Midterm Decline in Comparative Perspective

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Introduction

In the United States, midterms go poorly for the party controlling the White House. In the volatile and ever-changing world of politics, this tendency has been described as an “inevitability rivaling death and taxes.”¹ This phenomenon is known as “the midterm effect” or “midterm decline”. From the late 1860s onwards, this effect has resulted in about 30 House of Representative seats lost on average, by the president’s party, in each election cycle. Since the Civil War, the president’s party has gained seats and improved their vote share only once during a midterm. In the unpredictable nature of politics, this consistency is exceptional.

Despite consensus on the phenomenon’s existence, the causes of midterm decline have long been a black box in political science, with different models of midterm decline competing and combining to explain the historical disadvantage of the president’s party at midterms. These explanations largely fall under three categories: the mean reversion and surge and decline model, the referendum model, and the presidential penalty model. Mean reversion and surge and decline suggest that midterms aren’t particularly bad for the president’s party, but rather an inevitable regression from the abnormally high performance of the president’s party in the joint presidential-congressional election. Referendum models state midterm decline depends on the president’s approval rating and handling of the economy. Presidential penalty models suggest midterms inherently disadvantage the president’s party. During a midterm, presidential opposition is more likely to turn out to vote and moderate voters are inclined to vote against the president’s party to create ideological balance. These two facets of midterms penalize the party regardless of surge and decline and the president’s handling of government. Together, these three

models of midterm decline describe both the tendency for the president’s party to lose seats during a midterm and explain the variance in midterm success for the president’s party.

Though midterm decline is extensively studied in the United States, there has been limited research in other countries on the connection between presidential elections and non-concurrent federal legislative elections. Instead, midterm related research abroad typically considers the relationship between parliamentary control and second-order elections, such as local elections or elections to other legislative bodies. This research can demonstrate that the midterm effect may go beyond the United States but fails to show a clear connection between presidential control and non-concurrent legislative elections. However, analyzing how presidential parties fare during midterms outside of the United States could provide insights that can’t be captured by focusing on the U.S. alone or by focusing on parliamentary and second-order elections. Analyzing the midterm effect in countries with similar institutions can show whether midterm decline is exclusive to the United States. Even if midterm decline occurs in other countries, the causes may be different. For instance, while the health of the economy could dictate the extent of midterm decline in one country, other countries could be particularly affected by surge and decline. By looking beyond the United States, variances in institutions can highlight the extent to which midterm decline in the United States relies on those institutions. Some countries have electoral schedules that prevent any legislative elections from occurring concurrently with presidential elections. This eliminates the possibility of a surge and decline scenario because midterm elections wouldn’t follow a joint congressional-presidential election. Therefore, if the country doesn’t experience midterm decline, it may suggest that midterm decline.

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1 I use “concurrent” elections to describe joint presidential-legislative elections, and non-concurrent legislative elections to describe legislative elections that occur separately from a legislative election.
decline is particularly reliant on surge and decline. Knowing how midterms affect other countries can help uncover the intricacies of the United States midterm effect.

Although the existence of midterm decline has been documented extensively in the United States, I will test the extent to which presidential parties are punished for controlling the presidency in El Salvador and Argentina. I choose these countries for their institutional similarities to the United States, which should provide a similar foundation for midterm decline. El Salvador and Argentina have presidential systems without a prime minister, a history of democracy, and legislative elections that occur non-concurrently with presidential elections. Beyond analyzing the existence of midterm decline, I use approval ratings, the health of the economy, previous presidential success, and previous seat control to explain the variance in midterm outcomes for the president’s party. I choose these explanatory variables for their fit into three commonly cited models of midterm decline: mean reversion and surge and decline, referendum, and presidential penalty models. I test the extent to which the countries have an observable midterm effect and unveil whether the causes fit into any of these three models.

In the next chapter, I focus on midterm decline and similar phenomenon in other countries, considering how competing explanations for midterm decline can explain the tendency for political parties wielding political power to lose seats in second-order elections. Chapter two focuses on the methodology of determining comparison countries, and details how I will answer whether a country has midterm decline and why it happens. This chapter also outlines the sources of data and the models I use for analysis. Chapters three through five focus on the United States, Argentina, and El Salvador, respectively. In each of these chapters I consider the country’s democratic history, political parties, and governmental and electoral institutions. I analyze the extent of the country’s midterm effect, and what determines the variance in its
strength. With each of the countries I consider the extent to which three models of midterm decline (surge and decline and mean reversion, presidential penalty, and referendum model) can explain the existence and variance of midterm decline. My final chapter discusses how the various midterm models show themselves in the three countries and why the strength of the midterm effect varies by country.

1. Theory

Academic research on the midterm effect has mostly focused on the United States. America’s electoral schedule, long history of elections, and straightforward party system makes it a prime candidate for measurement. Although the connection between parliamentary control and second-order elections has been researched, my focus on presidential systems suggests I should use American midterm theory as the beginning point. The midterm effect in the United States is especially consistent. From the end of the Civil War to 1998, there had been only one election in which the party controlling the White House gained seats in a midterm election. Since then, there’s been two more exceptions to this trend, and while it’s possible the midterm effect doesn’t carry the weight it used to, presidential parties still face long odds. The research on the midterm effect in the U.S. and the explanatory theories for its existence shed light on analytical approaches for understanding midterms abroad. Before exploring a possible midterm effect in other countries, we must first understand how it works in the United States.

1.1 The Scale of Midterm Decline

Midterms in the United States go poorly for the party controlling the White House. While the midterm effect can be seen in the Senate and even State Legislatures, the bulk of study on the midterm effect has measured seat changes in the House of Representatives. This House of

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Representatives bias is due to the larger sample size of seats, and that the entire chamber is up for election every two years. In the past twenty-seven elections since the House of Representatives was expanded to its current 435 seats, the party controlling the White House has lost an average of over 30 seats during midterm elections. Since 1866, there’s only been three instances in which the president’s party has gained seats during a midterm, 1934, 1998, and 2002. All of those gains were less than ten seats, and some accompanied vote losses. Although seats have often been the heuristic for measuring midterm decline, vote changes show a similar bias against the president’s party. Given that gerrymandering and a changing swing ratio have impacted the relation between votes and seats, vote change can provide a more accurate, consistent heuristic. Even exceptions to midterm decline and their circumstances conform to the narrative of midterm decline. In 2002, for instance, the Republican’s seat gain can be attributed to the Bush’s popularity after the 9/11 attacks, and the relatively poor Republican performance during the 2000 elections. The 1934 gain in seats for the Democratic party is often attributed to the New Deal realignment, while the strong economy and rallying around the flag after Clinton’s impeachment are often cited to explain the 1998 election. Even with these three exceptions, elections reliably conform to the pull of the midterm effect.

Something akin to a midterm effect seems to extend beyond the United States’ borders. Kern, Holger and Hainmueller suggest that parties controlling the upper and lower house of

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5 Dublin, “United States Congressional Elections.”


7 Campbell, “The 2002 Midterm Election,” 203-204
Germany’s legislature tend to lose seats in local elections. This results in local elections that tend to swing in the opposite direction of the control of Germany’s national legislature, creating a balance between parties. This same partisan divide between national legislative power and control over regional districts can be seen in Canada. Something akin to a midterm effect even appears to influence European parliamentary elections. Reif and Schmitt note national opposition parties tend to be more successful in European Parliamentary elections. These examples support the idea that party control of the national government can hurt the party in second-order elections. Although research on presidential systems is limited, Shugart finds similar trends when considering divided government in Argentina, Brazil, Chile, Ecuador, and France. Shugart notes that divided government is especially common in nonconcurrent elections, elections where the legislature is up for election, but the president is not. This conforms to the narrative that presidential parties are penalized when the president isn’t on the ballot.

The United States midterm experience demonstrates that parties controlling the White House underperform in midterm elections. Likewise, in countries beyond the United States, electoral tendencies parallel the outcomes of the midterm effect in the United States. While the midterm effect may not have the same inevitability as death and taxes, its existence is rarely questioned. However, though the existence of midterm effect may be agreed upon in the United States, there remains debate over the causes of the midterm effect. One of the suggested causes is the statistical tendency known as mean reversion.

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1.2 Mean Reversion

Surge and decline and mean reversion suggest midterms aren’t inherently as special as the presidential elections that precede them. These hypotheses suggest that seat loss is merely a realignment after the exceptional nature of the presidential race. Rather than arguing that midterms are inherently bad for the president’s party, they merely appear bad when compared to the preceding legislative election that coincided with the presidential race.

The simpler of these explanations is mean reversion. This states that midterm decline isn’t a political phenomenon so much as a statistical one. Mean reversion occurs when a variable occurrence, in this case the seats won by a particular party, is far away from the mean, and will subsequently tend to move towards the mean. For instance, if one were to have a particularly good round of golf, she’d be likely to do worse the next round and revert back to the mean, not because she’s getting worse at golf, but because the previous success was related to luck or short-term effects.

This phenomenon happens with midterm elections because of the correlation between presidential success and congressional success for a party. A presidential win usually is correlated with legislative wins for the president’s party. The congressional success that results from the presidential election is referred to as “presidential coattails”. After the election, the party controls a higher share of seats than normal and is therefore removed from the mean. This removal means the subsequent election will likely see a decrease in seats. While it’s possible for a party to improve on their presidential race performance, there’s more room to lose seats than to

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13 Erikson, "The puzzle of midterm loss," 1012.
gain seats. This suggests midterm elections aren’t particularly bad for the president’s party, they just appear like a loss in comparison to the preceding success of the presidential race.

This explanation would also indicate that the better the president’s party does during the presidential election, the farther away from the mean they are, and the more room they have to regress backwards. Alternatively, this suggests that the president’s party is more likely to gain seats during midterms when the presidential coattails are small. Although the impact of 9/11 can’t be underestimated, mean reversion could help explain the 2002 midterms. In 2000, Bush lost the popular vote and his party lost house seats, barely holding on to the majority. Because his Republican party didn’t perform substantially better than average, there was as much room in 2002 for the party to improve on their 2000 performance as worsen. At its most basic level, mean reversion suggests that the typically high performance of the president’s party during a concurrent election is hard to improve upon.

1.3 Surge and Decline

The surge and decline model parallels the principles of mean reversion, but takes them a step further. While mean reversion happens regardless of differences between midterms and presidential races, surge and decline notes how differences in the composition of the electorate creates a midterm decline. Presidential races are “high stimulus” environments with high presidential excitement that inevitably carries other House and Senate candidates to victory. Many of the voters who would otherwise not vote, turn out for the president’s party. Campbell estimates that “a party's typical House candidate gains four to six votes on his or her opponent from every 10 votes brought to the polls to vote for the party's presidential candidate.” But this

presidential surge is temporary. During midterms, short term excitement diminishes, and without the down-ballot effects of the presidential race, the electorate votes to return control back to the mean. This difference in “presidential enthusiasm” is reflected in the turnout. Presidential races tend to have significantly higher turnout than their midterm counterparts, meaning many of those who showed up to the ballot to vote for a presidential candidate decided to stay home during the midterm. Erikson argues this decreased turnout means the core partisans that vote for their party in the same way each election determine midterm outcomes.\textsuperscript{18} Angus Campbell, who initially proposed the idea of surge and decline, suggests the low stimulus nature of midterms mean the results won’t deviate much from an even split between Republicans and Democrats.\textsuperscript{19} Recent research has shown that midterm election results tend to have higher variance than their presidential election counterparts, dispelling the notion that midterms represent a return to a low variance “baseline”.\textsuperscript{20} Still, midterms are fundamentally different elections from presidential ones and the party of the president continues to benefit from presidential coattails.

The surge and decline model is a stronger claim than mean reversion. While mean reversion only suggests that strong party performance in a presidential race will leave more room to lose support than gain support, surge and decline explicitly states that the nature of midterms limit any deviation from the mean. Mean reversion suggests that high electoral performance is statistically unlikely to be improved upon, whereas the surge and decline model suggests structural differences between midterms and presidential races induce midterm decline. As with mean reversion, instances where a president’s party could gain seats during a midterm would rely on a relatively weak performance in the previous presidential race.

\textsuperscript{18} Erikson, "The puzzle of midterm loss," 1013.
\textsuperscript{19} Angus Campbell, "Surge and decline: A study of electoral change," \textit{Public opinion quarterly} 24, no. 3 (1960): 397-398.
The exposure hypothesis also helps to strengthen the mean reversion and surge and decline models. Exposure is the surplus of seats a party holds in comparison to its long-term average; alternatively, it’s a measure of how removed from the mean a performance is.\textsuperscript{21} Controlling more seats above the “norm” means a party is more exposed. While it’s intuitive that higher exposure would lead to a seat decrease in subsequent elections for the same reasons as mean reversion, differences in the partisan alignment of seats make this reversion stronger. When a party is more exposed, more of their controlled seats are marginal or unsafe, and are harder to protect in a subsequent election.\textsuperscript{22} On the other side, the seats the opponents hold will be their safest and most reliable seats, making seat gains difficult.\textsuperscript{23} If all seats were equally easy to win, it would be much easier for exposed parties to gain seats, and therefore easy for the party controlling the White House to improve during midterms. However, as parties are more exposed, they must defend more unsafe seats while trying to win even more difficult seats than the ones they have. This exacerbates the difficulty of improving on an already good performance.

1.4 Referendum Model

While the surge and decline and mean reversion models go a long way to describe why the president’s party tends to lose seats during midterms, the referendum model can describe the variance in this loss. While the president isn’t on the ballot in midterm elections, midterms offer an opportunity to react to the current administration.\textsuperscript{24} Tufte argues, “Since the electorate cannot change administrations at midterm elections, it can only express its approval or disapproval by

\begin{footnotesize}
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\item Tufte, Edward R, "Determinants of the outcomes of midterm congressional elections," \textit{American Political Science Review} 69, no. 3 (1975): 813.
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returning or withdrawing legislative majorities.”25 Midterms serve as an opportunity for voters to react to the president.

Therefore, one would assume the better a president’s performance, the better their party will perform in the midterm election. Tufte argues the extent of midterm decline is determined by the president’s approval rating and economic conditions.26 The lower a president’s approval rating, the worse the president’s party will do during the midterm election.27 This is not a surprise. If a voter doesn’t approve of the president, they are less likely to approve of his party. Presidents serve as representatives of their parties, and parties can’t fully escape the connection to the president’s image. This explanation also makes sense when considering elections that strayed from the rule of midterm decline. In 1998 and 2002, Clinton and Bush had high approval ratings, and both of their parties defied the pattern of midterm decline and gained a few seats. The tie between midterm success and approval ratings also describes why midterms generally hurt the president’s party. Brace and Hinckley show that while the decline isn’t linear, presidential approval tends to decrease throughout a president’s term, and tends to be lowest around midterm elections.28 So, while the tie between presidential approval and midterm success isn’t inherently worrying for the president’s party, presidential approval tends to be low during midterms, leading to poor performance of the president’s party.

Tufte argues the second indicator of presidential success and determinant of midterm decline is the economy. This is intuitive. The successes and failures of the economy are often ascribed to the government. Because the president serves as head of government as well as the

figurative leader of her party, the health of the economy is a reflection on the president’s party. While it is clear the economy matters, it is less clear what economic indicators should be used.\textsuperscript{29} Tuft points to pre-election changes in real disposable income, adjusted for inflation.\textsuperscript{30} Because voters don’t always know the health of the economy, they use the most accessible possible indicators. Therefore, one’s view of economy is strongly biased towards their own economic health, which in this case is measured by disposable income. Erikson echoes these thoughts and uses a similar indicator to measure income changes in the year preceding a midterm.\textsuperscript{31} Erikson argues that income changes matter more than even approval ratings, demonstrating that a one percent annual increase in income will lead to almost a three percent increase in the vote percentage won by the incumbent president’s party.\textsuperscript{32} If midterm elections are a referendum on president, the economy is a common heuristic of the president’s effectiveness. Change in disposable income, a personal and readily available measure of the economy, can determine someone’s support for the president, and therefore their support for the president’s party.

The referendum model takes shape beyond the United States. Reiff and Schmitt argue disappointments with specific policies, and a desire to apply pressure to the government tends to advantage opposition parties in elections to the European Union.\textsuperscript{33} They also note that the strength of this anti-governing party bias is proportional to the amount of time since the most recent national election.\textsuperscript{34} This parallels the notion that approval declines throughout a president’s term, and the later a second-order election is, the lower the approval rating of the government and the worse the governing party’s performance in an election. This finding is

\textsuperscript{29} Tuft, “Determinants of the Outcomes of Midterm Congressional Elections.” 816.
\textsuperscript{30} Tuft, “Determinants of the Outcomes of Midterm Congressional Elections.” 816
\textsuperscript{32} Erikson, "The puzzle of midterm loss," 1013-14.
\textsuperscript{33} Reif and Schmitt, "Nine second-order national elections", 3-44.
\textsuperscript{34} Reif and Schmitt, "Nine second-order national elections", 3-44.
supported by Jeffery and Hough, who show that approval of the governing party in Germany tends to decrease steadily after an initial honeymoon period, often to a low point during second-order elections, which leads to negative voting against the party in local elections.\textsuperscript{35} Even Shugart’s research on presidential systems and divided government shows that divided government occurs more frequently later in a president’s term, falling in line with conceptions of the referendum model.\textsuperscript{36} Although the referendum model is most frequently applied to the United States, it’s likely the same mechanisms impact governing parties abroad.

\textbf{1.5 Presidential Penalty Model}

Erikson suggests that these models don’t do enough to describe why the president’s party does poorly in midterm elections. The referendum model describes the variance in midterm electoral success and mean reversion and surge and decline shows midterms go poorly when compared to the previous high stimulus presidential election. Previous literature does less to show that the nature of midterms is inherently bad for a presidential party. Scholars tend to suggest that midterms are a drop from the abnormally high vote of a presidential election, rather than an abnormally low vote because of the midterm itself.\textsuperscript{37} Erikson challenges this notion, suggesting that presidential parties are inherently penalized during midterms with what he describes as the presidential penalty model. Erikson suggests there is a punitive response of the electorate towards the president that goes beyond the referendum model.\textsuperscript{38} Determining that the electorate is predisposed to vote against the president could help explain midterm decline without viewing it as simply a relative drop from a previous high. This would explain why even

\textsuperscript{36} Shugart, “Institutional sources of divided presidential government,” 329-34.
\textsuperscript{37} Erikson, "The puzzle of midterm loss," 1013-14.
\textsuperscript{38} Erikson, "The puzzle of midterm loss," 1013-14.
presidents with relatively high approval ratings and limited surge tend to perform poorly in midterms.

The first possibility Erikson considers is a propensity towards negative voting. Erikson states potential voters with negative views of the president are more likely to vote than potential voters with positive views.\(^{39}\) This means turnout for the president’s supporters would be depressed in comparison to his detractors. Voters also respond more to negative cues than to positive ones when considering who to vote for.\(^{40}\) Undecided voters are also more likely to respond to criticism than praise of the president, and are more likely to penalize the president’s party in the absence of an opposition candidate.\(^{41}\) The president becomes a lightning rod for criticism, which turns out his detractors to vote, and might push on-the-fence voters to vote against her. In this model, it is the critics who turnout to vote, and therefore the critics who decide the referendum. The surge and decline model suggests the presidential party lacks presidential enthusiasm in midterms, but Erikson’s model suggests voters are inherently predisposed to vote against the presidency.

Erikson states a presidential penalty could also result from rational calculation and electoral balancing.\(^{42}\) Voters in the middle of the ideological spectrum might look to moderate the government and create split partisan control of the presidency and congress to ensure ideological balance.\(^{43}\) Therefore, even though they may not be against the president, they might vote against his party to induce balance of power. Erikson states this is common in foreign countries where local elections will often swing in the opposite direction of the party in control

\(^{43}\) Erikson, "The puzzle of midterm loss," 1013-14
of the legislature. Although the reasons are different, this rational calculation would result in a punitive effect on the president’s party.

The presidential penalty model does a good job of explaining why midterms are inherently bad for the president’s party. Although an inherent presidential penalty is difficult to measure, Erikson demonstrates that concurrent and nonconcurrent electoral results since 1902 match his presidential penalty model. Rather than dismissing the midterm effect as a mere regression to the mean in comparison to the particularly special presidential election, or detailing how the president’s performance impacts her party, the presidential penalty helps to understand why the president’s party could be punished across the board.

Electoral surprise provides another explanation for the tendency of presidential parties to perform poorly in midterm elections. Although distinct from Erikson’s presidential penalty model, the electoral surprise model relies on the idea that some voters desire balanced government, an aspect of Erikson’s model. The electoral surprise model considers a set of moderate voters that desire divided government. Having a presidency and legislature that is controlled by separate parties ensures that policies are a compromise of ideology rather than the wishes of one extreme. Voters have two opportunities to create divided government: concurrent presidential and legislative elections as well as midterm elections. In concurrent elections, moderates vote to create balance based on their guesses of who will win the presidential race. Therefore, they will vote for the opposite party that they think will win the presidential election. During midterms, voters already know who the president is, so it becomes easier to vote to create

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balanced government.\textsuperscript{49} If voters during concurrent, presidential elections knew who would win the presidency, then their vote wouldn’t change from presidential election to midterm. However, because their congressional vote may have been based on an incorrect guess of the presidential winner, they have the opportunity to change their vote during the midterm.\textsuperscript{50} This means that the more surprising an election is, the more voters will have voted based on incorrect assumptions, and the more will switch their votes during midterms.\textsuperscript{51} Therefore, if the result of a presidential election is more surprising, the presidential party can expect to lose more seats in the ensuing midterm.

Despite the importance of the electoral surprise model, electoral surprise is difficult to measure. One tempting proxy for electoral surprise would be the success of the president in the most recent election. Higher election performance is correlated with less surprising elections, but presidential performance still serves as a crude proxy for the actual electoral surprise of an election. For instance, imagine a scenario where a heavily favored candidate underperforms and barely ekes out a win. This would imply the race was very surprising, even though most voters chose their representative based on a correct assumption of who would win. Presidential performance doesn’t work as a great stand-in for electoral surprise. Even if presidential vote perfectly measured electoral surprise, presidential performance influences midterms in other ways that cloud analysis. For instance, higher presidential performance may imply legislative candidates won on the back of presidential excitement, rather than their own merit. This may signal larger midterm decline in the future. Also, El Salvador doesn’t have concurrent elections, meaning legislative election voters are fully aware of the party that controls the presidency.

\textsuperscript{49} Scheve and Tomz, “Electoral Surprise and the midterm loss in US congressional elections,” 509.
\textsuperscript{50} Scheve and Tomz, “Electoral Surprise and the midterm loss in US congressional elections,” 509-510.
The difficulty of measuring electoral surprise suggests that a more thorough methodological approach is. Scheve’s and Tomz’s research used American National Election Survey (ANES) data to measure how surprised voters were with the candidate, and how moderate those voters were. From there they could see how the partisanship and surprise from the presidential election translated to midterm vote preferences. However, there isn’t a comparable election survey that would allow for measurement of potential electoral surprise effects in El Salvador and Argentina. Because of the inability to adequately measure the extent of electoral surprise, I won’t pursue understanding of the role of electoral surprise in this essay.

Erikson’s presidential penalty model is reinforced by evidence from elections abroad. Kern, Holger and Hainmueller suggest that a desire for ideological balance in government causes governing parties to perform poorly in second-order elections. The phenomenon of the public using elections to achieve ideological balance is paralleled in Canada, where individual desires for political balance tend to tilt local election outcomes in the opposite direction of national legislative control. Reiff and Schmitt’s research supports Erikson’s claim that opposition voters are more likely to turnout by showing that in elections to the European Parliament, mobilization of opposition support is particularly high. Erikson mainly referred to the United States in his presidential penalty model of midterms. However, even outside the United States, voters use the ballot box to create balanced government and are more likely to vote when opposed to the government.

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53 Lutz Kern, Hainmueller. "Midterm loss in German elections." 147-149.
55 Reif and Schmitt, "Nine second-order national elections", 3-44.
1.6 An Update: Recent Midterm Literature

While most of the prevailing theories on midterm decline are confined to the late 20th century, midterm elections have continued as U.S. politics have changed. However, despite the changes in congressional politics over the past few decades, the explanations for midterm decline still tend to fall into the broad categories posited by Campbell, Tufte, Erikson, and Howard and Rosenthal. Yet, even if the causes of the midterm effect may have persisted, the weight of these factors, and the scale of midterm decline may be changing. As politics in the United States become more nationalized, and partisan sorting increases, the potential for seat loss for the president’s party may be changing.

Much of the recent research on the midterm effect has been post-midterm analysis, particularly after 1998 and 2002. In both midterms, the party controlling the presidency gained seats in the House of Representatives, countering the typical trend of House seat losses. Although these elections may seem contradictory to previous research on midterm decline, much of the post-election analysis focused on how they fit into existing explanations of midterm decline. In 1998, the strong economy and the backlash to the Clinton impeachment proceedings led to higher presidential approval.\(^{56}\) Therefore, although the election outcome contradicted the trend of midterm decline, the referendum model helped explain the anomalous nature. The Republican house gains in 2002 also made midterm decline seem less inevitable. However, Campbell suggested that despite the outcome, the 2002 election was typical. Bush’s 63% approval rating, resulting from 9/11, suggests that the Republican House gains can be partially attributed to the referendum model. Surge and decline can also help explain the Republican

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House gains in 2002. In 2000, Bush lost the popular vote, which limited the presidential surge that could’ve brought fellow Republicans to office and made it easier for the Republicans to improve their House standing in the 2002 midterms.

Elections since 1998 and 2002 have conformed to the tendency of midterm decline and have largely been attributed to the midterm factors outlined in the late 20th century. After two years of midterm gains by the president’s party, 2006 returned to the trend of midterm decline. Jacobson suggests Republican losses can be attributed to the referendum model, with Bush’s low approval ratings punishing his fellow Republicans.\textsuperscript{57} Four years later, the Democrats suffered at the hands of midterm decline, with Obama’s low approval inciting a Republican wave.\textsuperscript{58} Surge and decline also explains the extent of midterm decline in 2010. Campbell states that the Democratic waves of 2006 and 2008 allowed for Democrats to shore up Democratically held seats in vulnerable districts, allowing for the possibility of a strong reversion to the mean in the Republican’s favor.\textsuperscript{59} 2014 followed the same trend. Voters punished congressional Democrats for Obama’s relatively low standing, and the 2012 Democratic gains allowed for a greater possibility of mean reversion.

Other midterm research in the past twenty years has focused on a greater understanding of midterms, largely under the framework of the midterm theories posited in the late 20th century. In 2012, Folke and Snyder show state legislative elections swing in the opposite direction of the governor’s party.\textsuperscript{60} They show the state’s economic conditions and voters’ desire for

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\textsuperscript{59} Campbell, "The midterm landslide of 2010" 1-2.
\textsuperscript{60} Olle Folke and James M. Snyder, "Gubernatorial midterm slumps," \textit{American Journal of Political Science} 56, no. 4 (2012): 931.
\end{flushleft}
ideological balance explains the variance in this midterm. \(^{61}\) Erikson, who initially wrote a theory on the role of presidential penalty, used generic congressional ballot polls to see how a presidential party’s fortunes change throughout the campaign. Polls early on in the campaign show a vote seemingly absent of midterm decline, but as the campaign progresses, the presidential party’s support declines, even without declines in the economy or the president’s approval rating.\(^{62}\) Erikson suggests this campaign decline shows an inherent presidential penalty where voters are seeking to balance the presidential party to achieve policy moderation.\(^{63}\) In a further study, Erikson used an updated set of elections since his initial paper to show the dual role of surge and decline and electoral balancing. Erikson demonstrates that midterm decline is less prominent when a presidential election is a landslide and the presidential winner is highly predictable (if surge and decline effects are controlled for).\(^{64}\) This would parallel Howard and Rosenthal’s theories that uncertain presidential election voters change their votes during midterms and create midterm decline.\(^{65}\) On the whole, Erikson casts doubt on the referendum model, instead arguing surge and decline and presidential penalty play a larger role. Rudalevige uses more expansive state-level data to measure the relationship between real disposable per capita income and the share of the two-party vote cast for the incumbent’s party.\(^{66}\) He finds national-level changes in income positively linked with state-level congressional voting, but no connection between state-level income changes and state-level congressional voting.\(^{67}\) While

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\(^{65}\) Erikson, "Explaining midterm loss: The tandem effects of withdrawn coattails and balancing." 1-4.


\(^{67}\) Rudalevige, "Revisiting Midterm Loss," 33-37.
midterm research certainly extends beyond the theories posited by Tufte, Campbell, Erikson, and Howard and Rosenthal, analysis often fits in the framework of their models of midterm decline.

Other research has focused on a changing midterm effect, secondary to incumbency, a nationalized party environment, and the decline of congressional competitiveness. The first prominent analysis of potential change in midterm decline occurred after the 1998 and 2002 midterms. Campbell notes that the role of declining congressional competition has been underrated in midterms.68 As large seat changes become less common, the scale of the midterm effect will diminish and presidential parties won’t lose as many seats as they used to.69 As midterm decline swings fewer seats than in the past, it’s easier for local factors like campaigns and spending to outweigh the nationalized midterm decline.70 Lex Renda corroborates these findings, showing that midterm decline has diminished over the past century, and that a declining number of competitive districts means anti-presidential swings in votes translate into less seats.71 Renda also points to incumbency (as did Campbell), showing that as more members of congress seek reelection, and reelection becomes a safer bet of retaining office, seats won during a presidential election are more likely to be held at the midterm.72

However, even since 2002, midterm elections have changed. Jacobson, after 2014, noted that politics has recently become more nationalized, limiting the role of incumbency and the local factors that Campbell mentioned in his post 2002 analysis.73 Party’s that control an unpopular White House will be less able to escape the shadow of the president by campaigning

71 Renda, “The End of Midterm Decline,” 139-140.
72 Renda, “The End of Midterm Decline,” 139-140.
on local factors. This may imply a greater midterm effect when the president is unpopular. While the strength of midterm decline may have diminished over the past few decades, the elections since 2002 have seen unpopular presidents face significant seat loss. On the other hand, Jacobson notes that partisan sorting and an increase in straight-ticket voting has even further separated the parties’ electoral bases. These effects create fewer competitive districts and fewer potential seats to swing in a midterm election. While its possible nationalized politics means the president’s party faces longer odds in votes, continued partisan sorting might spell diminished seat losses for the president’s party. The changing political atmosphere may be creating an environment where large seat swings are less common, but more impacted by national factors, such as a voter’s referendum on the president.

The changing political environment hasn’t eliminated the fundamental causes of midterm decline. Presidential parties with low public approval and unimpressive economies still face longer odds, smaller presidential coattails lead to less sizeable midterm loss, and presidents still tend to lose seats during midterms. However, as partisan sorting becomes more pervasive and the number of competitive districts declines, vote swings may translate into less seat change. Changing congressional politics spell an altered, but fundamentally comparable midterm decline.

2. Methodology

Scholarship on midterm decline in the United States and abroad informs my strategy for determining what countries to use for comparison and how midterm decline is measured. For instance, the referendum model states that people react to the president by supporting or punishing her party during a midterm. Therefore, for midterm decline to take place, the president must wield legitimate power so that the government’s successes are connected to the president.

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The president must also be seen as a leader within her party so that voting against her party is a reaction to the president himself. So, comparison countries must have presidents that hold executive power and serve as figureheads of their party. Previous research also informs how I measure midterm decline. Most studies on midterm decline focus on how legislative elections are affected by control of the presidency. If a midterm effect exists in other countries, we’d expect to see an underperformance by the president’s party in nonconcurrent legislative elections. We’d also expect the extent of midterm decline to be dictated by the factors outlined by Campbell, Erikson, and Tufte.

2.1 Basis for Choosing Countries

In selecting comparable countries, I focus on three metrics: electoral system and schedule, the role of the president, and whether the country has free, fair, and contested elections. Although I want these to resemble the United States as closely as possible, no country has an identical electoral system, executive branch, and democracy. Variance is inevitable, but as the institutions of a country stray farther from those in the United States, the chance of inclusion decreases.

2.1.1 Electoral Systems and Schedules

In the United States, the president serves four-year terms, with federal elections occurring at the same time as the presidential elections as well as two years into each presidential term. Although it would be ideal to have all comparison countries share the electoral system and cycle, no other country shares identical institutions. Broadly, national legislative elections must occur in between each presidential election. Ideally, countries will also have elections that cooccur with the presidential elections, but this is often not the case.
In systems where legislative elections are not tied to the presidency, electoral schedules depend on differences between the term length of the president and the legislative bodies, as well as whether the president can call for an election. On the simplest side, countries with presidential and legislator terms of the same length means the timing of a midterm election occurs at the same point in a president’s term every legislative cycle. However, when the term lengths differ, or when a president can disassemble the legislature and call for a legislative election, midterms will occur at inconsistent points in a president’s tenure, and occasionally would even occur during a presidential election. This adds another variable that could complicate the consistency of the midterm effect. However, having midterm elections at different points in the president’s term allows for further analysis. This variation in timing may impact the midterm effect and should be considered. Furthermore, inconsistently staggered elections create a scenario where one legislative election occurs during the presidential race, and another occurs during the president’s term. This allows an intra-country comparison of surge and decline.

For a country to be considered, it needs midterms occurring in every presidential term. Although ideally one would occur during the presidential election and another would occur during the president’s tenure, this is a rarity. Countries that mostly have off-year federal elections will not be disqualified, but the variance in timelines, especially when presidential and legislative elections occur at the same time, must be considered and controlled for.

2.1.2 The Role of the President

The midterm effect relies on the assumption that the public perceives the president as one who wields power and plays an important role in the government. Therefore, it is important to choose presidents that control the lion’s share of executive power. As a president’s power diminishes, or even their perception of power diminishes, the public is less likely to view her
party as being the one in control, especially if a different party controls other branches of
government. Therefore, in selecting comparable countries, I favor countries without a prime
minister. In these countries, the president is seen as both the legitimate head of the government,
as well as a prominent figurehead. This also avoids cases in which the prime minister is of a
differing party, and the visible control of the government is shared by both parties. A similar
situation could arise if the party controlling the legislature is different from that of the president,
but I control for the partisan makeup of the legislative branch in my model.

2.1.3 Free and Fair Elections

The third consideration is the extent to which elections have represented the will of the
people for long enough to allow analysis. What is considered a democracy is a subjective and
ambiguous topic, but I use Freedom House’s country descriptions to greater understand a
country’s electoral freedom. However, even if countries are considered free democracies now, I
consider the country’s history to know when it became a democracy. For example, in Argentina
it has had periods of democratic elections, but they were interspersed with dictatorships until
1983, the point at which I start measuring midterm decline. A consideration of the country’s
history combined with Freedom House’s descriptions of the country’s democracy will determine
when analysis should begin.

2.1.4 Other Variables

I also consider the party environment when deciding the eligibility of a country. For a
country to be included, there must be enough parties that control of the presidency switches
between parties, but not so many that the growth and decline of parties happens too rapidly.
Having more than one party in office is essential, because it is otherwise impossible to accurately

measure the midterm effect. If the measurement of the midterm effect only occurs with one party in power, it is not clear whether those gains are because of an unbiased midterm effect, or because midterms favor one party. In the United States, the electoral makeup of midterms is whiter and older than presidential election demographics, which favors Republicans. If Democrats were the only party to control the presidency, one couldn’t tell whether parties were penalized during midterms or if Republicans just perform more favorably at midterms. In the United States, both parties have controlled the presidency, so it’s possible to see midterm decline impact both parties. Having lots of small parties also makes measurement of midterm decline difficult by adding more intervening variables. This is especially true if presidents are independents or are from a party that doesn’t have a legislative foothold. Parties must compete legitimately for both presidential and legislative control over several election cycles.

For midterm decline to be measured, there needs to be several instances of a midterm elections with variation in which party controls the presidency. This ensures that the sample size is large enough that there can be some inferences about the country’s political processes. Unfortunately, even with several elections, it is difficult to be confident about the existence of a midterm effect without more data. Although I’m doing basic quantitative analysis, the small sample sizes of elections suggest that a quantitative approach should be supplemented with a more qualitative understanding of what impacts midterm elections. It’s also possible, given the consistency in the United States, that a midterm effect could be a noticeable phenomenon with a relatively small sample size.

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76 Coleman, "The importance of being Republican," 497-519.
<table>
<thead>
<tr>
<th>Country</th>
<th>Government System</th>
<th>Time between Presidential elections</th>
<th>Time between Legislative elections</th>
<th>Election Concurrency</th>
</tr>
</thead>
<tbody>
<tr>
<td>Argentina</td>
<td>President</td>
<td>Four years</td>
<td>Two Years</td>
<td>Concurrent election every four years</td>
</tr>
<tr>
<td>El Salvador</td>
<td>President</td>
<td>Five Years</td>
<td>Three Years</td>
<td>Only one concurrent election</td>
</tr>
<tr>
<td>France</td>
<td>President and Prime Minister</td>
<td>The president and assembly are now elected at the same time every five years but used to occur at different times depending on when elections were called</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mongolia</td>
<td>President and Prime Minister</td>
<td>Four Years</td>
<td>Four Years</td>
<td>No concurrent elections. Legislative elections occur three years into every president’s term</td>
</tr>
<tr>
<td>South Korea</td>
<td>President and Prime Minister</td>
<td>Five Years</td>
<td>Four Years</td>
<td>Every twenty years a concurrent election occurs</td>
</tr>
<tr>
<td>Portugal</td>
<td>President and Prime Minister</td>
<td>Five Years</td>
<td>Mostly four years (sometimes elections are more frequent)</td>
<td>About every twenty years</td>
</tr>
<tr>
<td>Romania</td>
<td>President and Prime Minister</td>
<td>Five Years (used to be four)</td>
<td>Currently four years (used to be less consistent)</td>
<td>First five elections were concurrent, but none have been since</td>
</tr>
<tr>
<td>Benin</td>
<td>President and Prime Minister</td>
<td>Five Years</td>
<td>Four Years</td>
<td>Every twenty years</td>
</tr>
<tr>
<td>Cyprus</td>
<td>President</td>
<td>Five Years</td>
<td>Five Years</td>
<td>Never concurrent, elections occur three years into every president’s term</td>
</tr>
</tbody>
</table>
2.1.5 Argentina and El Salvador

Using these heuristics significantly limits the pool of potential countries that may experience a midterm effect. Although there are several countries that have presidents, electoral schedules that allow for midterms, and enough elections that were free and fairly competed for, few countries have a president and no prime minister (See Table 1). It’s likely that countries with a prime minister would still observe a midterm decline that is a reaction to the president; however, having another prominent government figurehead may reduce the extent to which voters use midterms to respond to the president’s party. To minimize institutional differences and simplify the analysis, I use countries that have no prime minister.

Focusing on just presidential systems without a prime minister limits the potential pool to El Salvador, Argentina, and Cyprus. The smaller population of Cyprus, the smaller sample size of elections, and the ongoing conflict between southern Cyprus and Northern Cyprus, which identifies as its own sovereign state, indicates that Cyprus isn’t as eligible for comparison. This leaves Argentina and El Salvador, two countries with presidential systems, midterm elections, a relatively simple party system, and free and fair democratic elections.

2.2 Analyzing the Midterm Effect

My analysis focuses on determining whether presidential parties are penalized during midterms and what accounts for the variance in midterm decline. First, I consider the electoral history of a party and analyze the extent to which control of the presidency hurts the party’s success. This is done by comparing midterm elections to non-midterm elections and seeing if midterm status explains differences in electoral performance. I then analyze midterms for all parties and create a model to explain electoral performance with several explanatory variables.
Using multivariate linear regression, I determine how well the variables predict midterm results, and which variables have greater impacts on midterm success than others.

2.2.1 Measuring the Existence of the Midterm Effect

My first goal is to determine the existence and strength of midterm decline. On the most basic level, I analyze the change from presidential election to midterm and see the share of the vote the presidential party retains. However, since El Salvador’s midterms are not preceded by a joint presidential-legislative election, I analyze the historical electoral success of a party and see whether the party performs worse when they control the presidency. Although this is particularly relevant to El Salvador, I use this method for Argentina and the United States as well. I consider the electoral history of political party that has competed in elections throughout the entire duration of the country’s democracy. Using a larger party has several benefits. For one, measuring unestablished parties who win small proportions of the vote means analysis is more susceptible to short term events, such as scandals or particularly charismatic politicians, because small absolute vote changes have larger proportional impacts. Larger parties also have more midterms to compare to non-midterms. Although the ratio between midterms and non-midterms might seem inconsequential, having a more even split allows for better analysis. For instance, comparing two midterms to eighteen non-midterms allows the analysis to be vulnerable to the possibility that the two midterms were anomalously good for the president’s party. Because increases of sample sizes show diminishing returns, a greater balance is preferable. Choosing an established party and measuring how its electoral success depends on its control of the presidency should reveal the possibility of a midterm effect.

To measure a possible midterm effect, I principally consider votes, rather than seats. Measuring seats is more intuitive because the number of seats a party holds matters, whereas
there isn’t an intrinsic importance in having votes that don’t translate into seats. However, using seats as the litmus test isn’t feasible because of variance in electoral systems. This variance means that seat results in one country can’t be easily compared to another country. The United States uses a plurality system of allocating seats from votes, whereas El Salvador and Argentina use proportional representation. Even within countries with proportional representation there is variance. Both El Salvador and Argentina have multi-member districts with a single non-transferable vote. However, Argentina’s party lists are closed (unlike El Salvador’s), and El Salvadorian voters can show preference for specific candidates.\(^77\) El Salvador’s Hare method overrepresents small parties and Argentina’s d’Hondt method favors large parties in their allocation of votes to seats.\(^78\) A seat represents different levels of support in different countries. To account for variation in electoral system, I measure votes. Even without the need to compare one country to another, it makes sense to use votes to more adequately measure the midterm effect. For instance, in the United States, a president could get a smaller share of the congressional vote than in a previous election, but still gain seats. To more adequately measure changes in election performance and allow for a standard way of measuring the midterm effect between countries, I focus on changes in votes. This allows my measurement heuristic to more closely match voter behavior.

To create a more accurate measurement of the midterm effect I measure the vote performance relative to other electoral performances. For instance, in the United States I measure electoral success as the vote share won as a percentage of the previous vote received. If the


Democratic party were to get 50% of the vote one election, and 45% of the vote the next election, it would mean they received 90% of their previous vote share. This makes it so that parties with different levels of political support can be compared. Otherwise, if a party were to increase their performance from 20% in one election to 40% in the next one, it would consider that performance worse than a party that had declined from 65% to 45%. Success is contextualized in reference to the party’s previous performance. Measuring performance by the percentage of total votes won, rather than raw vote totals also prevents variance in turnout from impacting results. Although turnout is significantly impacted by midterm status, I am more concerned with how the party does in relation to other parties, rather than how many fewer people turnout to vote. Measuring an election through vote percentage in reference to other elections from the same party means I can accurately measure potential changes that a midterm effect could create.

While measuring electoral performance in reference to recent election allows for greater country to country comparisons, it is less clear what elections should be the comparison point. In the United States, the midterm effect is often considered in reference to the most recent election. Because the election preceding a midterm election always coincides with a presidential election, comparison between midterm and non-midterm is simple. While possible in United States and Argentina, this isn’t feasible when the electoral schedules of the president and the legislative body are staggered. In El Salvador, the presidential elections occur every five years, while the Legislative Assembly elections occur every three years. Choosing the most recent election would sometimes mean considering a midterm in the context of a presidential election, but at other times I would be using another midterm election as comparison. Comparing a midterm election to another midterm provides no insight to differences in performance between midterms and
non-midterms. So, for El Salvador, I compare the midterm result to the most recent election of an alternative type. I compare midterm elections for a given party to elections in which that party did not control the presidency and compare non-midterms to midterms. This method allows for a simple comparison that makes clear distinctions between midterms and non-midterms.

With performance more clearly measurable I use a two-sample t-test to determine the significance of differences between midterms and non-midterms. With both of the samples (midterms and non-midterms), I focus on the mean performance, and the variance around that performance. The larger the difference between the two means, and the smaller the variance, the more likely there is a midterm effect. This is encapsulated in the p-value, which can more objectively measure the statistical significance of differences between two samples. The p-value demonstrates the likelihood of the null hypothesis, which states there’s no statistically significant difference between the samples. For instance, a p-value of 0.10 means there’s a ninety percent chance the differences in the samples haven’t occurred by chance. Although there isn’t a clear delineation of what is and isn’t statistically significant, lower p-values represent higher significance, and 0.05 is a rough and commonly used goal.

Comparing between countries is difficult because of the extent of intervening variables. This scale of midterm decline is dependent on the share of independents in a country, the normal variance from one election to another, the stability of political parties, and scores of other explanatory variables. This prohibits making blanket statements like midterms hurt the president more in El Salvador than in Argentina, if both have statistically significant impacts. The goal should be to answer whether a country sees a midterm effect, not to show that the referendum model penalizes presidential parties more in one country than another.
2.2.2 Understanding Variance in the Midterm Effect

While determining whether a country observes a midterm effect has value for its own sake, understanding the causes of the midterm effect provide further understanding. To determine the causes, I consider all midterms from any party, with the dependent variable set to the performance of the president’s party. I measure the performance by the vote percentage in comparison to the previous election. Depending on the availability of data, I consider the explanatory impact of the current congressional makeup, the economy, the president’s approval rating, the amount of time since the most recent presidential election, and the president’s share of the vote in the most recent election. The explanatory model will shed light on how predictable a midterm election is based on these variables, and what variables impact the presidential party’s success the most.

The first independent variable I consider is the share of seats the presidential party controls before a midterm. This seat control is typically inversely correlated with midterm performance when performance is measured as absolute seat changes. For countries without congressional elections coinciding with presidential ones, considering the number of seats held is important for context. Consider two parties that both have lost twenty percent of their seats. The party that previously had 80% of the legislature’s seats and lost twenty percent would see it as a reversion to the mean. A party that had 30% of the seats and lost twenty seats would instead see it as a particularly poor performance.

The next factor is the president’s share of the vote they won in their presidential election. Ordinarily this correlates inversely with midterm performance because of surge and decline. If the president does well, they bring their success to congressional races, the president’s party wins seats, and there’s more room for the party to regress in the midterm. By controlling for the
previous seats held, the president’s election day support, and not the impact of the surge, will be measured. When controlling for the seats won, the success of the current president in the most recent presidential election further predicts midterm decline. Voters who anticipate the president’s win, which may be indicated by presidential success, will preemptively vote against the president’s party in congress to balance the president’s power. Therefore, in predictable, landslide presidential elections, the coattails won’t be proportional to the scale of the president’s win. Higher presidential election success means a less competitive election, and therefore more opportunity for voters to balance the president’s power during the presidential election, rather than the midterm.

Also, although the connection between presidential election success and future approval ratings isn’t well documented, the relationship between approval ratings and presidential success at reelection is extremely close. The relationship suggests that in El Salvador, where approval ratings aren’t consistently documented, including presidential success in the midterm model may serve as a stand-in for presidential approval.

Presidential approval serves as the third variable in the midterm model. This variable fits into the referendum model of midterm decline. Unfortunately, presidential approval rating data isn’t always available and its reliance on polling means there is inherently error in the measurement. In the United States this error can be standardized by using the same public opinion poll over time. For the United States I use Gallup’s polls because they go back as far as

81 Erikson, "Congressional elections in presidential years," 552.
Harry Truman and have asked the question in the same way over time. In some countries, however, there have only recently been public approval polls, and they haven’t been asked in the same standardized way over time. Furthermore, different polls might bias the results in different ways, and unlike in the United States, where there are presidential approval polls in the week leading up to the midterm, several months or even years may separate presidential approval polls outside of the U.S. It is inherently a noisy indicator of the president’s true support. For countries that have approval polls for the majority of their elections, I measure approval as the rating that is closest to the midterm election (but before the election). For countries that don’t have enough approval polls to make meaningful inferences, I won’t add them to model. Quantitatively trying to understand the relationship between approval ratings and midterm elections wouldn’t show much insight with just a handful of elections, so I instead consider approval polls more qualitatively.

The state of the economy also matters to the referendum model. Voters view the economy as an indicator of the president’s success and will vote for or against the president’s party depending on the handling of the economy. It isn’t clear how to measure the strength of the economy. Most research on the midterm effect uses changes in real disposable income per capita rather than inflation, unemployment, or other indicators. This value is the amount of income available to households after taxes. Unfortunately, while this is tracked in the United States, it isn’t measured in El Salvador and Argentina to the same extent and for as long. I use changes in gross national income per capita (adjusted for inflation) as a stand-in. While GNI data is more readily available, and is similar to real disposable income, it is possible that different countries have different indicators that are more important. Argentina has historically struggled with

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83 Gallup, “Presidential Job Approval Center.”
skyrocketing inflation rates, so I also measure the impact inflation has on the success of a presidential party during the midterms. Although inflation is already encapsulated in Argentina’s GNI per growth rates, it’s possible the inflation rate may be more visible to voters and outweigh GNI changes.

The final variable I measure is the number of years since the presidential election. For Argentina and the United States, this is the same for every election, but for El Salvador, the elections are staggered. Research from midterm-like effects abroad suggest the longer it has been since the presidential election, the worse the president’s party will do. It’s possible that the presidential surge might continue through the time immediately following the election and slowly subside over time. Furthermore, presidential approval tends to diminish over time, so the referendum model would suggest midterms further removed from the president’s election would be worse for the president’s party. This is a relatively straightforward variable with the time measured as the amount of years rounded to the nearest half year.

Once the variable values are determined, I create a multivariate linear regression model to explain the midterm success of the president’s party. I first consider the overall $R^2$ value of the model. This details how much of the variance in midterm elections can be explained by the given variables. Higher $R^2$ values indicate more explanatory power of the midterm model and suggests the role of short-term factors and other variables is smaller. While I could add a litany of other explanatory variables to increase the $R^2$ value, I intentionally keep the set of variables minimal. I next consider how much each individual variable impacts midterm success. This helps explain whether the midterms are accounted for by one or two variables in particular, or all of the variables to some extent. This allows us to see which variables matter most in a midterm election.
These results lend themselves better to inter-country comparisons. Although I can’t meaningfully compare R^2 values, it’s likely some countries may be more explained by the midterm fundamentals than others, and that these differences are worth examining. It’s possible that in El Salvador, midterms are entirely dependent on the personalities of the congressional candidates, whereas in Argentina the fundamentals go a long way in deciding how the presidential party will do during a midterm. The impact of the individual variables also sheds light on what matters in midterms between countries. For instance, one country might have midterms that are entirely dependent on the referendum model, while another country’s midterms might not be impacted by the state of the economy or the approval of the president. Understanding which variables matter in which countries helps explain how midterm decline varies from country to country.

2.3 Models and Data

In testing how midterm status effects election outcomes, I use Welch’s two sample t-test to measure whether the difference between midterms and non-midterms is statistically significant. The dependent variable is the portion of the previous vote percentage won from the most recent election.\(^85\) I gather election data in the United States from the clerk of the House, which tracks election data from 1920 to the present.\(^86\) For El Salvador I primarily use Nohlen’s *Elections in the Americas: A Data Handbook*, but supplement it with data from El Salvador’s supreme electoral tribunal and Adam Carr’s election archives because the book was published in

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\(^85\) As mentioned earlier, for El Salvador, I will be comparing midterms to the most recent election the party did not control the presidency, rather than the previous election (which is often a midterm for the same party). This is also done in Argentina for the two occurrences where there were two midterms in each presidential term. On the other side, I non-midterm returns will be measured in relation to the most recent midterm where that party controls the presidency.

\(^86\) Clerk of the House, “*Election Statistics, 1920 to Present.*”
2005. For Argentina, I also use Nohlon’s data handbook, supplementing it with Argentina’s national electoral directorate for 2009-2017. I analyze the mean values of the midterm and non-midterm samples and the statistical significance of the differences.

For explaining the variance in midterm success, I use the linear model:

\[ Y_i = \beta_0 + \beta_1 E_i + \beta_2 A_i + \beta_3 SC_i + \beta_4 PS_i \]

Where:

\( Y_i \) = Proportion of the past popular legislative vote percentage received by the president’s party;

\( E_i \) = Changes in the state of the economy in the year leading up to the midterm election;

\( A_i \) = Approval rating of the president going into the midterm election;

\( SC_i \) = Seat control of the president’s party going into the midterm election;

\( PS_i \) = Presidential vote share won by the president in the most recent presidential election.

I particularly analyze the extent to which the individual variables have a statistically significant relationship with the vote performance and note in which direction they influence midterm outcomes. In measuring the impact of a given variable, I reduce the number of other variables in the model to see if the relationship between the dependent variable and an
independent variable remains significant with a simpler model. I also consider the $R^2$ value of the linear model, to see how much of the variance is explained by the variables included.

For the state of the economy I implement several indicators for Argentina and El Salvador, while sticking with real disposable income in the United States gathered from the Bureau of Economic Analysis. In Argentina and El Salvador I particularly focus on unemployment, changes in GNI per capita, and inflation from the St. Louis Federal Reserve (FRED), Knoema, Worldbank, YCharts, and Focus Economics. Presidential vote performance of the most recent election was gathered from Nohlen’s *Data Handbook* and Phespos’ election archives for both Argentina and El Salvador, while for the United States it was gathered from the Clerk of the House. Finally, I gathered approval ratings in the United States from Gallup, but in Argentina, they were gathered from several sources, largely the New York Times.

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90 Bureau of Economic Analysis, "Table 2.1 Personal Income and Its Disposition," Bureaus of Economic Analysis, https://www.bea.gov/iTable/iTable.cfm?reqid=19&step=2#reqid=19&step=3&isuri=1&1921=survey&1903=58.
92 Dieter Nohlen, *Elections in the Americas*.
Adam Carr, “Republic of Argentina,”
3. The United States

The United States is the first country I consider in my analysis. Its long history of
democratic elections allows for a larger sample size, while the prominent role of the president in
the government and in his party suggests voters may react to the state of the government through
the president’s party. Finally, the consistent electoral rules over the entire time span and the
straightforward setup of two consistent political parties limits the intervening variables. These
attributes warrant the United States’ inclusion, and I consider the elections from 1948 to 2018.

The results show a consistent midterm decline, with the president’s party typically winning
between 90 and 95 percent of their vote proportion from the previous election year. In terms of
explaining the variance in midterm success, my four variable model was able to explain some of
the variation in midterm outcomes but failed to show statistical significance for any of the
variables except for approval ratings. This explanatory power of approval ratings endorses the
referendum model as a primary predictor of midterm decline; however, the role of the economy
seems to be less prominent than that of presidential approval. Surge and decline effects were not

economics-into-poll-approval.html.
argentine-chief.html.
Argentine Post, "Cristina's Approval Rating Drops to 29%," The Argentine Post RSS, Accessed March 10, 2019,
Jonathan Watts, "Argentina Protests: Up to Half a Million Rally against Fernández De Kirchner," The Guardian,
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Caroline Stauffer, "Argentina's Macri Almost Certain to Run for Re-election: Adviser," Reuters. September 21,
certain-to-run-for-re-election-adviser-idUSKCN1BW35J.
Gallup, “Presidential Job Approval Center.”
statistically significant when midterm outcomes were measured via the proportion of the previous vote won. Although holding more seats led to a larger seat decline the following year it didn’t increase the proportional vote loss. Finally, Erikson’s test of analyzing the relationship between concurrent and non-concurrent election results suggests the United States experiences a presidential penalty.

The United States observes a consistent midterm decline that has seen few exceptions over the past 70 years. But, while the existence of midterm decline is clear, the midterm model failed to explain a significant amount of the variance in presidential party success at midterms and failed to clearly point to one model of midterm decline.

3.1 Justification for Inclusion

The midterm effect was first measured in the United States, and the breadth of research on the topic suggests it’s ripe for analysis. For one, the United States has a long history of free, competitive elections that allow a larger sample size of election data. Although democracy in the United States has been said to have faltered in the past several years, my use of popular vote instead of House of Representative seats or electoral college returns can ameliorate some of these challenges. Though some flaws of American democracy cannot be resolved through methodological changes, elections remain a legitimate litmus test of the will of the public. The political institutions of the United States make it an optimal case for analysis. The president is seen as the main figurehead and leader of the country and his party, allowing for the state of the government to be seen as a reflection on the president, and therefore his party. The House of Representatives is up for election every two years, meaning that elections alternate between being concurrent and nonconcurrent with presidential elections, allowing for a possible surge and decline. Finally, only two political parties have held significant power in the past century,
meaning election-to-election changes will more closely reflect a possible midterm effect, rather than the creation and rise of a new political party. Research on the midterm effect began in the United States and will be the springboard for my analysis.

3.1.1 Electoral History and Extent of Freedom

The United States is the world’s oldest existing democracy. Since the ratification of its constitution in 1788, elections to the House of Representatives have been regularly scheduled and competed for. Freedom House has considered the United States “free” for the entirety of Freedom House’s existence.\(^94\) In 2019, Freedom House gives the United States’ electoral processes a score of 10/12. The most significant problems cited were the power of the electoral college over the popular vote, Russian meddling in the 2016 election, potential coordination between Donald Trump and the Russian government, and gerrymandering.\(^95\) While these may be problematic, who becomes president has less bearing on my analysis than what happens to their party after they become president. Furthermore, I measure presidential success via the popular vote percentage received of the sitting president, rather than the electoral college. This means a president who lost the popular vote will look different from a more electorally successful president. The events of Russian meddling and potential Trump collusion may pose problems to democracy, but the scope was limited to 2016, and didn’t significantly impact 2018. Because I’m not analyzing presidential races, 2016 won’t substantively impact midterm analysis. Gerrymandering, a problem that skews the translation of votes into seats is accommodated by using popular vote changes, rather than changes in seats. I do use seats as the control metric for current legislative power, rather than votes, but this is necessary because explanations of surge

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\(^95\) Freedom House, “United States.”
and decline, exposure, and governmental balancing are based on seat control, not the most recent popular vote.

Political pluralism in the United States receives a score of 14/16, losing points due to the role of money in politics and racial discrimination in voting practices. These certainly influence the extent to which elections are a legitimate litmus test of the will of the people. However, discrimination in voting processes isn’t a new phenomenon in the United States and likely won’t obscure the validity of changes in electoral success from a presidential election to the midterm. The role of money in politics is a more recent phenomenon. However, though the rise of super PACs may influence the will of the public, it doesn’t interfere with whether the will of the people translates into votes.

A final argument for inclusion of the United States may be the breadth of research that has already analyzed the United States. The midterm effect itself was first researched and demonstrated with U.S. elections. Although the electoral processes in the United States may have weakened in the past several years, U.S. elections remain a litmus test for the will of the people.

3.1.2 The President

The United States is a presidential system, and the role of the president in the United States is significant. The president is head of state, head of government, and the commander-in-chief of military forces. The president is also in charge of the executive branch, meaning she appoints the department heads, and is in charge of executing and enforcing Congress’s laws. The president also has the power to veto laws passed by Congress, and the 2/3 requirement to overturn the veto is a significant hurdle. The president’s power makes him the most prominent

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96 Freedom House, “United States.”
figurehead of the government, and the successes and failures of the government are commonly traced back to him.

The United States president is also a figurehead within the party. They tend to have served at an elected position at the federal level before their ascension to the presidency, and once elected, become a leader within the party. Presidents tend to have high favorability within their own party, and in modern political history, no incumbent president has ever lost his parties’ nomination process. Furthermore, with the notable exception of Donald Trump, presidential candidates are typically chosen with significant influence of party insiders and leaders in what is often referred to as the “invisible primary”. The president’s closeness to his party, their high approval within the party, and the influence of party insiders in the nomination process indicate that the president is a figurehead of the party.

The president can serve a maximum of two four-year terms after electoral reforms following Franklin Roosevelt’s death. After a primary to choose the candidates from each party, the presidents compete in the general election. The United States is unique in its use of the Electoral College, which awards different states a different allocation of “points” depending on the state’s population. This system allows for the president to lose the popular vote but win the electoral college, and therefore the presidency. Because this convolutes the ability to compare one electoral success to another, I use the percent of the popular vote a candidate receives to represent the president’s success. Although most presidential elections involve just two parties, making measurement of presidential success easier, presidential elections like 1992 will underrate the president’s support because of the rise of a third party.

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3.1.3 The Legislative Branch

The United States’ legislative branch is bicameral. It has an upper house, the Senate, and a lower house, the House of Representatives. The Senate is made up of 100 seats, with every state electing two representatives to serve and represent their state for six-year terms. Because the Senate serves six-year terms, it means the political alignment of the seats up for election in the Senate are different every two years, making it difficult to measure changes from election to election. Instead the House of Representatives provides a better litmus test for potential midterm decline. There are 435 seats in the House of Representatives, with each of the seats representing somewhat equivalent population groups. Gerrymandering poses a significant problem to relying on seats as a metric for election to election changes, but I use the popular vote within the House of Representative elections to measure midterm decline.

I begin my midterm analysis with the 1948 election of Harry Truman. This date is chosen because it matches when Gallup began asking about presidential approval in a consistent way. Furthermore, with seventy years of elections, far more than the election sample sizes of Argentina and El Salvador, inferences should become apparent. I consider eighteen midterms and presidential elections by analyzing the change in the House popular vote from the presidential election to the ensuing midterm.

3.1.4 Political Parties in the United States

The party landscape of the United States is relatively straightforward and allows for a significant limitation on external intervening variables. Since the Civil War, there have been only two political parties that have wielded significant power: The Democratic Party, and the Republican Party. Presidential power tends to consistently alternate between the parties, with neither power maintaining the presidency for much more than a decade in this time span.
Although the Senate and especially the House of Representatives have gone through longer periods of control by one party, the seat makeup tends to change from election to election. Because only two parties have dominated during the duration of the analysis, the successes and failures of one party are inversely related to the other party. This limits scenarios where the growth of a third party makes a significant impact on the analysis. America’s consistent two-party system allows for clear analysis of short-term changes related to the midterm effect.

3.2 Results

Elections in the United States paint the picture of an extremely consistent disadvantage for the president’s party. In the eighteen midterm elections since 1948, the president’s party worsened their vote percentage in all but one election. On average, the president’s party won just under 93 percent of the vote percent they won the previous election. This midterm decline can be clearly seen when focusing on just one party’s success over time. When it wasn’t a midterm, Republicans won 102% of their previous seats, but only won 93% of their seats when it was a midterm. This difference was statistically significant (p = 0.000151). There is some redundancy in the measurements. Midterm decline effects both values, because some of the non-midterm elections are measured in relation to a midterm where they controlled the presidency, allowing for more opportunity for improvement. Distinguishing between presidential elections and elections where the Democrats controlled the midterm created an even clearer picture of midterm decline. For Republicans they won 110% of their previous seats when the other party controlled the presidency at a midterm, 99% during a presidential election, and 93% when controlling the presidency during midterms. While these differences aren’t huge, they are consistent and statistically significant.
The model explaining the variance in midterm success shows that many of the mechanisms of midterm decline aren’t statistically significant, and that elections are difficult to predict with a small set of fundamentals. The model, which uses presidential approval ratings, changes in real disposable income, previous seats, and presidential success, explains some of the variation in midterm success ($R^2 = .44$). Only approval rating significantly impacts midterm success ($p = 0.0416$). However, other variables work in the direction that theory would imply, even if the impact wasn’t statistically significant. For instance, positive changes in real disposable income led to higher midterm performance, while higher seat totals led to more seat loss in the ensuing election. Higher performance of the president in his most recent presidential election led to a greater loss in the ensuing midterm. Although these values weren’t statistically significant, it’s possible small methodological changes or more data would lead to statistical significance. For instance, previous analysis of midterm effects use seat change rather than vote change. Removing the variable denoting presidential success also showed a relationship between income changes and midterm outcomes that showed greater statistical significance ($p = .075$). While I’m convinced votes are a better measure of election-to-election changes, using seat change as the dependent variable showed a clearer connection between the independent and dependent variables. For instance, the influence of income changes and approval ratings on midterm decline is more significant ($p = 0.00521$ for approval ratings, and $p = 0.00671$ for income changes). However, it’s important to remember that our chosen methodological approach of considering vote changes is intentional and didn’t show the same level of impact. Midterms penalize the president’s party, but the causes aren’t clear.
Table 2: Explaining Vote Proportion Retained by President’s Party: U.S.

<table>
<thead>
<tr>
<th>Explanatory Variables</th>
<th>Coefficients</th>
<th>Standard Error</th>
<th>tStat</th>
<th>P-value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Intercept</td>
<td>0.9311707</td>
<td>0.1304494</td>
<td>7.138</td>
<td>7.61e-06 ***</td>
</tr>
<tr>
<td>Approval Rating (%)</td>
<td>0.2327198</td>
<td>0.1029645</td>
<td>2.260</td>
<td>0.0416 *</td>
</tr>
<tr>
<td>Change in Real Disposable Income (%)</td>
<td>0.0070466</td>
<td>0.0047958</td>
<td>1.469</td>
<td>0.1655</td>
</tr>
<tr>
<td>Previous Presidential Vote (%)</td>
<td>-0.2234596</td>
<td>0.1832815</td>
<td>-1.219</td>
<td>0.2444</td>
</tr>
<tr>
<td>Previous Seats</td>
<td>-0.0001436</td>
<td>0.0002947</td>
<td>-0.487</td>
<td>0.6341</td>
</tr>
</tbody>
</table>

Significance codes: 0 ‘***’ 0.001 ‘**’ 0.01 ‘*’ 0.05 ‘.’ 0.1 ‘ ’ 1

Multiple R-Squared: 0.4432, Adjusted R-squared: 0.2719
N: 18, Residual standard error: 0.03791 on 13 degrees of freedom

Table 3: Explaining Seat Proportion Retained by President’s Party: U.S.

<table>
<thead>
<tr>
<th>Explanatory Variables</th>
<th>Coefficients</th>
<th>Standard Error</th>
<th>tStat</th>
<th>P-value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Intercept</td>
<td>0.8019830</td>
<td>0.2040614</td>
<td>3.930</td>
<td>.00173 **</td>
</tr>
<tr>
<td>Approval Rating (%)</td>
<td>0.5396946</td>
<td>0.1610669</td>
<td>3.351</td>
<td>0.00521 **</td>
</tr>
<tr>
<td>Change in Real Disposable Income (%)</td>
<td>0.0241530</td>
<td>0.0075020</td>
<td>3.220</td>
<td>0.00671 **</td>
</tr>
<tr>
<td>Previous Presidential Vote (%)</td>
<td>-0.3144824</td>
<td>0.2867064</td>
<td>-1.097</td>
<td>0.29260</td>
</tr>
<tr>
<td>Previous Seats</td>
<td>-0.0004809</td>
<td>0.0004609</td>
<td>-1.043</td>
<td>0.31581</td>
</tr>
</tbody>
</table>

Significance codes: 0 ‘***’ 0.001 ‘**’ 0.01 ‘*’ 0.05 ‘.’ 0.1 ‘ ’ 1

Multiple R-Squared: 0.6734, Adjusted R-squared: 0.5729
N: 18, Residual standard error: 0.0593 on 13 degrees of freedom

Table 4: Midterm Performance vs. Non-Midterm Performance: U.S.

<table>
<thead>
<tr>
<th>Midterm Status</th>
<th>Mean Proportion of Previous Vote Percentage</th>
<th>Standard Deviation</th>
<th>Mean Proportion of Previous Seats</th>
<th>Standard Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Midterm</td>
<td>93.2</td>
<td>4.75</td>
<td>88.9</td>
<td>9.32</td>
</tr>
<tr>
<td>Non-Midterm</td>
<td>102.0</td>
<td>8.51</td>
<td>105.0</td>
<td>14.9</td>
</tr>
</tbody>
</table>
Figure 1: Midterms and Non-Midterms in the United States
As can be seen in the box plot, elections go worse for the Republican party when controlling the presidency. Although one election has resulted in a vote gain, the majority of midterm elections result in a vote loss of around five to ten percent.
In midterm elections, presidential parties tend to worsen their vote performance. Both Republicans (red with vertical stripes), and Democrats (blue with horizontal stripes) suffer when controlling the presidency.

Figure 2: Midterm Performance 1950-2018)
Figure 3: Republican Party Vote Change (Midterms Highlighted)
By looking at the electoral history of the Republican party, it becomes clear that midterms (red vertical lines) result in vote losses more consistently than non-midterms (green horizontal lines).
3.3 Analysis

3.3.1 The Effect

The history of midterms in the United States demonstrates that presidential parties are penalized during midterm elections but fails to show a clear mechanism for the effect. This lack of clarity on the causes of midterm decline is paralleled in midterm research. Throughout the late 20th century, different models of midterm decline emerged and competed to explain the phenomenon, with one paper commonly refuting the findings of another. This failure to settle on an agreed upon explanation for midterm decline demonstrates the difficulty of measuring the effect and suggests the possibility that many theories combine to explain the historical disadvantage of the president’s party.

The difficulty of settling on one explanation for midterm decline can be explained by the impact different methodologies have on the results. For instance, when I used the real disposable income changes in the two years leading up to the midterm election as my economy heuristic, no explanatory variable had a statistically significant impact on midterm outcomes. However, using the income changes in the year leading up to the midterm showed a more significant relationship. Other research by Bartels shows that growth rates in the two quarters or even few months leading up to a midterm election have an even stronger impact on voting behavior.98 Similarly, the decision to use votes as the dependent variable rather than seats limited the statistical significance of the explanatory variables. The results’ vulnerability to methodological changes illustrates that although explanations for the midterm effect may be grounded in reality, there’s enough intervening variables that understanding the weight of these explanations is difficult. The

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role of intervening variables is also explained in the low R\(^2\) value of the model (.44). Being able to only explain a relatively small share of the variance indicates that there are many variables impacting midterm success that go beyond approval ratings, the economy, and previous seat totals. The lack of statistically significant explanatory variables suggests no single model of midterm decline can be fully endorsed.

### 3.3.2 The Referendum Model

My model suggests the referendum model plays a part in midterm elections in the United States. However, while the impact of approval ratings on midterm success of the president’s party is evident, the relationship between the economy and midterm outcomes isn’t as strong. In all variations of the model I tested, approval ratings had a statistically significant (p < 0.05) correlation with midterm success. Positive changes in real disposable income are associated with higher midterm performance by the president’s party, but the relationship wasn’t particularly significant. Measuring income changes in the year leading up to the midterm election led to a more significant relationship than longer or shorter time spans. Although vote changes weren’t highly correlated with income changes, changes in real disposable income had a significant impact on midterm success when measured by seats (p = 0.00671). This helps explain why previous research, using seats as the dependent variable, shows a connection between income and midterms.

The questionable influence of the economy is corroborated by previous literature. Campbell argues that economic conditions at the time of the election have no statistically significant role in midterm elections, and when dropped from the model, have no effect on the variance explained by the model.\(^9^9\) He shows the economy impacts the president’s approval

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rating and therefore influences elections, but denies a direct correlation.\textsuperscript{100} Erikson argues that while economic conditions affect the president during his reelection bid, they don’t notably impact the president’s party during midterm.\textsuperscript{101} Though skepticism of the economy’s role in midterm elections isn’t uncommon, most argue the referendum model still explains variance in midterm decline. The connection between the economy and midterms may exist, but it isn’t clear or pronounced enough to be resistant to methodological changes.

3.3.3 Surge and Decline/Mean Reversion

Although the seat control going into a midterm had an inverse relationship with the midterm success of the president’s party, it isn’t statistically significant. Modifying the collection of independent variables for analysis had minor impacts on the relationship but not to the extent that a convincing relationship emerged. This contradicts previous research on surge and decline, which considers surge and decline a prime component of midterm decline. Much of this imbalance between previous research and my analysis lies in methodological differences. Variance in methodological approaches, specifically in the dependent variable, impact surge and decline and mean reversion models.

While previous research on midterm decline measures presidential party success through absolute changes in seats, I use proportional changes in votes. Using absolute seat changes will reflect a greater surge and decline, because with more seats, there can be greater absolute changes. Losing 20 seats is more possible when holding 280 seats than when holding 100 seats, so there should be correlation between more seat control and future seat loss. However, by using votes, I’m measuring whether controlling more seats causes a greater \textit{proportional} loss, rather than an \textit{absolute} loss. My model shows that holding more seats going into a midterm is

\textsuperscript{100} Campbell, "Explaining presidential losses in midterm congressional elections," 1148.
\textsuperscript{101} Erikson, "Economic conditions and the congressional vote" 373-399.
correlated with an increase in the number of seats that will be lost, but not an increase in proportional vote loss.

My analysis shows that beyond mean reversion, presidential parties aren’t particularly punished by holding lots of seats. Holding more seats means they can lose more seats, which mean reversion would predict. However, holding more seats doesn’t lead to a larger proportional loss, and there doesn’t seem to be a significant pushback from voters punishing parties for controlling more seats. This contradiction of former research on the midterm experience can be attributed to different ways of measuring midterm performance.

3.3.4 Presidential Penalty

Erikson’s presidential penalty model suggests that the mobilization of opposition support and the desire for governmental balance punishes presidential parties. However, because this feature is intrinsic to all midterms, it’s difficult to test for. Despite this difficulty, Erikson suggests different models of midterm decline result in different relationships between the presidential party’s congressional success during a concurrent election and two years later in a midterm. Erikson suggests relationships similar to the ones in Figure 4, where the y axis is the vote performance during the midterm, and the x axis is the performance during the previous election. Dots below the line on the chart represent situations of midterm decline where the party worsens on their previous vote performance. Mean reversion shows a largely uncorrelated relationship, and most instances of midterm decline occur when the previous vote performance is above 50% and there’s more room to revert to the mean. In the surge and decline model, midterm election performance is typically in the narrower range of 45% - 55%, but with greater variation in the presidential election due to presidential excitement. In the referendum model, there’s some correlation between presidential results and midterm results. Presidents that
Figure 4: Erikson’s Theoretical Electoral Results of Different Midterm Models
Erikson suggests that the relationship between presidential party vote during the presidential election and in the ensuing midterm can hint at the existence of different midterm models. Erikson’s presidential penalty model is one where presidential and midterm electoral performance by the president’s party are correlated, but midterm performance lags behind presidential election performance by a consistent amount.
bring congressional success to their party may be more likely to be popular presidents, and therefore perform better in the referendum model of midterms. However, this connection isn’t direct, so it’s possible for presidential parties to improve on their midterm performance, particularly if their previous performance wasn’t too high. Erikson’s presidential penalty model shows high correlation between presidential success and the ensuing midterm success, but with midterm elections consistently a few percentage points lower.

**Figure 5: Presidential Party Performance in Concurrent and Non-Concurrent Elections**

The electoral results of presidential parties in the election before and during a midterm closely matches Erikson’s presidential penalty scenario, where election outcomes are correlated, but midterms are several percentage points worse.
Erikson analyzed election data from 1946-1986 to show that his presidential penalty model more closely resembles historical election data than the other models. Adding the past thirty years of elections shows a relationship that even more closely resembles Erikson’s presidential penalty model (Figure 5). There’s close correlation between a presidential party’s congressional vote during presidential elections and during midterms, but the midterm performance is consistently several percentage points worse than that of the presidential race. In the other three midterm models, midterm decline occurs when the performance during the presidential race is lower. However, Erikson’s model suggests that low presidential performance will be followed by even lower performance during the midterms. Though the graph matches Erikson’s theoretical relationship of the presidential penalty model, it shouldn’t diminish the role of other models or confirm the existence of an inevitable presidential penalty. Instead, it suggests that midterms punish presidential parties a consistent amount, even when their performance during the presidential election was poor.

3.4 United States and its Midterms

Though the United States may have a larger sample size of democratic elections than El Salvador and Argentina, a relatively straightforward party system, and a breadth of research, explanations for the midterm effect still seem somewhat indeterminate. While my model and analysis may show the existence of a midterm effect, there remains ambiguity over the extent to which different variables impact the variance in midterm performance. The approval rating aspect of the referendum model works well even as the role of the economy is less significant. While higher seat control during a presidential election is typically associated with larger seat loss during a midterm, the proportional performance of parties isn’t significantly correlated with previous seat totals. Though Erikson’s model of a theoretical presidential penalty closely
matches the past seventy years of elections, it’s hard to measure an inevitable phenomenon that can’t be rigorously tested. The lack of certainty is paralleled in the academic literature on the midterm effect, which fails to agree on the role different models have in explaining midterm success. This is partially due to the role methodology has in shaping results. Modifying the set of independent variables or varying how the dependent variable is measured can impact which variables are significant. Rather than one model that explains midterm decline, it’s likely the models combine to explain the regularity of midterm decline. Midterm decline is apparent, but there remains uncertainty over the role different midterm models play in midterm decline.

4. Argentina

I next consider Argentina. Its election schedule and governmental system most closely resembles that of the United States, with presidential elections occurring every four years, and congressional elections occurring every two years. The president also has a prominent role, and although there have been three parties to control the presidency, parties have stayed relatively consistent from election to election. These attributes warrant Argentina’s inclusion, and I consider nine pairs of elections beginning in 1983.

The results show a midterm decline that is as consistent as that of the United States but leads to a larger loss of the presidential party’s vote. In the United States, the presidential party typically loses 5-10% of their previous vote, whereas in Argentina the mean is around 20%. In terms of explaining the variance in midterm success, my four variable model was able to explain a significant amount of the variation in midterm outcomes, showing statistical significance for two of the variables and nearing significance on the other two. The referendum model operates similarly to in the United States, with approval ratings being more explanatory than the economy – although both variables are more significant in Argentina than in the United States. Surge and
decline highly predicts the proportion of the vote retained from one election to the next. Holding more seats led to a higher number of seats lost in the subsequent election and a higher proportional vote loss. Finally, Erikson’s test for presidential penalty doesn’t match the election results in Argentina in the way it does in the United States. Argentina observes a midterm decline that significantly hurts presidential parties, and the variance in this midterm decline can largely be accounted for by the four fundamental variables.

4.1 Justification for Inclusion

Argentina’s electoral system, government, party landscape, and history of democracy all strengthen its case as a viable comparison country to the United States. After attempts to democratize the nation were largely disrupted by military coups throughout the 20th century, Argentina reestablished a democracy in 1983 that has persevered. Like the United States, Argentina’s president wields full control over the executive branch, and is seen as the leader of the party both symbolically and within party structures. Argentina’s House of Representatives, or Chamber of Deputies, largely mirrors the United States House, with elections occurring every two years, halfway through the president’s terms. The election to this chamber will serve as the measurement for the midterm effect. While the electoral schedules and systems have changed in the past several decades, they have remained comparable to the United States, with the biggest difference being proportionally allocated seats versus plurality-based single member districts. Still, by looking at raw vote totals rather than seat makeup, I can compare the two. Finally, as in the United States, two parties have largely competed for control, with parties mostly remaining consistent from election to election. The exception is the years 2003 and 2005 which will be excluded from the analysis because of difficulties in measuring the midterm effect. Given
Argentina’s eligibility as a viable comparison, I consider nine election pairs from 1983 until 2017.

4.1.1 Electoral History and extent of freedom.

Since independence in 1816, Argentina has alternated between periods of civil unrest and legitimate democracy. The most recent of these regimes of democracy was founded by the populist Juan Peron. After World War II, Argentina elected Peron, who led until a military coup overthrew him in 1955. After almost two decades of exile, he was reelected in 1973 where he maintained the presidency for a year until he died. Three years later, another military coup overthrew Isabel Peron, his wife, who had assumed power in his absence. At this point, the continuous tug of war between democratically elected leaders and military coups culminated in what is known as the Dirty War.

The new military regime, “The Junta”, under General Jorge Rafael Videla waged a war against subversion, silencing left-wing guerilla activity, non-violent leftist activists, and their sympathizers. The government carried out wide-spread killings, tortures, and disappearances, sporadic kidnappings of leftist sympathizers. Although the dirty war began as a publicly supported war against leftist terrorist movements, as violence increased and more Argentines were victim of the government’s transgressions, the public turned on the government. With the public growing increasingly opposed to the government, mostly to its human rights violations, the Junta declared war against Britain. The goal was to win control of the Falklands, and

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diminish public criticism through a successful war.\textsuperscript{109} The war achieved the opposite result, with Britain defeating Argentina and capturing almost ten thousand prisoners of war.\textsuperscript{110} With public opposition to the Junta’s Dirty War reinforced by the failure in the Falklands, the military regime lifted their prohibition on political parties, and ceded power to the democratically elected Raul Alfonsín. In 1983, modern Argentine democracy began.

From 1983 onwards, while democracy has seen flaws, elections represent the will of the people. In the 1980s and 1990s, the most significant enemy of democracy was the military and their ability to overthrow civilian authorities. Alfonsín spent the beginning of his term bringing the militarists to justice.\textsuperscript{111} He created a commission to investigate the disappearances, called for trial procedures for military leaders, and proposed bills modifying reforms to military justice procedures.\textsuperscript{112} The opposition Justicialist party believed he did not do enough to punish the military, but Alfonsín’s reluctance was intentional as to not provoke another coup. During the late 1980s and early 1990s, there were four military revolts that attempted to overthrow the government, the most significant of these an attempt following economic problems in 1990.\textsuperscript{113} The elected government survived the coups, and since then the military has held back.

The past few decades have demonstrated that Argentina’s elections represent the people’s voice. Argentina’s weakest point democratically occurred in 2001, when the president Fernando de La Rúa resigned, and was replaced by an unelected provincial governor, because the vice president had also resigned.\textsuperscript{114} This provincial governor then resigned, and was replaced by a

\textsuperscript{112} Jelin, “The politics of memory,” 47.
\textsuperscript{113} Lansford, \textit{Political Handbook of the World 2015}.
president from the opposition party.\textsuperscript{115} However, the 2003 presidential elections were fiercely
competed, with the sitting president opting to not run for election.\textsuperscript{116} However, for party
dynamics related reasons, I do not use the 2003 and 2005 elections anyways. On the whole,
outside of minor stumbles in regard to the military and the unelected presidents of 2001-2003,
Argentina’s elections generally reflect public opinion.

While Freedom House notes that Argentina is not a flawless democracy, the country’s
biggest problems, corruption and drug-related violence, do not significantly impact elections.\textsuperscript{117}
Argentina’s drug related violence and collusion between drug ring leaders and police officers
poses a threat to the integrity of police officers more so than politicians.\textsuperscript{118} And, while corruption
scandals are common to elected representatives, the corruption typically revolves around money
laundering and other financial rule breaking, not election rigging.\textsuperscript{119} Although these issues
certainly pose problems to Argentina, they don’t directly influence the health of the electoral
system. Freedom house considers Argentina’s electoral system close to perfect, receiving a score
of 11/12. The most notable electoral problems Freedom House cites are inconsistent enforcement
of electoral and campaign finance laws, which shouldn’t interfere too much with whether
elections serve as a mandate of the public.\textsuperscript{120} Furthermore, the political pluralism in Argentina is
encouraging, receiving a score of 14/16, with several parties competing outside the influence of

\textsuperscript{115} Larry Rother, “Man in the News; Peronist for the Present; Eduardo Alberto Duhalde,” The New York Times,
\textsuperscript{116} Lansford, \textit{Political Handbook of the World 2015}.
\textsuperscript{117} Freedom House, “Argentina,” Freedom in the World 2018, accessed March 10, 2019,
\textsuperscript{118} Freedom House, “Argentina.”
\textsuperscript{119} Freedom House, “Argentina.”
\textsuperscript{120} Freedom House, “Argentina.”
the military or foreign powers. On the whole, Freedom House considers Argentina a “vibrant representative democracy, with competitive elections and lively public debate.”

4.1.2 The President

The role of the president in Argentina is as powerful as in the United States, and, if anything, more powerful. As commander-in-chief, head of state, and head of government, the president exclusively exercises power of the executive branch, and has the power to appoint the cabinet, propose bills straight to congress, declare a state of emergency or war, and can even suspend the constitution. Because the president wields a vast array of institutional resources, the legislative branch tends to take a subordinate role, helping the president largely get what they want. The party in control of the presidency has largely controlled the House of Representatives too, further limiting the opposition faced by the president. This power suggests that the president serves as a prominent figurehead of the government and that the failures and successes of the government can be in part attributed to her. The president has been closely tied to her party, with the party leader largely being the nominee for the president. This was most clearly seen in the early 2000s when the leadership struggle within the Justicialist Party took place in the presidential race. The party could not decide who the party leader would be, so three separate members of the Justicialist party all ran in the presidential election. The extensive power of the president combined with the president’s role as the leader of the party indicates Argentina’s elections could experience a midterm effect.

121 Freedom House, “Argentina.”
122 Freedom House, “Argentina.”
123 Lansford, Political Handbook of the World 2015.
125 Lansford, Political Handbook of the World 2015.
126 Lansford, Political Handbook of the World 2015.
127 Lansford, Political Handbook of the World 2015.
The president can serve two four-year terms after electoral reforms in 1994 reduced the term length from six years. These presidential elections include two rounds. The first round determines which candidates will be on the second, head-to-head, round. However, if the candidate receives over forty-five percent of the vote, or over forty percent with a ten percent margin, they can be elected in the first round. When considering the president’s electoral success as an explanatory variable, I measure the success in the first-round results. Otherwise, I would favor presidents that did poorly in the first round and then only had to face one opponent in the second round. Rather than having each province be worth a certain number of electoral votes, Argentina is treated as a single large district, with the popular vote winner always becoming the president. This means the president will always reflect the plurality of voting Argentines.

4.1.3 The Legislative Branch

Argentina’s Legislative branch is bicameral, and largely resembles that of the United States. The upper house, the Senate, is made up of 72 senators, three from each of the twenty-four districts. The lower house, the Chamber of Deputies, is comprised of 257 seats from all 24 districts, with the population size determining the number of seats from each district. The role of the House and the Senate are largely comparable to the United States, with both chambers playing a role in shaping laws, impacting federal revenue policies, ratifying international treaties, and serving as a check on the president and their cabinet. However, the comparative power of

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131 There are technically only 23 districts, but the federal district of Buenos Aires counts as its own district in the Senate. Prior to 1994 electoral reforms, only two members from each district were elected to the Senate, leading to a Senate size of 48.
the president has largely meant that the legislative branch has more limited power than the president.\textsuperscript{134} However, in role and makeup, Argentina’s legislative branch mirrors that of the United States.

The representatives in the Chamber of Deputies serve four-year terms, with half of the Chamber up for election every two years.\textsuperscript{135} The Senate terms are identical to the U.S. with Senators serving three-year terms, with one third up for reelection every two years.\textsuperscript{136} In elections to the Chamber of Deputies, the representatives are chosen proportionally, based on the D’Hondt method.\textsuperscript{137} The Senate seat allocation serves as a poorer representation of votes, with the plurality vote winners receiving two seats, and the next largest party receiving one.\textsuperscript{138} This indicates that because of its larger sample size, more frequent elections, and proportional representation, the Chamber of Deputies will be a better indicator of midterm effects than the Senate.

Since 1983, there have been eight presidential elections and eighteen legislative elections. Although this number of elections should provide enough data, changing electoral rules have made analysis slightly more difficult. At the beginning of Argentina’s democracy, presidents served six-year terms.\textsuperscript{139} After reforms in 1994, the president’s term was shortened to 4 years.\textsuperscript{140} This complicates analysis of the midterm effect. For several years there were two midterms during every president’s term. Fortunately, these shouldn’t get in the way of measuring the existence of a midterm effect. For the years with two midterm elections, I measure them both as

\textsuperscript{134} Morgenstern and Nacif, Legislative politics in latin america, 24.
\textsuperscript{135} Lansford, Political Handbook of the World 2015.
\textsuperscript{136} Lansford, Political Handbook of the World 2015.
\textsuperscript{138} Sawe, “What Type Of Government Does Argentina Have?”
\textsuperscript{140} Lansford, Political Handbook of the World 2015.
a distinct data point, comparing the midterm election to the most recent presidential election. Having only half of the Chamber of Deputies up for election is a larger problem. For instance, in the United States it is difficult to compare one Senate election to the next because the party alignment of one election could be different from the next because the states up for election are different. Therefore, it is difficult to measure one Senate election in comparison to the previous one. Fortunately, around 130 seats are contested every election from 24 multi-member proportionally chosen districts. This means that since every district is up for election, the district results should be comparable year to year, meaning the national results can be compared as well. I treat this period of alternating representative elections as being identical to the United States. Despite electoral reform and difficulties with the Chamber of Deputies, Argentina’s electoral schedules provide a clear comparison to the United States.

4.1.4 Political Parties in Argentina

The party landscape of Argentina is relatively straightforward. Two large parties historically dominate: the Justicialist Party and the Radical Civic Union. The most prominent of these is the Justicialist party, which is a catch-all party borne out of the nationalist movement led by former president Juan Perón. The size has allowed the party to subvert a single ideology, remaining largely in the center or center left on most issues. However, it has faced frequent intra-party conflict and cleavages, leading to factionalization and sub-parties. This was most notable in the early 2000s, when the party couldn’t agree on a single Justicialist presidential candidate, so three ran in the 2003 election. Although Menem, a former president of

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142 Lansford, Political Handbook of the World 2015.
143 Lansford, Political Handbook of the World 2015.
144 Lansford, Political Handbook of the World 2015.
Argentina, won the first round, he withdrew from the runoff, aware that he would lose to the other Justicialist member, Néstor Kirchner.\textsuperscript{146} After the 2003 election, the party split into two large factions, the Victory Front, and the Federal Peronist front, which competed in the 2005 and 2007 elections.\textsuperscript{147} This complicates the midterm effect. For one, voters can simultaneously vote for and against the party controlling the presidency by choosing specific factions of the president’s party. Because the separations between parties are ambiguous, determining what is a vote for or against the president’s party becomes challenging. The control of the government also isn’t clearly controlled by one cohesive party. This makes it difficult to measure whether voters are reacting to the president or their party. The questionable Democracy of Argentina during the early 2000s adds to the difficulty of untangling the taxonomy of political parties. Through this period, Argentina was rated only partially free due to increased corruption and the absence of an elected president.\textsuperscript{148} Because of these difficulties, I won’t use the election data from the 2003 and 2005 elections, resuming my analysis in the 2007 general elections. Since then the party has largely consolidated. The Justicialist party has dominated five out of the eight presidential elections, winning races in 1989, 1995, 2003, 2007, and 2011.

The other significant party in Argentina’s history is the Radical Civic Union, a moderate left party that first controlled the government in 1983, after Argentina’s transition to its current democracy.\textsuperscript{149} Despite maintaining power at the beginning of Argentina’s democracy, they have progressively lost their power and representation within the legislature and the presidency. Recently they have had to form alliances with other opposition parties, or offshoots of the

\textsuperscript{146} Lansford, \textit{Political Handbook of the World 2015}.
\textsuperscript{147} Lansford, \textit{Political Handbook of the World 2015}.
\textsuperscript{148} Freedom House, “Argentina.”
\textsuperscript{149} Lansford, \textit{Political Handbook of the World 2015}. 
Justicealist party to remain relevant. The most recent, and successful of these alliances occurred in the 2015 election, when businessman Mauricio Macri combined the center-right Republican Proposal party, the RCU, and the Civic Coalition party into the Cambiemos (“Let’s Change”) party. This opposition coalition narrowly won the presidential race in 2015, and went on to command a legislative majority in the 2017 midterms. Still, the Radical Civic Union’s role in the Cambiemos party is likely subservient to the larger coalition member, the Republican Proposal party. Counting the Cambiemos party as an extension of the RCU, the RCU has won the elections of 1983, 1999, and 2015, and is currently in power. The alternation in power of the Justicealist party and RCU provide a good comparison to the United States. Having two stable parties makes it easy to measure the short-term changes that result from the midterm effect without fundamental structural changes in party landscape intervening in the results.

I consider Argentina’s elections from 1983 to 2017 (with 2003-2005 excluded) to see if midterm decline takes place. The country’s legitimacy of democracy in the period combined with an electoral schedule that closely parallels that of the United States suggests that midterm decline may be observable.

4.2 Results

Midterm elections in Argentina go poorly for the party controlling the presidency. In the nine midterm elections since 1983, the president’s party lost seats in all but one of them. On average the president’s party won just under 82 percent of the vote percent they won the previous

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152 Inter-Parliamentary Union, “ARGENTINA Cámara de Diputados (Chamber of Deputies).”
election. In explaining the variance in the Justicialist Party’s success,\(^{155}\) the party won just under 80 percent of their previous vote percent during a midterm and won over 112 percent of their previous vote percentage when it was not a midterm election. Despite the small sample sizes of elections, the differences between midterm and non-midterm elections were statistically significant (p-value = 0.00234).

In considering explanatory variables for the variance in midterm success I consider all midterm elections, not just those of the Justicialist Party. I created two main models to explain the presidential party’s performance in the midterms. The first uses changes in Gross National Income (GNI) per capita in the year leading up to the midterm election. This was chosen because while real disposable income isn’t tracked, GNI serves as a stand-in for economic wellbeing. The next model uses the unemployment rate, to create a more personal indicator of the economy. I used inflation as an independent variable, but there was no correlation between inflation rates and midterm outcomes.

The Gross National Income per capita model explained the variance in the data relatively well, with an \(R^2\) value of just below 0.92. In this model, both approval ratings and previous seat control were statistically significant (p = 0.016 and p = 0.0077, respectively). While previous presidential vote was almost a significant predictor of midterm success (p = 0.13), GNI per capita growth had no notable impact (p = 0.38). It’s worth noting that, unlike in the United States, higher presidential performance was associated with improved midterm performance.

The unemployment-based model explained the variance in the data more closely, with an \(R^2\) value of 0.94 and more significance in three of the four individual variables. Approval ratings

\(^{155}\) The Justicialist Party is chosen because there’s a more even distribution between non midterm elections and midterm elections with the party controlling the presidency, than for other parties. This makes it easier to test for statistical differences in outcomes, because of more similar sample sizes.
and previous seat control were more significant (p = 0.00859 and p = 0.00266, respectively) than in the previous model. While the relationship between unemployment and midterm outcomes wasn’t statistically significant, (p = 0.12) the relationship was more significant than with gross national income. Modifying the economic variable slightly reduced the significance of the presidential vote’s impact on midterm fortunes of the president’s party (p = 0.18). On the whole, the unemployment-based model explained more of the variation and showed greater statistical significance for the individual variables.
### Table 5: Explaining Seat Proportion Retained by President’s Party (Unemployment %): Argentina

<table>
<thead>
<tr>
<th>Explanatory Variables</th>
<th>Coefficients</th>
<th>Standard Error</th>
<th>tStat</th>
<th>P-value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Intercept</td>
<td>142.4751</td>
<td>49.6505</td>
<td>2.870</td>
<td>0.04549 *</td>
</tr>
<tr>
<td>Approval Rating (%)</td>
<td>0.5210</td>
<td>0.1083</td>
<td>4.810</td>
<td>0.00859 **</td>
</tr>
<tr>
<td>Unemployment (%)</td>
<td>-1.0325</td>
<td>0.5341</td>
<td>-1.933</td>
<td>0.12535</td>
</tr>
<tr>
<td>Previous Presidential Vote (%)</td>
<td>1.4992</td>
<td>0.9304</td>
<td>1.611</td>
<td>0.18241</td>
</tr>
<tr>
<td>Previous Seat Control</td>
<td>-3.2172</td>
<td>0.4839</td>
<td>-6.648</td>
<td>0.00266 **</td>
</tr>
</tbody>
</table>

Significance codes: 0 ‘***’ 0.001 ‘**’ 0.01 ‘*’ 0.05 ‘.’ 0.1 ‘ ’ 1
Multiple R-squared: 0.9477, Adjusted R-squared: 0.8953
N: 9, Residual standard error: 6.515 on 4 degrees of freedom

### Table 6: Explaining Seat Proportion Retained by President’s Party (Change in GNI per Capita): Argentina

<table>
<thead>
<tr>
<th>Explanatory Variables</th>
<th>Coefficients</th>
<th>Standard Error</th>
<th>tStat</th>
<th>P-value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Intercept</td>
<td>91.8701</td>
<td>53.0970</td>
<td>1.730</td>
<td>0.15864</td>
</tr>
<tr>
<td>Approval Rating (%)</td>
<td>0.5415</td>
<td>0.1343</td>
<td>4.031</td>
<td>0.01571 *</td>
</tr>
<tr>
<td>Change in GNI per capita (%)</td>
<td>0.4566</td>
<td>0.4678</td>
<td>0.976</td>
<td>0.38430</td>
</tr>
<tr>
<td>Previous Presidential Vote (%)</td>
<td>2.0939</td>
<td>1.0860</td>
<td>1.928</td>
<td>0.12609</td>
</tr>
<tr>
<td>Previous Seat Control</td>
<td>-3.0069</td>
<td>0.6053</td>
<td>-4.967</td>
<td>0.00767 **</td>
</tr>
</tbody>
</table>

Significance codes: 0 ‘***’ 0.001 ‘**’ 0.01 ‘*’ 0.05 ‘.’ 0.1 ‘ ’ 1
Multiple R-squared: 0.9182, Adjusted R-squared: 0.8365
N: 9, Residual standard error: 8.143 on 4 degrees of freedom

### Table 7: Midterm Performance vs. Non-Midterm Performance: Argentina

<table>
<thead>
<tr>
<th>Midterm Status</th>
<th>Mean Proportion of Previous Vote Percentage</th>
<th>Standard Deviation</th>
<th>Mean Proportion of Previous Seats</th>
<th>Standard Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Midterm</td>
<td>78.0</td>
<td>14.1</td>
<td>80.0</td>
<td>14.2</td>
</tr>
<tr>
<td>Non-Midterm</td>
<td>113.0</td>
<td>24.9</td>
<td>108.0</td>
<td>27.9</td>
</tr>
</tbody>
</table>
Figure 6: Midterms and Non-Midterms in Argentina
As can be seen in the box plot, elections go worse for the Justicialist party when controlling the presidency. The majority of midterm elections result in a vote loss of around fifteen to thirty percent.
In midterm elections, presidential parties tend to worsen their vote performance. Both the Radical Civic Union (red with vertical stripes), and the Justicialist Party (blue with horizontal stripes) suffer when controlling the presidency. The Cambiemos party (yellow with diagonal lines) didn’t lose votes during their one midterm.
Figure 8: Justicialist Party Vote Change (Midterms Highlighted)
By looking at the electoral history of the Justicialist party, it becomes clear that midterms (red vertical lines) result in vote losses more consistently than non-midterms (blue horizontal lines).
4.3 Analysis

4.3.1 The Effect

Presidential parties are penalized in midterm elections in Argentina, winning on average less than 82 percent of their previous vote. This is significantly less than the 93 percent of votes typically retained in the United States. Although this doesn’t mean causes of midterm decline matter more than in the U.S.A., it does show a significant historical disadvantage of holding the presidency during a midterm. These midterm dips have recently been sizeable. While throughout the 1980s and 90s, presidential parties could expect to hold 80-90 percent of their most recent vote percentage, since 2000, there have been a few instances of presidential parties losing close to half of their previous congressional vote during a midterm. The consistency of the effect combined with the magnitude suggests that presidential parties fare no better in Argentina than they do in the United States.

A significant Argentine exception to midterm decline occurred in 2017, when the formation and growth of a party created a midterm vote gain. In 2015 Maúrcio Macri was elected from the Cambiemos party to the presidency. In 2015, a set of conservative coalitions decided to merge into the Cambiemos party in the presidential election to increase their electability.156 In the legislative elections the parties remained separate, despite being under the larger Cambiemos label. This unconsolidated and unestablished nature of the Cambiemos party led to a minimal presidential surge and a weak performance by the president’s party. In previous presidential elections, the president’s congressional party won between 43 and 55 percent of the vote in the Chamber of Deputies elections. However, the Cambiemos party won only 35 percent of the vote.

in 2015. This lack of a presidential surge meant that mean reversion would increase the presidential party’s standing in another election, not decrease it. The new party further consolidated from 2015-2017 and was able to improve upon their 2015 performance in 2017, largely thanks to the limited presidential surge in 2015. The foundation and success of the Cambiemos party shows the role of surge and decline and highlights the complication of measuring midterm effects with the sudden growth of a party.

4.3.2 The Referendum Model

Argentine midterm elections conform to the referendum model relatively well. As in the United States, approval ratings have greater explanatory power than the state of the economy. Modifications to the number of variables, and which economic indicator I use impacts the significance of the relationship between midterms and approval, but not to the extent that approval ratings lose their significance ($p < 0.05$). Regardless of which economic indicator is used, no significant relationship between the economy and midterm elections emerges. That said, unemployment explains the variance in midterm decline better than unemployment, while inflation shows little correlation at all with midterm outcomes. This seems to mirror the phenomenon in the United States. While approval ratings seem closely tied to the presidential performance during midterms, the economy seems to have only a tenuous relationship to midterm performance.

When anecdotally considering specific elections, the referendum model seems to do a decent job of explaining outcomes, but it’s likely that the saliency of the economy varies from election to election. In the leadup to the 1987 midterm elections, Argentina faced particularly
high inflation rates and president Alfonsin’s approval rating dropped to 25%.\footnote{157} Alfonsin’s Radical Civic Union (RCU) party went on to lose their majority, winning only 80% of their 1983 vote. Another example is the 2001 election, during the Argentine Great Depression. Unemployment was north of 15 percent, the Argentine economy was on its way to becoming the largest national economy to default, and president de la Rúa’s approval rating was in the single digits.\footnote{158} The 2001 legislative elections were such a repudiation of de la Rúa’s party that the RCU lost half of the votes they won at the most recent election, and in several districts “None of the Above” beat out de la Rua on the ballot.\footnote{159} Despite the lack of statistical significance, the economy has impacted the fortunes of presidential parties during midterms.

While the economy matters in Argentina, presidential parties have escaped poor midterm performance despite a weak economy. In 1985, the GNI per capita shrunk by six percent and inflation was at 600%, yet Raul Alfonsin’s party nearly retained its entire vote percentage from two years before.\footnote{160} Several years later, in 1993 unemployment was at 16.8, close to the levels seen in the Argentine great depression. Yet, Menem’s party went on to win almost 95% of his vote from 1989 and improve upon his 1991 performance when unemployment was a mere six percent. The economy matters, but the extent of intervening variables and issues of salience to voters obscures any one-to-one relationship between the economy and midterm performance.

\section*{4.3.3 Surge and Decline/Mean Reversion}

\footnote{158} Clifford Krauss, “Economy's Dive Dazes Once Giddy Argentina.”  
\footnote{160} FRED, “Inflation, consumer prices for Argentina.”.
The previous joint presidential-congressional election influences the share of vote that is retained in the next election. Unsurprisingly, as a presidential candidate carries more of her party companions to victory in congressional elections, it becomes harder to sustain the performance for another year. Elections in Argentina also support the theory that midterms are low variance baseline elections that contrast with the higher variance presidential election. The standard deviation of Justicialist party vote was 7.2 percent during a presidential election, but only 3.6 percent during a midterm election. The prominent role of the president in Argentina also may intensify surge and decline. Argentine presidents wield significantly more power, relative to the legislature, than in the United States.\footnote{Harry E. Vanden and Gary Prevost, \textit{Politics of Latin America: the Power Game}, New York: Oxford University Press, 2006, 212.} In Cataife’s model of vote choice in Argentina, he stated, “In general, midterm elections in Argentina are unimportant.”\footnote{Guido Cataife, "An Integrated Model of Vote Choice in Argentina, 2009," \textit{Latin American Politics and Society} 53, no. 3 (2011): 115-140.} While I’d disagree with his negative perspective on midterms, the importance and power of the presidency in Argentina corroborates the idea that presidential elections are high stimulus environments that benefit the president’s party, but midterm elections are low-variance elections with consistent vote shares.

This can also be seen in a more qualitative case-by-case lens through a few Argentine elections. For instance, in 2011 Cristina Kirchner’s Justicialist party won over half the vote, securing 60 percent of the seats, a larger majority than any party in Argentina’s history. However, this success failed to strike twice, and her party only won around 60 percent of their most recent vote. The inverse case is particularly useful when considering the 2017 midterm, the only midterm in Argentina’s democratic history where the sitting party gained seats. The election was famous for the impressive upset victory of Mauricio Macri and his Cambiemos party. However, the party itself failed to achieve significant success, winning only 36 percent of the
assembly’s seats. This underperformance means an improvement in the midterm was easier, and despite relatively high inflation and low GNI growth, Macri’s party was able to improve on their 2015 performance.

4.3.4 Presidential Penalty

Employing Erikson’s methodology for testing presidential penalty in Argentina shows no strong evidence for a consistent presidential penalty (Figure 9). Midterm elections aren’t correlated with their previous presidential counterparts (in fact there was a slight, insignificant, negative correlation). Furthermore, there is significant variation in midterm decline and little

![Figure 9: Presidential Party Performance in Concurrent and Non-Concurrent Elections](image)

The electoral results of presidential parties in the election before and after a midterm don’t match Erikson’s presidential penalty scenario. Vote percentage during and after a presidential election aren’t positively correlated.
evidence that presidents are being punished a consistent amount. This doesn’t mean presidential parties don’t face inherent penalties during midterms, but rather that the scale of the presidential penalty is more limited in comparison to the scale of normal variation in midterms.

4.3.5 *Argentina and its Midterms*

Despite Argentina’s smaller sample size of democratic elections, a clear midterm effect emerges. Presidential parties are consistently punished during midterm elections and tend to lose a notable share of their previous vote percentage. The strength of the referendum model looks promising, with approval ratings highly correlated with midterm outcomes despite the economy having less of an impact. Previous seat control is particularly telling in indicating midterm decline. Higher seat control leads to more absolute seat loss, and also significantly reduces the percentage of the vote the presidential party maintains. Erikson’s method of testing for a presidential penalty doesn’t reinforce the idea that there is a standard punishment that presidential parties face when controlling the presidency. On the whole, the model was able to predict a significant amount of the variance in midterm outcomes, implying that election results may be more dictated by these fundamentals than other short-term factors.

5. *El Salvador*

Beginning around the same time as Argentina’s democracy, El Salvador’s government has a similar presidential system, set of legislative bodies, and set of political parties. The most significant difference is the electoral schedule. Unlike in the United States and El Salvador, presidential and legislative elections occur non-concurrently. This means no potential for surge and decline in their midterms. It also complicates measuring a midterm election, because comparing a midterm to the most recent election won’t necessarily be a concurrent election. Instead, I compare midterm elections to the most recent election where the current presidential
party didn’t control the presidency. El Salvador’s governmental and electoral system warrants its inclusion, while the staggered election schedule offers an opportunity to observe a midterm effect without surge and decline.

The scale of midterm decline in El Salvador is similar to that of Argentina, with presidential parties typically losing 20 percent of their most recent non-midterm vote. My four-variable model, which uses time elapsed since the most recent presidential election instead of approval, explains a significant portion of the variation in midterm decline. The referendum model fits midterm outcomes, with both unemployment and the presidential approval stand-in model highly correlated with midterm decline. Previous seat control also predicts the proportion of the vote retained from one election to the next. Like in Argentina, holding more seats led to a higher number of seats lost in the subsequent election and a higher proportional vote loss. El Salvador’s midterms don’t proceed congressional elections during a presidential race, but higher seat control of the president’s party leads to greater vote loss in the subsequent election. Finally, Erikson’s test for presidential penalty doesn’t match the election results in El Salvador, like it does for the United States. El Salvador observes a consistent and strong midterm decline, and the variance in this decline can largely be accounted for by the model.

5.1 Justification for Inclusion

El Salvador’s electoral system, government, and party landscape all suggest the country could have a measurable midterm effect. The country’s turbulent history in the 1980s complicates measurement of the midterm effect, but not to the extent that I discard the elections. In 1984, during a civil war, El Salvador established what is now its current democracy. While the government’s prohibition of the leftist FMLN party overshadowed the beginning of this democracy, the public legitimately decided elections. Since then, El Salvador’s democracy has
improved, and despite problems with gang violence, their elections are largely considered free and fair. El Salvador’s president wields full control over the executive branch, serves as a figurehead for his party, and is elected to five-year terms. El Salvador’s Legislative Assembly is a unicameral body elected to three-year terms. This chamber serves as the litmus test for midterm decline. The largest difference between El Salvador and the United States is the electoral schedule. Legislative elections don’t coincide with presidential elections. This eliminates, or at least diminishes, the possibility of a surge and decline effect. However, this allows for analysis of the midterm effect without the presidential surge and could highlight the impact of other explanations for midterm decline. El Salvador’s party landscape is comprised of two extremist parties that have historically competed for control, and a handful of smaller, more moderate parties. Given El Salvador’s encouraging case for comparison, I consider twelve legislative elections from 1985 until 2018.

5.1.1 Electoral History and Extent of Freedom

Democracies, oligarchies, and military rule have all cooccurred in El Salvador’s history. El Salvador declared independence from Spain in 1821, but struggled with Mexico to gain sovereignty until 1838.163 Throughout the rest of the 1800s, the ruling class of “coffee elite” frequently revised the constitution to bolster their own stability.164 El Salvador’s constitution granted universal male suffrage and free elections from the late 1800s to 1931, but the elections were devoid of political significance, as competition was limited to the coffee oligarchs who had amassed power from the growing coffee market.165 After the election of a leftist president in 1931, a military coup overthrew the government and instituted authoritarian rule.166 Although

164 Nohlen, Elections in the Americas.
165 Nohlen, Elections in the Americas.
166 Nohlen, Elections in the Americas.
this period included several elections, the military supervised them, and they were partially
competitive at best.\textsuperscript{167} However, throughout the 50s to 70s, political parties formed and a divide
between right of center pro-state parties, and leftist opposition parties emerged.\textsuperscript{168} As the
opposition parties grew and began seriously competing in elections, the government and the
corresponding political parties began repressing the left.\textsuperscript{169} El Salvador grew increasingly
polarized between state and revolutionary movements, until in the tension climaxed in 1979 and
the military overthrew the government to stop the otherwise inevitable revolution.\textsuperscript{170} In
retaliation to the coup, the revolutionary opposition parties consolidated into the Front for
National Liberation, or FMLN, and incited a decade long civil war.\textsuperscript{171}

Despite the violence of the civil war, El Salvador democratized during the 1980s. In
1984, a constituent assembly of five political parties crafted a new constitution that established a
presidential system and a unicameral parliament.\textsuperscript{172} The constitution also outlined the legislative
and presidential electoral schedules that have continued to today.\textsuperscript{173} Eight candidates participated
in the ensuing presidential election, with José Napoleón Duarte of the center-left Christian
Democratic Party narrowly winning.\textsuperscript{174} Although the competitiveness and success for the PDC was
a promising sign of democracy, the far left FMLN party refused to run candidates, and likely
would have been prohibited anyways.\textsuperscript{175} Their refusal to run candidates didn’t end until 1992,
when the civil war entered into a permanent cease-fire.\textsuperscript{176} Until this point, elections were largely

\textsuperscript{167} Nohlen, \textit{Elections in the Americas}.
\textsuperscript{168} Nohlen, \textit{Elections in the Americas}.
\textsuperscript{169} Nohlen, \textit{Elections in the Americas}.
\textsuperscript{170} Nohlen, \textit{Elections in the Americas}.
\textsuperscript{171} Nohlen, \textit{Elections in the Americas}.
\textsuperscript{172} Nohlen, \textit{Elections in the Americas}.
\textsuperscript{173} Lansford, \textit{Political Handbook of the World 2015}.
\textsuperscript{174} Lansford, \textit{Political Handbook of the World 2015}.
\textsuperscript{175} Lansford, \textit{Political Handbook of the World 2015}.
\textsuperscript{176} Lansford, \textit{Political Handbook of the World 2015}.
contested by the Christian Democratic Party, the extremist right wing ARENA party, and the former government party of national conciliation (PCN). After 1992, all leftist parties freely competed, including the FMLN, who won pluralities in the legislative assembly within a decade, and later went on to win presidential races.

The largest question in determining the extent of El Salvador’s democracy is whether to include the elections from 1984 to 1992. This period includes the presidential elections of 1984 and 1989, and the legislative elections of 1985, 1988, and 1991. Adding these elections allows for a larger sample size and adds an additional change in presidential power between one party and another. However, if they don’t fairly represent the public, they would only add misleading, incorrect data.

The government intimidation of the FMLN and other leftist parties created a limited spectrum of political choice. Furthermore, voting was compulsory in El Salvador at the time, which could have helped the governmental PCN party. However, the PCN never won the presidency or a plurality of the legislative assembly, and the fine for not voting was rarely, if ever, evoked. While the limit of a political spectrum certainly is problematic, El Salvador’s remaining parties competed enthusiastically and the electoral structures limited corruption and fraud. No single party maintained control of either the legislative assembly or the presidency for the eight years from 1984 to 1992. In the 1984 presidential elections, the far-right ARENA party and the left-leaning PDC party fought violently in the newspapers to degrade each other, and generally showed no signs of collusion. This suggests that while the government excluded

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177 Nohlen, Elections in the Americas.
180 Lansford, Political Handbook of the World 2015.
the FMLN, the changes in support of the remaining three parties represent changes in the will of the people. Furthermore, El Salvador’s election commission went to great lengths to ensure access to the ballot box without opening doors for double voting and other fraudulent behavior.\textsuperscript{182} Chitnes suggests the administration of the electoral process went well considering the difficulties of hosting elections during a civil war.\textsuperscript{183} Even with one fewer political party, gains and losses in the party controlling the presidency still occur, they just help other opposition parties rather than the FMLN. Because of the nature of my analysis, the inter-party competition between the PCN, PDC, and ARENA parties, and the respectable nature of El Salvador’s electoral processes, I begin my analysis with the presidential election of 1984, and the midterm election of 1985.

Though I include elections throughout the 1980s, I must consider the extent to which El Salvador’s elections were free and fair since then. Since the 1992 peace processes, the ARENA and FMLN have become the two largest parties, alternating control of the legislature and presidency.\textsuperscript{184} Since Freedom House began measuring global political freedom, El Salvador has been considered free.\textsuperscript{185} Freedom house states that El Salvador’s elections are “generally credible and free”.\textsuperscript{186} The most significant problem to El Salvador’s democracy is criminal gang activity. Gang violence is commonplace in El Salvador, and occasionally escalates to threats and violence towards those in government.\textsuperscript{187} While certainly problematic for the public’s freedom from war and violence, the gang violence remains mostly isolated from El Salvador’s electoral processes. Freedom house considers El Salvador’s electoral system close to perfect, receiving a score of

\textsuperscript{182} Chitnis, "Observing El Salvador: the 1984 elections," 963-980.
\textsuperscript{183} Chitnis, "Observing El Salvador: the 1984 elections," 963-980.
\textsuperscript{184} Chitnis, "Observing El Salvador: the 1984 elections," 963-980.
\textsuperscript{186} Freedom House, "El Salvador."
\textsuperscript{187} Freedom House, "El Salvador."
11/12. Although the 2014 presidential election was labeled as fraudulent by losing parties, and there were allegations of vote buying by the opposing ARENA party, international observers considered the elections credible. Furthermore, the political pluralism in El Salvador is encouraging, receiving a score of 14/16, with several parties competing outside the influence of the military or foreign powers. However, once again, the impact of gang related problems is worrying. Political parties often ask permission from gangs to operate in areas, and have reportedly asked gangs to deliver votes of citizens living within the gang’s grasp. While certainly serious problems, the scale has remained minimal, and electoral frameworks have prevented outside influences from impacting who votes for what party. While potentially not as democratically strong as Argentina, El Salvador’s elections are free and credible.

5.1.2 Government and Electoral System in El Salvador

El Salvador is a presidential system. The president leads the country’s military, oversees and steers foreign relations, and works with the assembly to pass legislation. Although the president has less veto power than Argentina and cannot propose laws directly to the legislature like in Argentina, they have significant power through the Council of Ministers. The president chooses the Council of Ministers, who oversee parts of the government, propose laws to the assembly, and help create the annual budget. The party leader has largely been the presidential nominee, with most parties’ presidential nominees rising from the party establishment. For the FMLN, most of the presidential candidates were either avid party members or former leaders of the associated guerilla movement. The ARENA presidential candidates have been leaders

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188 Freedom House, "El Salvador."
189 Freedom House, "El Salvador."
190 Freedom House, "El Salvador."
191 Freedom House, "El Salvador."
192 Freedom House, "El Salvador."
194 Lansford, Political Handbook of the World 2015.
within the legislative assembly for the most part, and therefore have strong ties to the party.\textsuperscript{195} The nationalized nature of politics in El Salvador also suggests the president represents their party. Jones and Mainwaring note that El Salvador’s politics are particularly nationalized, with the issues relevant on a national scale identical to the prominent issues on a local scale.\textsuperscript{196} This means political issues are dictated by those at the top of the party, in this case, the presidential candidate.\textsuperscript{197} Because of the prominent role of the president and their ties to the party, El Salvador’s presidents are seen as the leader of both the government and their party.

The president and vice president serve five-year terms but are prohibited from seeking two consecutive terms. The presidential race has no electoral college, so the president must win a majority of the popular vote to move on. This creates two rounds of elections. If, in the first round, a candidate receives over fifty percent of the vote, they are elected. Otherwise, there is a runoff a month later between the top two candidates. For measurement, I use the first election round in measuring the president’s electoral success. This allows comparison of all elections, and prevents presidents going through a runoff from benefitting from a race with fewer competitors.

5.1.3 The Legislative Branch

Legislative power in El Salvador is held by a legislative assembly of eighty-four members.\textsuperscript{198} Unlike Argentina and the United States, there is only one branch. The assembly mirrors the role of the legislature in the United States, and has the power to decree taxes, ratify treaties, help create the annual budget with the Minister of the Treasury, and pass laws.\textsuperscript{199} In

\begin{footnotesize}
\begin{enumerate}
\item An exception was Mauricio Funes, a famous media personality who became president in 2009. His moderate policies and cabinet choices stoked a divide between the moderate and hard-liner members of the party. Funes also didn’t go to party conventions, unlike previous and successive nominees. \textsuperscript{195}Lansford, \textit{Political Handbook of the World} 2015.
\item Mark P. Jones, and Scott Mainwaring, "The nationalization of parties and party systems: an empirical measure and an application to the Americas," \textit{Party politics} 9, no. 2 (2003): 139-166.
\item Jones and Mainwaring, "The nationalization of parties and party systems."
\item Lansford, \textit{Political Handbook of the World} 2015.
\item El Salvador Const. Chapter 2, Article 150-65.
\end{enumerate}
\end{footnotesize}
comparision to Argentina, the legislature wields slightly more power relative to the president. When measuring the midterm effect, I focus on this legislative assembly and the presidential party’s vote share within it.

The legislative branch provides slight electoral complications. The parliament serves three-year terms and is elected in multi-member constituencies according to the proportional representation Hare quota. The Hare method operates differently from the D’Hondt method, favoring small parties and incentivizing parties to split into smaller sub-parties because of electoral benefit. Fortunately, since each voter only votes for one party, I can use the raw vote totals as the measurement of midterm success, rather than seat allocation. During 1991 electoral revisions, the size of the legislature increased, and about a fourth of the seats were reserved for national representatives elected nationally by proportional representation. This could slightly interfere with comparisons between elections before and after the revision. Voters might change their vote knowing that the vote will favor the party on both the district and national level. However, this effect is likely to be small because voters for a party generally want those party members elected as district representatives, and also as national representatives. Given the minimal effect and that this only interferes with one election, I ignore the electoral revision.

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The Hare quota is a system of transferring vote distributions to seat divisions. This is done by determining the quota, which is the total votes divided by the total seats. Each voter has a single vote for a party (in El Salvador), and a party’s seat total will be their total number of votes divided by the total number of seats. Once seats have been allocated this way, the remaining seats are allocated to the parties that came closest to reaching the quota. For instance, imagine a scenario where there are four seats and twelve votes, seven for ARENA, three for FMLN, and two for PCN. The Hare quota would be three seats. Two seats would go to ARENA because they meet the quota twice (6 / 3 = 2), and one seat would go to FMLN because they meet the quota once. The remaining seat would then go to PCN because they have more remaining votes (2) then the ARENA party (1).

201 Nohlen, *Elections in the Americas.*
5.1.4 Political Parties

The largest El Salvadorian party is the Nationalist Republican Alliance, or ARENA. They are an extremist right-wing party, and serve as the primary competitors with the leftist FMLN party. They controlled the presidency from 1989 to 2009, and have largely maintained either majorities or pluralities within the National Assembly. With the growth of the FMLN, the ARENA party has formed coalitions with the PCN party to maintain control of the legislature. Still, their historic and current success suggests I should use them as the measurement party for understanding the extent of the midterm effect. The ARENA party has won four presidential elections in 1989, 1994, 1999, and 2004.

The main opposition party is the Farabundo Martí National Liberation Front, or FMLN. They were barred from elections in the first several years in El Salvador but have since become the main competitor with ARENA. The leftist party has historically been comprised of several smaller parties ranging from communist to more moderate left-of-center parties. Because of this coalition characteristic, there were frequent party divisions in the late 80s and early 90s concerning how far to the left the party should be. While small divisions still happen, the FMLN has since consolidated and performed better, controlling the presidency from 2009 to 2019. Although the FMLN has maintained the plurality of seats on several occasions, the ARENA party forms coalitions with the PDC and PCN parties to prevent FMLN control. The exception was in 2011 when a faction of the ARENA party split off and formed their own party

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204 Lansford, Political Handbook of the World 2015.
205 Lansford, Political Handbook of the World 2015.
207 Lansford, Political Handbook of the World 2015.
(GANA), aiding the FMLN in control of the legislature until the 2012 elections. The FMLN has won the presidency in 2009 and 2014.

The next two largest parties historically are the Christian Democratic Party (PDC) and the National Conciliation Party (PCN). These have existed since electoral reforms in 1984, and have occupied the center of El Salvador’s political spectrum. The PDC lies to the left of the PCN, and more frequently works with the FMLN in the legislature. In the 1980s, the PDC was the leftmost party, because the FMLN was barred from political participation. This helped the PDC electorally as they were able to consolidate the left leaning vote. In the past two decades, the PDC and PCN have lost much of the power they held in the 80s and 90s and tend to form coalitions with each other and with the GANA party to remain relevant. Although the PDC won the presidency in 1984, they have failed to be competitive in presidential races since, and have resorted to working in tandem with the larger ARENA and FMLN parties.

El Salvador’s electoral parties have remained consistent from year to year, making it easier to compare midterm elections to previous elections. While the PDC and PCN have substantially hemorrhaged support, the decline was gradual and won’t interfere with measurement. Furthermore, while there have been inner conflicts within the party, the conflicts haven’t been so large as to discount any elections, like in the case of Argentina. El Salvador’s relatively straightforward party landscape makes it easy to measure the impact of the midterm effect.

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208 Lansford, Political Handbook of the World 2015.
210 Lansford, Political Handbook of the World 2015.
211 Lansford, Political Handbook of the World 2015.
5.2 Results

El Salvadorian presidential parties face long odds during midterm elections. When compared to the most recent non-midterm, midterms result in the presidential party winning only 80 percent of their most recent vote percentage. This midterm decline becomes more obvious when focusing on the history of the ARENA party. The ARENA party won 82 percent of their previous vote percentage in a midterm when comparing it to the most recent non-midterm. With non-midterms, or midterms of the opposing party, the ARENA party won 104 percent of their most recent midterm vote. This indicates that when comparing an election to the most recent election of the alternative type, midterms have a substantial effect. This was echoed in the two-sample t-test which showed the difference as being very significant (p = 0.000191).

Midterm election results are highly predictable with the explanatory variables, and all variables showed a statistically significant impact. The model was able to explain almost all of the variation in midterm success, with the model’s R-Squared value being 0.95. Furthermore, all variables tested showed a similar compelling level of statistical significance. Previous presidential vote, changes in GNI per capita, and previous seats held were all significant (p = 0.037, 0.023, 0.043) and operationalized in the same way as in Argentina. Finally, I tested how the length of time since the most recent presidential election would impact the midterm success of the president’s party. Although the p value was just over 0.05, there was an inverse relationship between the years since the most recent presidential election occurred and the presidential party’s performance in the midterm. El Salvador’s elections were largely predictable using these four variables, with all of the variables significantly determining midterm success.
### Table 8: Explaining Seat Proportion Retained by President’s Party (Unemployment %): El Salvador

<table>
<thead>
<tr>
<th>Explanatory Variables</th>
<th>Coefficients</th>
<th>Standard Error</th>
<th>tStat</th>
<th>P-value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Intercept</td>
<td>55.5301</td>
<td>36.6944</td>
<td>1.513</td>
<td>0.1906</td>
</tr>
<tr>
<td>Time Elapsed (Years)</td>
<td>-4.0301</td>
<td>1.5841</td>
<td>-2.544</td>
<td>0.0516</td>
</tr>
<tr>
<td>Unemployment (%)</td>
<td>1.8939</td>
<td>0.5920</td>
<td>3.199</td>
<td>0.0240  *</td>
</tr>
<tr>
<td>Previous Presidential Vote (%)</td>
<td>1.5536</td>
<td>0.5599</td>
<td>2.775</td>
<td>0.0391  *</td>
</tr>
<tr>
<td>Previous Seat Control</td>
<td>-0.8511</td>
<td>0.3119</td>
<td>-2.729</td>
<td>0.0413  *</td>
</tr>
</tbody>
</table>

Significance codes: 0 ‘***’ 0.001 ‘**’ 0.01 ‘*’ 0.05 ‘.’ 0.1 ‘ ’ 1
Multiple R-squared: 0.9506, Adjusted R-squared: 0.911
N: 10, Residual standard error: 5.175 on 5 degrees of freedom

### Table 9: Explaining Seat Proportion Retained by President’s Party (Presidential Approval Proxy): El Salvador

<table>
<thead>
<tr>
<th>Explanatory Variables</th>
<th>Coefficients</th>
<th>Standard Error</th>
<th>tStat</th>
<th>P-value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Intercept</td>
<td>-36.379</td>
<td>32.956</td>
<td>-1.104</td>
<td>0.30615</td>
</tr>
<tr>
<td>Time Elapsed (Years)</td>
<td>-6.872</td>
<td>2.060</td>
<td>-3.335</td>
<td>0.00246 *</td>
</tr>
<tr>
<td>Previous Presidential Vote (%)</td>
<td>2.839</td>
<td>0.616</td>
<td>4.609</td>
<td>0.01250 **</td>
</tr>
</tbody>
</table>

Significance codes: 0 ‘***’ 0.001 ‘**’ 0.01 ‘*’ 0.05 ‘.’ 0.1 ‘ ’ 1
Multiple R-squared: 0.8369, Adjusted R-squared: 0.7903
N: 10, Residual standard error: 7.944 on 7 degrees of freedom

### Table 10: Midterm Performance vs. Non-Midterm Performance: El Salvador

<table>
<thead>
<tr>
<th>Midterm Status</th>
<th>Mean Proportion of Previous Vote Percentage</th>
<th>Standard Deviation</th>
<th>Mean Proportion of Previous Seats</th>
<th>Standard Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Midterm</td>
<td>82.5</td>
<td>7.45</td>
<td>79.1</td>
<td>8.50</td>
</tr>
<tr>
<td>Non-Midterm</td>
<td>104.0</td>
<td>3.02</td>
<td>130.0</td>
<td>27.9</td>
</tr>
</tbody>
</table>
Figure 10: Midterms and Non-Midterms in El Salvador
As can be seen in the box plot, elections go worse for the ARENA party when controlling the presidency. The majority of midterm elections result in a vote loss of around ten to twenty-five percent.
Figure 11: Midterm Performance (1991-2018)
In midterm elections, presidential parties tend to worsen their vote performance. Both the FMLN party (red with vertical stripes), and the ARENA Party (blue with horizontal stripes) suffer when controlling the presidency.
Figure 12: ARENA Party Vote Change (Midterms Highlighted)
By looking at the electoral history of the ARENA party, it becomes clear that midterms (red vertical lines) result in vote losses more consistently than non-midterms (blue horizontal lines).
5.3 The Analysis

5.3.1 The Effect

Parties are penalized during midterms when controlling the presidency. On first glance, it may not seem that midterms go particularly bad for the party controlling the presidency. For instance, in 2006, the ARENA party improved on their 2003 performance by 20 percent, while in both 2000 and 2015, the presidential party maintained their vote percentage and even improved slightly. However, these instances were improvements on previous midterms, not improvements from a time when a different party controlled the presidency. When comparing midterms to non-midterms, and non-midterms to midterms, there hasn’t been a single midterm election that has resulted in a higher vote percentage than the most recent non-midterm. Furthermore, this midterm decline is significant, with the presidential party typically only winning around eighty percent of their vote when they didn’t control the presidency.

There’s an important caveat to the findings. While comparing midterms to non-midterms and vice-versa allows for greater analysis of the differences between the two, the lack of transfer of power in El Salvador means that there are limited comparison points. When analyzing ARENA’s electoral history, I consider eleven elections. While this is already a small sample size, to compare midterms to non-midterms and vice-versa, I compare these eleven elections to only three different elections. 1991 is being compared to 1988, when the PDC controlled the presidency, 1997, 2000, 2003, 2006, and 2009 are being compared to 1994, a concurrent legislative and presidential election, and 2012, 2015, 2018 are being compared to 2009, before presidential control switched from ARENA to FMLN (See Figure 13).
El Salvador’s election schedule and dearth of presidential party switches limits the number of elections used for comparison. Arrows point to the election that is being compared to. For instance, the 1991 election is being compared to the 1988 election.
It’s possible that these three elections were anomalously impressive for the party that went on to control the presidency, making it easier for there to be midterm decline in the future. Still, given that none of the midterms matched the performance of the most recent non-midterm, it’s likely the consistently poor performance can’t be traced to bad luck. Still, with a new party winning the presidency in 2019, (GANA), it will be valuable to see how their party fares when controlling the presidency, adding another switch of power.

5.3.2 Referendum Model

Despite El Salvador’s lack of consistently measured presidential approval ratings, the determinants of midterm success imply a relationship between governmental performance and how the president’s party is treated during midterms. The first aspect of this is the economy. When measured by changes in per capita gross national income, the economy showed a notable connection to midterm success, with higher changes in GNI per capita correlated with better midterm performance. It’s important to note that other economic variables, such as inflation and unemployment, didn’t show the same level of correlation. Still, there was a significant relationship between changes in per capital GNI even with modifications to the set of independent variables. For instance, when removing one of the three other variables, the significance of GNI changes improved (p < 0.01).

Although approval rating wasn’t tracked throughout El Salvador’s democratic history, and isn’t involved in the model, it’s possible that presidential performance in the most recent election could serve as a stand-in for the variable. Obviously, there isn’t a one to one relationship, because presidential approval tends to decline after the presidential election. However, election margins of a presidential election offered a valuable, if flawed, heuristic of the president’s approval. Given this assumption, the positive relationship between a president’s vote
at election day and their party’s performance in future midterm elections suggests that more popular presidents will be rewarded with larger legislative backing.

This possibility is strengthened by the relationship between the elapsed time from a presidential election and midterm results. As the president’s tenure increases, their party tends to suffer in legislative elections. This is consistent with the general decline of presidential approval throughout a president’s term. In the United States and beyond, presidential approval tends to begin high in an initial honeymoon period, and then decline throughout the president’s term, barring any notable events or actions. The correlation between time elapsed since a presidential election and midterm success reinforces the idea that the president’s popularity impacts midterms.

If this were true, one would expect time elapsed and presidential vote combined to be highly correlated with midterm results. Because presidential vote may serve as a proxy for initial approval ratings, and the time elapsed serves as a stand-in for potential declines, the two variables together should predict midterm elections fairly well. Although removing changes in GNI per capita and previous seats limits the amount of variance explained, the model still serves as a solid predictor. This model (Table 9) has an $R^2$ value of 0.84 – not far from the 0.94 of the full model – and both presidential performance and time elapsed have a significant relationship with midterm success ($p = 0.0025$ and $p = 0.013$, respectively). This combination of variables serves as a better indicator than any other combination of two variables, and also suggests that presidential approval could be related to future success of the president’s party. This connection combined with the significance of GNI per capita in predicting midterm success suggests that the referendum model holds particularly true in El Salvador.
Although approval ratings weren’t measured consistently enough through El Salvador’s entire political history, they were tracked in the leadup to the 2018 midterms. Four years into his presidential term, Sánchez Cerén had an approval rating of only 27%, with 71% of Salvadorians disapproving of his performance.212 This also marks the lowest recorded approval of any president in the last thirty years.213 A few weeks later, Cerén’s FMLN party went on to win less than 60 percent of their vote percentage from the most recent non-midterm election, the largest midterm loss in El Salvador’s history. The lowest approval leading to the most significant midterm loss strengthens the idea that presidential approval matters in El Salvador’s midterm. Post-election analysis focused on how the midterm loss represented the public’s response to Cerén’s poor handling of crime and inability to invigorate the economy.214 The low approval rating value also provides face validity to my method of approximating approval rating using presidential approval and the time elapsed since inauguration. Cerén won only 48.9 percent of the vote during his presidential run, the second lowest of any president in El Salvador’s history, and there had been four years that had elapsed since his inauguration, a combination of variables that indicate a low approval rating. Although this is only one data point, it validates the idea of a referendum model and supports my method for approximating approval ratings.

5.3.3 Mean Reversion and Surge and Decline

Although El Salvador doesn’t have a consistent surge and decline effect, the country isn’t shielded from the statistical rule of mean reversion. The number of seats a party controls has an

inverse correlation with their midterm performance. This shouldn’t be surprising. As a party controls more seats, it means they performed better in the most recent election, and therefore it’s more difficult to perform highly in comparison to that.

The existence of a midterm penalty in El Salvador despite the lack of concurrent legislative and presidential elections suggests that midterm loss goes beyond just surge and decline, at least in El Salvador. There’s been times in El Salvador’s history that there have been a presidential and legislative election in the same year: 1994, and 2009. In 1994 these elections occurred at the same time, but in 2009 they occurred several months apart, meaning the legislative election wasn’t concurrent. When Armando Calderón Sol won the presidency in 1994, his party also won 45 percent of the vote, the second highest vote percentage obtained by his party before or since.\(^{215}\) In the following years that his ARENA party controlled the presidency, the average proportion of previous vote received was 80.5%. Although this is certainly a decline, it’s not notably worse than the average midterm decline (80.6%), or worse than elections that followed a midterm of the other party, rather than a presidential race (80.7%). Although the sample sizes are extremely small, midterm decline in El Salvador isn’t caused exclusively by a surge and decline following the 1994 presidential elections.

While this doesn’t serve as evidence against the presence of surge and decline, it shows that midterm decline can occur even in electoral systems with nonconcurrent elections. Although surge and decline may strengthen the amplitude of midterm decline, there are other factors, at least in El Salvador, that create midterm decline.

\(^{215}\) The first being in a midterm in 1988, when the PDC controlled the presidency.
Figure 14: Presidential Party Performance in Concurrent and Non-Concurrent Elections

The electoral results of presidential parties in the election before and after a midterm don’t match Erikson’s presidential penalty scenario. Vote percentage during and after a presidential election aren’t significantly positively correlated and midterm vote variance is large.
5.3.4 Presidential Penalty

It’s difficult to show that presidential penalty impacts elections in El Salvador. It’s possible to apply Erikson’s strategy of testing for a possible presidential penalty by plotting the relationship between the congressional vote before and after a midterm. His model would suggest that the vote percentages are highly correlated, but the midterm performance of a party is a consistent amount worse because of this presidential penalty. Although midterms are worse than the previous non-midterm election (i.e. midterm decline exists), the drop in performance isn’t consistent, and there’s little correlation between previous election vote percentage and midterm vote percentage. While it’s impossible to reject Erikson’s claim of a presidential penalty, it isn’t obvious that it takes place in El Salvador.

5.3.5 El Salvador and its Midterms

El Salvador’s midterms are both extremely consistent and highly predicted by unemployment, time elapsed since the most recent presidential election, previous seat control, and previous presidential performance. The referendum model particularly fits elections El Salvador. Unlike Argentina and the United States, the economy, measured by unemployment, has a statistically significant relationship with midterm decline. Furthermore, the presidential approval model, which uses presidential performance and time elapsed since the most recent election as a proxy for poll-based-approval, correlates closely with midterm outcomes. The existence of a strong midterm effect despite the lack of a surge and decline in El Salvador suggests that surge and decline isn’t a prerequisite for midterm effects. Still, previous seat control did have a significant impact on the vote percentage retained. Finally, Erikson’s test of presidential penalty didn’t show the existence of presidential penalty.
6. Discussion

6.1 The Referendum Model

The referendum model most closely explains variance in midterm. In all three countries, the economy and approval ratings indicate a closer relationship with midterms than seat control or presidential success. While the existence of a referendum model has long been documented in the United States, voters in Latin America also use elections to respond to the president’s handling of government. Domínguez states that Latin American voters tend to support the president’s party when economic conditions are good during his presidency and punish him when they are bad.216

Although both the economy and approval ratings explained midterm outcomes, approval ratings had a more significant relationship. In the countries where the economy and approval ratings were measured (United States and Argentina), approval ratings had a more statistically significant impact on midterm decline than the economy. Approval ratings weren’t included in the midterm model for El Salvador. However, presidential vote percentage and the time elapsed since the presidential election, which served as a proxy for presidential approval, were highly explanatory of midterm success. The two variable model explained almost as much of the variation as the full four-variable model. This suggests that even though the economy had a significant impact on midterm results, approval may matter more to Salvadorian midterms.

It’s possible the economy influences midterms in a less direct way by impacting approval ratings and therefore indirectly impacting midterms. This helps explain why the economy may have less of an impact on midterm results than approval ratings. If the economy in a given year is salient to voters, then it impacts the approval rating of the president. Although the economy that

year might be correlated with the midterm outcome, the influenced approval rating shows that
same correlation. However, when the economy is less salient, income changes won’t impact
approval ratings or the midterm, but the correlation between midterms and the economy will still
be reduced. Because approval ratings are based on the public’s perception of what matters, they
can better track public opinion than economic indicators that may not be as visible to voters.

If the lack of correlation between the economy and midterm success was obscured by
approval ratings, one would assume that removing approval ratings from the models would allow
the economic indicators to shine. However, in all three countries, removing approval ratings led
to a less significant relationship between the economy and midterm outcomes, rather than a more
significant one (in El Salvador, this was done by removing the presidential vote and the time
elapsed). There also wasn’t a particularly significant relationship between the economy and
approval ratings, contradicting the notion that the economy is influencing elections via
presidential approval. While the relationship between economic outcomes and approval ratings
has been documented, it didn’t cloud the correlation between economic indicators and midterm

The lack of a clear relationship between the economy and midterm elections could also
be attributed to a difficulty in using the right indicators to measure the economy. In El Salvador
and Argentina, I tested the role of GNI, unemployment, and inflation in predicting midterms.
Although some economic indicators showed greater statistical significance than others, choices
of how the indicator is measured matters as much as the choice of the indicator itself. Decisions
on intervals of measurement and whether the absolute level should be used in lieu of a relative
level impact the results. For instance, although two indicators could both measure unemployment, one might measure changes in the two years leading up to the midterm while another might measure the absolute unemployment rate the day of the election. These methodological modifications influence the relationship between the economy and midterms. The inconsistency of showing a relationship between the economy and midterm outcomes highlights the difficulty of measuring the economy and suggests that the tie between the economy and midterms isn’t particularly strong.

6.2 Surge and Decline and Mean Reversion

Surge and decline and mean reversion influence midterm results. There’s a significant inverse relationship between the previous legislative performance going into a midterm, and the comparative performance of the midterm. This is to be expected, given that the phenomenon of mean reversion is a statistical phenomenon that takes place regardless of institutional differences. For example, receiving a 94% on a test means it’s harder to improve on a subsequent test than if one had scored an 80%. Similarly, an impressive electoral performance is harder to improve upon than less impressive performance.

Measuring the extent of surge and decline is more difficult. In the United States and Argentina, presidential elections allow for the opportunity of surge and decline. Presidential elections carry the president’s party to success, a success that can’t be repeated in the low-stimulus nature of midterms. This impact of surge and decline, as measured by the significance of seat control, is stronger in Argentina than the United States. Although higher seat control going into the midterm election was correlated with greater seat loss, it wasn’t correlated with higher proportional vote loss. In Argentina, higher seat totals led to not only a higher seat loss, but also a higher proportional vote loss. Surge and decline suggests that concurrent elections are
high stimulus elections with lots of variation, while variance between midterms is minimal. This notion matches Argentine elections more than elections in the United States. Vote variance in Argentina was higher during presidential elections than midterms, but the opposite trend occurs in the United States. While surge and decline was coined to describe U.S. elections, it may actually affect Argentina even more. Latin American concurrent elections have more at stake, higher media coverage, and more partisan mobilization, whereas their midterm counterparts are considered “unimportant.” This closely echoes theories of surge and decline.

El Salvador lacks concurrent presidential and congressional elections but retains a midterm effect, suggesting surge and decline doesn’t explain the entirety of midterm loss. The midterms elections following the joint presidential-congressional election also don’t experience a greater midterm decline than other midterms. The 1994 presidential election’s surge and decline doesn’t explain the significant midterm decline found in El Salvador. Even without surge and decline, higher seat control increases proportional vote loss. But, rather than a joint presidential-congressional election creating a surge, the surge results from when the current presidential party didn’t hold the presidency. El Salvador demonstrates that midterm decline can happen without presidential surge.

6.3 Presidential Penalty

Erikson’s model of presidential penalty is challenging to unsophisticated methodological approaches. Because he suggests it’s a force that intrinsically penalizes presidential parties, one can’t compare elections with or without presidential penalty in the way you can compare elections with high and low approval ratings. Instead, Erikson suggests the relationship between

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218 Campbell, "The Presidential Pulse of Congressional Elections," 64.
Kingstone and Yashar, Routledge Handbook of Latin American Politics, 520.
congressional performance of the president’s party during a presidential race and the ensuing midterm election can hint at a midterm effect. Because presidential penalty penalizes the president’s party a consistent amount, he suggests there will be a high correlation between concurrent election performance and midterm performance, with midterm performance several percentage points lower. This explanation fits elections in the United States, with high correlation between party performance in a midterm and in the previous election. However, this trend doesn’t translate to Argentina and El Salvador. In both countries there is no significant positive relationship between performance during a midterm and the most recent non-midterm, and in Argentina, midterm performance and previous presidential performance are slightly inversely correlated. Furthermore, there’s a wide variation in the scale of midterm decline that contradicts the idea of a consistent presidential penalty. Instead, this wide variance in midterm performance and lack of correlation between elections is attributed to short term effects like the president’s approval ratings and the economy. This doesn’t mean presidential penalty doesn’t exist, but rather the influence of presidential penalty is less relevant in comparison to other factors. Although it’s difficult to test for a presidential penalty, Erikson’s methodology suggests its impact is more pronounced in the United States than either El Salvador or Argentina.

6.4 The Scale of Midterm Decline: The United States vs. El Salvador and Argentina

While the power of different models varies between the United States, El Salvador, and Argentina, voters punish parties during midterms when they control the presidency. Midterms are significantly more likely to result in losses for the presidential party than gains, and when gains do happen, the improvements are much smaller than typical midterm losses. However, while all countries tested have an observable midterm effect, the frequency and scale of the effect varies from country to country. The midterm effect in the United States is extremely
consistent and presidential parties lose a similar share of votes when they control the presidency every year. However, in El Salvador and Argentina, there’s far more variance in midterms. At times, the presidential party loses close to half of their vote, something unheard of in the United States, while at other times, the presidential party increase their vote share by 20 percent. However, on the whole, presidential parties perform worse during midterms in El Salvador and Argentina than in the United States.

It’s tempting to ascribe this amplitude difference to the midterm models. One could say that Argentina punishes governing parties more for a poor economy or that El Salvador has a stronger presidential penalty. However, the greater variation in election to election vote percentages isn’t confined to the transition from a non-midterm to a midterm. El Salvador and Argentina have larger variation within all elections, even comparing between presidential elections and between midterms. This suggests that the varying scales of seat loss are not confined to midterms alone.

One reason may be the differing roles and expectations of the president. Although the dictatorial leaders of Latin America have been replaced by democratically elected ones, the legacies of authoritarian rule may have transcended to Latin American democracy.\textsuperscript{220} Presidents wield extensive power and constitutions and courts rarely constrain their influence.\textsuperscript{221} In Argentina, the constitution concentrates the majority of political power in the hands of the president, making it possible for her to “dominate the legislative and judicial branches.”\textsuperscript{222} While the presidency in El Salvador is often viewed as weaker than its Latin American counterparts, the

\textsuperscript{220} Vanden and Prevost, \textit{Politics of Latin America: the Power Game}, 211.
\textsuperscript{221} Vanden and Prevost, \textit{Politics of Latin America: the Power Game}, 212.
\textsuperscript{222} Vanden and Prevost, \textit{Politics of Latin America: the Power Game}, 364.
president wields strong veto powers and the ability to directly amend laws. Other government systems may have a legislative branch of equal or greater standing than the executive, but the legislative branch in Latin America is mostly subservient to the executive. Even beyond constitutional strength, presidents are seen as patrons of the country and responsible for the well-being of the country. So, if the public views the president as having greater control of the state of the government, they’re inclined to view the government’s faults as the president’s and punish her party accordingly. This may also explain the wide swings in approval ratings from below 10 percent to above 70 percent. If the government and president are interchangeable, presidents take the full blame when things go wrong.

The long history of Latin American political instability, particularly of its country’s leaders, may also make Argentines and Salvadorians more inclined to use midterms as a way to send a message to a president. Latin America has historically been more exposed to overthrows of presidents and less expectant of long-term political stability of those at the top. In El Salvador and Argentina 54.2 and 32.2 percent, respectively, support a military coup in the case of government corruption. Latin America also observes relatively high approval for those participating in groups violently overthrowing an elected government. Although there’s a distinction between using violence to overthrow a government and rejecting the president through the ballot box, Argentina and El Salvador support firmer rebukes of the president. This lack of expectations of presidential stability may translate into a willingness to reject the president and his party through a midterm.

A more significant answer may lie in differences in the political makeup of the three countries. For one, Argentina and El Salvador’s multi-party system may lend itself to larger midterm decline in a way the United States’ two-party system doesn’t. If one wants to switch their vote away from the governing party, the switch requires a significant ideological jump. El Salvador’s proportional representation system allows for parties to form easier and allows voters to support a candidate, knowing the vote won’t go to waste. The multitude of parties and the assurance that votes matter means voters can switch parties without having to switch to the opposite side of the ideological spectrum. Voters can vote against the governing party, and support a third party, knowing that their vote will have an impact.

Even beyond the number of parties, United States’ political parties play a different role than political parties in Argentina and El Salvador. Latin American political parties tend to be weaker, less organized, more unstable, and lack the public support of parties in the United States.\textsuperscript{228} Rather than being ideologically consolidated, parties tend to have a catch-all ideology that is organized around charismatic personalities to serve expansive constituencies.\textsuperscript{229} The fluid and non-ideological nature of political parties fails to create social cleavages or clear policy distinctions.\textsuperscript{230} This notably differs from the party system in the United States. In the United States, the Republican and Democratic party have been well defined and separated by clear ideological differences for decades. Furthermore, in recent years, the ideological chasm between the parties has only widened. Detractors of the president’s handling of government may still support his party because of their ideology and because of the ideological distance to the opposite party. However, in Latin America, these defined cleavages aren’t as strong. Because of

\textsuperscript{228} Kingstone and Yashar, \textit{Routledge Handbook of Latin American Politics}, 48-49.
\textsuperscript{229} Kingstone and Yashar, \textit{Routledge Handbook of Latin American Politics}, 49.
\textsuperscript{230} Kingstone and Yashar, \textit{Routledge Handbook of Latin American Politics}, 49.
the fluidity of parties and lack of distinct cleavages, it’s easier for supporters of a president’s party to vote against that party if they disapprove of the handling of government without dramatically switching ideologies. Voters are more able to change party support without meaningfully changing their ideology, which lends itself to a larger midterm effect.

Political identity in Latin America also plays a smaller role than in the United States. In 2012, over 60 percent of U.S. voters identified with a political party, while the rates in El Salvador and Argentina were around 32 and 28 percent, respectively. Weak party ties and low partisanship are a facet of Latin American politics. Many suggest the lack of defined party structures results from the youth of democracy in El Salvador and Argentina. Party attachments are cultivated over time as they are passed down from generation to generation and strengthened throughout an individual’s life. The frequent interruption of electoral competition and the constant fluidity of politics has made it difficult to forge strong political identities. The formation of political identities takes time. Regardless of the causes, Latin America’s political culture of weak partisan attachments contrasts sharply from the nationalized, polarized, and partisan nature of politics in the United States. This difference can explain variance in the scale of the midterm effect between the U.S. and Latin America. Although varying turnout levels play a part, midterm decline relies on a chunk of the presidential party’s supporters switching their votes during the midterm. Distinct political lines, and strong partisan attachments get in the way of these switches in the United States, but not in El Salvador or Argentina.

While partisanship and polarization is less strong in Latin America, the United States used to also be less partisan and polarized. Therefore, we’d expect midterm decline in the past

233 Lupu, "Partisanship in Latin America," 226
234 Kingstone and Yashar, Routledge Handbook of Latin American Politics, 53-54.
several decades in the United States to be weaker than before, when partisanship and polarization was less distinct. A diminishing midterm decline has been documented in recent literature on the midterm effect. Renda shows that from 1826 to 1998, the scale of midterm decline has been diminishing as partisanship and polarization have been increasing.\textsuperscript{235} Campbell documented a similar diminishing midterm effect. From 1902 to 1950, the median midterm decline was around 32 seats, whereas from 1976 onwards, median midterm decline was between seven and eight seats.\textsuperscript{236} It’s important to note that much of midterm decline is caused by variance in turnout and electoral makeup, rather than voters changing their mind. Even if voter preferences were completely inelastic, it’s likely a midterm decline would still arise. That said, current United States politics prevent the large swings typical in El Salvador, Argentina, and the United States back the early 20\textsuperscript{th} century. This also means that as party attachments solidify in Latin America, the countries may see a similar decrease in the scale of midterm decline.

Unfortunately, a diminishing midterm decline in the United States also makes it difficult to measure the causes of midterm decline. Despite the much larger sample size of elections, the midterm model for the United States explained a significantly lower share of the variance in midterm outcomes, and the impact of individual variables was less significant. This too can be blamed on the lower election-to-election variance in the United States. In the United States, the standard deviation of midterm vote percentage in comparison to the most recent election is less than five percent. This value was 10 percent for El Salvador, and 14 percent for Argentina. Greater variation means that differences between midterms are more noticeable, and the role of short-term factors is smaller in comparison. Imagine a scandal, event, or short-term change in turnout that changes the vote by a few percentage points. In the United States, a shift of a few

\textsuperscript{235} Renda, "The End of Midterm Decline," 142.
\textsuperscript{236} Campbell, “The 2002 Midterm Election,” 203.
percentage can obscure the role of midterm fundamentals (approval rating, economy, previous presidential vote, previous seat total). However, in El Salvador and Argentina, a shift of a few percentage points is less significant in comparison to the usual midterm variance created by the midterm fundamentals. The smaller scale of midterm decline in the United States makes it harder to understand what accounts for differences between midterms.

The United States has long been the analytical arena for the midterm effect. Research on the extent and causes of midterm decline have been a staple of United States election analysis. However, as straight-ticket voting increases, the number of competitive districts declines, and election to election vote changes diminish, the opportunity to measure and test models of midterm decline in the United States may be fading. Fortunately, despite the long history of midterm analysis in United States, midterm models fit the elections in El Salvador and Argentina even better. Midterm decline is alive and well beyond the borders of the United States. The increased variance in midterm decline abroad allows for a greater opportunity to see what predicts the midterm success of the president’s party. This isn’t to say that measuring the midterm effect in the United States is losing its value. However, in countries with similar political institutions as the United States but greater elasticity of changes between elections, the causes of midterm decline may be more apparent. And, as the small sample size of elections increases, the results will become more compelling. There’s no reason to confine midterm analysis to El Salvador and Argentina. Although the political institutions in the United States particularly parallel those of El Salvador and Argentina, other countries share similar electoral systems and are ripe for a potential midterm decline. Midterm decline and the models that explain it aren’t confined to United States borders, and the midterm analysis shouldn’t be either.
Bibliography


El Salvador Const. Chapter 2, Article 150-65.


