

6 The Economy and Federal Election Outcomes in Canada: Taking Provincial Economic Conditions into Account

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How does the economy matter for incumbent politicians? Empirical work showing the impact of the economy on vote choice is now commonplace (for comparative studies, see Lewis-Beck 1988; Lewis-Beck and Stegmaier 2007; Duch and Stevenson 2008; Nadeau, Lewis-Beck and Bélanger 2013; for Canada, see Nadeau and Blais 1993, 1995; Anderson 2010). These studies have mainly taken three forms. The first two, which are the oldest, make use of aggregate-level political and economic data. “Vote functions” seek to explain the result of national elections, while “popularity functions” seek to model either vote intention or satisfaction towards government (for a review of these two types, see Nannestad and Paldam 1994; Lewis-Beck and Stegmaier 2013). The third type of study relies on individual-level data and seeks to establish links between individual voters’ economic perceptions and vote choice in a given election (Kiewiet 1983).

This chapter fits within the body of work looking to establish the fundamentals of a vote function for Canadian federal elections. These studies developed in two stages. Researchers first examined the link between national economic conditions and the results of federal elections (see Happy 1986, 1989, 1992; Carmichael 1990). The work of Nadeau and Blais (1993, 1995) can be seen as the final outcome of this first phase. They showed that two main factors weigh upon Canadians’ vote choice: the unemployment rate and leader image. A second wave of vote function work later set upon making use of data disaggregated to the level of Canadian provinces (Gélineau and Bélanger 2005; Bélanger and Gélineau 2010). These studies mainly conclude that vote choice in the provinces during federal elections is explained by one local-level factor, that of regional partisan traditions in Canada, and by