

STOIC PARTISANS. THE POLITICAL CONDITIONING OF ECONOMIC PERCEPTIONS IN URUGUAY

*Partisanos estoicos. El condicionamiento político
de las percepciones económicas en Uruguay*

*Partisanos estoicos. O condicionamento político
das percepções econômicas no Uruguai*

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Abstract

The power of the electorate to reward or to punish governments for their performance is one of the pillars of conventional democratic theory, with economic perceptions as one of the most important issues for the public opinion. However, there is an ongoing debate over whether causality also flows the other way. This article aims to test whether partisanship shapes economic perceptions while extending the argument to the context of a developing economy. Furthermore, it analyses the impact of not only the direction of partisanship but also its strength, an overlooked feature in the partisan bias literature. The analysis, which aggregates an unusually rich data set of Uruguayans' economic evaluations for the 2001-2019 period, presents strong evidence for the argument that both the direction and strength of partisanship produce great bias in economic judgments even in a developing economy context where citizens are more vulnerable to economic shocks. These findings suggest a rather unsettling scenario for electoral accountability in a significant part of the Uruguayan electorate.

Palabras clave:

*Identificación
partidaria;
percepciones
económicas;
sesgo
perceptual;
Uruguay*

Resumen

El poder del electorado para recompensar o castigar a los gobiernos por su desempeño es uno de los pilares de la teoría democrática convencional, y las percepciones económicas son uno de los temas más importantes para la opinión pública. Sin embargo, hay un debate en curso sobre si la causalidad también funciona en sentido contrario. Este artículo tiene como objetivo probar si el partidismo da forma a las percepciones económicas, al tiempo que extiende el debate a un contexto de economía en desarrollo. Además, analiza el impacto no sólo de la dirección del partidismo, sino también su fuerza, una característica que se pasa por alto en la literatura de sesgo partidista. El análisis, que agrega un conjunto de datos inusualmente rico de las evaluaciones económicas de los uruguayos para el período 2001-2019, presenta una fuerte evidencia del argumento de que tanto la dirección como la fuerza del partidismo producen un gran sesgo en los juicios económicos, incluso en un contexto de economía en desarrollo donde los ciudadanos son más vulnerables a los shocks económicos. Estos hallazgos sugieren un escenario bastante inquietante para la rendición de cuentas electoral en una parte importante del electorado uruguayo.

Palavras-chave:

*identificação
partidária;
percepções
econômicas;
Viés perceptivo:
Uruguai*

Resumo

O poder do eleitorado de recompensar ou punir os governos por seu desempenho é um dos pilares da teoria democrática convencional, sendo as percepções sobre a economia uma das questões mais importantes para a opinião pública. No entanto, há um debate em andamento sobre se a causalidade também flui para o outro lado. Este artigo tem como objetivo testar se o partidismo molda as percepções econômicas enquanto estende o argumento para um contexto econômico em desenvolvimento. Além disso, analisa o impacto não apenas da direção partidária, mas também de sua força, uma característica negligenciada na literatura de viés partidário. A análise, que agrega um conjunto de dados incommumente rico das avaliações econômicas uruguaias para o período 2001-2019, apresenta fortes evidências a favor do argumento que tanto a direção quanto a força partidária produzem um grande viés nos julgamentos econômicos, mesmo em um contexto econômico em desenvolvimento onde os cidadãos estão mais vulneráveis a choques econômicos. Essas descobertas sugerem um cenário bastante perturbador para a prestação de contas eleitoral em uma parte significativa do eleitorado uruguaio.

INTRODUCTION

One of the key aspects of a well-functioning democracy is electoral accountability: the power of the electorate to hold politicians accountable for the government's performance. In this regard, no issue is as important to public opinion as the economy (Lewis-Beck and Stegmaier, 2000); several studies have established a causal link between economic performance and election outcomes (e.g., Kramer, 1971). Nonetheless, recent research has shown that the causal relationship between economic perceptions and political behavior is not as straightforward as once thought. In contrast with classic democratic theory, there is evidence that

individuals tend to underline information that is consistent with their previous beliefs (such as partisanship) and disregard dissonant information (e.g., Bartels, 2002; Tilley and Hobolt, 2011). However, some gaps in understanding remain around the questions of when and how the political conditioning of economic perceptions operates. In the first place, this phenomenon has been mainly studied in the USA and the UK, both of which are developed countries with relatively mild economic cycles. Within this context, Uruguay presents an intriguing case for testing the argument and addressing this shortcoming for several reasons. Firstly, the lack of research on partisan bias in Latin America and outside advanced industrial democracies necessitates scholarly attention to such regions. Secondly, although Uruguay has the highest level of partisanship in Latin America (Cohen et al., 2017), its vulnerability to exogenous economic shocks as a price-taking economy challenges the argument of the political conditioning of economic judgments. Intuitively, unstable economies tend to generate reasonable responses that are not powerfully affected by partisanship (Evans and Andersen, 2006). Lastly, the time-series analysis was drawn from an extraordinarily rich set of data with bimonthly face to face surveys – with representative samples of the Uruguayan population – for an uninterrupted period of almost 20 years with significant economic and political changes.

In the second place, existing specialized literature tends to overlook how partisan bias operates in relation to the strength of partisanship. We know little about whether partisan bias operates only among strong identifiers or if leaners are also significantly biased. To be sure, these relationships must be uncovered to understand the normative consequences of this phenomenon – if partisan bias is confined only to a small part of the electorate (strong identifiers) but does not operate among other partisans, then the negative normative consequences of partisan bias would apply only to a relatively small proportion of the electorate.

Responding to these gaps in the scholarly archive, this article tests the effect of partisan bias – of both partisanship direction and strength – on economic perceptions to shed light on the current debate. I find robust evidence that, even in a volatile economic context, party identification and the strength of attachment significantly affect how individuals form their views of a country's economic performance. Time-series data shows that no matter how prosperous or disastrous the state of a country's economy – notably, between 2001 and 2019 Uruguay experienced a devastating economic crisis and then enjoyed unprecedented growth – individuals identified with the party in office will hold a significantly better economic perception than opposition partisans. In addition, a set of ordered logit models with time fixed effects were used to estimate the significance and magnitude of differences among partisan directions and strengths. I find strong evidence that partisans of the same party usually hold significantly different economic perceptions depending on the strength of their attachment. Furthermore, my results shed light on the possible non-linear effects of partisan bias among different levels of partisanship strength.

ECONOMIC PERCEPTIONS AND PARTY IDENTIFICATION

The importance of economic perceptions lies not only in their obvious economic consequences, but also in their political implications. As Lewis-Beck and Stegmaier (2000, p. 211) posit: «among the issues on the typical voter's agenda, none are more consistently present, nor generally has a stronger impact, than the economy». The literature on the linkages between economic perceptions and political behavior presents an ongoing debate. On the one hand, classic economic vote theory argues that good economic performance benefits the incumbent party whereas bad economic performances increases the likelihood of opposition candidates to win the election (Kinder and Kiewiet, 1981; Lewis Beck and Stegmaier, 2000). This view assumes that economic perceptions are a straightforward response to economic performance, and it focuses on which voter economic perception – pocketbook or sociotropic, for instance – has a stronger effect on the vote (Wilcox and Wlezien, 1993).

On the other hand, a revisionist body of literature suggests that these studies tend to underestimate the political roots of economic perceptions. This view maintains that the public's understanding of economic variables is limited and strongly influenced by political variables, mainly party identification (Evans and Andersen, 2006). Evidence (both observational and experimental) supporting this causal reversion has proliferated recently (e.g., Evans and Andersen, 2006; Tilley and Hobolt, 2011; Anson, 2016). For instance, Duch, Palmer and Anderson (2000) conclude that economic perceptions vary systematically with information, media exposure, political attitudes and demographic characteristics. All these results arise from Campbell et al.'s (1960; p. 133) conception of the role of partisan loyalties: «Identification with a party raises a perceptual screen through which the individual tends to see what is favorable to his partisan orientation».

Furthermore, the literature has shown that party identification constitutes an emotional attachment to a party, often acquired in childhood or early adulthood (Campbell et al, 1960; Green, Palmquist and Schickler, 2002). This revisionist literature resumes the paradigm of partisanship as an «unmoved mover», and clearly points out the endogeneity between economic perceptions and political behavior. The outcome implies an overestimation of the role of economic perceptions as a cause of presidential or party choices in opposition to what economic vote theory proponents had established. The naïve conception of voters as «myopic automata whose support for the president's party rises and falls with economic performance», as Rudolph describes it (2003; p. 699), is replaced by a frame in which voters do not exactly respond to facts alone, but rather seek to reconcile the facts with their previous political beliefs (Tilley and Hobolt, 2011).

Not only the direction of party identifications matter but also the strength of the attachment. As early as Campbell et al. (1960; p. 122) study viewed partisanship as a continuum extending across different intensities. However, recent

literature evidencing the political conditioning of economic perceptions generally overlooks the partisan strength factor, with most studies dividing the electorate into government partisans, opposition partisans, and Independents, failing to contrast effects among the different partisans of the same party but with different intensities. Furthermore, studies that situate partisanship as a continuum usually do not offer specific estimates of each partisan group but instead tend to estimate linear effects (a notable exception to this is Bartels (2002)). Thus, adding partisan strength to the equation allows for a more nuanced picture of the extent of partisan bias and possible non-linear effects. In particular, this approach tests Campbell et al.'s (1960; p. 133) argument that «The stronger the party bond, the more exaggerated the process of selection and perceptual distortion will be».

THE URUGUAYAN CASE

National economic perceptions are a relevant issue in Latin American political behavior, as several works suggest the existence of sociotropic economic voting (Lewis-Beck and Ratto, 2013; Singer and Carlin, 2013). However, Latin America remains mostly unexplored regarding the influence of partisanship on economic perceptions except for Visconti (2017) and Samuels and Zucco's (2018) work. Visconti's (2017) article provides evidence from observational data of partisan bias in economic perceptions in two minor Brazilian cities. Samuels and Zucco's (2018) work is the only one that employs an experimental design, which showed Brazilian partisans engage in motivated reasoning while evaluating the economy when presented economic information with partisan cues. With evidence of this phenomenon confined almost exclusively to the USA and UK, the argument remains untested for different economies and institutional settings.

While Lupu (2015) provided strong evidence that partisanship in Latin America resembles that of advanced democracies, there are reasons to think that is not the case for the construction of economic perceptions. The rationale for this is that partisan bias in economic perceptions is expected to encounter limits in societies where the economic downturns have considerably stronger effects in the living conditions of citizens, as these are expected to be more responsive to economic fluctuations. On the other hand, the political system in Uruguay resembles those of the USA and UK in the sense that it has few, stable and long-standing political parties, high levels of party institutionalization (for regional standards) and rather stable party preferences. Uruguay's party system since democracy was reestablished in 1985 is constituted by three main parties: Frente Amplio (a center-left coalition party in office since 2005), and the Partido Colorado and Partido Nacional (both center-right parties which have already governed together in post-electoral coalitions, despite historical rivalries). Gonzalez's (2010) seminal work

on the Uruguayan party system established that it was constituted by two electoral blocs: Frente Amplio on one side and the Partido Colorado with Partido Nacional on the other. Partido Nacional and Partido Colorado's history dates back to the 19th century, hence they are called «Traditional Parties». These two electoral blocs – Frente Amplio (FA) and Traditional Parties (TP) – represent most of the Uruguayan electorate (91% of the 2014 national election). Thus, the analysis will focus exclusively on partisans of both electoral blocs. In the context of its party system, Uruguay constitutes a very likely scenario for the political conditioning of economic perceptions.

However, Uruguay differs from the former in terms of its macroeconomic fundamentals and recent economic history. Not only does Uruguay have a considerably low per capita income – less than half that of the USA and UK – but its economy strongly depends on international prices, mostly commodities, which makes it vulnerable to global economic downturns (while making their rulers more likely to be judged by chance rather than merit, see Campello and Zucco, 2016). Regardless of whether Uruguay's economic performance is a factor of merit or chance, its overall economic position is important because in less stable economies, partisan contamination of voters' economic evaluations have proved to be much less likely (Evans and Andersen, 2006). As Visconti (2017; p. 3) posits: «Citizens from lower socioeconomic contexts should be more sensitive to changes in their income than citizens from developed countries because these events are likely to have a more meaningful effect on their living conditions». Furthermore, the main antecedent study on the relation between economic perceptions and partisanship in Uruguay concluded that partisanship does not affect Uruguayans economic views (Luna, 2002) while evidence of economic vote in Uruguay has been illustrated in a few studies (Queirolo, 2013; Carlin et al., 2015). Overall, Uruguay is a suitable scenario to test whether the argument holds in a more volatile economic environment.

HYPOTHESES

Two main hypotheses are outlined below. Notably, the core idea of the first hypothesis is to approximate to the actual effect of party identification in economic perceptions, that is, to obtain a picture of the differences in the economic judgments of Uruguayan's two electoral halves. I maintain that the economic perceptions of Uruguayans strongly differ in the functioning of their party identification.

H1: Regardless of the state of Uruguay's economy, individuals identified with the incumbent party evaluate the economy as significantly better than those identified with opposition parties.

The second hypothesis is rooted in the importance of using a more nuanced measure of party attachments. Specifically, I argue that economic perceptions of Uruguayans not only differ by the direction of their partisanship, but also by the strength of their attachment.

H2: For government partisans, the strongest their party attachment more favorable sociotropic economic perceptions they will hold. In turn, for opposition partisans, the strongest their party attachment, the worst sociotropic economic perceptions will be held.

METHOD

Firstly, a descriptive time-series analysis was used to picture the dimension of the differences in economic perceptions produced by partisanship and to contrast them with objective macro-economic indicators, specifically GDP per capita and the unemployment rate.

Secondly, I aggregate the time-series data and use ordered logit models with time fixed-effects to estimate more accurately the influence of partisanship direction and strength on economic perceptions within several time periods. A first set of models aimed at describing the effect of partisanship direction on economic perceptions while controlling for a set of sociodemographic variables, both before (2001–2005) and after (2005–2019) Frente Amplio was in office. Specifically, the model is as follows (Equation 1):

$$Economic\ perceptions_t = \alpha + \beta_1 Party\ Id._t + \beta_2 Age_t + \beta_3 Gender_t + \beta_4 Education_t + \sum_{t=1}^{t-1} + \epsilon_t,$$

where t are semesters. Using time fixed effects eliminates variation in economic perceptions between time, allowing an estimate of the independent variable's average effect within units over time (Wooldrige, 2010; Mummolo and Peterson, 2018). The fixed effects were set at the semester level to ensure enough observations in each time point to allow sufficient variance to test more complex models, including the effect of partisanship strength. Since the dependent variable is an ordinal scale, the specification assumes an ordered logit model. The dependent variables assume three possible values of economic evaluation, namely: positive, neutral, or negative.

Next, a second set of models were used aimed at estimating the effects of partisan direction and partisan strength. Again, two models were estimated, one for Partido Colorado's administration and one for the Frente Amplio governments. The second set of models is written as follows (Equation 2):

$$\begin{aligned} \text{Economic} \\ \text{perceptions}_t = & \alpha + \beta_1 \text{ Party Id. and strenght}_t + \beta_2 \text{ Age}_t + \beta_3 \text{ Gender}_t + \beta_4 \text{ Education}_t \\ & + \sum_{t=1}^{t-1} + \epsilon_t. \end{aligned}$$

where β_1 is the effect of a categorical variable (to allow non-linear effects) of all possible combinations of party identification and strength. For Partido Colorado's administration the party identification and strength variable has ten possible values, strong, moderate and leaners identifiers of each party (Partido Colorado, Partido Nacional and Frente Amplio), as well as Independents (regardless of the partisanship strength, which in its was majority was none). For Frente Amplio's administrations it has seven possible values: strong, moderates and leaner identifiers of each electoral bloc (Traditional Parties and Frente Amplio), as well as Independents.

DATA

The data for the time-series analysis was from the consultancy firm Equipos Mori, for the period 2001 to 2019. This is an extraordinarily rich data set, which includes 102 nation-wide face-to-face surveys (19 during PC's administration and 83 during FA's administration), with all data points drawn from a representative sample of the country's population and implies no house-effect. The series presents sociotropic economic perceptions measured by the question: «*How would you characterize the current economic situation of the country in general?*» Very bad (1); Bad (2); Neither good nor bad (3); Good (4); Very good (5), disaggregated by party identification and the strength of the attachment.

Party identification was measured with a 1 to 5 closeness scale. The exact wording of the question was: «*Regardless of who you voted for or plan to vote for, how do you feel about the following parties?*» The available answers included: Very distant (1), Distant (2), Neither distant nor close (3), Close (4), and Very close (5). Given the changes and current structure of the Uruguayan party system, its classification of the electorate was divided into 1) before and 2) after Frente Amplio (FA) become the party in office in 2005. The first data point is from 2001 – at this time Partido Colorado (PC) was in office governing in a post-electoral coalition with Partido Nacional; however, Partido Nacional left the coalition soon after. As a result, I only include those who identified with Partido Colorado as «government partisans» before 2005. Thus, for this period party identification was coded as follows: those who feel close to Partido Colorado or to both PC and Partido Nacional (PN) were identified as «Colorados», those who feel close only to FA as

«Frentamplistas», those who feel close only to PN as «Nacionalistas», and those who did not feel close to any party as «Independents».

However, as González (2010) suggested, the 2004 election was a landmark for the Uruguayan party system as it consolidated the division in two main electoral blocs: Frente Amplio and Traditional Parties (TP). Thus, for the post-2005 period, party identification was coded as follows: those who feel close only to the FA were identified as «FA partisans», those who feel close only to the PN or the PC – or those who feel close to both of them (but not to FA) – as «TP partisans», and those who did not feel close to any party as «Independents».

Furthermore, each survey included (previous to the closeness scale) a question to measure the strength of party identification. The exact question wording was: «*People think differently about political parties. Do you consider yourself a strong sympathizer of a party, just a sympathizer or do have no defined sympathies toward a party?*» The coding was as follows: Strong sympathizer (1), Sympathizer (2), No defined sympathies (3). Next, I combined the closeness scale with partisanship strength and created a new variable which classified FA partisans and TP partisans into strong identifiers, moderates, and leaners based on their responses to the partisanship strength question. This was done to grasp the strength of party identification at an individual level.

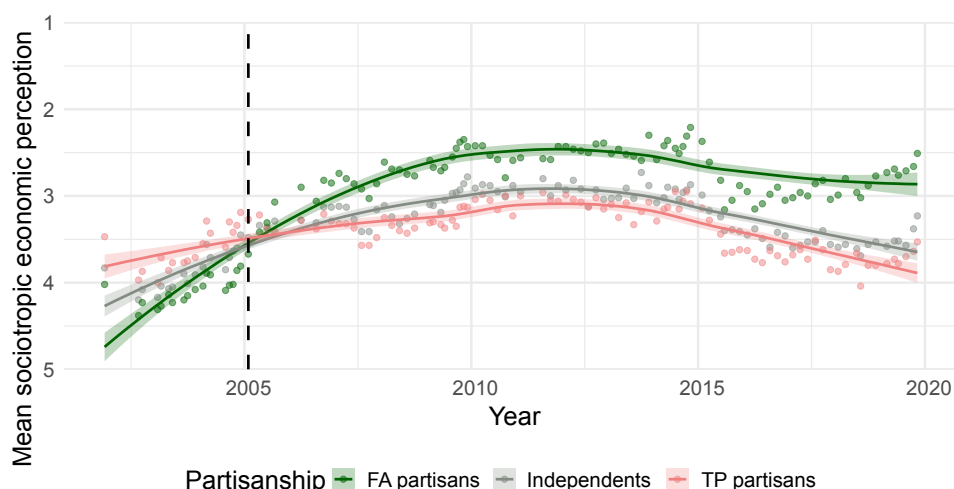
SOCIOTROPIC ECONOMIC PERCEPTIONS AND MACRO-ECONOMIC INDICATORS

The time span studied (2001-2019) is of particular interest as it includes significant changes both in objective economic conditions and in the political party in office. Uruguay suffered one of the most severe economic crises of its history in 2002, yet 2004 to 2014 was a period of exceptional growth. Moreover, the shifts in power from the Partido Colorado to the Frente Amplio provides an interesting scenario given that if party identification indeed shapes economic perceptions, a change in government from one electoral bloc to another should cause an inversion in who holds more favorable views of the economy, from the former government partisans to the new government partisans.

Figure 1 plots the mean economic evaluations disaggregated by party identification and recoded as the two main electoral blocs – FA partisans and TP partisans – and Independents for each survey¹. Several interesting patterns emerge from

1 For simplicity and n size, Figure 1 groups Colorados and Nacionalistas as TP partisans. This can be problematic for the pre-2005 period as PN left the governing coalition in 2003. This was addressed in the models presented in the following section.

Figure 1. Mean economic perceptions by party identification (2001-2019)

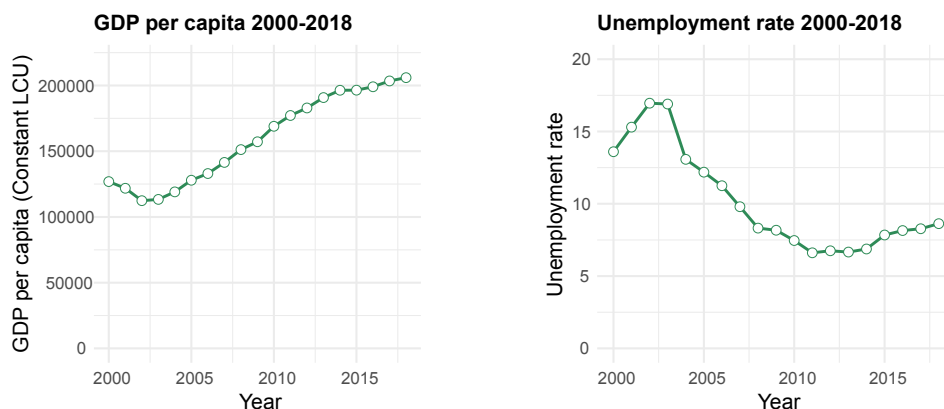


Notes: Series were smoothed with a loess regression plotted with 95% confidence intervals. The vertical line indicates when Frente Amplio administration began. Data is from 102 national representative surveys from 2001 to 2019 with number of respondents varying from 700 to 2000. Question asked was «How would you characterize the current economic situation of the country in general?» Very good (1); Good (2); Neither good nor bad (3); Bad (4); Very bad (5).

Source: Author's elaboration with data from Equipos Consultores.

Figure 1. Firstly, it shows that both electoral blocs' and Independents' economic perceptions roughly move in tandem with each other. There are not long periods in which trends diverge. Furthermore, this movement in the aggregate seems to be quite consistent with some macro-economic indicators, specifically, as Figure 2 shows, Uruguayan's economic perceptions move similarly to GDP per capita and the unemployment rate. For instance, the worst economic evaluation means for every electorate's subgroup lies at the beginning of the series around 2002, when Uruguay's economy was in crisis and, coincidentally, GDP per capita was at its lowest while unemployment was at its highest. Despite some punctual deviations (such as the exaggerated pluming of economic perceptions after 2015), it may safely be said that Uruguayans respond to real economic trends.

Figure 2. GDP per capita (LCU constant) and unemployment rate in Uruguay (2000-2018)



Source: Author's elaboration with data from World Bank and Instituto Nacional de Estadística.

Nonetheless, a significant difference in the economic evaluations can be seen between both electoral blocs along the whole series and is quite powerful. The means of economic evaluations during Partido Colorado's administration (2001 and May 2005 in the data collected) were as follows (with standard deviations in parentheses): 3.6 (0.3) for TP partisans, 4.1 (0.2) for FA partisans, and 3.9 (0.3) for Independents, who thus lie in-between the two partisan groups. This is particularly interesting as most of that PC administration – the 2001 to 2004 period –, was unambiguously bad as Uruguay was immersed in the most severe economic crises of its recent history (with the unemployment rate over 15%). Even in this context, economic perceptions differ quite strongly by partisanship.

In addition, during Frente Amplio's administrations the partisan gap increased even more. Objectively, from 2004 to 2011, Uruguay experienced unprecedented economic growth amidst the commodities boom: the unemployment rate fell from 16.9 in 2003 to just 6.6 in 2011 and GDP per capita doubled from 2004 to 2014. Nevertheless, this period of unquestionable economic success was not accompanied by homogeneously positive economic evaluations; notably, TP partisans' perceptions show that they failed to recognize it. For instance, the mean economic perceptions of TP partisans during the 2005–2011 period was 3.3 (0.3), that is, their economic judgments were between «neither good nor bad» and «bad». This result is quite revealing given that in 2004 and early 2005 – when the economic trend mildly reversed but the nation remained under Battle's administration – the average TP partisans' economic perception was 3.4 (0.2), a figure surprisingly

similar to the average during the extraordinary growth period during the administrations of the Frente Amplio.

On the other hand, FA partisans' economic perceptions improved significantly, especially early on in their first terms. During the FA's administrations, difference in the mean economic perceptions between blocs (shown in Figure 1) were as high as 1.1 (on the 1 to 5 scale) and 0.7 on average. For instance, the FA's series peaked at the end of 2009 with 62% of FA partisans holding positive economic judgments against just 23% of TP partisans.

In any case this data suggest that Uruguayans do not respond to the economy. On the contrary, in the aggregate, they mostly do. Real economic indicators trends are, for most of the series, similar to those of both electoral blocs' perceptions. However, partisan bias operates over those trends. When the real economic trend is favorable, government partisans tend to experience a more positive change in their evaluations than opposition partisans. Conversely, when the real economic trend is unfavorable, opposition partisans tend to experience a more positive change in their evaluations than government partisans. More importantly, looking at a single data point from the series illuminates the large heterogeneities in each electoral bloc's economic perceptions.

Overall, although no causal inferences are drawn from this data, it is safe to assume (and consistent with the expectations summed up in H1) that the time-series analysis shows how, no matter the actual economic performance, government partisans (Frente Amplio or Partido Colorado) have consistently better economic evaluations than opposition partisans. Despite the fact that the series of both electoral blocs' economic perceptions generally move in tandem with real economic indicators, there are significant differences between them, with some periods demonstrating such large differences among electoral blocs that it appears as if two different countries were being evaluated.

THE EFFECT OF PARTY IDENTIFICATION ON ECONOMIC PERCEPTIONS

In the previous section I presented descriptive statistics to uncover differences in economic evaluations of partisan direction and their movement in relation to macro-economic indicators. In this section, I aggregate the time-series data at the individual level to estimate a set of ordered logit models that allow for the control of the socio-demographic characteristics of respondents while testing the statistical significance of the differences in economic evaluations by partisan direction within specific time points.

Table 1 contains ordered logit estimates of the effect of party identification on economic perceptions as in Equation (1) for the PC administration and the three

Table 1. Aggregate effect of party identification on economic perceptions

	Model 1A – PC Administration		Model 1B – FA Administrations	
Party ID (reference category = Independent)	<i>Coefficients</i>	<i>Odds Ratios</i>	<i>Coefficients</i>	<i>Odds Ratios</i>
PC partisan	0.95*** (0.05)	2.59 [2.35 2.87]	-	-
PN partisan	0.53*** (0.05)	1.69 [1.53 1.87]	-	-
TP partisan	-	-	-0.42*** (0.02)	0.66 [0.63 0.69]
FA partisan	-0.75*** (0.04)	0.47 [0.44 0.51]	1.15*** (0.02)	3.17 [3.06 3.29]
Female (1=yes)	-0.17*** (0.03)	0.84 [0.79 0.90]	-0.38*** (0.02)	0.69 [0.67 0.71]
Age (years)	-0.01*** (0.00)	0.99 [0.99 1.00]	0.00*** (0.00)	1.00 [1.00 1.00]
Education (reference category = Elementary school)				
Middle school	-0.03 (0.06)	0.97 [0.87 1.09]	0.12*** (0.02)	1.13 [1.08 1.18]
High school	-0.04 (0.06)	0.96 [0.85 1.09]	0.32*** (0.02)	1.38 [1.32 1.44]
Higher education	-0.00 (0.07)	0.99 [0.88 1.13]	0.65*** (0.02)	1.92 [1.84 2.02]
Semester fixed effects	Yes		Yes	
Constant cut1	0.30 (0.10)		0.20 (0.06)	
Constant cut2	2.82 (0.11)		2.39 (0.08)	
Observations	18,985		61,993	

Notes: The first cell entries are ordered logit coefficients with standard errors in parentheses. Odds ratios are reported in the second column with 95% CI in brackets. Semester fixed effects were suppressed to save space. *** p<0.01, ** p<0.05, * p<0.1.

Source: Author's elaboration with data from Equipos Consultores.

FA administrations. Consistent with H1, passing from Independent to PC partisan had a positive and statistically significant effect on economic perceptions while PC was in office. Conversely, when FA was in office, TP partisans held significantly worse economic perceptions than Independents. Meanwhile, for FA partisans, the effect is the opposite: during the PC administration, FA partisans' economic

perceptions were significantly worse than those of independents while, when their party was in office, their evaluations became significantly more positive than those of Independents.

Despite the significant differences in the economy's evaluation between each partisan group and Independents, the magnitude of the differences seems larger for government partisans than for opposition partisans. Table 1 shows how in both administrations the (positive) effect of being a government partisan in economic evaluations is larger than the (negative) effect of being an opposition partisan. However, further research is needed to determine whether this is a regularity and uncover its causes.

In order to convey the magnitude of party identification's effect on economic perceptions, Table 2 shows the predicted probabilities of holding a negative economic perception by partisanship in the second semester of 2004 and the second semester of 2005 – the semesters before and after FA took office. Predicted probabilities were estimated for a typical respondent using modal characteristics for education and gender and the mean for age. Consequently, the hypothetical respondent is a 45 years old female with a middle school education. Predicted probabilities for typical respondents in each semester were included in Figure A1 and A2 in the online appendix, available at the journal's website. Important to note is that Table 2 presents two interesting patterns. Firstly, it shows how differently each partisan group may evaluate the economy; for instance, before the 2005 election, the probability of having a negative economic perception for FA partisans was almost twice as large as for PC partisans. Secondly, Table 2 shows the drastic inversion of economic perceptions in a strikingly short period of time. Despite real

Table 2. Predicted probabilities for a typical respondent of holding a negative economic perception by party identification previous and after FA

	Second semester 2004		Second semester 2005
PC partisan	0.396 [0.368 0.423]	TP partisan	0.664 [0.643 0.684]
PN partisan	0.501 [0.474 0.528]		
Independent	0.629 [0.608 0.651]	Independent	0.565 [0.544 0.587]
FA partisan	0.771 [0.765 0.797]	FA partisan	0.291 [0.273 0.309]

Note: Table entries were estimated after Models 1A and 1B and 95% confidence intervals are between brackets. Predicted probabilities were calculated for a typical respondent (46 years old female with a middle school education) with semester fixed effects to those indicated on each column.

Source: Author's elaboration with data from Equipos Consultores.

economic indicators show a mildly better economic situation in this period, PC and PN partisans' probabilities of holding negative economic perceptions significantly increased from 2004 to 2005. In turn, FA partisans dramatically improved their economic perceptions when FA took office for the first time in the party's history. The evidence in Table 2 shows how deeply which party is in office can affect partisans' sociotropic economic perceptions.

ADDING THE STRENGTH FACTOR

In their seminal work, «The American Voter» Campbell et al. (1960) suggested that the stronger the party attachment, the stronger the bias. To empirically test this claim, I estimated the effect not only of partisan direction but also partisan strength on economic perceptions in Uruguay in my sample period. Partisans of each of the three parties before 2005 (PC, PN, and FA) and of two blocs after 2005 (TP-PC and PN combined and FA alone) were divided into strong, moderate, and leaners. The results of estimating Equation (2) before (Model 2A) and after (Model 2B) FA took office are presented in Table 3.

Again, to convey the magnitude of the effects of partisan strength, predicted probabilities were estimated after Models 2A and 2B. Each panel in Figure 3 shows the predicted probabilities of holding a negative economic evaluation by partisan direction and strength within each semester during the PC administration. The x axis – from left to right – shows the estimates from strong partisans of the party in office to strong opposition partisans. Consistent with H2 and Campbell et al.'s (1960) claim, I found that the stronger the party attachment, the stronger the partisan bias. In every semester, strong PC partisans had a significantly lower probability of holding a negative economic perception than Independents, FA partisans, PC moderates, and leaners. The right side of each panel shows how strong FA partisans is the electorate's subgroup with the higher estimated probability of holding a negative economic evaluation. Although the partisan strength effect is not as straightforward as for PC partisans, the evidence demonstrates that different strengths of party attachments produce significantly different economic evaluations.

Figure 4 plots predicted probabilities of positive economic evaluations for all the combinations of party direction and strength by semester during FA's administrations. Also consistent with H2, this pattern is opposite to that in Figure 3: strong FA partisans have a higher probability of holding a positive economic evaluation while strong TP partisans have the lowest. Figure 4 also sheds light on the possible differences among partisans of a single party depending on the strength of the attachment. For instance, at certain points, strong FA partisans were twice as likely to hold a positive economic assessment than leaners.

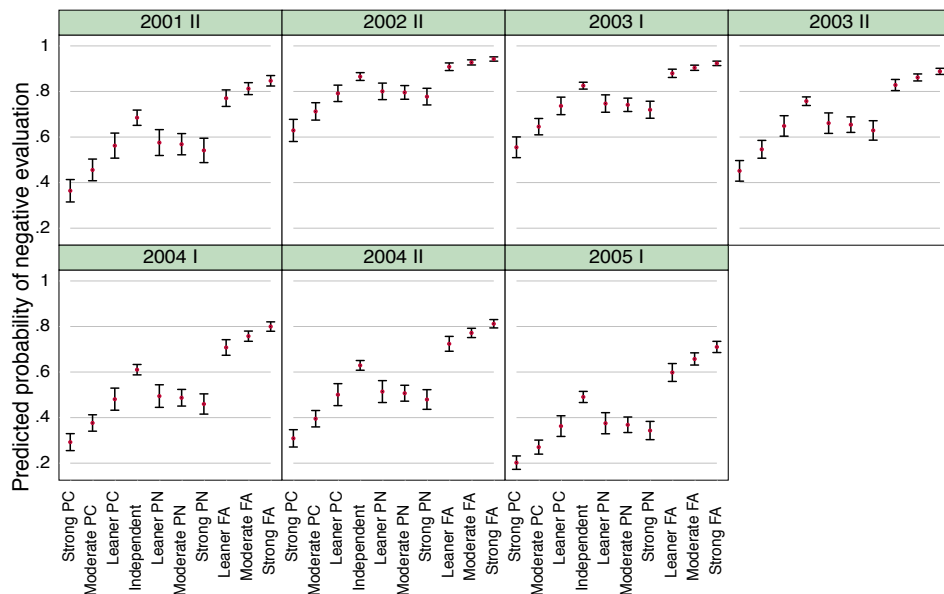
Table 3. Aggregate effect of partisanship direction and strength on economic perceptions

Party ID and strength (reference category = Independent)	Model 2A – PC Administration		Model 2B – FA Administrations	
	Coefficients	Odds Ratios	Coefficients	Odds Ratios
Strong PC	1.33*** (0.09)	3.79 [3.21 4.48]	-	-
Moderate PC	0.95*** (0.07)	2.60 [2.26 2.98]	-	-
Leaner PC	0.53*** (0.09)	1.69 [1.41 2.03]	-	-
Strong PN	0.61*** (0.08)	1.84 [1.56 2.18]	-	-
Moderate PN	0.50*** (0.07)	1.65 [1.45 1.88]	-	-
Leaner PN	0.47*** (0.10)	1.60 [1.33 1.93]	-	-
Strong FA	-0.93*** (0.06)	0.39 [0.35 0.44]	1.61*** (0.03)	5.00 [4.76 5.25]
Moderate FA	-0.69*** (0.05)	0.50 [0.45 0.56]	0.99*** (0.02)	2.70 [2.57 2.82]
Leaner FA	-0.44*** (0.08)	0.65 [0.56 0.75]	0.65*** (0.03)	1.91 [1.79 2.03]
Strong TP	-	-	-0.60*** (0.03)	0.55 [0.51 0.58]
Moderate TP	-	-	-0.30*** (0.03)	0.74 [0.70 0.78]
Leaner TP	-	-	-0.37*** (0.03)	0.69 [0.65 0.73]
Female (1=yes)	-0.17*** (0.03)	0.85 [0.79 0.90]	-0.38*** (0.02)	0.68 [0.66 0.71]
Age (years)	-0.01*** (0.00)	0.99 [0.99 1.00]	0.00*** (0.03)	1.00 [1.00 1.00]
Education (reference category = Elementary school)				
Middle school	-0.06 (0.50)	0.97 [0.87 1.09]	0.10*** (0.02)	1.11 [1.06 1.15]
High school	-0.04 (0.07)	0.97 [0.85 1.10]	0.29*** (0.02)	1.34 [1.28 1.40]
Higher education	0.00 (0.07)	1.00 [0.88 1.13]	0.61*** (0.02)	1.83 [1.75 1.92]
Semester fixed effects	Yes		Yes	
Constant cut1	0.29 (0.11)		0.12 (0.08)	
Constant cut2	2.83 (0.11)		2.33 (0.08)	
Observations	18,726		61,993	

Note: The first cell entries are ordered logit coefficients with standard errors in parentheses. Odds ratios are reported in the second column with 95% CI in brackets. Semester fixed effects were suppressed to save space. *** p<0.01, ** p<0.05, * p<0.1.

Source: Author's elaboration with data from Equipos Consultores.

Figure 3. Predicted probabilities for a typical respondent of holding a negative economic perception by party identification and strength during PC administration



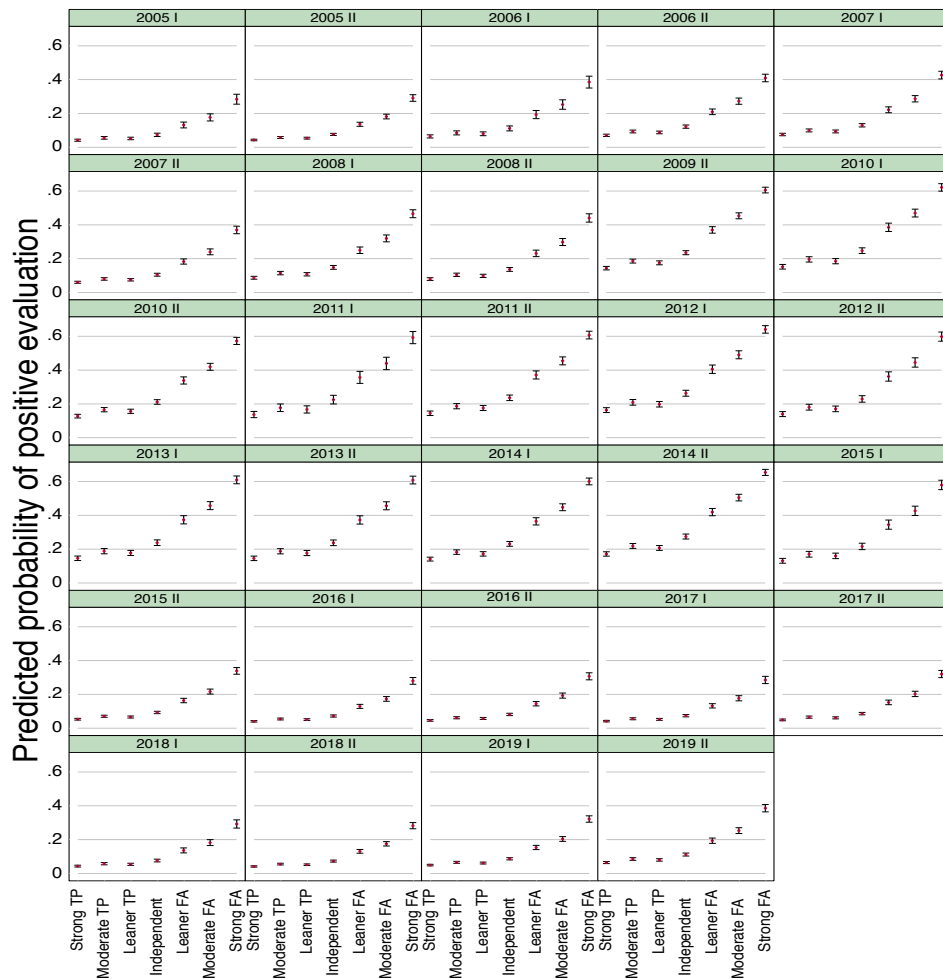
Notes: From left to right: Strong PC partisans, PC moderates, PC leaners, independents, PN leaners, PN moderates, strong PN partisans, FA leaners, FA moderates and strong FA partisans.

Table entries were estimated after Models 2A and 95% confidence intervals are between brackets. Predicted probabilities were calculated for a typical respondent (46 years old female with a middle school education) with semester fixed effects to those indicated on each panel.

Source: Author's elaboration with data from Equipos Consultores.

Overall, Figures 3 and 4 show not only that there can be sizable differences among partisans of the same party depending on the intensity of their identification but too that these effects are not necessarily linear. For instance, along each semester of FA's administration, strong TP partisans hold significantly worse economic perceptions than moderates and leaners, but there were no statistically significant differences among moderates and leaners. By the same token, differences between strong FA partisans and moderates were usually larger than differences between moderates and leaners; therefore, the null hypothesis for H2 can only be partially rejected. Thus, overlooking partisanship strength while studying partisan bias can hide high levels of variance among partisans of the same party, and this can hinder drawing conclusions about partisan behavior

Figure 4. Predicted probabilities for a typical respondent of holding a positive economic perception by party identification and strength during FA administrations



Notes: From left to right: Strong TP partisans, TP moderates, TP leaners, independents, FA leaners, FA moderates and strong FA partisans.

Table entries were estimated after Models 2B and 95% confidence intervals are between brackets. Predicted probabilities were calculated for a typical respondent (46 years old female with a middle school education) with semester fixed effects to those indicated on each panel.

Source: Author's elaboration with data from Equipos Consultores.

DISCUSSION

This article makes three major contributions to the literature on the relation between economic perceptions and party identification. First, the analysis of evaluating economic perceptions disaggregated by party identification for a long-time span in Uruguay provides an understanding of possible heterogeneous economic perceptions within the same country, despite the electorate's response to real economic changes in the aggregate. Regardless of whether economic activity was disastrous or prosperous, government partisans held significantly better economic perceptions than Independents, while opposition partisans' evaluations were significantly worse. The deeper point here is that this study thus shows the large degree of differences that can exist between partisans. At some points, the probability that government partisans would positively evaluate the country's economy was almost three times higher than for Independents.

Additionally, the large timespan of the aggregated data allows the identification of two different interesting patterns. First, partisan bias seems to operate more strongly for government partisans than for opposition partisans, regardless of which particular political party is in office. Put differently, the difference in economic evaluations between independents and opposition partisans – although usually statistically significant – is not nearly as large as the difference between government partisans and independents. However, further research is needed on this issue. Also, data gathered before and after a change in the party in office illuminates the quickness with which the economic perceptions of different partisans can invert. Between the last semesters of 2004 and 2005, former government partisans and latter opposition partisans' economic perceptions slumped – even amidst real economy growth – while new government partisans' probability of holding a positive economic perception increased 2.5 times over.

Second, this article tests the existence of political conditioning of economic perceptions in an almost unexplored region such as Latin America. Contrary to previous research (Luna, 2002), evidence demonstrates that party attachments have a pervasive effect on Uruguayans economic perceptions, providing a richer specification of the mechanism by which the control variable of party identification operates in the estimation of economic vote findings in Uruguay (e.g. Queirolo, 2013; Carlin et al., 2015). By testing the influence of party identification in Uruguay's electorate, the article extends the argument to an intriguing case. Uruguayans were not expected to maintain largely politically biased economic perceptions given that more unstable economies were expected to generate more responsive individuals not so powerfully affected by political conditioning (Evans and Andersen, 2006). Time-series analysis unveiled how Uruguayans roughly respond to actual economic trends in the aggregate but with significantly different baselines conditioned by partisanship. Furthermore, despite the country's vulnerability to exogenous economic shocks and the recent memory of one of the most severe

economic crises in Uruguay's history, Uruguayans largely make politically biased economic judgments. Finally, the results of this article support Carlin, Singer and Zechmeister's (2015) claim that Latin American voters are not that different from the American or European voter, as partisan bias in economic perceptions in Uruguay resembles that of previously studied cases.

Lastly, the present results show the importance of taking into account not only partisan direction but also partisan strength when studying partisan bias, a feature largely overlooked by the previous literature. Using time-series aggregate data revealed sufficient observations for testing the differences in economic evaluations among strong, moderate, and leaner partisans. Ultimately, the evidence from the Uruguayan case shows that economic evaluations vary significantly depending on partisanship strength – notably, at some given points, these differences were quite large. This more nuanced picture of partisan groups provides a better understanding of the dimension of partisan bias. Treating strong partisans, moderates, and leaners as if they are the same can be problematic given the large differences that can arise among them. Furthermore, while at some moments the effect of partisanship strength was quite linear, at others strong identifiers strongly differed from moderates and leaners. These patterns may be of particular importance for evaluating the normative consequences of the political conditioning of economic perceptions. There is a substantial difference between having rather small, strongly biased groups at one extreme of the partisan continuum and less variation among the rest of the electorate and having large differences between partisan groups that each represent a large part of the electorate.

The fact that party identification largely shapes economic perceptions has several empirical and normative consequences. Although the political conditioning of economic perceptions, and other political issues, may foster stability by allowing elected parties an initial margin to carry out their intended measures (Enns et al., 2012), other implications are rather negative. The manipulation of objective conditions to make them fit into previous political conceptions can impact real-life individual non-political decisions. For instance, there is evidence that suggests that in the United States consumption change following a presidential election is correlated with a county's partisan complexion (Gerber and Huber, 2009).

Although the fact that individuals seemed to respond to real economic trends in the aggregate relativizes negative normative consequences, probably the most notable consequence of reversing the causal arrow between economic perceptions and political behavior is that it undermines one of the pillars of democracy: electoral accountability. Scholars have long and rightfully argued about the upsides of party system stability, particularly in volatile political contexts such as Latin America (Mainwaring and Scully, 1995), yet little research into the downsides of enduring party identifications has been undertaken. If a considerable share of voters that maintain a party attachment form their economic judgments as a function

of its political identification (which research shown is largely influenced by the socialization process), the ability of the electorate to hold politicians accountable for their performance is severely weakened. Furthermore, it allows political actors to influence economic perceptions (Evans and Andersen, 2006). And, the influence of party attachment in individual's judgments are not restricted to the economic sphere. Conversely, there is evidence that party identification conditions other relevant issues such as healthcare evaluations (Tilley and Hobolt, 2011), credibility of electoral polls (Kuru, Pasek and Traugott, 2017) or social security (Bartels, 2002), suggesting a rather bleak scenario for electoral accountability in a significant part of the electorate.

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