The Importance of Being Republican: Forecasting Party Fortunes in House Midterm Elections

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Few observers expected the massive Democratic defeat in the 1994 House election. In 1982 observers were surprised by how few seats the Republicans lost. These two examples suggest the possibility of a wider phenomenon: Republicans are relatively advantaged in midterm elections. Models containing party variables and key variables from various midterm election models provide an excellent fit to the 1950–1994 data and support the hypothesis that Republicans save more seats than do Democrats when presidential approval, economic growth, surge and decline, and safe seats are controlled. These contrasting party fates may be related to different expectations voters bring to Republican and Democratic presidencies. Bringing party into midterm forecasting shows that the 54 seats lost in 1994 were not surprising for the Democrats, but under similar conditions the Republicans would lose only about 20 seats.

T he Republican capture of the House of Representatives in the 1994 midterm election surprised scholars and pundits alike. Although everyone expected the Democrats to lose seats in the grand midterm tradition, few observers expected or predicted the scale of the Democratic defeat. This is not the first time midterm election results have been surprising. In 1982, many observers anticipated sharp Republican losses would result from the deep economic recession and dissatisfaction with President Reagan. Losing fewer than 30 seats, Republicans won what many considered a moral victory. It is instructive that observers of one election were stunned that Democrats lost so many seats while in another the grounds for surprise were that the Republicans lost so few. I argue that these party differences are a crucial component of midterm elections in the postwar period. The Democratic setback of 1994 may be remarkable, but bringing party into midterm election forecasting shows that it is not surprising.

THEORETICAL BACKGROUND

The striking regularity of presidential party losses in midterm House elections has long intrigued scholars. Tufte's (1975) exploration of the links between economic conditions and midterm election results is often considered the seminal article in the field, though earlier scholars had examined the links between elections and economics more generally (Kramer 1971). Like Tufte, other researchers have been interested in exploring why presidential parties lose support in midterms and explaining and forecasting the magnitude of the loss. These two tasks are not the same: explanations of midterm results tend to be more fine-grained and more often based on individual voting decisions than are forecasts of these results. Forecast models can build upon findings that explain midterm results, but they cannot substitute for these explanations.

Four frameworks have been advanced to explain and forecast midterm election results: referendum, surge and decline, presidential punishment, and candidate quality.[1] Referendum explanations emphasize the midterm as an evaluation of the president's job performance, or the president's economic performance more particularly. In practice, this means explaining midterm results by reference to measures of economic performance and presidential approval. A different form of referendum is offered by Abramowitz, Cover, and Norpoth (1986): perceptions of party competence will fade over the course of an administration and produce greater seat loss in the second midterm of a two-term presidency. Lewis-Beck and Rice (1992) generalize this point by arguing that each successive election under a given party's control should promote greater losses as the electorate tires of and grows less patient with the failures of the party in power.

The economic aspects of the referendum approach have attracted extensive discussion. Although there are lively methodological issues here—Which economic indicators? Over what time period?—the basic argument is that the worse the economy, the more votes or seats lost by the president's party in the House. The evidence is mixed. Bloom and Price (1975), Kramer (1971), and Tufte (1975) provide the strongest argument for the primary effects of economic conditions. Bloom and Price argue that the economic effect is asymmetric—a poor economy hurts the president's party more than a healthy economy helps.[2] Waterman, Oppenheimer, and Stimson (1991) are among those who have found support for the effects of economic conditions but do not argue that the economy is the motive force in midterm results. Abramowitz, Cover, and Norpoth (1986) and Jacobson (1989) find evidence that economic conditions indirectly affect midterm outcomes. Using states as the units of analysis, Radcliff (1988) argues that eco-

nomic conditions influenced congressional election results from 1930 to 1958 but not from 1959 to 1980; in neither period was the asymmetric interpretation of economic voting supported. Lewis-Beck and Rice (1992) find that the economy falls just short of significantly influencing midterm election results. Campbell (1985, 1986, 1993) and Marra and Ostrom (1989) find no support for the hypothesis that midterm elections are economic referendums. And Erikson (1990) argues that unless one uses Tufte's specification, economic conditions do not affect midterm results; at best, economic conditions affect the congressional vote indirectly through presidential coattails.

"Surge and decline" constitutes a second understanding of midterm elections. Although several analysts include surge and decline or presidential coattails as part of their model, this approach is most closely identified with Campbell (1985, 1991, 1993). According to this view, the president's party in Congress benefits from the surge toward the president in a presidential election year. There is some disagreement over who does the surging and the precise dynamics of the process, but most writers agree that the problem for the White House party is that turnout of supportive voters declines in midterm elections. Therefore, the party can expect a decline in its vote and seat share that approximate the surge it enjoyed in the previous presidential-year election. Campbell and a number of other scholars find at least some surge and decline or coattails effect in midterms (e.g., Erikson 1990). Born (1990) finds support for surge in presidential years but no support for decline in midterms.

Waterman, Oppenheimer, and Stimson (1991) argue that controlling for a party's average share of seats eliminates the significance of surge and decline in both presidential and midterm years (see also Erikson 1988). This point is made in an "exposure" amendment to the referendum theory that suggests the impact of the referendum will be conditioned by the strength of the president's party entering the midterm election: the amount of vote or seat loss will depend on the party's performance in the preceding congressional election compared to its typical performance. If the party received a higher seat or vote share than is its norm, its exposure and expected loss in the midterm is relatively high. Some studies measure exposure by comparing the party's pre-midterm seats or votes to its vote or seat share over the entire postwar period (Lewis-Beck and Rice 1992; Oppenheimer, Stimson, and Waterman 1986; Waterman, Oppenheimer, and Stimson 1991); others argue that more recent elections are the most relevant baseline (Marra and Ostrom 1989). Campbell (1993, 78) contests the exposure notion directly. That parties are almost always overexposed in midterm elections, he argues, shows that exposure is an offshoot of the surge and decline effect rather than a significant factor in itself.

A third approach suggests that midterms are the electorate's opportunity to punish the presidential party regardless of approval ratings, economic performance, or other variables (Erikson 1988). This approach starts with a simple

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[1] For an extensive review of the literature, see Campbell 1993.

[2] The negativity hypothesis has also been applied to more general appraisals of the president. Born (1990) finds little support for the notion that negative appraisals hurt more than positive appraisals help.

observation: no matter what the combination of approval, surge and decline, and economic conditions, the president's party loses seats. Even with hypothetically extreme levels of these variables, seat or vote loss would still be predicted. Do voters, in the absence of an opposing presidential candidate, focus their negative perceptions on the president in the midterm election (Kernell 1977)? For this approach, the answer does not much matter, because even popular presidents with growing economies suffer losses. Therefore this approach suggests that voters seek to penalize the president's party, perhaps as a classic reflection of American political culture's distrust of concentrated power. Or this penalty may be an attempt by voters to provide more ideological balance to government (Alesina and Rosenthal 1989; Fiorina 1996). Other than predicting presidential party loss, however, it is difficult to translate this explanation into a specific forecasting model.

A final explanation contends that models of midterm election results must be sensitive to candidate quality. Given the emphasis in the congressional literature on candidate-centered campaigning and congressional enterprises, this approach notes that voters ultimately are voting for individual candidates. Jacobson (1989) makes the case most strongly: what really matters in congressional elections is the availability of quality challengers. Low approval of the president or weak economic performance do not operate directly or even primarily on election outcomes, but rather create an environment in which quality candidates from the opposition party are more inclined to run. Economic conditions in particular have this indirect effect. Jacobson also suggests that candidate quality became increasingly important across the postwar period, leaving congressional election results less dependent on shifts in national conditions (see also Radcliff 1988). Campbell (1993, 74), however, cautions that the behavior of Jacobson's strategic politicians makes sense *only* if these politicians believe that voters respond to national conditions. If the mere presence of quality candidates in a race determined voters' decisions, these candidates would have no particular reason to appear in greater numbers in those years when national economic conditions or presidential approval were weak.

Despite the compelling theoretical and empirical work in this area, electoral reality can intrude and throw the models into disarray. This was certainly the case with the Democrats' sizable loss of 54 seats in the 1994 House elections. Clinton's two-party surge was only about mid-level for a postwar president (indeed, his coattails were nonexistent if one includes third-party voting in 1992). The economy was growing at a middling pace compared to other midterms, thus suggesting that neither an economic referendum nor negative voting would be likely to forecast massive turnover in the House. The availability of quality candidates might have boosted Republican chances, but why, in the face of a decent economy, might strategic candidates have sensed that 1994 was a ripe year? One variable considered by strategic politicians, who are of course implicitly forecasting election results, was no doubt Bill Clinton's low approval ratings. At any

rate, explanations emphasizing presidential popularity would have forecast some loss, but not as much loss as the election produced.

These forecasting problems are apparent in the well-regarded prediction model constructed by Lewis-Beck and Rice (1992). Lewis-Beck and Rice incorporate several of the major schools of thought on midterm elections. Their model of midterm elections (as part of a larger set of elections) includes presidential popularity, economic conditions, a measure of the incumbent party's exposure, and a measure of how long a party controlled the White House. Although the model had reasonably good accuracy from 1950 through 1990, it predicted a Democratic net seat loss of only 4 seats in 1994 (Lewis-Beck and Wrighton 1994). The crushing Democratic defeat in this election was, of course, far deeper than this negligible predicted loss suggests. A model offered by Campbell (1986), estimated on data from 1946 to 1982, predicts a 1994 Democratic loss of about 20 seats, while an updated version (Campbell 1993) projects a loss of about 25 to 30 seats.[3] Though closer to the actual seat loss, this prediction still falls far short.

A FIFTH APPROACH

The wide variety of findings in midterm election studies makes forecasting difficult. We can, however, pull two threads from these findings to suggest an alternative approach. First, we have a diverse set of findings, not only because of specification differences in the models but also because different portions of the population may have somewhat different motivations in their midterm voting. Accordingly, many studies include variables that tap into the different analytical frameworks discussed above; this is a sound approach that will be adopted here. Second, the odd cases of the Republicans in 1982 and, more pertinent, the Democrats in 1994, suggest that perhaps the presidential party should be integrated into midterm election analysis.

Most studies implicitly acknowledge that party matters by beginning from a presumption that the presidential party will lose seats. But this is a relatively fixed relationship in which the two parties are expected to be punished and rewarded in the same manner and magnitude. Few studies consider that the two parties might have substantively different experiences in midterm elections. In an examination of presidential elections, Markus (1988) found that the definition of a weak economy differed for Democratic and Republican candidates: Democrats were penalized when economic growth slipped under 1.5%; Republicans were penalized when economic growth fell below zero. Hibbing and Alford (1981) argue that as the tenure of presidential party incumbents increases, economic conditions become more strongly linked to electoral margins. In the postwar period, such a relationship should leave the Democrats more vulnerable to

[3] Campbell 1986 projected a Republican loss of 21 to 45 seats in 1986, depending on presidential popularity. The actual loss was 5 seats. Since the updated version of the model incorporates this error and any error in the 1990 prediction, it provides a more accurate 1994 prediction.

changes in the economy, given their long-term control of Congress and the long tenure of southern Democrats.

The most prominent studies featuring a central role for different party midterm patterns are those by Alesina and Rosenthal (1989, 1995; see also Alesina, Londregan, and Rosenthal 1993). In presidential elections voters choose between two polarized candidates; voters then use the midterm election to balance the president's policies by strengthening the opposition party in Congress. Rather than rewarding parties on past performance, voters seek to influence future policy. For Alesina and Rosenthal, this approach makes sense of two regularities. First, the president's party always loses support in midterms. Second, Republicans have below-average growth in the first half of their terms, Democrats have above-average growth, but both parties produce about the same amount of growth in the second half of their terms.[4] In their first two years, Republicans follow policies that stanch inflation but also decrease growth, while Democrats seek to increase growth even at the risk of higher inflation. Voters seek a growth path in the middle of these polarized alternatives, and they get that path by balancing the president's party in the midterm. Though it appears that Democrats are penalized for growth and Republicans are penalized for lack of growth, Alesina and Rosenthal conclude that any relationship between the retrospective performance of the economy and congressional election results is spurious and produced by prospective policy-balancing behavior by voters (cf. Haller and Norpoth 1994). For predictive purposes, the main weakness of this model is that the same policy-balancing results are produced regardless of the size of the midterm seat loss (or the new size of the party majority in Congress). If voters can produce policy balancing whether they change five seats or 50, no consistent relationship between the economy and seat change should be expected.

Like Alesina and Rosenthal, Erikson (1990) notes the connection between party control and economic conditions when explaining *levels* of votes and seats. But because the party label is highly correlated with the lagged level of incumbent party congressional vote or seat share—Erikson's fundamental control variable—party's influence tends to wash out: as Jacobson (1990a) notes, Democrats have relatively high vote shares as the almost permanent majority, while Republican vote shares are consistently lower. Jacobson further argues that this is one reason to focus on *changes* in seats and votes rather than levels. Following this path, Abramowitz, Cover, and Norpoth (1986) have some success showing that perceived "party competence" is related to the presidential party's election performance. Party competence itself is a function of presidential popularity, economic conditions, and whether the midterm is a president's first or second.

How might parties matter for aggregate midterm election outcomes? It is telling that two studies offering observations on the Reagan midterm of 1982 appear

[4]This finding is, of course, at the core of partisan business cycle theory, (see Hibbs 1987).

to provide little leverage on the Clinton midterm of 1994. Petrocik and Steeper (1986) argue that Reagan avoided steep losses in 1982 because voters did not fully blame him for the state of the economy; yet in 1994 voters, unhappy with the economy as well as other matters, turned out Democrats during what were by conventional measures better economic times. Abramowitz, Cover, and Norpoth (1986) note that Reagan did reasonably well because 1982 was his first midterm; again the same logic did not appear to apply to Clinton in 1994. These differences suggest an intriguing possibility: voters treat Democrats and Republicans differently in midterm House elections.

A number of studies show that voters hold different perceptions and images of the two major parties (Campbell, Converse, Miller, and Stokes 1960; Jacobson 1990b, 105–20; Nie, Verba, and Petrocik 1979; Rahn 1993; Reiter 1993, 256–7; Wattenberg 1990). Democrats generally hold a "populist" image as a representative and voice for the less well off: more voters believe that Democratic presidential candidates understand the concerns of people like themselves. Successful Democratic candidate Bill Clinton enjoyed a large "compassion advantage" over George Bush in 1992 (Quirk and Dalager 1993, 81), but even unsuccessful candidate Michael Dukakis enjoyed that advantage in 1988 (Pomper 1989, 143). Given the Democrats' central role in establishing the framework of the postwar state, voters may be inclined to expect more from Democrats when they control the presidency than they expect from Republicans. If voters electing Republicans to the presidency are not expecting major domestic initiatives and an activist government—and indeed if they perceive these as properties of Democrats (Fiorina 1996; Shafer 1991)—they are perhaps more likely to reward Republicans when general conditions in the country, including economic conditions, are on the upswing. What is ordinary and expected from Democrats is unusual and rewarded when produced by Republicans. In short, voters' expectations of Democrats may be high. Since the typical Democrat will not meet these high expectations, voters react harshly. With Republicans, lower expectations produce a kinder, gentler public. The hypothesis is simple: Democrats pay a higher price in midterms because they are Democrats.

Figures 1–4 display the differences between Democratic and Republican presidencies. Figure 1 indicates that although Republican seat losses tend toward the lower end, each party has had a range of losses during the postwar period (the Republican mean is −24; the Democratic mean is −30). Figure 2 shows that Democrats since 1950 have consistently presided over a growing economy, although it is notable that Clinton had the worst economic performance of any postwar Democrat. Contrary to Alesina and Rosenthal's hypothesis that Democrats will be punished for excessive growth, the biggest Democratic losses (1966 and 1994) occurred when the economy was growing slowly by Democratic standards. By contrast, two years of modest Republican losses (1986 and 1990) occur with growth rates not far removed from the depressed Democratic rates in 1966 and 1994. Even with its comparatively weak Democratic

performance, the Clinton economy outperformed every postwar Republican economy.[5]

Despite this weak Republican economic performance, Republicans do not pay a price in presidential popularity (Figure 3). Instead, Republican presidents have a decided edge over Democrats in approval ratings. Another sign of Republican popularity is shown in Figure 4: Republicans fare better in presidential elections. According to coattails theory, however, this surge in the presidential election will produce a sharp decline in Republican midterm fortunes. Together, Figures 1–4 suggest that despite poor economies and large potential surge and decline effects, Republican presidents are popular and do not suffer disproportionately in midterm elections.

DATA AND METHODS

The existing literature provides an excellent analytical starting point. Like many other analysts, I include explanatory variables that represent the major approaches to understanding midterm House elections. I also follow the path of Lewis-Beck and Rice (1992) by constructing a model designed to be useful for forecasting. To facilitate forecasting, I use as my dependent variable the change in seats held by the president's party—ultimately this is the most important result of the election. (Figure 1 shows the range of this variable.) I also rely on data that are available several months before the election rather than data available immediately before or, as in some of the explanatory models, after the election. By focusing on midterms, however, I depart from Lewis-Beck and Rice: they suggest examining presidential-year and midterm elections together. However, much of the theoretical and empirical literature separates the two, and studies combining the two types often employ dummy variables or other controls for the midterm years. Indeed, Lewis-Beck and Rice themselves add a control for midterms to their analysis. For these reasons, I limit the data set to midterm election years.

The independent variables are similar to those found in other midterm election studies. Referendum effects are measured through presidential approval and economic growth. To allow substantial lead time for forecasting before the election, I employ the president's Gallup approval rating from July of the election year and the growth in gross national product over the first half of the election year (i.e., from the fourth quarter of the preceding year to the second quarter of the election year). A refinement to the referendum model is incorporated by including the number of elections that have been held since the current party has held the presidency. Thus, the term indicator has a value of 3 in 1966 because that election would be the third while the Democrats controlled the White House; it has a value of 1 in 1994.[6]

FIGURE 1

PRESIDENTIAL PARTY SEAT CHANGE IN HOUSE MIDTERMS, 1950–1994
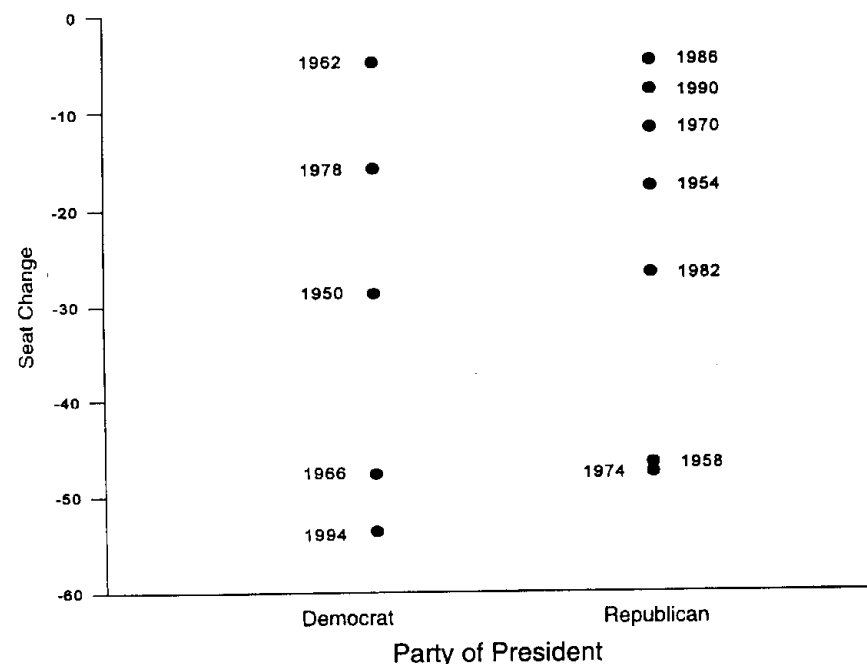

Surge and decline effects are measured by the percent of the two-party vote (minus 50 percentage points) received by the president in the previous presidential election. I also include a modified version of the "exposure" variable that Campbell argues is in fact an artifact of surge and decline. In existing studies, exposure is expected to correlate negatively with seat change: the higher the exposure, the fewer seats saved. But this relationship presumes that these additional seats are not "safe." To tap this assumption, I include an interactive variable consisting of exposure multiplied by safe seats. Consistent with other studies, what this variable suggests is that it is not the raw number of seats held by a party that is crucial in predicting seat change, but rather the safety of the party's seats and the degree to which the party's current number of seats is

[5]Note, however, that Republican performance has been generally improving over time while Democratic performance has been declining.

[6]President's percent of two-party vote in previous election, presidential approval, growth in gross national product, and House seat change are taken from Lewis-Beck and Rice (1992, appendix) for 1950 to 1990. House seat change is measured election to election. On the measure of number of elections under the current party, Lewis-Beck and Rice cap the maximum value at 4, but it is not clear why. That is, 1986 = 3, 1988 = 4, 1990 = 4, 1992 = 4. I allow these values to continue to increase. For midterm elections, this change alters the variable's value in 1950 and 1990.

FIGURE 2

ECONOMIC CONDITIONS BEFORE MIDTERM ELECTIONS, 1950–1994

FIGURE 3

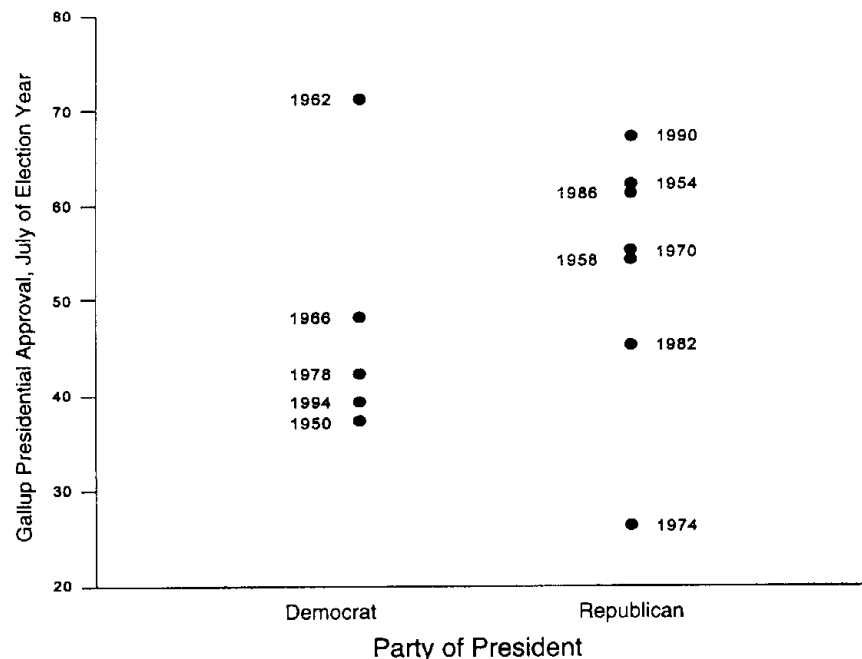PRESIDENTIAL APPROVAL BEFORE MIDTERM ELECTIONS, 1950–1994
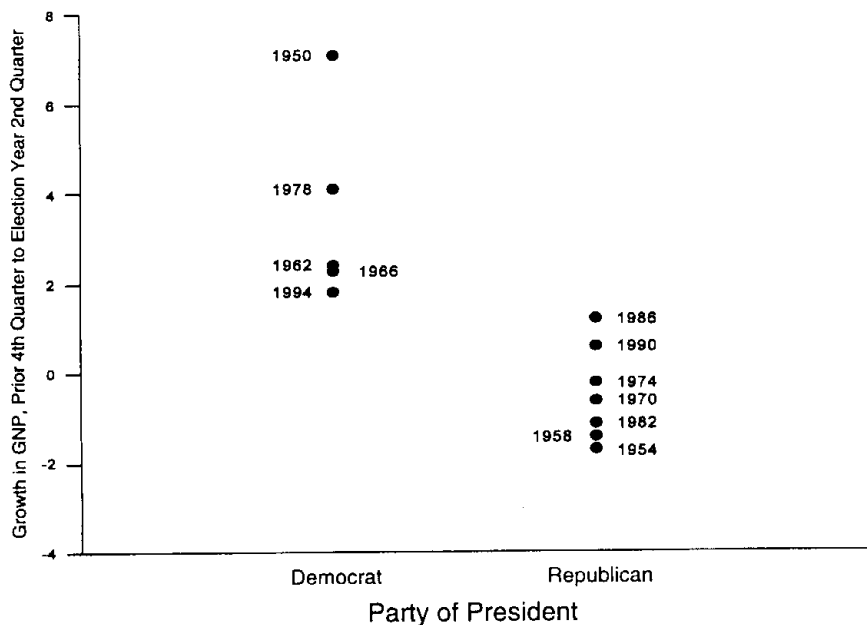
atypically large or small compared to its recent seat share. I measure exposure by subtracting the presidential party's average number of seats over the previous eight elections from its current number of seats. Safe seats are measured as the percentage of presidential party incumbent candidates who won their previous race with at least 60% of the vote. I expect this relationship to be curvilinear: seat loss should be greatest at the middle values of the interactive variable when both exposure and safe seats are at medium levels, or when exposure is very high and safety low. Lower values (less safety but also less exposure) and higher values (more exposure but also more safety) should produce lesser seat loss. I include the squared value of the interactive variable to capture this curvilinear effect.[7]

I measure the impact of party in two ways. First, I include a simple dummy variable for the party of the president. Second, I enter interactions of presidential party and economic growth, public approval, and the vote in the previous presidential election. These interactions (where Republican presidents have a value of 1) will indicate whether voters treat the two parties differently. Ideally, one would include all the interaction terms plus the presidential party dummy variable. However, including all these interactions plus the variables above would substantially erode degrees of freedom and make it difficult to sort out significant relationships. Therefore I enter each of these interactive terms individually in place of the presidential party dummy variable.

Expected relationships follow the major propositions in the literature. The prior presidential vote and the length of time in office should each have a negative relationship to seat change. Presidential approval and economic conditions should

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[7] With exposure, Lewis-Beck and Rice violate one of their own rules for forecasting midterms: the data should be available well before the election. The problem is not so much with the exposure value for the current election but its value for previous elections. The Lewis-Beck and Rice exposure measure changes the values of exposure retroactively by comparing a party's current number of seats to its average over the *entire* period of the study. This means that the value of exposure in 1970, for example, depends on the average number of seats held by Republicans from 1948 to 1990. But such

a practice produces a *retroactive* value for exposure that will change in the future. That is, in 1970 I would calculate one value for the Republicans' 1970 exposure. Standing in 1994, I would calculate a different value for 1970. But should the value of exposure in 1970 be affected by elections that occur after 1970? To avoid this problem, I use the rolling measure that compares current seats to seats held in the previous eight elections (see Marra and Ostrom 1989).

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FIGURE 4

PRESIDENT'S VOTE SHARE IN PRESIDENTIAL ELECTIONS PRIOR TO MIDTERMS, 1950–1994
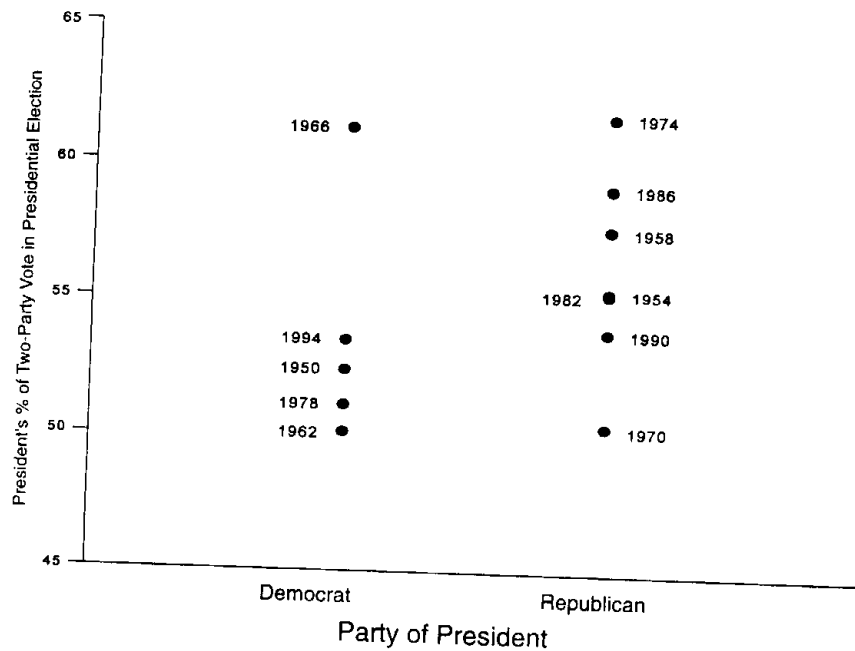
relate positively to seat change. A curvilinear relationship to seat change is expected for the safe seat and exposure interactive variable. The dummy variable indicating Republican presidencies should be positively related to seat change. And all three of the interaction terms should have positive coefficients: Republicans should get a boost from presidential approval and economic conditions over and above that given to Democrats, while the effect of the presidential-year surge on midterm decline should be less dramatic than for Democrats.

FINDINGS

Table 1 presents the results for three versions of a reduced model building on the fundamental forecasting factors identified in earlier studies: presidential approval, the president's proportion of the vote in the previous election, and economic growth. The first column presents an estimation including these three variables alone. All three variables are correctly signed, but only one is significant. Adding a dummy variable indicating the *Presidential Party* increases the variance accounted for by the model and produces a more accurate prediction

TABLE 1

REDUCED MODEL ESTIMATION OF HOUSE MIDTERM ELECTION SEAT CHANGE, 1950–1994

Independent Variables	Basic	Reduced Model Version[a]	
		Party	Safe Seats
Presidential approval[b]	.890** (.350)[c]	.860*** (.273)	.930*** (.287)
President's % of vote[d]	-1.295 (1.177)	-1.603* (.924)	-1.153 (.965)
GNP growth[e]	.948 (1.834)	4.986** (2.160)	2.139 (1.594)
Presidential party[f]		26.359*** (10.577)	
Safe seats[g]			.841** (.379)
Constant	-65.804*** (22.398)	-82.658*** (18.695)	-127.702*** (33.34)
Corrected r-square	.46	.67	.64
Standard error of regression	13.650	10.622	11.173
F	4.072**	6.596**	5.794**
Mean prediction error[h]	9.00	6.67	7.25
1994 forecast seat change	-34	-46	-37

Note: Entries are ordinary least-squares unstandardized coefficients.
[a]Dependent variable is seat change.
[b]Gallup approval rating in July of election year.
[c]Figures in parentheses are standard errors.
[d]President's percent of two-party vote in preceding presidential election.
[e]GNP growth rate over first two quarters of election year.
[f]PARTY takes on a value of 1 for Republican presidents, 0 for Democrats.
[g]SAFE SEATS equals the percentage of presidential party incumbents who won with 60% or more of the vote in the previous election.
[h]Prediction errors are rounded and converted to absolute values before computing the mean.
* $p \leq .10$; ** $p \leq .05$; *** $p \leq .01$; all one-tailed.

for the 1994 election. Given the patterns of party difference on *Presidential Approval, President's % of Vote,* and *GNP Growth* that are apparent in Figures 2–4, it is not surprising that adding *Presidential Party* to the basic model clarifies the relationship of these variables, especially *GNP Growth,* to seat change: all three are significant. For each additional point of *Presidential Approval,* the president's party holds onto just about one additional seat. But every 1% of the *President's % of Vote* over 50% costs the president's party over one and one-half seats, as surge and decline theory predicts. With *Presidential Party* controlled, one point of *GNP Growth* over the first two quarters in the election year saves five seats. And *Presidential Party* itself is significant in the expected direction. In this estimation, Republicans expect to hold onto an average 26 more seats than Democrats under comparable approval, economic, and surge and decline conditions. The final column introduces *Safe Seats* to the basic model. The *Safe Seats* measure indicates the proportion of presidential party incumbents that received 60% or more of the vote in the previous House election. Adding *Safe Seats* improves the overall fit of the basic model, though the 1994 prediction improvement over the basic model is not as substantial as when *Party* is added. The *Safe Seats* measure is significant in the expected direction.[8]

An expanded forecasting model is estimated in Table 2. The expanded model includes, as amendments to the referendum and surge and decline theories, respectively, the number of consecutive elections held under the current presidential party and the interactive measure of seat exposure and safe seats. The first version of the expanded model does not include the presidential party dummy variable. Table 2 shows that the expanded model explains a large percentage of the variance in seat change and predicts seat change within three seats, on average. With the exception of the *Number of Elections* (under the incumbent party), all variables are signed in the expected direction and all except the *President's % of Vote* reach significance.[9]

Adding *Presidential Party* to the estimation eliminates virtually all remaining variance and produces very accurate predictions. Ten points of *Presidential Approval* produce about eight saved seats, while each 1% of the *President's % of Vote* correlates with the loss of one seat. The effect of the economy is enhanced by the inclusion of controls for *Party, Number of Elections, Safe Seats,* and *Exposure,* with every two percent of *GNP Growth* (over the first two quarters of the election year) saving about 17 seats. The *Exposure* and *Safe Seats* interaction is related to seat change in a curvilinear fashion, as expected. Including

[8] I also estimated the reduced party model with the total number of seats held included as an additional variable. The presidential party coefficient remains significant; the number of seats held does not approach significance.

[9] Similarly, the president's percent of the vote does not reach significance in the nonparty models in Table 1. The president's percent of the vote correlates with the exposure and safe seat interaction at .20.

Presidential Party in the expanded model makes the *Number of Elections* variable significant in the expected direction. Each subsequent election drags on the White House party's fortunes at a rate of about three seats. This change from the no-party expanded model most likely reflects the longer average tenure in office of Republican presidents. Finally, House Republicans, at the 95% confidence limit, retain about 30 to 38 more seats than Democrats, with 34 the mean Republican advantage. Although this is somewhat higher than the estimate of 26 seats in the reduced model, this higher estimate falls within the party coefficient's standard error in the reduced model. It is important to reiterate that this party effect occurs after controlling for a number of theoretically plausible independent variables.

The initial findings for the expanded model support the usefulness of the existing approaches to forecasting midterms and make a compelling case for bringing the party label (and safe seats) into midterm forecasts. Party matters. The last three columns in Table 2 test whether this party advantage can be narrowed down to an advantage in the response of seat change to *GNP Growth, President's % of Vote* (surge and decline), or *Presidential Approval,* respectively. The interactive variables for *GNP Growth* and *President's % of Vote* perform as expected—the Republicans get a bigger boost from economic growth and are less susceptible to surge and decline—but they do not reach significance. And without the simple control for *Presidential Party,* some of the remaining variables fall below significance; with the exception of the *Number of Elections,* however, they remain correctly signed. The final version of the interactive expanded model is more promising. This version's predictive accuracy and variance explained are substantial, though slightly less than the expanded model with the *Presidential Party* dummy variable. Each variable is correctly signed and significant. As expected, Republicans get a bigger boost from *Presidential Approval* than do Democrats. For every 10 points of *Presidential Approval,* Democrats save about six seats and Republicans save about 10. Combined with the Republicans' generally higher approval ratings, this adds up to a major advantage for Republicans in midterm elections. At least tentatively, this supports the notion advanced earlier that the Democrats may be punished for expectations outstripping reality, even when the reality, such as economic growth, exceeds that produced by Republicans.

A check on the data is provided in Table 3. Here, I drop each year from the estimation sequentially and recalculate the remaining midterm elections using the reduced and expanded party models. Within each model the findings show a good deal of consistency, though omitting some cases—for example, 1958 in the reduced model—has an impact on the *Presidential Party* coefficient. Although the reduced model *Presidential Party* coefficients are usually, as expected, lower than in the expanded model, the 95% confidence region around each estimate overlaps with the expanded model estimation. Estimates for 1994

TABLE 2

Expanded Model Estimation of House Midterm Election Seat Change, 1950–1994

Independent Variables	No Party	Party	Interactive Models — Economy	Interactive Models — Surge and Decline	Interactive Models — Approval
Presidential approval	.778*** (.176)[a]	.826*** (.023)	.775** (.242)	.787*** (.191)	.567*** (.071)
Approval × Party[b]					.385*** (.063)
President's % of vote	-.581 (.784)	-.954*** (.104)	-.597 (1.246)	-1.419 (1.725)	-.604** (.274)
President's vote × Party				.933 (1.674)	
GNP growth	2.229* (1.428)	8.664*** (.420)	2.189 (2.707)	2.446* (1.587)	6.019*** (.798)
GNP growth × Party			.088 (4.811)		
Exposure × Safe seats	.034*** (.006)	.016*** (.001)	.034*** (.008)	.030** (.011)	.027*** (.003)
Exposure × Safe seats^2	-1.484E-05*** (3.159E-06)	-5.580E-06*** (6.794E-07)	-1.478E-05*** (4.586E-06)	-1.180E-05* (6.419E-06)	-1.085E-05*** (1.283E-05)
Number of elections under incumbent party	.406 (1.402)	-2.934*** (.267)	.422 (1.810)	.489 (1.517)	-1.870** (.616)
Presidential party		34.320*** (2.007)			
Constant	-75.978*** (10.956)	-92.216*** (1.711)	-75.749*** (17.494)	-76.458*** (11.831)	-74.587*** (3.831)
Corrected r-square	.87	.99	.84	.85	.98
Stand. error of regression	6.554	.851	7.328	7.059	2.289
F	13.780***	741.737***	9.450**	10.228**	102.217***
Mean prediction error[c]	3.00	0.33	3.25	3.00	1.00
1994 forecast	-51	-54	-51	-52	-52

Note: Entries are ordinary least-squares unstandardized coefficients.

[a] Figures in parentheses are standard errors.

[b] PARTY in the presidential party dummy and interactive variables takes on a value of 1 for Republican presidents, 0 for Democrats.

[c] Prediction errors are rounded and converted to absolute values before computing the mean.

$*p \leq .10$; $**p \leq .05$; $***p \leq .01$; all one-tailed.

TABLE 3

ESTIMATIONS WITH INDIVIDUAL HOUSE MIDTERMS OMITTED, 1950–1994

Midterm Omitted	Reduced Party Model			Expanded Party Model		
	Presidential Party Coefficient[a]	Mean Prediction Error[b]	1994 Prediction	Presidential Party Coefficient	Mean Prediction Error	1994 Prediction
1950	38.242***	5.55	−50	34.359***	.808	−54
1954	26.511**	7.27	−46	34.408***	.732	−54
1958	25.912***	4.91	−58	35.018***	.855	−54
1962	30.087**	6.73	−48	31.752***	.857	−54
1966	26.901*	7.27	−46	34.105***	.941	−54
1970	26.013**	7.18	−46	35.082***	.837	−54
1974	24.215**	6.55	−48	31.787***	.619	−54
1978	27.653**	5.91	−50	35.107***	.958	−54
1982	25.945**	7.09	−47	34.343***	.858	−54
1986	20.944*	6.45	−42	30.788***	.833	−54
1990	29.013**	6.36	−47	34.218***	.969	−54
1994	20.206*	−6.00	−40	35.249***	.879	−56

[a]*Presidential Party Coefficients* are ordinary least-squares and unstandardized.

[b]*Prediction Errors* are rounded and converted to absolute values before computing the mean.

*$p \leq 10$; **$p \leq .05$; ***$p \leq .01$; all one-tailed.

are reasonably accurate, particularly in the expanded model, but to some degree this depends on including 1994 in the model. With 1994 omitted from the estimation, the reduced model underestimates 1994 House seat change by 14 seats. Although within the 95% confidence limit and an improvement over the forecasting produced by other models, this level of accuracy is not satisfactory. The expanded model performs much better. Estimating this model in July 1994 would have led to an expected Democratic seat loss from 54 to 58 seats, with a prediction of 56 seats. This prediction overstates the election results by only two seats.

The data presented here suggest that presidential party needs to be taken into account when forecasting midterm election change. I have presented several versions of both a reduced and an expanded midterm forecasting model, and party appears significant throughout. Readers uncomfortable with the demands being placed on the expanded model—degrees of freedom are scarce considering the number of independent variables—or with the safe seat and exposure interaction, may prefer the estimates in the reduced formulation. But either way, Republicans appear to have a midterm election advantage over Democrats that averages around 26 seats in the reduced model to 34 seats in the expanded model. The parties' seat losses in midterms have not been quite so dramatically different in practice because Republican economies typically perform more poorly, Republican presidents have been subject to larger surge and decline effects, and Republicans have

retained the presidency for longer time spans. Like Sherlock Holmes and the barking dog, the Republican advantage is evident mostly in what does not happen: the Republicans do not lose as many seats as would Democrats under the same set of conditions. Pinning down the size of the Republican midterm advantage more precisely, determining whether there is any comparable Republican advantage—or disadvantage—in presidential election years, and explaining the causes of the advantage and whether the advantage is increasing, diminishing, or remaining stable as we approach the end of the 1990s, are fruitful areas for future inquiry.

DISCUSSION

Identifying the party difference in midterms is simpler than explaining it. I have suggested that voters in a particular historical period may have somewhat different expectations for the two parties, *even if* they largely desire the same things from the parties—peace and prosperity. The Democrats have an image as the more activist of the two parties. This leads to a double problem. First, Democratic accomplishments, for example in the economy, must be achieved in the face of higher expectations and may thus be somewhat discounted. Second, more activism means more ways to cultivate opponents, as the comparatively dismal pre-midterm presidential approval ratings of Democrats suggests. These problems pose some interesting possibilities for public response now that the Republican party can make a credible claim to be the country's majority party. Expectations for Republican budget-cutting, for example, are high. While voters also expect Democrats to trim spending, expectations are not so high—Democrats may benefit from exceeding these expectations, even if they cut budgets less starkly than would Republicans (Times Mirror Center 1995, 21).

There are, of course, other possibilities. Democratic governments since 1950 have been under unified party control at the midterm, so perhaps voters expect better performance not from Democratic governments as such but from unified governments. Unfortunately, the data are presently inadequate to do much more than speculate on this alternative. The one year that does not fit the postwar mold is 1954, when Republicans held unified control of government at the midterm. The results look typically Republican: over the first two quarters of the election year, 1954 was the worst postwar economy, yet Eisenhower's approval rating was very high (second only to Bush in 1990) and seat loss was mild at 18 seats. When substituted for *Presidential Party* in the reduced party model, *Unified Government* reduces the overall fit, is smaller in absolute value than the *Party* coefficient, and somewhat less significant. Stretching the point to consider 1982 and 1986 a middle ground between unified and divided government because of the Republican control of the Senate does not help the argument: these were both years of relatively modest seat loss despite the middle-ground control of government.

One possibility is that Democrats are hurt more by turnout declines in the midterm than are Republicans. Radcliff (1994) shows that increases in turnout help Democratic presidential candidates, a finding consistent with Burnham's (1987) argument that turnout decline since 1960 has been especially profound among traditional Democratic constituencies. However, turnout decline is not disproportionately severe when Democrats hold the presidency. Looking at elections from 1948 to 1986 (data in Burnham 1987), turnout dropped by a mean 13.8 percentage points in Democratic midterms and 16.1 percentage points in Republican midterms. Even omitting the outlying case—a small 8.8 percentage point drop from 1948 to 1950—the Democratic turnout decline is 15.5 percentage points and still less than the Republican decline. These results hold when limiting the analysis to turnout outside the South and when measuring percent, rather than percentage point, change.

Of course, party identification rather than overall turnout might be the key. Here again, however, the Democrats do not appear disadvantaged. NES data allow comparison of the proportion of the electorate identifying with the president's party in presidential election years and midterms. From 1956 to 1990, Democratic party identification declined by a mean 2.1 percentage points in Democratic midterms, while Republican party identification declined by a mean 3.4 percentage points in Republican midterms. If anything, these figures make Republican midterm performance even more exceptional.[10]

Another possibility is that the Republican midterm advantage is the result of a Republican *disadvantage* in Southern electoral competitiveness. Specifically, Campbell (1993, 194–6, 250–1) argues that Republicans have not received the full congressional advantage of their strong showing at the presidential level because of the weakness of the Republican party in the South. If Republicans fail to gain as many House seats as they might in presidential years—that is, if they are wasting their coattails—then they should not lose as many seats as they might in midterms. The Republican midterm advantage, then, would be a reflection of the party's weakness, not strength: a diminished surge leads to a diminished decline.

One way to examine this hypothesis is by comparing the percentage of the two-party vote received by the president's party in the presidential election year and the midterm. Limiting the analysis to the period from 1956 to 1982 prevents recent Republican congressional success in the South from diluting the impact of wasted coattails. The results support some role for wasted coattails in explaining the Republican midterm advantage. Over the period, the percentage of the Southern vote going to House Republican candidates declined by a mean 4.6 points in Republican midterms, while Democratic candidates lost a larger 6.2 percentage points in Democratic midterms. These results support the notion of

a surge and decline effect that is understated for Republicans and overstated for Democrats. Similarly, Republicans polled only 21.1 to 43.8% of the two-party Southern House vote when they were victorious nationally at the presidential level (in each of these Republican victories the Republican presidential candidate pulled a majority of the Southern vote), meaning much of the drop in Republican votes in the midterm could not produce a loss of Southern seats. In the North and West the party fortunes were reversed, with Republicans losing an average of 5.7 percentage points and the Democrats 3.4 percentage points. And unlike the South, the Republican share of the House votes (49.4 to 53.3%) was competitive in the North and West and represented seats that could be lost in the midterm.[11]

Wasted coattails appear plausible, but their impact is difficult to measure. In Table 2, no significant support was found for an independent Republican surge and decline relationship to seat loss, though the surge and decline interaction with the presidential party dummy was correctly signed. Campbell's (1993) attempt to measure the impact of wasted coattails notes the difficulties inherent in such estimation. Given the coefficients and data reported in Campbell (1993, 195, 251), the impact in two Republican presidential elections was about 10 to 11 foregone seats, in one other it was 1 seat, and in the remaining Republican victories there was no wasted coattail effect. Since it is unlikely that Republicans would have then lost all these seats in the midterm, the effect on the Republican midterm advantage is likely to be modest: considering incumbent reelection rates, losing even half the seats would be extraordinary. And Campbell (1993, 250 n. 6) notes that other trends offset the negative impact of wasted coattails on Republican seat gains in presidential election years, further diminishing the contribution of wasted coattails to the Republican midterm advantage.

CONCLUSION

Many observers were surprised by the outcome of the 1994 House midterm election. Certainly, some of the better-known models fell short, in some cases far short, of forecasting the outcome. But one need not discard the theories that have been constructed to forecast midterm outcomes. These models are useful in building a forecasting edifice; what this paper indicates is that the edifice is built upon different fortunes for Democrats and Republicans. Republicans appear to lead a charmed existence that overcomes poor economic performance and susceptibility to severe surge and decline effects. Bill Clinton's Democrats lost 54 seats; under the same conditions a Republican president would have lost only about 20 seats.

In the postwar period, voter expectations about party performance appear to depend more on the president's party label than the label of the party controlling

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[10] The NES data were weighted to reflect the actual Republican and Democratic congressional election results. Leaners were combined with strong and weak party identifiers.

[11] Data supplied by Walter Dean Burnham.

Congress. Under the proper conditions and a Republican president, even the minority-party Republicans could suffer large House midterm losses, despite their inability to control the legislative process in the Congress. Perhaps something other than different presidential performance expectations for the two parties accounts for the differences between Democratic and Republican midterms: other factors should be examined. For the present, the point is that our forecasting of House midterms is improved by incorporating a fifth approach beyond the standard frameworks in the literature. Bringing the party into midterm forecasting makes a difference.

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