Executive Approval in Great Britain: Continuity and Change

John Bartle,

Sebastian Dellepiane-Avellaneda,

Anthony McGann

Accepted for publication in *Economics and Politics Revisited*. Edited by: Timothy Hellwig and Matthew Singer, Oxford University Press.

Abstract

The British political system is widely supposed to produce strong and responsible government. As a result, the electorate is widely expected to hold the executive to account for conditions, particularly the economy. This chapter shows that these expectations are fulfilled: approval is driven by economic optimism. Governments are rewarded for making people feel good about the economy and punished for making them feel bad. Executive performance is also influenced by evaluations of the government's ability to manage 'events', the electoral cycle, the cost of ruling, and policy advantage. The chapter examines whether two recent developments—the independence of the Bank of England in 1997 and coalition government from 2010 to 2015 changed these relationships. Both changing contexts should have made it more difficult for the public to evaluate government responsibility for economic performance. We find that Bank of England independence moderated the relationship between interest rates and approval, while coalition government did little to alter the fundamental dynamics of monthly approval.

Keywords

British political system; clarity of responsibility; economic prosperity; events; Bank of England independence; coalition government

Executive Approval in Great Britain

Continuity and Change

John Bartle, Sebastian Dellepiane-Avellaneda, and Anthony McGann

Democracy is said to be unique among political systems because it guarantees that there is a relationship between what the people want and what government says and does (May, 1978). This is

because the executive is accountable for the policies it pursues and the outcomes it delivers. This proposition naturally gives rise to the expectation that the public's approval of leaders is conditional on the delivery of policies that fit their values, and conditions that improve their well-being (Erikson et al., 2002). If democracy is to fulfil its promise, voters should respond by rewarding the executive for good times and punishing them for bad times (Key, 1966). Since leaders want to win re-election, they anticipate the public's response and deliver policies that honour their values, and conditions that improve their welfare. Mutual responsiveness means that policy preferences, evaluations of conditions, policy, and performance conditions are to some degree endogenous (Budge, 2019).

The expectation that executives are judged by their ability to deliver favourable conditions is particularly high in Britain, where the political system and its institutions produce 'clarity of responsibility' (Powell and Whitten, 1993). Parliament is sovereign and the legislature weakly bicameral (Lijphart, 1999). The plurality electoral system that is used for elections to the House of Commons encourages voters to think of as a choice between two major parties (Bartle, 2021). The largest party in the Commons has won a majority in eighteen out of twenty-one elections from 1945 to 2019. Peacetime coalitions are rare. The Commons provides only a weak check on the executive because the majority of Members of Parliament (MPs) share the same electoral incentives as the government. The 'fusion' of the executive and legislature means that for most purposes government and Parliament are the same thing (Bagehot, 2001). To be sure, the House of Lords is not controlled by the government and can delay non-money bills. The Lords, however, has no power over money bills. Governments can also use the Parliament Acts 1911 and 1949 to pass bills without the Lords' consent after one year (King, 2010).

Government responsibility is also enhanced by Britain's unitary system that hoards power in *national* political institutions. The Westminster Parliament may devolve power to other institutions in Scotland, Wales, and Northern Ireland but it can always take those powers back. The legal constraints imposed by membership of the European Convention on Human Rights (ECHR) and the Human Rights Act 1998 (HRA) are weak. Parliament can abolish the HRA and withdraw from the ECHR. The UK Supreme Court cannot declare acts of Parliament unconstitutional and often defers to the executive. Since their governments have enormous power most Britons naturally regard governments as universal problem solvers (King, 2000). If there is anywhere where we should expect to find a *law-like* relationship between conditions and approval of the executive, it is Britain.

The British political system has a reputation for continuity and stability, represented by institutions like the monarchy and the House of Lords. Crucially, elections to the Commons are based on the plurality rule and single-party government predominates. We might suppose this means that the public's responsiveness to government is a constant. Beneath this veneer of continuity, however, there have been significant changes. British society has been transformed by immigration. Technological change and deindustrialization have eroded the working class. The population has moved from the cities to the suburbs. These changes have compelled the parties to forge new social coalitions. Election outcomes have varied enormously. Nevertheless, the periodic alternation of parties in government has not guaranteed policy that matches public preferences (Bartle et al., 2019; McGann et al., 2023). The party duopoly was challenged by the electoral rise of the Liberal Democrats from 1970 to 2010. This culminated in a hung parliament and a coalition between the Conservatives and the Liberal Democrats. From 2010 to 2015 the British electorate dealt with the challenge of how to allocate rewards or punishments between coalition partners.

The two major parties have also been challenged by the growth of nationalism in Scotland from 1998. Devolution made government responsibility for conditions in Scotland, Wales, and Northern Ireland fuzzier (McGann et al., 2019). Other changes produced abrupt shocks that reverberated through time. Referendums have caused chaos in the party system. The 2014 referendum on Scottish independence led to the collapse of Labour in Scotland and the hegemony of the Scottish National Party in Scotland (Johns, 2018). In England, Eurosceptic and populist parties like the United Kingdom Independence Party and the Brexit Party also challenged the duopoly. The national referendum on membership of the European Union in 2016 forged new identities of 'Remainers' and 'Leavers'. It restructured party coalitions as former Labour-voting Leavers deserted the party and middle-class Remainers supported 'Remain' parties (Sobolewska, 2021). Polarization around this issue might be expected to reduce the impact of conditions on approval. Somewhat less dramatically, but no less importantly, in May 1997, Labour established the Monetary Policy Committee of the Bank of England and gave it control over interest rates. This altered the government's ability to control monetary policy and the national economy (Dellepiane-Avellaneda, 2012).

In this chapter we examine what drives executive approval in Britain between 1980 and 2015. We examine what is inferred about executive approval from studies. We formulate hypotheses, introduce our data, and produce a general model of executive approval. We show that governments are rewarded for making people feel good about the economy and punished for making them feel bad. Executive performance is also evaluated based on their ability to manage 'events'. Other factors such as the electoral cycle, the cost of ruling and policy also play a role. We then examine whether some of the changes outlined above affected the public's responsiveness to executive performance. We find that increased independence of the Bank of England weakened the

relationship between interest rates and approval. The coalition government, however, did little to alter the fundamental dynamics of monthly approval. We finally speculate about the future drivers of approval.

Previous Studies of Government Support in Britain

Great Britain is the ideal testbed for the proposition that executive approval depends on their ability to deliver policy that aligns with the electorate's values and improve their welfare by securing favourable conditions (Erikson et al., 2002). This makes it surprising that there have been few studies of executive approval in Britain. There has been just one brief study in a book published forty years ago (Alt, 1979) and one paper in a major political science journal (Hudson, 1985). British scholars have instead focused on the proportion of the electorate that express an intention to vote for the governing party (Sanders et al., 1987; Clarke et al., 1990). This has generally been assumed to be a synonym for executive approval.

The focus of British political science on vote intentions (or 'popularity functions') is unsurprising. The data are widely available in almost continuous time series from the 1940s (King and Wybrow, 2001). These series provide evidence about support for all parties, so vote intentions are excellent predictors of election outcomes (Wlezien et al., 2013). The neglect of executive approval has made it difficult to compare findings with presidential systems such as the United States or understand how institutions affect responsiveness. Just as importantly, vote intention is *not* a synonym for approval (Hudson, 1985). Voters may disapprove of the government but vote for it because the other parties are worse. Others may approve of the government and vote for another party because the governing party has little chance of winning in their constituency under the plurality rule. The correlation between executive approval as measured by the Executive Approval

Project (EAP) team and intention to vote for the government in Britain between 1980 and 2015 is 0.85 (N=444). This is very high, but it is not perfect. It is a stretch to infer what drives approval from studies to vote intention or popularity. Nevertheless, this is exactly what we must do to establish what is already known or thought to be known about what drives approval in Britain.

What Drives Support for British Government?

Most research in the 'popularity functions' tradition assumes that intention to vote for the governing party is influenced by three variables: the economy, an autonomous electoral cycle, and events (Goodhart and Bhansali, 1970; Frey and Schneider, 1978; Pissarides, 1980; Sanders et al., 1987; Clarke et al., 1990). Curiously, most studies pay little or no intention to the role of policy in driving government popularity, and none have incorporated indicators of policy. We address this striking omission below.

The Objective Economy

There are many indicators that voters could use to assess whether conditions are better or worse and shape evaluations of executive performance. The British state delivers many services. It seems plausible that the electorate factor in a range of considerations, including the performance of the National Health Service (NHS), the quality of education, and national security (Fiorina, 1981). Most studies, however, have devoted most attention to economic conditions (Miller and Mackie, 1973; Pissarides, 1980; Chrystal and Alt, 1981; Sanders et al., 1987; Clarke et al., 1990). This is partly a simple matter of data availability. Economic data has a market value because those who make money value it. The condition of the economy is recorded in many indicators and economic data is available in monthly, quarterly, and annual time series. The economy provides readily

quantifiable and easily interpretable indicator of whether things are 'better' or 'worse' and whether the executive should be 'rewarded' or 'punished'. Economic prosperity is also a precondition for all the other services that government provide in cradle-to-the-grave welfare systems such as Britain. Few disagree with Harold Wilson's famous assertion that: 'All political history shows that the standing of a government and its ability to hold the confidence of the electorate at a general election depend on the success of its economic policy' (Goodhart and Bhansali, 1970, 45).

The earliest studies of government popularity found that rising unemployment and/or inflation are associated with reductions in popularity (Goodhart and Bhansali, 1970; Frey and Schneider, 1978; Pissarides, 1980). Later studies suggested that other indicators such as exchange rates and public-sector borrowing influenced government popularity (Sanders et al., 1987). Yet these models—just like those elsewhere—were plagued by instability (Paldam, 1991; Sanders, 2005). Variables that were significant in one period were insignificant in the next. This instability of the popularity functions caused much debate. Many analysts informally concluded that this instability reflected the sad—but very real—fact that 'things change'. Others demanded a renewed search for truly law-like relations (Budge, 2019).

Subjective Economic Expectations

Early studies of popularity functions noted that objective economic indicators needed to be translated into subjective perceptions before they could influence vote intentions (Hudson, 1985; Sanders et al., 1993). Attention shifted to subjective perceptions measured in representative national surveys. Among the family of perceptions variables expectations have received far more attention than retrospections. To a degree, this is simply because expectations point the way to a profitable future. Market research companies are largely uninterested in retrospections. In an ideal word we

would have access to continuous retrospective economic perceptions series, but these are simply not available. Objective economic data provide the best—but far from perfect—indicators of retrospective evaluations. Theoretical developments in macroeconomics also shifted attention to expectations. The 'rational expectations' revolution suggested that rational agents were forward-looking (Shaw, 1984). The major debates in the popularity functions literature focused on whether expectations about national conditions ('sociotropic') or household finances ('egocentric') were more important. Egocentric expectations were central to the 'Essex model' that correctly forecast victory for the Conservative party in the 1992 general election (Sanders, 1991; Price and Sanders, 1993). The success of this model was taken to confirm the proposition that voters were primarily motivated by egocentric considerations. Pre-election polls indicated the public's preference for Labour's policy of increasing taxes and spending rather than the Conservative policy of tax cuts. Most surveys of vote intention also suggested that Labour would be the largest party at that election. Yet still the Conservatives won. Some concluded that Britain was a 'nation of liars' that professed their good intentions to pollsters while voting for tax cuts in the privacy of the polls (Crewe, 1992). Others suggested that the Conservatives' victory owed more to doubts about Labour competence (King, 1998).

The Electoral Cycle

It has long been suspected that there were systematic forces that influenced government popularity that had nothing to do with conditions or the well-being of the electorate. As with students of politics in the United States (Stimson 1976) and elsewhere (Carlin et al., 2018), scholars of British politics are familiar with the 'mid-term blues': the proposition that governments experience a brief 'honeymoon' immediately after an election when support is unusually high, followed by a steady

decline in support until around six months before the next general election, and finally a surge in support in the six months or so before an election (Miller and Mackie, 1973). This 'decline-recovery' pattern has also been observed in elections to local authorities, and Westminster by-elections (Rallings and Thrasher, 1997; Norris, 1990).

The earliest British studies suggested this autonomous cycle reflects the tendency of survey respondents to view opinion polls as a referendum on governments (Pissarides, 1980). In the mid-term respondents signal discontent by withdrawing support (Miller and Mackie, 1973). As the next election approaches responses to vote intention questions reflect 'real' choices. Other theories suggest that governments make decisions that disappoint various groups. Over time a 'coalition of minorities' emerges and government support declines (Mueller, 1970). The most widely accepted explanation is an 'elite leadership' theory (Brody, 1991). New governments are insulated from criticism. If the opposition criticize them immediately after an election, they appear like bad losers. Defeated parties become introspective and provide less effective opposition. The media are also less critical as they focus on the policies of the new government. Public discourse becomes more favourable to the government. Over time, things change. Oppositions oppose. Bad news is more newsworthy. Media coverage becomes more critical (Zaller, 1992). The public follow these cues and support for the government declines. The British media system accentuates this trend. Broadcasters are subject to statutory regulation by the Office of Communications to ensure 'due impartiality' (Kuhn, 2007). These rules are important in the run-up to elections. Broadcasters increasingly frame politics as a choice between incumbents and opposition. As coverage becomes more balanced, government popularity increases.

The Costs of Ruling

There are other autonomous forces that influence government popularity. While support for the government tends to rally in the run-up to the general election, it rarely returns to the level at the previous general election. Governing parties across space and time tend to suffer a loss of vote that appears to have nothing to do with conditions (Nannestad and Paldam, 2002; Sanders, 2005; Wlezien, 2017). Theories of the electoral cycle do not explain this phenomenon. Some analysts attribute it to 'grievance asymmetry': the proposition that voters focus place more weight on negative developments, resulting in excessive punishment (Stokes and Iverson, 1966; Soroka, 2014). Others suggest that the phenomenon is rooted in something more tangible: the tendency of governments to move towards their polar positions. This results in an increasing 'gap' between the electorate's preferences and government policy (Soroka and Wlezien, 2009). The emergence of such a gap is likely because there are few checks and balances, other than elections in the British system. It follows that if the major opposition party is uncompetitive (as was true of both Labour between 1980 and 1987 and the Conservatives between 1997 and 2005) the need for government moderation is reduced. Policy gaps are very likely to open up (Bartle et al., 2019).

Events

Political scientists are wary about claims that 'events' drive support or vote intentions (Bytzek, 2011). The goal of political science is to produce empirical generalizations that hold across both space and time (Budge, 2019). Most of the things that we commonly refer to as 'events', however, are unique to a particular time and to a particular place. The 'ideal type event' is both unique and unpredictable. Political scientists are also sceptical about events because their impact depends on how well the government 'manages' them or provides reassurance. If events are managed well and the public reassured, they boost support. If they are not, they reduce support. Without an objective

way of operationalizing how well 'managed' an event is, there is no way to predict how the event will affect approval. We can merely observe the effect as evidenced by the coefficients in our models. If they are positive, the event was well-managed. If they are negative, they were not well managed and the public was not reassured that the government was in control.

Notwithstanding these reservations, popularity functions studies regularly incorporate event variables (Sanders et al., 1987; Sanders, 2005). This is not simply because events are important in themselves but because including such variables can often clarify the impact of more systematic forces such as economic expectations.

Policy

The electorate want competence *and* policy that honours its values (Erikson et al., 2002, 30–1). If governing parties were fully responsive to public preferences, policy would match those preferences (Erikson et al., 2002). Yet there are good grounds for believing that governments will 'overshoot' the electorate's 'ideal point'. Parties need to satisfy their members (Strøm, 1990). They are also often uncertain about public preferences and fall back on ideology (Budge, 1994). As we have previously suggested, governments sometimes have a competence advantage over their competitors and are unlikely to be punished in elections for deviating from the 'ideal point' (McGann et al., 2023). Yet, if we can measure 'distance' over time this would improve our ability to understand the dynamics of support and approval.

Despite the theoretical importance of policy, no study of 'popularity functions' to date has directly incorporated measures of policy distance. This is in part because this variable raises theoretical problems. 'Thermostatic models' show that public preferences respond 'negatively' to policy (Wlezien, 1995). Similarly, some macro-level models suggest that policy can respond to public

preferences (Erikson et al., 2002). 'Feedback' and endogeneity make it difficult to draw casual inferences. Even if these problems can be overcome neither public preferences nor policy are easily measurable on the same metric.[1]

Data and Measures

[1] It is difficult to measure 'policy distance'. The natural dimension is a general left-right dimension (Budge, 1994). Both the electorate's ideal point and policy are not easy to estimate. To be sure, we have lots of data on public preferences and we can use the dyads-ratio algorithm to extract the latent dimension (Erikson et al., 2002; Bartle et al., 2011). The underlying data is sparse, so we can only confidently infer the annual average left-right position of the electorate (the 'policy mood'). Since executive approval fluctuates within the space of a few months the two measures are not commensurable. Even greater problems attend the measurement of 'policy'. We could use spending (distinguishing between left-wing spending on social programmes and right-wing spending on security programmes). Spending is a lagging-indicator, and there is often some slippage between planned and actual spending. Government spending data, moreover, is not published monthly. Any indicator of policy relevant to approval would require a great deal of interpolation. Alternatively, we could use words as indicators of policy. The parties produce many of these, but words are not action (McGann et al., 2023). Many of the big set-piece declarations such as the budget speech (Hakhverdian, 2010) and Queen's speech (Jennings and John, 2009) take place in particular months. In the summer recess when Parliament is not in session, the number of words produced declines. Even if we were able to measure policy preferences and policy, we would still be left with the problem of how to calibrate these measures on the same metric to estimate 'distance' (Erikson et al., 2002).

In this section we describe the data used to produce our general model of executive approval in Great Britain for the thirty-five years from 1980 to 2015. We also briefly outline our error correction approach to modelling approval.

There are excellent data on executive approval in Britain stretching back to 1938 (Gallup Opinion Polls, 1977a, 1977b; King and Wybrow, 2001). The EAP estimates are based on nineteen separate series and 2,918 separate monthly observations from 1938 to 2020. The EAP team have used the dyads-ratio algorithm to build a continuous time series (Stimson, 1999). Their analyses suggest that the individual series produced by the different houses tap the same construct. Both those items that refer to the 'prime minister' and those that refer to 'government', load highly on the extracted series. It also makes no difference whether approval is measured by items that refer to 'approval' or 'satisfaction'. Both tap the same construct, which we label 'executive approval'.

<COMP: INSERT Figure 3.1 NEAR HERE>

The EAP estimates of executive approval are displayed in Figure 3.1. We divide the series into three periods. The estimates between 1938 and 1961 are based on irregular readings by just Gallup. There are many months when there are no readings at all. We have least confidence in the EAP estimates for this period and represent approval before 1961 by a dotted line. From 1961 to 2015 the monthly estimates are based on at least two polls, and from 1962, usually from more than one survey house. We have confidence in these estimates but cannot model approval over that period because we do not have data on egocentric economic expectations until 1980. We represent approval between 1961 and 1980 by a dashed line. The approval series from 1980 to 2015 is based on multiple indicators every month and can be modelled using economic expectations data. We represent approval in these thirty-five years by an unbroken line.

To capture the effect of the economy in our models, we use both objective and subjective economic measures. Objective economic data are supplied by the Bank of England.[2] We measure unemployment using estimates of unemployment benchmarked to the labour-force survey measure using the Chow-Lin method. We also include measures of inflation, interest rates, and stock market prices from the same source. All four indicators are widely reported and provide a readily understood measure of the national economy. Moving to the subjective economy, monthly sociotropic expectations data are available from 1974 until the present day. As previously noted, egocentric expectations are only available from 1980 to 2015. Survey houses have collected expectations data using different question wordings and response categories. We convert responses into ratios (positive expectations as a share of the sum of positive and negative expectations) and estimate two expectations series using the dyads-ratio algorithm (Stimson, 1999). The separately estimated sociotropic and egocentric expectations series correlate modestly (Pearson's R=0.40, N=443). This suggests that they pick up distinct perceptions. Both exert independent effects on executive approval, so this limits our analyses of approval to the thirty-five years between 1980 and 2015.

Our models also include control for the cycle by including two variables: one counting the number of months since the last election and the same variable squared. If there is a cycle of decline-recovery, the coefficient for the number of months since the last election should be negative and months squared should be positive. To measure the costs of ruling we include a variable counting the *total* number of months since a turnover of party control, we also add another indicator measuring the total number of months that the prime minister has been in office. This

[2] The data is drawn from the dataset 'A millennium of macroeconomic data', available at: https://www.bankofengland.co.uk/statistics/research-datasets.

innovation is partly because approval of the prime minister is used to estimate executive approval and partly because it is intuitively plausible to suggest that long-serving prime ministers might exert a drag on approval. We expect both coefficients to be negative.

The identification of events involves a (perhaps unnerving) degree of discretion. We identified events that affected approval simply by eyeballing the approval series in Figure 3.1. As a rule of thumb, we assumed that monthly variations of eight points or more are unlikely to be the product of systemic economic or cyclical influences. We examined historical records to identify events that might account for these punctuations. We also followed the cues provided by both studies of government popularity (Sanders et al., 1987; Clarke et al., 1990; Sanders, 2005) and policy advantage (Green and Jennings, 2012).

These considerations lead us to whether various 'events' had an impact net of economics, the political cycle, and costs of ruling. Selected events include economic crises: the ERM crisis in September 1992 ('Black Wednesday'), the petrol crisis of September 2000 and the financial crash following the collapse of a bank in November 2007 ('Northern Rock'). We also include a variable representing the apparent positive effect of the bank rescue unveiled in October 2008 by Gordon Brown.

The inclusion of events variables also allows us to incorporate other things that are universally desired. These include events relating to national security such as the Falklands War in 1982, the first Gulf War in 1990/1 and the second Gulf War in 2003. All had a successful outcome and seemed to boost approval. If these events have a significant effect this may be either because the government managed them well and provided reassurance or simply because the electorate tend to 'rally around the flag' in response to 'threats'.

We include more regular event variables representing turnovers of power from one party to another and changes in prime minister. These variables are crucial because they allow us to estimate a single model across time and set aside the difficult issues about the periodicity of our models (Paldam, 1991). We expect both to increase approval. We also include variables representing Conservative and coalition governments. Our expectations here are based on intuition. Since the Conservative party have been in power far longer than Labour, we expect it has gained a higher reputation. Our expectations about the coalition are based on intuition that the electorate would view power-sharing with suspicion.

We have already noted that it is not possible to measure the gap between policy preferences of the electorate and policy of the government. Nevertheless, we have a large amount of data about how well regarded the parties are in relation to policy domains. From 1950 onwards, the survey houses have asked respondents to say which party would be best to deal with either 'issues' or 'problems' (King and Wybrow, 2001). These questions relate to a wide range of issues including the economy (prosperity, unemployment, inflation, and taxation), public services (the NHS, schools and education, welfare) and security (crime, defence, and immigration). The issues have changed over time and the wordings of questions have changed to reflect contemporary discourse. Nevertheless, the electorate's responses to these diverse questions track each other over time. This suggests that responses to such questions capture a general policy advantage (Green and Jennings, 2012).

We separately analyse all the available 'best party' data across all issues for all three major parties using the dyads-ratio algorithm (Stimson, 1999). We label the first extracted dimension 'policy advantage'. When there is one party in power, policy advantage is represented by that

party's score. When the Conservatives and Liberal Democrats are in coalition between 2010 and 2015, the advantage is the sum of the two parties' scores.

Hypotheses

Our survey of the popularity functions literature enables us to formulate three 'core hypotheses' about executive approval relating to: the electoral cycle and costs of ruling, the economy, and events.

Electoral cycle and costs of ruling: Approval declines with each month in a parliament (H1a) and increases with months squared (H1b) ('electoral cycle'). Approval declines the longer a government (H1c) and prime minister (H1d) is in power ('costs of ruling').

The economy: Increases in unemployment (H2a), inflation (H2b), and interest rates (H2c) all reduce approval, while increases in the stock market (H2d), egocentric economic expectations (H2e), and sociotropic expectations (H2f) increase approval.

Events: H3. Discrete events affect approval. 'Regular' events also affect approval: turnover of government (H3a) and changes of prime minister (H3b) increase approval. Conservative governments have higher approval than Labour (H3c) and coalition governments have lower approval than Labour (H3d).

Our final hypothesis that goes beyond the usual three core hypotheses is:

Policy: Increases in government policy advantage increase approval (H4).

Our hypothesis about the costs of ruling associated with prime ministers represents an original contribution to the study of executive approval—though this is in part necessitated by the incorporation of prime ministerial approval in the executive approval series. The addition of stock market as an indicator of economic welfare is similarly original, as far as we are aware. Our

major innovation, however, is the addition of an indicator of policy advantage that tries to gauge the impact of policy considerations on approval.

Methods

Except for events, most series in our models suggest the possibility of unit roots.[3] Accordingly, we employ an error correction model specification (Enders, 2006). These models allow us to examine both the short-run effects (Δx) and long-run effects (x_{t-n}) of variables on changes in executive approval.[4]

Variables may exert an influence with a lag. We use information criteria to select the most appropriate lags for each continuous explanatory variable. This evidence suggests that lags of four months for unemployment, three months for stock markets, two months for interest rates, four months for sociotropic expectations and two months for governing party policy advantage, are appropriate. Both inflation and egocentric expectations are lagged just one month. We lagged some events variables as necessary. We also log continuous variables (inflation, unemployment, stock

---

[3] The Dickey-Fuller tests produced the following results (test-statistics in brackets) approval, (−3.963), unemployment, lags 4 (−2.159), inflation (−0.803), stock market, lags 3 (−2.407), interest rates, lags 2 (−0.257), sociotropic expectations, lags 4 (−3.776), egocentric expectations (−4.426), and policy advantage, lags 2 (−3.251)

[4] In recent years there have been debates about the applicability of the error correction model (DeBoef and Keele, 2008; Enns et al., 2016; Grant and Lebo, 2016). The issues are not resolved. The findings laid out here are similar in terms of both the sign and significance to the b-coefficients generated by simpler specifications.

market, expectations, and governing party policy advantage). This tames heteroscedasticity but increases the size of the estimated b-coefficients and adds a degree of complexity to interpretation of results.

Empirical Results: A General Model of Executive Approval

Political science is about the search for law-like relations that exist across both space and time (Budge, 2019). It makes sense to assess what drives approval over as long a period as possible. In this section we focus on 1980 to 2015 since we have relevant quality economic expectations data. This produces a time series of 431 months.

The results from our general error correction model are displayed in the first column of Table 3.1. The error correction term is significant and correctly (negatively) signed. Turning to our first core hypothesis, the coefficients for those variables designed to control for the electoral cycle are correctly signed and statistically significant, providing support for both H1a, and H1b. The coefficient for the number of months since the general election is significant and negative (b=−0.07) and the coefficient for months squared is significant and positive (b=0.001). In a typical forty-eight-month parliament approval falls by 3.36 points for reasons that have nothing to do with economic conditions. Similarly, the coefficients for total number of months that the government is in power (b=−0.03) and total number of months that the prime minister is in office (b=0.01) are significant and negatively signed, confirming H1c and H1d. The Labour government from 1997 to 2010, for example, was in power 156 months. Longevity reduced Labour's approval by 4.68 points net of all other factors. If the party had still been led by Tony Blair in 2010, these costs would have been even greater. We interpret these findings as reflecting the unobserved impact of a policy gap that is not fully captured by policy advantage (McGann et al., 2023). It may also reflect grievance

asymmetry, or initially inflated expectations about what governments can do (Wlezien, 2017; Stimson, 1976).

<COMP: INSERT Table 3.1 NEAR HERE>

We now turn to our second core hypothesis about the economy. The 'family' of H2 hypotheses receives partial support in relation to the objective economy. The coefficients on both lagged unemployment (b=1.37) and inflation (b=1.17) are statistically significant but, unexpectedly, *positively* signed. Interest rates have a statistically significant (b=3.70) short-term influence on approval. This is also contrary to expectations. Approval increases as interest rates rise. We must reject H2a, H2b, and H2c. The stock market has a statistically significant and correctly signed positive long-term effect on approval (b=2.88), providing support for H2d. This variable may provide the surest indicator of the health of the economy since efficient markets incorporate all the available data and are forward- looking. Overall, only one of the four hypotheses about the impact of objective economic indicators is correct (H2d). Since objective indicators provide evidence about the past, these findings may suggest that the electorate is focused on the future. It is tempting to suggest that these results are simply because we have included subjective expectations that mediate the impact of objective indicators. This is not the case. If we omit expectations and policy advantage, the coefficients for the objective economic indicators are scarcely altered.

The findings displayed for the general model in Table 3.1 provide overwhelming support for H2e and H2f: governments are rewarded for making people feel good about the economy and punished for making them feel bad.[5] Egocentric expectations exert both a statistically significant

[5] The sociotropic expectations series is apparently easier to model than egocentric expectations. It responds to inflation and the stock market plus events like the ERM debacle.

short-term effect (b=3.21) and long-term effect (b=3.69). Sociotropic expectations also exert statistically significant short-term (b=3.01) and long-term (b=0.66) effects. The size of the short-term coefficients are very similar but egocentric expectations exert a stronger long-term effect. This confirms the importance of the 'pocketbook' factor and provides a compelling reason for confining our analyses of the dynamics of approval between 1980 and 2015.

We now turn to the third core hypothesis about the impact of events. Each event included in the models has a statistically significant influence on approval. All the coefficients are consistent with expectations. Economic crises such a 'Black Wednesday' in 1992, the petrol crisis in 2000 and collapse of Northern Rock bank in 2007 all exert a strong negative effect. The coefficient for the banking rescue in October 2008 suggests that well-managed events can have a positive impact. The electorate may not have believed Gordon Brown's claim that he 'saved the world'—but they appear to have believed his actions made their lives better.[6]

The coefficients for the Falklands War in 1982, the first Gulf War in 1991, and the second Gulf War in 2003, suggest that these events boosted approval. So did the Brighton bomb attack of 1984 and the so-called 7/7 bombings of 2005. The MPs expenses scandal in 2009 also had a (marginally significant, $p<0.1$) negative effect on approval, even though the revelations of wrongdoing by MPs affected *all* parties at Westminster. The most striking finding, however, relates to the 9/11 attacks (b=13.51). These developments had a massive impact on approval of the British

[6] At Prime Minister's Question Time on 10 December 2008 Brown said: 'We have not only saved the world.' See https://hansard.parliament.uk/commons/2008-12-0/debates/08121022000005/OralAnswersToQuestions.

government. This may have reflected a simply 'rally around the flag' or approval for Tony Blair's decision to stand shoulder to shoulder with the United States.

The coefficients in the first column provide handsome support for the less unique events. The coefficient for turnover of government is large and significant (b=13.77), confirming H3a. The coefficient for change of prime minister is far smaller (b=1.96) but statistically significant and confirms H3b.Together with evidence about the costs of ruling associated with governments and prime minister, these findings confirm the importance of the parliamentary system. Changes of government have more effect on policy than changes of prime minister. The coefficient for Conservative governments is positively signed but not significant, so we reject H3c. The coefficient for the coalition (b=−4.12), on the other hand, is correctly negatively signed and significant, confirming H3d. Disraeli's quip that 'England does not love coalitions' has some truth to it (McLean, 2012).

Before we close our discussion of events it is worth noting that the addition of events helped to clarify the impact of other variables—including cyclical effects, the costs of ruling, and economic expectations. They are not just important in themselves—they are necessary to observe other systematic influences.

Finally, policy advantage matters a great deal to executive approval. The coefficients for both the short-term (b=6.83) and long-term (b=4.89) effects of this variable are statistically significant, positively signed, and substantively important, confirming H4. Policy advantage captures a whole slew of issues.[7] We take this finding as providing support for the policy gap hypothesis. Economic

[7] Future studies might distinguish between advantage on economic and non-economic issues, but the available evidence suggest that evaluations of party policy advantage are synoptic.

considerations are an important component of this indicator since it incorporates unemployment, inflation, taxation, and borrowing. Yet it also incorporates other issues that have been neglected in studies of executive approval. These include security (crime, terrorism, immigration, and defence), the public services (NHS, education, and transport), and foreign policy (defence, peace).

The findings laid out in the first column of Table 3.1 suggest that the three core hypotheses derived from the popularity functions literature: cyclical effects and the cost of ruling, economics, and events are also relevant to the dynamics of approval. Like others before us, we are impressed by the impact of economic expectations. Governments are undoubtedly rewarded for making people feel good and punished for making them feel bad about the economy. But policy matters too, and policy means more than economics. It is difficult to establish precisely how much of approval is the result of economics (the 'e-fraction') and how much is the result of politics (the 'p-fraction') (Paldam, 1991). We would have to allocate events to either economics or politics. Since non-economic events matter—as we demonstrate—then the size of the 'e' and 'p' fractions must vary over time. Both economics and politics matter and it is misleading to frame research as a tournament, especially since this also ignores cyclical effects and the costs of ruling.

Have the Forces Driving Approval Changed over Time?

Our general model in Table 3.1 provides our best shot at producing a general law of approval across time. Studies of popularity functions in Britain and approval elsewhere, suggest that findings depend on the periods chosen for analysis (Miller and Mackie, 1973; Paldam, 1991). In the British case, unique popularity functions are sometimes estimated for different parliaments, even if the same party remains in power—effectively throwing away relevant evidence. Yet there are few good reasons to expect that the fundamental drivers of approval should differ from one

government to the next if the institutions of democracy are unchanged. We prefer to assume a degree of continuity and produce a general model that incorporates our three core hypotheses and indicator of policy advantage, over as long a period as possible.

When the institutions in a democracy are stable it makes a great deal of sense to assume that the drivers of approval do not change. While some of the fundamentals of the system have been stable—particularly the electoral system for elections to Westminster—the last thirty-five years have witnessed important changes that may have modified the clarity of responsibility in the British constitution. One such development was the establishment of the Monetary Policy Committee (MPC) in 1997 that gave the Bank of England operational control of interest rates (Dellepiane-Avellaneda, 2012). From 1997 onwards chancellors and governments were able to influence interest rates indirectly by setting inflation targets. All the decisions on interest rates were made by the nine-member MPC, only four of whom were directly appointed by the chancellor. The government's responsibility for monetary policy was weakened, if not entirely extinguished. This might be expected to modify the impact of conditions on evaluations of the government.

Another potentially important development, was the Conservative-Liberal Democrat coalition from 2010 to 2015, the first peacetime coalition since 1931. This represented a very significant deviation from the norm of single-party government. Few living voters would have experienced a power-sharing coalition before. The Conservative party was the senior partner with 306 seats in the Commons and eighteen seats in the cabinet, while the Liberal Democrats had fifty-seven seats in the Commons and five seats in cabinet. David Cameron, the Conservative leader, became prime minister and Nick Clegg, the Liberal Democrat leader, became his deputy. Advocates of the Westminster system claim that parliamentary sovereignty and single-party government enhance

accountability. Powerful governing parties can be held responsible. Under the coalition, power and responsibility were diffused.

To test whether these two changes modified the drivers of approval we use interaction terms. To gauge the effect of Bank of England independence we included another dummy variable for independence from May 1997 and then multiplied both interest rates and its first difference by this variable. The results are displayed in the third column of Table 3.1. The main short-term effect remains significant (at $p<0.1$) but its interaction term is insignificant. The main long-term effect for interest rates is negative ($b=-1.39$ and significant at $p<0.05$), while its interaction effect with central bank independence is positive ($b=1.93$), and statistically significant at $p<0.05$. It seems that before central bank independence governments were punished for rising interest rates. After independence rising interest rates have a positive effect on approval. This change may be because governments were no longer held responsible for interest rates. It may also be because from 1997 increases in interest rates were likely to signal that there was a recovery and good times would follow, while a reduction in interest rates signalled bad times ahead. Whatever the case, central bank independence appears to have modified the relationship between approval and one of the most important economic instruments.[8]

To gauge the effect of the coalition we again simply multiply both government policy advantage and its first difference by the dummy variable for the coalition and examine the resulting coefficients to establish whether the effects of these variables varied under coalition conditions.

---

[8] Since interest rates were held at 0.5 per cent during the period of the coalition it is possible that this finding is the result of some very peculiar circumstances. If we run the same model from 1980 to 2010, however, we obtain very similar results.

The results are displayed in the fifth column of Table 3.1. The main effects of government policy remain positive. The coefficients for the corresponding interaction terms are negative (b=−4.74 for the first difference and b=−0.05 for the long-term effect). Both coefficients, however, are statistically insignificant . The coalition, on this evidence, does not appear to have modified the fundamental dynamics of monthly executive approval.

Other evidence suggests that the electorate simply reacted against the coalition for other reasons. This is illustrated by the negative coefficient (*b*=−4.12) for coalitions in the first column of Table 3.1. The vote intentions series for this period shows that support for the Liberal Democrats plummeted within a few weeks of entering the coalition. This decline lasted for five years. In 2015 it resulted in a massive reduction in the Liberal Democrat vote, from 23 to just 7.9 per cent, and the loss of forty-nine of the fifty-seven seats held five years before (Bartle, 2021). This in part reflected the general tendency of voters to punish junior parties in coalitions (Kluver and Spoon, 2019). It also reflected the fact that many Liberal Democrat voters in 2010 were essentially anti-Conservative voters who had temporarily lent their votes to the third party. The Liberal Democrats willingness to enter a coalition with the Conservatives undoubtedly shocked many such voters. This produced a step-shift in Liberal Democrat fortunes.

Conclusion

The British political system promotes a simple clarity of responsibly. The buck stops with the executive. This chapter provides evidence that the British electorate hold their governments accountable for conditions. Perceptions of the economic future matter and are crucial to understanding the dynamics of executive approval. Governments are rewarded for making people feel optimistic about their economic futures and punished for making them feel bad. They are also rewarded

for managing events and providing reassurance of control. Policy advantage plays a role too. Nevertheless, the electoral cycle also plays a role. So do the (two) 'costs of ruling'. These unconditional influences may discourage the executive from responding to the electorate. Why bother responding to the electorate if you are going to lose anyway? So might an uncompetitive opposition. Why respond to the electorate if the major opposition are unelectable? (Bartle et al., 2019; McGann et al., 2023). The British system provides rough—but far from perfect—accountability.

The British political system is characterized by stability and continuity. There has been some institutional change, and there is some evidence that the electorate has responded to change in reasonable ways. Central bank independence seems to have modified the relationship between interest rates approval. The coalition government from 2010 to 2015, on the other hand, did not modify the relationship between policy and approval. Future coalition governments might modify behaviour as voters gain experience of multi-party governments. While the two-party system reasserted itself in 2017 and 2019, coalitions are always possible given the plurality electoral system (Bartle, 2021). If a more proportional system was adopted for Westminster elections, this would modify the dynamics of approval in the longer term as the electorate learned the new rules of the game. Change is also possible without electoral reform. The social coalitions within the two major parties have undergone change as 'Leavers' moved to the Conservatives and 'Remainers' moved to Labour. The divisions between 'remain' and 'leave' partly reflect wider divisions about social and cultural issues (Sobolewska, 2021). This shift in the nature of party coalition may result in

parties defined by their attitudes towards cultural change. The British electorate may become less responsive to economic conditions—just like its US counterpart (see Chapter 13).[9]

Finally, the United Kingdom's recent decision to 'take back control' by leaving the European Union may increase the electorate's responsiveness to the executive. The British government can no longer blame the European Union for its woes. The reassertion of national sovereignty should encourage voters to pay more attention to the activities of their executive branch. British governments might find the British electorate even more watchful—and even more vengeful—in the future.

References

Alt, J. E. (1979). *The Politics of Economic Decline*. Cambridge: Cambridge University Press.

Bagehot, W. (2001). *The English Constitution*. Oxford: Oxford University Press.

Bartle, J. (2021). The two-party system: All else is embellishment and detail. In *Breaking the Deadlock: Britain at the Polls 2019,* N. Allen, and J. Bartle, eds. Manchester: Manchester University Press. 89–122.

Bartle, J., Dellepiane-Avellaneda, S., and Stimson, J. A. (2011). The moving centre: Preferences for government activity in Britain, 1950–2005. *British Journal of Political Science*, *41*(2), 259–85.

Bartle, J., McGann, A., and Dellepiane-Avellaneda, S. (2019). Policy accommodation versus electoral turnover: Policy representation in Britain, 1945–2015. *Journal of Public Policy*, *38*(2), 235–65.

[9] Regrettably, we are not able to examine any post-2016 changes because of gaps in the economic expectations series.

Brody, R. (1991). *Assessing the President: The Media, Elite Opinion and Public Support*. Stanford, CA: Stanford University Press.

Budge, I. (1994). A new spatial theory of party competition: Uncertainty, ideology and policy equilibria viewed comparatively and temporally. *British Journal of Political Science*, *24*(4), 443–67.

Budge, I. (2019). *Politics: A Unified Introduction to How Democracy Works*. London: Routledge.

Bytzek, E. (2011). Questioning the obvious: Political events and public opinion on the government's standing in Germany 1977–2002. *International Journal of Public Opinion Research*, *23*(4), 406–36.

Carlin, R. E, Hartlyn, J., Hellwig, T., Love, G. J., Martínez-Gallardo, C., and Singer, M. M. (2018). Public support for Latin American presidents: The cyclical model in comparative perspective. *Research & Politics*. https://doi.org/10.1177/2053168018787690.

Chrystal, K. A. and Alt. J (1981). Some problems in formulating and testing a politico-economic model of the United Kingdom. *Economic Journal*, *91*(363), 730–6.

Clarke, H. D., Mishler, W., and Whiteley, P. (1990). Recapturing the Falklands: Models of Conservative popularity, 1979–83. *British Journal of Political Science*, *20*(1), 63–81.

Crewe, I. (1992). A nation of liars? Opinion polls and the 1992 election. *Parliamentary Affairs*, *45*(4), 475–95.

DeBoef, S., and Keele, L. (2008). Taking time seriously. *American Journal of Political Science*, *52*(1), 184–200.

Dellepiane-Avellaneda, S. (2012). Gordon Unbound: The heresthetic of Central Bank Independence in Britain. *British Journal of Political Science*, *43*(2), 263-93.

Enders, W. P. (2006). *Applied Econometric Time Series*. Hoboken, NJ: John Wiley & Sons.

Enns, P. K., Kelly, N. J., Masaki, T., and Wohlfarth, P. C. (2016). Don't jettison the general error correction model just yet: A practical guide to avoiding spurious regression with the GECM. *Research & Politics*. https://doi.org/10.1177/2053168016643345.

Erikson, R. S., MacKuen, M. B., and Stimson, J. A. (2002). *The Macro Polity*. New York: Cambridge University Press.

Fiorina, M. P. (1981). *Retrospective Voting in American National Elections*. New Haven, CT: Yale University Press.

Frey, B. and Schneider, F. (1978). A politico-economic model of the United Kingdom. *Economic Jounral*, *88*(350), 243-53.

Gallup Opinion Polls. (1977a). *The Gallup International Public Opinion Polls, Great Britain*, 1937–1975, *Volume 6*. Santa Barbara, CA: Greenwood Press.

Gallup Opinion Polls. (1977b). *The Gallup International Public Opinion Polls, Great Britain, 1937–1975, Volume 2*. Santa Barbara, CA: Greenwood Press.

Goodhart, C. A. E., and Bhanslai, R. J. (1970). Political economy. *Political Studies*, *18*(1), 43–106.

Grant, T and Lebo, M. J. (2016). Error correction methods with political time series. *Political Analysis*, *24*(1), 3–30.

Green, J. and Jennings, W. (2012). Valence as macro-competence: An analysis of mood in party competence evaluations in Great Britain. *British Journal of Political Science*, *42*(2), 311–43.

Hakhverdian, A. (2010). Political representation and its mechanisms: A dynamic left-right approach for the United Kingdom, 1976–2006. *British Journal of Political Science*, *40*(4), 835–56.

Hudson, J. (1985). The relationship between government popularity and approval for the government's record in the United Kingdom. *British Journal of Political Science*, *15*(2), 165–86.

Jennings, W., and John, P. (2009). The dynamics of political attention: Public opinion and the Queen's Speech in the United Kingdom. *American Journal of Political Science*, *53*(4), 838–54.

John, P., Bertelli, A., Jennings, W., and Bevan, S. (2013). *Policy Agendas in British Politics*. Basingstoke: Palgrave Macmillan.

Johns, R. (2018). Squeezing the SNP: the election in Scotland. In *None Past the Post: Britain at the Polls 2017*, N. Allen and J. Bartle, eds. Manchester: Manchester Univesity Press. 100–20.

King, A. (1998). Why Labour won – at last. In *New Labour Triumphs: Britain at the Polls*, A. King, ed. Chatham, NJ: Chatham House. 177–208.

King, A. (2000). *Does the United Kingdom Still Have a Constitution?* London: Sweet & Maxwell.

King, A. (2010). *The British Constitution*. Oxford: Oxford University Press.

King, A., and Wybrow. R. (2001). *British Political Opinion, 1937–2000: The Gallup Polls*. London: Politicos Publishing.

Kluver, H., and Spoon, J. J. (2019). Helping or hurting? How governing as a junior coalition partner influences electoral outcomes. *Journal of Politics*, *82*(4), 1231–42.

Kuhn, R. (2007). *Politics and the Media in Britain*. London: Palgrave.

Lijphart, A. (1999). *Patterns of Democracy: Government Forms and Performance in Thirty-six Countries*. New Haven, CT: Yale University Press.

McGann, A., Dellepiane-Avellaneda, S., and Bartle, J. (2019). Parallel lines? Policy mood in a plurinational democracy, *Electoral Studies*, *58*(1), 48–57.

McGann, A., Dellepiane Avellaneda, S., and Bartle, J. (2023). Responsive government for realists? Public opinion and policy responsiveness in the Netherlands and the UK. *Economics and Politics*, *35*(1), 333–55.

McLean, I. (2012). England does not love coalitions: The most misused political quotation in the book. *Government and Opposition*, *47*(1), 3–21.

May, J. D. (1978). Defining democracy: A bid for coherence and consensus. *Political Studies*, *26*(1), 1–14.

Miller, W. L., and Mackie, M. (1973). The electoral cycle and the asymmetry of government and opposition popularity: An alternative model of the relationship between economic conditions and government popularity. *Political Studies*, *21*(2), 263–79.

Mueller, J. (1970). Presidential popularity from Truman to Johnson. *American Political Science Review*, *65*(1), 18–34.

Nannestad, P., and Paldam, M. (2002). The costs of ruling: a foundation for two theories. In *Economic Voting*, H. Dorussen and M. Taylor, eds. London: Routledge. 17–44.

Norris, P. (1990). *British By-elections: The Volatile Electorate*. Oxford: Clarendon Press.

Key. V. O. (1966). *The Responsible Electorate: Rationality in Presidential Voting, 1936–1960*. New York: Belknap Press.

Paldam, M. (1991). How robust is the vote function? A study of seventeen nations over four decades. In *Economics and Politics: The Calculus of Support*, H. Norpoth, M. S. Lewis-Beck, and J. D. Lafay, eds. Ann Arbor, MI: University of Michigan Press. 9–31.

Pissarides, C. (1980). British government popularity and economic performance. *Economic Journal*, *90*(359), 569–81.

Powell, G. B., and Whitten, G. D. (1993). A cross-national analysis of economic voting: Taking account of the political context. *American Journal of Political Science*, *37*(2), 391–414.

Price, S., and Sanders, D. (1993). Modelling government popularity in post-war Britain: A methodological example. *American Journal of Political Science*, *37*(3), 317–34.

Rallings, C., and Thrasher, M. (1997). *Local Elections in Britain*. London: Routledge.

Sanders, D. (1991). Government popularity and the next general election. *Political Studies*, *62*(2), 235–61.

Sanders, D. (2005). Popularity function forecasts for the 2005 British general election. *British Journal of Politics and International Relations*, *7*(2), 174–90.

Sanders, D., Ward, H. and Marsh, D. (1993). The electoral impact of press coverage of the British economy, 1979–87. *British Journal of Political Science*, *23*(2), 175–210.

Sanders, D., Ward, H., Marsh, D., and Fletcher, T. (1987). Government popularity and the Falklands war: A reassessment. *British Journal of Political Science*, *17*(3), 281–313.

Shaw, G. (1984). *Rational Expectations: An Elementary Exposition*. Brighton: Wheatsheaf Books.

Sobolewska, M. (2021). A changing electorate: New identities and the British 'culture war'. In *Breaking the Deadlock: Britain at the Polls 2019*, N. Allen, and J. Bartle, eds. Manchester: Manchester University Press. 123–47.

Soroka, S. (2014). *Negativity in Politics: Causes and Consequences*. Cambridge: Cambridge University Press.

Soroka, S. and Wlezien, C. (2009). *Degrees of Democracy*. Cambridge: Cambridge University Press.

Stimson, J. A. (1976). Public support for American presidents: A cyclical model. *Public Opinion Quarterly 40*(1), 1–21.

Stimson, J. A. (1999). *Public Opinion in America: Moods, Cycles, and Swings*. Boulder, CO: Westview Press.

Stokes, D. E., and Iverson, G. R. (1966). On the existence of forces restoring party competition. *Public Opinion Quarterly*, 26(2),159–71.

Strøm, K. (1990). A behavioural theory of competitive parties. *American Journal of Political Science*, *34*(2), 565–98.

Wlezien, C. (1995) The public as thermostat: Dynamics of preferences for spending. *Americcan Journal of Political Science*, *39*(4), 981–1000.

Wlezien, C. (2017) Policy (mis)representation and the cost of ruling: US presidential elections in comparative perspective. *Comparative Political Studies*, *50*(6), 711–38.

Wlezien, C., Jennings, W., Fisher, S., Ford, R., and Pickup, M. (2013). Polls and the vote in Britain. *Political Studies*, *61*(1), 66–91.

Zaller, J. R. (1992). *The Nature and Origins of Mass Opinion*. Cambridge: Cambridge University Press.

Table 3.1

Models of executive approval, 1980–2015

	General Model		Bank of England		Coalition	
	B	(SE)	B	(SE)	B	(SE)
Error Correction	−0.32*	(0.03)	−0.32*	(0.03)	−0.31*	(0.00)
Electoral cycle and costs of ruling						
Months since election$_t$	−0.07*	(0.03)	−0.06*	(0.03)	−0.07*	(0.03)
Months since election squared$_t$	0.001*	(0.00)	0.001*	(0.00)	0.001*	(0.00)
Govt months in power total$_t$	−0.03*	(0.00)	−0.02*	(0.00)	−0.03*	(0.00)
PM months in powert otal$_t$	−0.01*	(0.00)	−0.01*	(0.00)	−0.01*	(0.00)
Economics						
ΔUnemployment$_t$	2.31	(7.40)	0.52	(7.64)	1.78	(7.42)
Unemployment$_{t-4}$	1.37*	(0.62)	1.73*	(0.62)	1.35*	(0.62)
ΔInflation$_t$	−0.24	(0.69)	−0.05	(0.69)	−0.30	(0.69)
Inflation$_{t-1}$	1.17*	(0.28)	1.62*	(0.32)	1.16*	(0.28)
ΔStock market$_t$	−3.67	(2.44)	−4.24*	(2.42)	−3.79	(2.45)
Stock market$_{t-3}$	2.88*	(0.44)	2.18*	(0.50)	2.85*	(0.44)
ΔInterest rates$_t$	3.70*	(1.41)	3.46*	(2.10)	3.62*	(1.41)
Interest rates$_{t-2}$	−0.29	(0.36)	−1.39*	(0.67)	−0.28	(0.36)
ΔEgocentric expectations$_t$	3.21*	(1.04)	3.23*	(1.03)	2.96*	(1.05)
Egocentric expectations$_{t-1}$	3.69*	(0.77)	4.01*	(0.77)	3.61*	(0.78)
ΔSociotropic expectations$_t$	3.01*	(0.41)	3.00*	(0.40)	3.04*	(0.41)
Sociotropic expectations$_{t-4}$	0.66*	(0.29)	0.86*	(0.29)	0.67*	(0.29)
Events						

Exchange Rate Mechanism crisis$_{t-1}$	−6.36*	(1.87)	−5.92*	(1.86)	−6.36*	(1.88)
Petrol$_t$	−5.61*	(1.90)	−5.21*	(1.88)	−5.48*	(1.90)
Northern Rock$_t$	−5.82*	(1.85)	−6.01*	(1.83)	−5.82*	(1.85)
Banking rescue$_{t-1}$	9.18*	(1.90)	8.94*	(1.88)	9.17*	(1.90)
MPs expenses$_{t-1}$	−3.12	(1.89)	−3.31	(1.87)	−3.21	(1.89)
Falklands$_t$	5.77*	(1.10)	5.49*	(1.09)	5.74*	(1.10)
Gulf War 1$_t$	2.88*	(1.13)	3.42*	(1.13)	2.89*	(1.13)
Gulf War 2$_t$	4.23*	(1.36)	4.35*	(1.35)	4.21*	(1.36)
Brighton bomb$_t$	4.22*	(1.83)	3.93*	(1.81)	4.11*	(1.84)
9/11$_t$	13.51*	(1.90)	13.41*	(1.88)	13.49*	(1.90)
7/7 bombings$_t$	4.01*	(1.85)	3.83*	(1.83)	4.03*	(1.86)
Change in government$_t$	13.77*	(1.14)	13.43*	(1.14)	13.69*	(1.14)
Change prime minister$_{t-1}$	1.95*	(0.89)	2.09*	(0.88)	2.31*	(0.92)
Conservative government$_t$	1.02	(0.75)	2.62*	(0.92)	1.00	(0.75)
Coalition government$_t$	−4.12*	(0.98)	−2.25*	(1.08)	−3.85	(10.33)
Government policy advantage						
ΔAdvantage$_t$	6.83*	(1.39)	6.68*	(1.37)	7.84*	(1.56)
Advantage$_{t-2}$	4.89*	(1.00)	5.28*	(1.02)	4.69*	(1.06)
Bank of England independence$_t$			−0.45	(1.71)		
Interaction terms						
ΔInterest rates$_t$ × Bank of England			0.36	(2.68)		
Interest rates$_{t-2}$ × Bank of England			1.93*	(0.77)		

ΔGovernment policy advantage$_t$ × coalition					−4.74	(3.52)
Government policy advantage$_t$ × coalition					−0.05	(2.87)
Constant	−42.35°	(5.32)	41.99°	(5.26)	−41.23°	(5.44)
Adjusted R2	0.59		0.6		0.59	
N	431		431		431	

Source:

Note: °p<0.10, * p<0.05 (two-tailed test), standard errors in parentheses.