hegemony encourages an open system, wherein the US acts unilaterally to provide a liberal trading order to both preserve and increase their capabilities, both military and economic. In the same way, Grieco (1990) considers it a case of bargained cooperation as a form of neoliberal institutional foreign policy.

In all, the previous literature focuses on the incentives for businesses and the absolute gains for US foreign policy and GDP. The working class, if considered, is done so passively, as having a vested interest in ensuring business succeed. For the period from 1948 through the mid-1960s this was true enough. Though tariffs gradually decreased with each iteration of GATT/WTO negotiations beginning almost immediately after WWII, the major industries affected by the earliest tariff reductions—namely the steel industry—were able to uphold union

\[5\] Webb (1996) raises an important question regarding the specificity of measurement when considering popular evaluations of international economic agreements. Specifically, he contends that there was nearly a decade lag after GATT’s Kennedy round before the policies agreed upon were fully implemented. Future research on macroeconomic indicators might choose to lag GATT/WTO round—as research on democratic developments in third world countries has chosen. I remain focused on the popular opinion related to policy rhetoric, which at least for the time being, vindicates my decision not to lag negotiation years.  

\[6\] Krasner (1976:340) argues that while there were substantial reductions in protection from 1948-1960 that they were so high to begin with that the impact on the domestic steel industry was not terribly significant. He cites the Kennedy round as the commencement point, where after tariffs changed trade and employment patterns.
wage demands with high prices\textsuperscript{7} and high market share. Conversely, Strange (1985) contends that the protectionism of the early 1980s did not disrupt the world market—perhaps because domestic industries were moribund and their place within civil society changed drastically.

In summary, I contend that the post WWII isolation of the general working public from the decisions that affected employment trends and other salient issues regarding the public’s economic interest remains a significant yet unaddressed variable determining voter participation. As previously discussed, while economic preferences greatly influence voter participation (Downs 1957), the Bretton Woods system, most notably the GATT agreements, drastically changed the way the public could petition their government. Instead of being the result of Congressional discussions, international economic decision-making post WWII has been one or two steps removed from Congress—via the US Trade Representative or the “fast track.” Moreover, the issues discussed are of preponderant importance to the working class, especially because the GATT/WTO round agreements constitute a drastic shift away from the protectionist policies that had helped grow domestic industry and ensure employment opportunities. It follows then, that I predict \textit{PUBLIC ISOLATION} to negatively correlate with working class voter participation.

\textit{Manufacturing as \% of GDP}

Manufacturing and industrial unions in the US were, in their heyday, among the most militant. As the manufacturing and industrial sectors’ centrality in the US economy declined, however, so too did the salience of their policy requests. For presidents and presidential candidates seeking to realize a workable balance between international interests and domestic

\textsuperscript{7} Nader and Taylor (1986) document the US steel industry’s illicit pricing schemes and anti-competitive manipulations of the market that kept them in profitable before and after WWII.
interests (Powell 1988), the diversified economy fewer industrial contracts and less domestic pressure. Concurrently, without a viable avenue for effective petition, *I predict that as the steel and textile industry made up less of the GDP, working class voter participation will decrease.* A specific result of the financialization of the economy, is the perplexing reality that from 1995-2000, despite becoming the fastest growing economy and experiencing substantial growth in GDP, the US set record-breaking trade deficits (Cohen, Blecker and Whitney 2003: 83). For those remaining in the industrial sector, foreign competition means workers must limit their demands for fear of increased unemployment.

*Capital Mobility and Working Class Peril (CAPITAL MOBILITY)*

One might claim that the fatal blow to the US working class’ leverage in determining public policy was delivered by Washington’s reduction of capital controls in the late 1970s (Webb 1995:92). While open markets increased the ease with which foreign goods could displace domestic goods, the easing and eventual abolition of capital controls allowed management a means to move production lines overseas. The transnational flow of capital allowed MNCs to remain competitive via exporting production to less developed countries to realize lower wage bills.

The ease with which capital flowed transnationally also shifted public support away from unions. It was less risky for workers to side with management and settle for lower paying non-union jobs, some without benefits, than attempt to challenge the centrality of businesses. The population considered lower wages preferable to no wages and picked up the “bad for competition argument” against unions. To put it differently, the antipathy for globalization expressed by the developed world’s working class (Scheve and Slaughter 2007) is neither
academic nor ideological, but rather heuristically-based. Their experience is unsettling: in the globalized era, real wages have continued to decline, employment opportunities are volatile and the economic disparity between workers and management has increased. Still more, Krugman (1994) suggests that US employment statistics would relay an even worse prognosis if they accounted for those who were drastically underemployed, in terms of wages and availability of hours. Kaplinsky (2001:48) also offers bleak statistics: “real wages in the US were lower in the mid 1990s than they were in the late 60s, and family incomes have only held up as a consequence of longer working hours and more working members of the family.”

That their grievances are neither ideological nor partisan (Gold 1995), translates into support for both right populist and left populist candidates. Ralph Nader’s showing in 2000 is the most recent example of popular support for third party candidates, while Ross Perot’s numbers in 1992 is the strongest such example (Stone and Rapoport 2001). Lacy and Burden (1999) claim that Perot’s candidacy increased aggregate participation by 3%. While Buchanan (1995) concludes that Perot himself was responsible for the mobilization, and that the public lacks the mobilization skills to draft a popular candidate, Holian, Krebs and Walsh (1997) conclude that Perot’s candidacy and popular support influenced House members to vote against NAFTA the following year. Simply put, the push for Ross Perot and the case against NAFTA illustrate the attractiveness of populism. In understanding popular sentiments, one must distinguish between academic evaluations and personal sentiments. Krugman (1993) suggested that in strictly economic terms, the 4% pre-NAFTA tariff on Mexican imports would do nothing to protect jobs, save a few low wage unskilled labor positions. Yet, one can conclude that the working class’s

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8 Stone and Rapoport (2001) claim that though Nader’s portion of the vote was only 3%, his popular support was much greater.
evaluations of the economic status quo do not require actuarial precision. The recession of the early 1990s happened concomitant with an unprecedented flow of capital out of the US into developing countries. While multinational corporations might not benefit immediately from these investments because, for example, fixed investments requires a time lag before profits are returned, their shareholders had reason to hope for the future. Workers, on the other hand did not have that luxury, as employment opportunities became progressively more volatile.

As previously mentioned, the interacting effects of global overproduction, displacement of steel in automobiles and other industrial production by more cost effective materials like plastic and aluminum, the US’s decline in market share, high labor and transport costs and inefficient technology changed the face of US industrial production by the 1970s. In order to remain solvent, the major corporations that make up the US steel industry generally took one of two routes. The first was drastic diversification. As noted by Nader and Taylor (1986:18), for example, by the middle 1980s, US Steel Co.—having acquired Marathon Oil Co. instead of modernizing their steel mills—was listed in business literature as a petroleum refinement company. Nader and Taylor also note that the diversification process led to the elimination of 47% of US. Steel Co.’s workforce between 1978-1984.

The second route to solvency was joint ventures by means of foreign direct investment (FDI). For example, US Steel opened a plant in South Korea with Pohang Iron in 1985, saving only the final stages of steel production for the US labor market (Nader and Taylor 1986:35). Rolling, the final stage in steel production, is the least labor intensive, offering fewest employment opportunities. For the working public, concerned more with putting food on the table than GNP, these pernicious capital shifts alienate them from the status quo economic rhetoric that celebrate the flow of transnational capital.
In the decades following WWII, direct aid and foreign direct investment (FDI) had the function of winning anti-communist allies, and extending peace through democracy (Dunning 1993). The fall of the Soviet Union in 1991, however, signified the “unabashed victory of economic and political liberalism.” The ascendancy of free-market capitalism—the clear victor over illiberal socialism—imbued the private market with a pervasive Hegelian-eschatological sentiment—a manifest capitalist destiny—as illustrated by the striking increase in preferential trade agreements following soon after (Goldstein et al. 2007). FDI no longer had to perform any strategic security function or win over malleable global south minds because citizens and leaders of less developed countries were no longer potential communist sympathizers, but rather potential markets, ever more tractable as their level of desperation increased (Elkins et al. 2006). Moreover, though FDI increased exponentially in the early 1990s (Elkins 2006), the earliest FDI outflows, made after WWII to countries like Japan, can be attributed to the decline of the US steel industry in the 1970s, when the negative effects of the decline in global demand were compounded by the more efficient labor costs in developing countries. It follows then, that rates of capital mobility may translate into economic alienation among the working class, resulting in an increased level of voter abstention.

However, a cursory evaluation of voting behavior during this, the post-Cold War “unipolar moment,” suggests that neither military dominance nor high levels of civilian education was enough to persuade potential voters to unanimously participate in the system. In short, I claim that those who did not participate—after the success of Ross Perot in 1992—

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9 As contended by Francis Fukuyama in his ubiquitous essay, “The End of History?”
10 For example, Japan’s share of the world steel market grew from 2.5 percent in 1950 to over 16 percent in 1970, while maintaining superior efficiency in production: 4 man hours per ton of steel compared with 30 in the developed steel producing countries (Evans 1980:397,399).
abstained because job outsourcing and capital outflows reached an all time high, leaving an especially volatile employment landscape in their wake.

Essentially, US based MNCs have the leverage to force a race to the bottom in terms of government expenditure and exchange rate devaluation between developing nations desperate to jumpstart their industrialization, or specifically in the case of Latin America, recover from the debt crisis. In short, for the US working class, staying competitive in the global market while maintaining high levels of employment and wages has become an insurmountable task. The dominant trend in global trade after 1990 is “intra-corporate trade,” wherein multinational corporations trade with their subsidiaries in foreign countries. As put by Cohen et al. (2003:69), “the modern world trade is based to a considerable extent on the strategic internal planning of MNCs rather than arms length transactions of the marketplace.”

The reason for my model’s distinction between capital mobility and trade openness is to capture any variance in the independent variables as catalysts for economic alienation-induced voter abstention. As Cox (1995) indicates, certain sectors prefer stagnation in GATT/WTO to avoid competition from European and Japanese imports. While any increase in tariff will reduce trade openness, the working population will not necessarily feel any less alienated. Regional trade agreements, bilateral investment treaties and other free trade agreements outside GATT/WTO jurisdiction still compromise domestic employment, hence I include capital mobility to capture capital flows to less developed countries. Money invested in jobs abroad is money that is not invested into jobs at home. Given the negative effect FDI outflows have on the consistency and labor standards of the US working class, I expect CAPITAL MOBILITY to correlate negatively with working class voter participation.
I include a measurement of union membership as an approximate measurement of the working class. Until the mid-1970s, organized labor was the preponderant force responsible for articulating the interests of the working class. Though both benefitted from high tariffs, the classic industrial-sector tension between labor and management prevailed, despite GATT/WTOs reduction in trade barriers (Eichengreen 1986). As global demand contracted in the mid-1970s, zero-sum elements of their negotiations became especially pronounced, as management sought transnational avenues for their surplus.

Labor’s negative effect on the US business community’s ability to produce domestically while competing in the ever-growing global market, especially in light of the emergence of cheap labor in the less developed countries, contributed to management’s call for legislative limitations on union rights. Historically, the business sectors’ rhetorical case against organized labor became stronger immediately following the end of WWII, with the advent of the nascent bipolar world. While the Wagner Act and other pieces of New Deal legislation protected the rights of unions against concentrated business interests, the Taft-Hartley anti-union law increased the power of management relative to organized labor (Abraham 1996:345). Taft-Hartley was defended on dual grounds: it forced out any Soviet-friendly leadership within organized labor, and it increased avenues to trade because unions were seen “a counterforce to maximized profits” (ibid). According to Jacobs (1999), the Labor Policy Association (LPA), which represents the business sectors’ special interest group striving towards an organized-labor-free economy, vociferously championed the Taft Hartley Act. The push for an organized-labor-free economy became especially acute after domestic industry lost both tariff protection and market-share monopoly.
Krugman (1994:30) discounts the “competition” argument as spurious and potentially degrading to both the domestic economy and civil society. He also contends that organized labor’s push for binding WTO-wide labor obligations, under the guise of negating the “competition” argument are wrongly perceived as non-tariff barriers to trade by the international economic community (Krugman 1997:117). Instead, he views this as business attempting to scare the public into supporting anti-populist policies. As Ferguson (1995) concludes, “markets can be used as tools of coercion.”

Yet, in strictly market-behavior terms, the claim that labor demands stifle market openness is not without its merit. As Mansfield and Busch (1995) indicate, due to the success of GATT/WTO to reduce tariffs, non-tariff barriers to trade (NTBs) now provide the dominant disruption to international commerce. Among the most common NTBs, are the myriad of techniques state and societal actors developed to stall liberalization agreements, stemming from the same pressures as tariffs. Labor groups are expected to champion NTBs, especially in cases of high unemployment, and state actors are expected to push for them if they need populist support during an election cycle. Therefore, given the centrality of transnational intra-corporate trade as a modern economic trend, a clear dichotomy of interest appears. Labor wants protection of what little industrial employment remains available, while management rejects protection, as it disrupts flows of goods across their subsidiary’s host nation barriers.\(^\text{11}\)

The decline of labor’s influence on economic affairs was worsened by the absence of an electoral lifeline within the US’s winner-take-all two party electoral system. As Panitch (1986) suggests, the labor movement in the US suffers from lack of party representation: unlike most

\(^{11}\) In this example, I am specifically talking about the producers of raw materials, manufacturing components and nondurable goods. As Cox (1995) suggests, producers of durable goods, specifically the automobile industry, prefers WTO/GATT barriers to trade with Western Europe and Japan, and opts for regional trade agreements.
industrialized countries, the US lacks a labor party. Consequently, union affiliates are forced to make concessions—sometimes sizeable concessions—in voting for the Democratic Party. While the Democratic Party remains a decidedly better alternative for organized labor than the Republican Party, labor’s interests remain too narrow to overlap much with Democrats’ target median voters (Abrams and Lewis 1987). Moreover, as Nader (1999) illustrates, the Democrats, noticing the disparity in campaign funds, shifted towards Republican strategies after the 1980 election, catering to business interests to compete for contributions. This certainly pushed their target median further away from the unions’ ideal. The Democratic shift to the right, from an already centrist starting point, encouraged voter abstention.

In all, given the decline of organized labor’s salience as a militant and influential populist force, the purported “balance” an elected official or candidate needs to strike between the working class and the capitalist class, is skewed heavily to one side. Though Powell (1988) models the equilibrium between domestic and international pressures necessary for effective governance, the bargaining power of transnational corporations and big business displace the assumptions on which his model lies. After the emergence of an international economic regime that disrupted the use of import tariffs as means of protecting the domestic labor market, coupled with the breakdown of labor unions’ left wing (Hansen 2006) which had once been a militant vehicle for affecting public policy, the working class population had fewer avenues with which they could directly petition their elected officials to address their economic grievances. Simply put, domestic business in the era of the eroding state is also the international, while the domestic working class remains crippling atomized, so as to hold little substantive negotiating power (Strange 1995). Distributional coalitions without substantive leverage to affect policy cease to influence elected leadership.
Unit of Analysis: Presidential Elections

As Tsebelis and Money (1997:36) state, fringe legislative agendas do not survive in bicameral arrangements because bills must make it past all of the second house’s objections in order to gain traction. Reflexively then, the bicameral US congress addresses the major partisan language of proposed bills, leaving only language supported by the “broadest constituency.” Consequently, if a given voter feels alienated by the figure representing the nation’s moderate political opinion, it becomes clear why a voter would become cynical about the entire electoral process. With my model, I contend that ubiquitous presidential support for the GATT/WTO regime, the policies of which are responsible for economic volatility, engender voter abstention. In short, the incongruence between the average working class voter’s wishes and the global economic system, unfailingly supported by the US president, Democrat or Republican raises serious questions as to whom the president actually represents. Moreover, the “modern presidency,” which began with the reign and leadership of FDR, requires both fulfillment of obvious formal responsibilities with which the president is entrusted and the use of what Kane (2001:35) calls “personal moral capital” to gain and/or keep the trust of the citizenry in volatile times.

12 Especially relevant to this study, the president formulates the original federal budget proposal.
13 Kane (2001) distinguishes “personal moral capital” (PMC) from “institutional moral capital” (IMC). It seems that for the eligible electorate, the decision not to vote is related to either an unsatisfactory prospective evaluation of a candidate’s PMC or to a retrospective evaluation of prior presidents vis-à-vis IMC. Still, it remains clear that no matter how significant the role of the legislature when it comes to policy, the presidency’s moral capital contributes to voters’ level of alienation.

26
Value Votes as Null Findings?

The issue of “value voting” and the burgeoning Evangelical support for decidedly anti-populist Republican candidates, despite an ostensible conflict of economic rational self interest presents a definite, if limited, challenge to my general thesis that economic alienation causes voter abstention. Killigan and Wilcox (2008) use panel data to show that pro-life Democrats are more likely to become Republicans, abandoning what one might assume to be their economic interest, in order to satisfy their religious and/or moral standards. Likewise, Regnerus, Sikkink and Smith (1999) conclude that older, less educated and less economically secure citizens are more likely to be persuaded by the public pronouncements of the Evangelical Right, consequently making them more likely to align with Republicans.

While both of these articles suggest that the economically alienated might align with Republicans rather than abstain, one must dig deeper before suggesting that religious affiliations better explain voter behavior than economic alienation for three reasons. First and foremost, party affiliation cannot be mistaken as a guaranteed vote. As previous literature makes clear, those who register do not necessarily vote (Goldstein and Ridout 2002). Second, my model predicts voter abstention as the result of those who are both economically alienated and do not see a satisfactory rational choice on the horizon to alleviate their difficulties. If the alienated find a secondary rational interest to pursue, whether opposition to same-sex marriage or the overturn of abortion laws, they are not alienated. Simply put, their religious interests override the logical incongruence between their support for traditionally anti-populist Republicans and their low to middle socioeconomic status.
Third and finally, I find Bacevich’s (2005:122-146) chapter describing the unorthodox marriage between Christian Evangelicals and Republican politicians the most succinct and useful available treatment of the subject. Though he does not speak in quantitative language, and does not align his theory with a specific link to voter trends, Bacevich depicts the mutually beneficial alignment of the secular pro-military/pro-market crowd and the Christian Evangelicals against the atheistic New Left movement which rejected Christian piety and market economy. Bacevich suggests that this partnership, which gained strength after Roe v. Wade, when the abortion issue found Catholic Democratic support shifting to Republicans, gained even more steam after Reagan reached out for their support, employing economic and military rhetoric peppered with Messianic appeals. While at first glance this seems to challenge my claim that Reagan’s rhetorical shift from Keynesianism to monetarism engenders economic alienation and subsequent abstention, this is again a case of the economically alienated finding secondary reasons to rationalize the expected benefit of participation.

In this chapter, I present the statistical model with which I seek to explain the “puzzle of participation” based on my theoretic treatment of macroeconomic indicators in chapter 2. I first formally state my six hypotheses regarding macroeconomics and voter abstention. I then describe my variables, cite my data, and specify my methods. I conclude by reporting my results and discussing my findings.

3.1 Hypotheses

I contend that the electorate’s documented class bias stems from economic alienation among working class and low income citizens. It follows then, that I predict the following:

(H1): As public isolation from economic decision making increases, working class voter participation will decrease.

(H2): As trade openness increases, working class voter participation will decrease.

(H3): As capital mobility increases, working class voter participation will decrease.

(H4): As the macroeconomic culture shifts from Keynesianism to monetarism, working class voter participation will decrease.

(H5): As manufacturing’s share of GDP decreases, working class voter participation will decrease.

(H6): As national unemployment increases, working class voter participation will decrease.

For each of these six hypotheses, I predict a statistically and substantively significant negative coefficient.

My initial model equation is:

\[
\text{Probability of voting} = f (\text{PUBLICISOLATION} \times \text{UNION}) + b_2 (\text{OPEN} \times \text{UNION}) + \\
b_3 (\text{CAPITALMOBILITY} \times \text{UNION}) + b_4 (\text{MONETARISM} \times \text{UNION}) \\
+ b_5 (\text{MANUFACT\%GDP} \times \text{UNION}) + b_6 (\text{UNEMPLOYMENT} \times \text{UNION}) \ \\
+ b_7 (\text{EDUCATION}) + b_8 (\text{INCOME}) + b_9 (\text{CONTACT}) + b_{10} (\text{AGE}) + b_{11} (\text{PARTISANSHIP}) + \\
b_{12} (\text{CHURCHATTEND}) + b_{13} (\text{CLOSINESS}) + b_{14} (\text{GDP})
\]
3.2 Dependant Variable

The dependent variable for my model is individual voter participation, measured as a dichotomous variable where 1=voted and 0= did not vote. The unit of analysis is individuals in presidential election years from 1948-2004.

3.3 Measurement of Explanatory Variables

To illustrate the negative effect I predict each of these explanatory variables have on working class voter participation, I will create an interaction term for each of them with the UNION variable\textsuperscript{14}. I expect UNION will be more sensitive to these variables because union members depend on a certain level of petition power to ensure jobs and investment will remain within the US borders. If the power to petition government officials is reduced, and if global economic trends do not favor unions, members may disband and no longer participate. As a proxy measure for working class citizens, UNION addresses how much power the working class feels it has to petition the government. As the power to petition erodes, I claim that inefficacy-based alienation takes over, meaning working class citizens will vote less.

PUBLIC ISOLATION: To measure the public’s isolation from economic decision making, I employ an ordinal level measurement that I have created to capture the changes of each GATT Round. 1= Geneva Round, 2= Anney/Torquay Round, 3= Geneva II, 4= Dillon, 5= Kennedy Round 6= Tokyo Round, 7= Uruguay Round and 8= Post-Uruguay/WTO. Each of these measures captures a step both away from protectionist import quotas and tariffs and towards the inclusion of global markets.

\textsuperscript{14} The union variable is measured as all the ANES dataset respondents who have a union member in the household.
Trade Openness (OPEN): In addition to the public isolation variable, I include an absolute measure of openness—exports+imports/GDP\textsuperscript{15}. As mentioned by Krasner (1976) and Mansfield (1994), trade openness and tariff levels are related. I will include this variable to control for any variation not captured by PUBLIC ISOLATION’s ordinal level measures.

CAPITAL MOBILITY: I measure CAPMOB with an absolute measurement of foreign direct investment outflows in presidential election years.

Keynesian vs. Monetarist Macroeconomic Political Culture (MONETARISM): I code all presidential election years from 1948-1976 (0) to signify Keynesian and all elections 1980-2004 (1) to signify monetarist, reflecting the macroeconomic shift that began around 1980.

Manufacturing as % of GDP: I use the measure of manufacturing’s percent of GDP as provided by the Bureau of Labor Statistics.

National Unemployment (UNEMPLOYMENT): I use the measure of aggregate unemployment, also provided by the Bureau of Labor Statistics.

3.4 Control Variables\textsuperscript{16}

In accordance with the previous literature, I will control for the following individual level variables: education level (EDUC) (Tenn 2005; Wolfinger and Rosenstone 1980), income (INCM) (Rosenstone and Hansen 2003, Kinder and Kiewiet 1981), having been contacted by campaign organizers (CONT) (Goldstein and Ridout), strength of religious affiliation, strength of partisanship, Party ID and age (AGE) (Tenn 2005). I will also include aggregate level controls

\textsuperscript{15} As taken from PennWorld Tables 6.1, variable “open c.”
\textsuperscript{16} A detailed description of each variable’s measurement will appear in the appendix.
for the following variables: GDP adjusted for inflation and closeness of a given election (Cohen 2004).

3.5 Data/ Methods

I ran a logistic regression with each of the six explanatory variables, each of the six interaction terms with UNION and the control variables. I also ran a random effects logistic regression to capture the potential for a given electoral year to influence voter turnout for reasons not explicitly mentioned in the model. The individual-level data, regarding my dependent variable and control variables, comes from the American National Election Survey (ANES) cumulative dataset, 1948-2004. The aggregate data comes from the following sources: TRADE= Penn World Tables, CAPMOB= United Nations Conference on Trade and Development (UNCTAD) and ManufacGDP= Bureau of Labor Statistics.

3.6 Results

Again, the interactive terms fusing my economic variables and my working class variable are they key variables relevant to my hypotheses. The interaction terms illustrate the shift in the dependent variable among union members when interacted with each of my key independent variables. The coefficients for Public Isolation*UNION, MONETARISM*UNION, UNEMPLOYMENT* UNION, MANUFACTURE/GDP*UNION and CAPITALMOBILITY*UNION were all negative statistically significant indicators of voter abstention, confirming my first, third, fourth, fifth and sixth hypotheses above, while taking a step toward buttressing my theoretical claim that the international economic regime alienates the working class from a sense of electoral efficacy.

Table 3.1. Logistic Regression Results With Clustered Standard Errors

<table>
<thead>
<tr>
<th>Variable</th>
<th>Coefficient</th>
<th>Standard Error</th>
</tr>
</thead>
<tbody>
<tr>
<td>PUBLIC ISOLATION</td>
<td>.106**</td>
<td>.048</td>
</tr>
<tr>
<td>MONETARISM</td>
<td>.744***</td>
<td>.052</td>
</tr>
<tr>
<td>OPEN</td>
<td>-.148***</td>
<td>.009</td>
</tr>
<tr>
<td>CAPITAL MOBILITY</td>
<td>.012***</td>
<td>.002</td>
</tr>
<tr>
<td>UNEMPLOYMENT</td>
<td>.123***</td>
<td>.016</td>
</tr>
<tr>
<td>MANUFACTURING as% of GDP</td>
<td>.036</td>
<td>.041</td>
</tr>
<tr>
<td>INCM</td>
<td>.231***</td>
<td>.023</td>
</tr>
<tr>
<td>EDUC</td>
<td>.390***</td>
<td>.021</td>
</tr>
<tr>
<td>Church Attendance</td>
<td>.667***</td>
<td>.069</td>
</tr>
<tr>
<td>Party ID</td>
<td>.391***</td>
<td>.122</td>
</tr>
<tr>
<td>Partisanship</td>
<td>.113***</td>
<td>.027</td>
</tr>
<tr>
<td>Contacted?</td>
<td>.886***</td>
<td>.062</td>
</tr>
<tr>
<td>Union</td>
<td>4.76***</td>
<td>1.12</td>
</tr>
<tr>
<td>GDP</td>
<td>-.685</td>
<td>.135</td>
</tr>
<tr>
<td>Closeness</td>
<td>-.008***</td>
<td>.002</td>
</tr>
<tr>
<td>AGE</td>
<td>.309***</td>
<td>.009</td>
</tr>
<tr>
<td>PubIsolxunion</td>
<td>-.364</td>
<td>.045</td>
</tr>
<tr>
<td>Monetarismxunion</td>
<td>-.843***</td>
<td>-.289</td>
</tr>
<tr>
<td>Openxunion</td>
<td>.116***</td>
<td>.018</td>
</tr>
<tr>
<td>Capitalmobilityxunion</td>
<td>-.010***</td>
<td>.002</td>
</tr>
<tr>
<td>Unemploymentxunion</td>
<td>-.105***</td>
<td>.037</td>
</tr>
<tr>
<td>ManufactureGDPxunion</td>
<td>-.145***</td>
<td>.034</td>
</tr>
<tr>
<td>ReligionxUnion</td>
<td>-.145*</td>
<td>.082</td>
</tr>
<tr>
<td>PartisanxUnion</td>
<td>-.096***</td>
<td>.021</td>
</tr>
<tr>
<td>Constant</td>
<td>-2.40*</td>
<td>1.39</td>
</tr>
</tbody>
</table>

N = 18,728
Pseudo R² = 0.15

As the values for each of these economic variables increases, the working class votes less often.

The significance of my results seems greater when considering Public Isolation, CAPITALMOBILITY, MONETARISM and MANUFACTURE/GDP were statistically significant indicators of voter participation when not interacted with my working class measure.
In short, the population as a whole votes more as each of these economic indicators increases, but the working class subset votes less, which indicates a class bias of the electorate.

On the other hand, the coefficient for OPEN*UNION was statistically significant as a positive indicator of voter participation, which reflects previous literature’s findings (Delaney, Masters and Schwonchau 1988). One possible explanation for why union members vote more often when trade is open is that tariff reductions actually increase the benefit and expected utility for working class citizens to vote for the more populist, if protectionist candidate. Out of my six predictor variables, openness has the most chance for inciting voter participation among union members because it directly relates to what they might see as the job-saving tariff levels they have relied on for political leverage since their advent.

Lastly, my results confirm the importance of the classic individual-level predictors of voter participation. Increases in CHURCHATTEND, CONTACT, AGE, EDUCATION and INCOME all correlated with higher levels of participation, as suggested by the previous research (Gomez and Wilson 2006). In the same way, increased CLOSENESS—a common aggregate level predictor—correlated with an increase in voter participation.

To account for both the potential biases related to mutli-level data and election-specific factors affecting turnout that are not explicitly included in my model, I also ran a random-effects model.
Table 3.2. Random-effects Logistic Regression

<table>
<thead>
<tr>
<th>DV= Vote 1, No Vote 0</th>
<th>Coefficient</th>
<th>S.E.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Public Isolation</td>
<td>.106**</td>
<td>.048</td>
</tr>
<tr>
<td>Monetarism</td>
<td>.744***</td>
<td>.052</td>
</tr>
<tr>
<td>Openness</td>
<td>-.148***</td>
<td>.009</td>
</tr>
<tr>
<td>Capital Mobility</td>
<td>.012***</td>
<td>.002</td>
</tr>
<tr>
<td>Unemployment</td>
<td>.123***</td>
<td>.016</td>
</tr>
<tr>
<td>Manufacturing%GDP</td>
<td>.036</td>
<td>.041</td>
</tr>
<tr>
<td>Income</td>
<td>.231***</td>
<td>.023</td>
</tr>
<tr>
<td>Education</td>
<td>.390***</td>
<td>.021</td>
</tr>
<tr>
<td>Church Attendance</td>
<td>.667***</td>
<td>.069</td>
</tr>
<tr>
<td>Party ID</td>
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</tr>
<tr>
<td>Partisanship</td>
<td>.113***</td>
<td>.027</td>
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<tr>
<td>Contact?</td>
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<tr>
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</tr>
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<td>Capitalmobilityxunion</td>
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<td>.002</td>
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<tr>
<td>Unemploymentxunion</td>
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<td>.037</td>
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<tr>
<td>ManufactureGDPxunion</td>
<td>-.145***</td>
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<tr>
<td>ReligionxUnion</td>
<td>-.145*</td>
<td>.082</td>
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<td>PartisanxUnion</td>
<td>-.096***</td>
<td>.021</td>
</tr>
<tr>
<td>Constant</td>
<td>-2.40*</td>
<td>1.39</td>
</tr>
</tbody>
</table>

N = 18,728
Pseudo R^2= 0.15
p<.1 **p<.05 ***p<.01
The results from the random effects model show only superficial changes in the coefficient and standard error, which suggests my basic logistic regression results were not biased.

Table 3.3. Predicted Probability that Respondent Votes Given the Value of Independent Variable

<table>
<thead>
<tr>
<th>Variable Name</th>
<th>Minimum</th>
<th>Maximum</th>
</tr>
</thead>
<tbody>
<tr>
<td>Monetarism</td>
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<td>0.846</td>
</tr>
<tr>
<td>Non-Union Member</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Union Member</td>
<td>0.843</td>
<td>0.824</td>
</tr>
<tr>
<td>Public Isolation</td>
<td>0.682</td>
<td>0.833</td>
</tr>
<tr>
<td>Non-Union Member</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Union Member</td>
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<td>0.69</td>
</tr>
<tr>
<td>Trade</td>
<td>0.92</td>
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</tr>
<tr>
<td>Non-Union Member</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Union Member</td>
<td>0.88</td>
<td>0.738</td>
</tr>
<tr>
<td>Capital Mobility</td>
<td>0.719</td>
<td>0.991</td>
</tr>
<tr>
<td>Non-Union Member</td>
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<td></td>
</tr>
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</tr>
<tr>
<td>Unemployment</td>
<td>0.74</td>
<td>0.82</td>
</tr>
<tr>
<td>Non-Union Member</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Union Member</td>
<td>0.789</td>
<td>0.867</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>0.809</td>
<td>0.7684</td>
</tr>
<tr>
<td>Non-Union Member</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Union Member</td>
<td>0.768</td>
<td>0.87</td>
</tr>
</tbody>
</table>

Note: All other variables are held constant at their group means.

To ensure that the union variable did not create statistical imbalance, and to illustrate the substantive significance of my model’s key independent variables, I also re-ran the model with union members and non-union members disaggregated. While the results of the disaggregated model did not support my six hypotheses as strongly the aggregated model, there was key
evidence in favor of my claims. The aim of Table 3.3 is to illustrate my main variables’ abilities to predict the probability of a given respondent’s likelihood of voting. The minimum column holds the variable at its lowest point in the data, while the maximum column holds the variable at its highest point. As this table shows, these variables are not only statistically significant, but in many cases have large effects on the probability of voting among respondents.

As with the aggregated model previously discussed, I would expect union members to vote more often when the variables were held at their lowest point, and less often when held at their highest: hence the variables’ influence on voter abstention. Further, the previous results indicate that in most cases the rest of the voting public votes more often at the explanatory variables’ high points.

In the three cases where I was most concerned, my main economic variables—monetarism, public isolation and capital mobility—all followed the same pattern as the aggregated model: union members voted less often at higher levels, while non-union members voted more often. These results not only confirm my hypotheses, but validate the use of the union variable as measured. In the disaggregated model, however, trade, manufacturing and unemployment did not follow the pattern.

3.7 Discussion

The goal of my model was to account for voter abstention among the working class, specifically as the result of the interdependent economic system. As indicated by my explanatory variables, the working classes’ isolation from economic decision-making contributes to their abstention and helps explain the class bias of the electorate. Moreover, as suggested by the both the public isolation interaction term, the class bias has increased over time, as more economic
decisions are made abroad without congressional oversight. The predicted probabilities I offer in the results section remain higher than I expected given that aggregate voter turnout hovers at around sixty percent. I contend that my predicted probabilities remain high due to unique patterns of each respondent within the selection sample, perhaps ultimately the result of so much emphasis placed on the union variable. Also, my model might be vulnerable to over-reported participation numbers, which Bernstein, Chadha and Montjoy (2001) say is common among survey data respondents.

I do not see my results as in conflict with the previous research exploring the relationship between union membership and voter participation. Leighly and Nagler 2007, for example, suggest union activity increases voter participation for both members and non-members, they use individual level data and do not consider specific macroeconomic interaction scenarios. Moreover, my coefficient for UNION by itself (without interaction) was also a positive indicator of participation. I see the difference in our approaches to the union participation question, specifically my inclusion of aggregate economic predictor variables, as grounds for future research to more precisely determine the economic motivations behind the electorate’s class bias.

A difficulty with running a mixed-level model is the inability to conclude where causation takes place because individual-level variables are compared to aggregate-level variables. For example, though the correlation matrix did not indicate a strong association between unemployment and education, (r=.007), it is reasonable to suspect that high levels of aggregated unemployment and related to an individual’s education, following the aforementioned socioeconomic status debate. While previous research indicates the following causal relationship:
it seems that a certain level of redundancy exists when including them both in the model.

As figure 3.2 illustrates, employment realities, which I loosely define as jobs available in a certain economic climate and wages adjusted for inflation, might significantly influence a given voter’s decision to participate. It seems my results corroborate the previous literatures’ claims that precisely distinguishing between elements of socioeconomic status presents a quantitative difficulty.

Education might not, then, be the strong predictor of turnout previous research claims because my introduction of macroeconomic factors into the model reduce its z-score. Though Leighley and Nagler (1992) discount the use of employment because the available data is at the categorical level opposed to ordinal level, my research indicates it plays a salient role in the underrepresentation of the working class among voters and as a determination of whether enduring the costs of voting is rational. Moreover, the paucity of reliable employment data should not dictate whether or not scholars address it theoretically.

Ideally, any future research on the relationship between macroeconomic status and voter abstention will be able to address the following elements more precisely than I have. It is my hope and prediction that with the availability of better data regarding employment, future research will better clarify the currently confused relationship between education, income, employment, macroeconomic policy and voter participation.

While my results’ ability to predict the variance in the dependent variable may not have been as strong as I would have liked, I remain convinced that macroeconomic indicators deserve
attention as a possible predictor of voter abstention. As designed, my model presented a handful of challenges, including both a multi-level analysis that required special statistical attention and a reliance on survey data for the dependent variables. While survey data is less skewed for the control variables, self-reported participation variables are prone to misrepresentation (Silver, Anderson and Abramson 1986; Leighley and Nager 2007). Future research would benefit from constructing models and employing data sources that better addressed these issues.

In order to construct a more robust variable to measure public isolation from economic decision making, future research might include any salient effects of the US’s membership, starting in 1961, in the Organization for Economic Cooperation and Development (OECD) by quantifying the implementation of “soft laws.” One might argue that “soft laws” provide another avenue through which concentrated economic interests may bypass the US public in the process of making expansive economic decisions. While it would be difficult to construct a specific variable that did not overlap with the GATT/WTO variable, the variable might be able to capture significant trends in the developed world’s industrial sector’s capital mobility. In the same way, future research might also choose to include the effects of G8 meetings. While these meetings and their ancillaries—G20, G8+5—are not aimed at reaching formal resolution of international economic issues, they might very well be perceived by the general public as a cloistered group of transnational economic elites who enjoy undue influence on international economic policy making, resulting in increased alienation and abstention among working class citizens.
4. Conclusion

In order to better understand societal trends, political economy scholarship must fuse broad theories with economic realities. Heretofore, however, very little research has addressed the GATT/WTO iterations and related trends of globalized economics’ impact on working class voter efficacy. Moreover, previous research has failed to articulate the public’s isolation from the economic decision making process. Economic decisions are no longer the result of citizens petitioning their economic officials, but rather are increasingly the result of closed door meetings and off-the-record negotiations, the results of which Congressional representatives may only address with a single “yes” or “no” vote. In short, with the increasing isolation of the public from economic decisions of the international economic regime, the potential benefits derived from electoral participation diminishes for working class citizens. 

While my findings do not explain variance in turnout (pseudo R²=0.15), they do raise important questions for future abstention research. Most importantly, my results confirm the majority of my hypotheses, and suggest that the impact of global economic paradigm is an appropriate variable for future research. Though previous macroeconomic research has focused primarily on GDP, unemployment and inflation, my model addresses the prevalent issues regarding the reduction of the Keynesian welfare state, money supply and free trade, via low tariffs and FDI outflows. I do my best to adequately address the working class with my model, however, I realize both the complexity of such a diverse social faction and also that union membership trends are both decreasing and shifting—away from the private sector and towards the public sector, for a long period of time—which leads me to believe a more specific measurement of working class would serve as a better interaction term.
The questions aroused by my research are especially relevant during these volatile economic times. Specifically, will abstention rates decrease with the ascent of a populist candidate, right or left? Will the electorate’s class bias dissipate with inclusion of economic sovereignty as a major pillar in a given candidate’s campaign platform? In all, I contend that research must address the underrepresentation of working class citizens in the electoral process as a transient sociological phase that may change given the right catalyst. While an apathetic sliver of the US demographic might perpetually opt to not participate, those abstaining due to economic alienation might choose to once again engage the electoral arena. So long as future research properly specifies the realities of the international economic regime’s impact on the US working class, a rational choice voter model might best capture the working class’s motivation to return.
References


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VITA

Christopher Kessing was born in Andover, Connecticut. He obtained his Bachelor’s degree in political science from Assumption College in 2008. He joined the political science department at the University of New Orleans in the fall of 2009, and served as a research assistant from 2009-2010.