Forum Section

A Near Miss for the Chancellor Model

By Helmut Norpoth (Stony Brook University, helmut.norpoth@stonybrook.edu) and Thomas Gschwend (University of Mannheim, gschwend@uni-mannheim.de)

The Chancellor Model predicted a "resounding victory" for Angela Merkel's coalition in the 2013 German federal election. As it turned out, two-tenth of one percent of the vote kept her coalition from securing a majority of seats in the Bundestag. That tiny slice of the vote is the amount by which the Free Democrats (FDP), Chancellor Merkel's partner in government, fell short of getting five percent of the national vote, and hence any seats in the Bundestag. In the annals of federal elections, going back more than 60 years, this was an unprecedented failure for the FDP, coming on the heels of the best ever showing of this party. Yet even with its partner missing, the CDU/CSU alone captured 311 seats in the new Bundestag, just five shy of a majority. Angela Merkel was re-confirmed as German chancellor on 17 December 2013.

Turning to the point forecast of the Chancellor Model, we predicted a month before the 2013 election that the governing parties would win a combined share of 51.2 % of the vote (ZEIT Blog 2013a). This was our final forecast, following two earlier ones that predicted 51.7% (Norpoth and Gschwend 2013) and 49.7% (ZEIT Blog 2013b). The forecasts varied as a result of changing values for the predictor pertaining to chancellor popularity. But regardless of these differences, there is no denying that all of these point forecasts overshot the result (46.3%) by a considerable amount. How come the model missed the target so much in 2013? How does its performance in 2013 compare with other elections? What corrections should be made to assure a better performance next time? Could any of them have been made, with compelling justification, ahead of time? Before addressing each of these questions, let us briefly review the logic and construction of the Chancellor Model.

<u>The Chancellor Model</u>

Our forecast model (Norpoth and Gschwend 2003, 2010) accords a key role to the popularity of the chief policymaker, the chancellor in the German political system, hence the sobriquet "Chancellor Model." Both rational and psychological theories of voting (Campbell et al. 1960, Downs 1957) agree that satisfaction with the incumbent government is the key to the voting decision. While economic performance is the favorite of election forecasters, having been used in forecasting German elections as well (Jerome, Jerome, and Lewis-Beck 2013), we prefer chancellor popularity as more encompassing. Our measure of this popularity is based, for the most part, on trial-heat polls between the chancellor and the challenger. Every federal election since the first in 1949 has featured an incumbent chancellor.

In addition, the model includes a measure of partisan loyalties. There is no question that German politics is dominated by political parties. The partisan division of the vote does move between elections in Germany, but rarely in big leaps. We capture the normal vote of the German electorate by averaging past returns for the incumbent parties. For the most part, we

include the last three Bundestag elections in the average. It is quite remarkable that partisanship and chancellor popularity, in the aggregate, are practically uncorrelated (0.02). This is welcome news for forecasting since each of these predictors is capable of exercising its influence on the vote to the fullest, unimpeded by any overlapping variance.

Finally, our forecast model exacts a penalty for holding office. In American politics, party control of the White House lasts between two and three terms, on average. This signifies a cyclical dynamic that has proved useful for forecasting (Norpoth and Bednarczuk 2012). Germany is no different. Federal governments have stayed in power, on average, for three terms. The longer the tenure, the lower the incumbent vote in federal elections; in the event of a change in the party composition of a German government, the count of terms applies to the leading party. The forecast equation for the 2013 vote, estimated with data of Bundestag elections from 1953 to 2009, is:

VOTE $= -7.12 + 0.72($**PAR**$) + 0.40($**CHANC**$) - 2.72($**TERM**$)$

VOTE: Percentage of vote for incumbent parties

PAR: Partisan Base (2013: 46.4)

CHANC: Chancellor Popularity (2013: 67)

TERM: Number of terms, logged (2013: 0.693)

The model accounts for 96 percent of the vote variance, with all three vote predictors proving highly significant. The in-sample predictions fit the actual vote in German elections from 1953 to 2009 with an error of barely 1 percentage point, on average. Our first forecast, in 2002, hit a bull's-eye three months ahead of time (47.1 percent for the red-green coalition). No pre-election or exit poll, nor any model forecast matched this feat; most actually predicted a defeat for Schröder's coalition (Norpoth and Gschwend 2003). Being exactly on target was a stroke of luck that would be unlikely to repeat itself. Still, in 2005, the Chancellor Model missed the target by only three-tenth of a percentage point, again beating all competitors (Gschwend and Norpoth 2005). While the forecast overshot the vote target in 2009 by a good deal more (4.5 percentage points), it still got the winner right (ZEIT Blog 2009). The winner in this case was a coalition of Christian Democrats and Free Democrats, which replaced the outgoing coalition of Christian Democrats and Social Democrats (SPD). This was a complication that would justify some model tweaking, particularly the chancellor predictor. Our final forecast for the 2013 election (51.2%) missed the target by even more, disproving the old saw that practice makes perfect. What went awry this time? One possibility is any forecaster's nightmare: an unforeseen shock to the system. In the parlance of American election campaigning, this would be the infamous October surprise.

A New Player in the Game

The October surprise in the 2013 German election campaign occurred in the spring with the creation of a new party, the Alternative for Germany (AfD). Its trademark appeal is opposition to the euro, coupled with a demand to return to the Deutschmark. National polls first registered support for the new party in April. In July the AfD averaged 2.4% in polls conducted

by the major polling organizations (FORSA, EMNID, Dimap, Forschungsgruppe Wahlen, Allensbach, GMS); in August it averaged 2.5% (http://www.spiegel.de/politik/deutschland/wahl-umfragen-sonntagsfrage-fuer-bundestagswahl-und-landtagswahlen-a-623633.html). In the end, all of the polls underestimated the AfD's showing on Election Day (4.7%). By all indication, the new party was cutting most heavily into support for the governing parties, but by how much was impossible to determine ahead of the election.
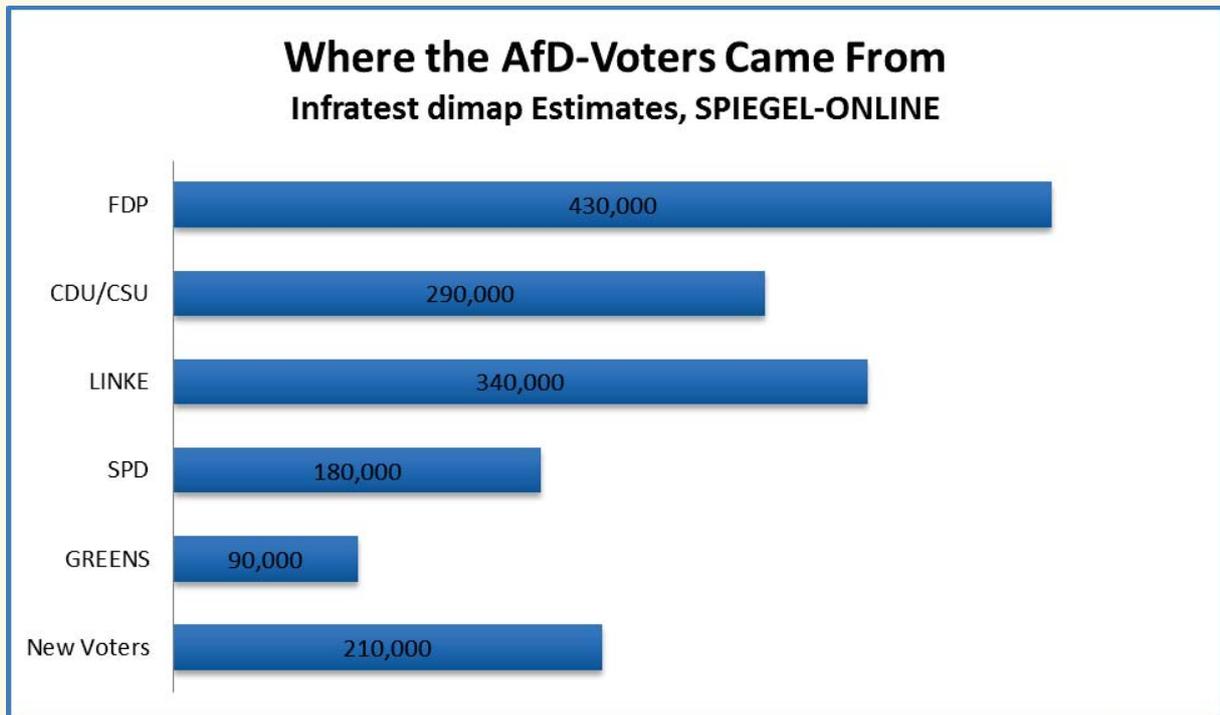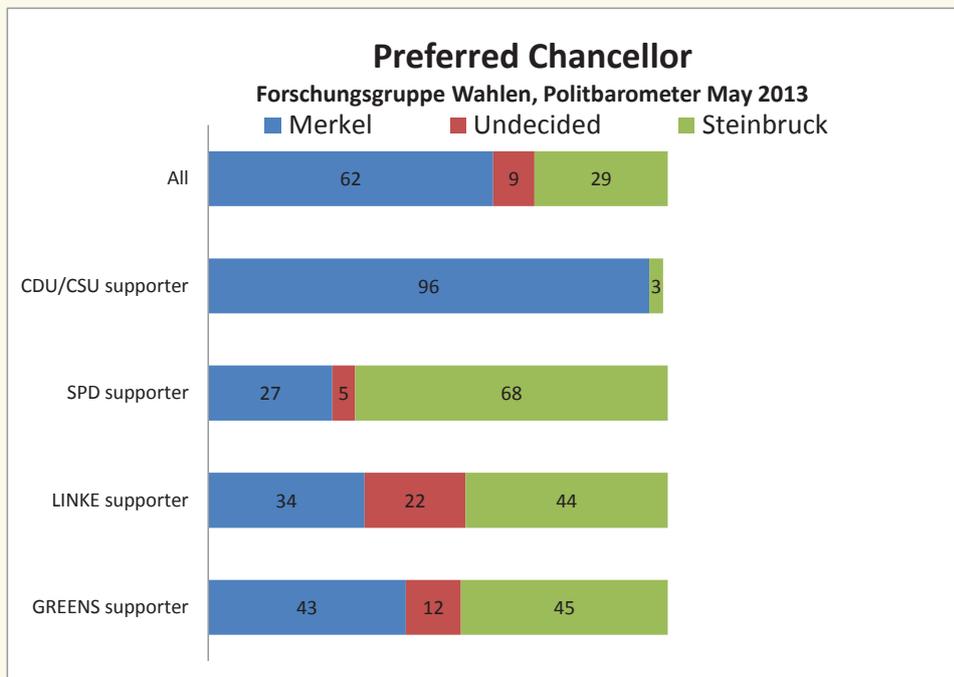

Post-election estimates of vote changes between the 2009 and 2013 elections indicate that close to half of the AfD voters abandoned one of the governing parties (CDU/CSU or FDP); about one in five AfD-votes came from *Die Linke* (The Left party), a surprisingly large portion; and the SPD as well as the Greens also suffered defections to the anti-Europe party (http://www.spiegel.de/politik/deutschland/bundestagswahl-2013-waehlerwanderung-gewinne-verluste-direktmandate-a-923290.html#startTab=0). In light of these estimates, it might be justified to lower the forecast of the incumbent vote in 2013 by 2.2 points. Of course, such an adjustment was unavailable in mid-August, when our final forecast was issued. At best, we could have taken the average of polling results for the AfD at that time and adjusted our forecast by that amount.

Such adjustments, based on best guesses at the time, are not uncommon in forecasting. We did so once before, in forecasting the 2005 election. At that time, the formation of a new left-wing party, appropriately calling itself *Die Linke* (The Left), challenged the prospect of the red-green coalition under Chancellor Schröder. This new party made its presence felt with a big enough bang months before Election Day, allowing us to adjust the model for this new development. In the run-up to the 2013 election, we considered making such an adjustment for the AfD, but in the end refrained from doing so. The AfD intrusion just did not appear to be a big enough deal. Like nearly everyone else we underestimated the drawing power of the new party. Yet even with the best possible adjustment for the AfD, our forecast would have

overshot the vote target by close to 2.5 points. So what else, besides a newcomer, may have caused the miss?

The Merkel Factor

The main reason why our model forecast a "resounding victory" for the governing coalition was Chancellor Angela Merkel's spectacular approval rating. In match-ups with her challenger, Peer Steinbrück, she enjoyed a 2-1 advantage throughout the election year, hinting at a landslide victory if Germany were to hold a popular election for chancellor. Even though Germany is not a system that allows for such a vote, chancellor support has proved to be a strong predictor of vote choice in German national elections. As it turned out, the chancellor did not deliver the expected punch this time. In an odd way, she is too popular for her parties' good. Her appeal reaches deep into the ranks of the other parties. In reacting to Merkel, Germans do not display the intense polarization along party lines that Americans bring to evaluations of their presidents, especially Barack Obama and George W. Bush.

Preferred Chancellor
Forschungsgruppe Wahlen, Politbarometer May 2013

	Merkel	Undecided	Steinbruck
All	62	9	29
CDU/CSU supporter	96		3
SPD supporter	27	5	68
LINKE supporter	34	22	44
GREENS supporter	43	12	45

In match-ups with her challenger for the chancellorship, Peer Steinbrück (SPD), a quarter of SPD-supporters preferred Merkel over the candidate of their own party. So did a third of *Linke*-supporters; and about as many Green-supporters picked Merkel as did Steinbrück. Of course, CDU/CSU-supporters were practically unanimous in backing her. Merkel's broad appeal across party lines makes her a special case as chancellor. Statistically speaking, that makes her an outlier. Her presence lowers the correlation between chancellor popularity and the vote by ten

points. Each of the two elections with her as chancellor has given the Chancellor Model fits. The 2009 election, of course, was a rare case of a grand coalition (CDU/CSU and SPD) entering the campaign and a different coalition being formed after the election. The only other instance of that kind in German federal elections occurred in 1969. For both of those elections we have since made adjustments in the chancellor-popularity predictor to remove a grand-coalition effect. This cure is not available for 2013. As of now, that election remains a challenge for the Chancellor Model.

References

Campbell, Angus, Philip E. Converse, Warren E. Miller und Donald E. Stokes, 1960. *The American Voter*. New York: Wiley;

Downs, Anthony. 1957. *An Economic Theory of Democracy* .New York: Harper & Row.

Gschwend, Thomas, and Helmut Norpoth. 2000. "Soll und Haben: Die deutsche Wählerschaft rechnet mit den Parteien ab."   In *50 Jahre Empirische Wahlforschung in Deutschland. Entwicklung, Befunde, Perspektiven, Daten,* ed. Markus Klein, Wolfgang Jagodzinski, Ekkehard Mochmann and Dieter Ohr. Wiesbaden: Westdeutscher Verlag, pp. 389-409.

Gschwend, Thomas, and Helmut Norpoth. 2005 "Prognosemodell auf dem Prüfstand: Die Bundestagswahl 2005." *Politische Vierteljahresschrift* 46(4): 682-688.

Jerôme, Bruno, Véronique Jerôme-Speziari, and Michael S. Lewis-Beck. 2013. "A Political-Economy Forecast for the 2013 German Elections," *PS: Political Science & Politics,* 46 (3):479-480.

Norpoth, Helmut, and Thomas Gschwend. 2003. "Against All Odds? The Red-Green Victory," *German Political Studies*, 21: 15-34.

Norpoth, Helmut, and Thomas Gschwend. 2010. "The Chancellor Model: Forecasting German Elections," *International Journal of Forecasting* 26: 42-53.

Norpoth, Helmut, and Thomas Gschwend. 2013. "Chancellor Model Picks Merkel in 2013 German Election," *PS: Political Science & Politics,* 46 (3):480-481. .

Norpoth, Helmut, and Michael Bednarczuk, 2012. "History and Primary: The Obama Reelection," *PS: Political Science & Politics,* 45 (4):614-617.

ZEIT Blog. 2009. http://blog.zeit.de/zweitstimme/2009/08/24/schwarz-gelb-wird-gewinnen/

ZEIT Blog. 2013a. http://blog.zeit.de/zweitstimme/2013/08/24/machs-noch-einmal-mutti/

ZEIT Blog. 2013b. http://blog.zeit.de/zweitstimme/2013/07/26/kanzlermodell-sagt-wiederwahl-von-merkel-voraus/