



Subverted expectations and social democratic austerity: How voters' reactions to policies are conditional on the policy-implementing actor

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ABSTRACT

It is well-established that voters care about policies when they go to the voting booth. However, we argue that voters' reaction to the policies are conditional on the actor implementing them. Voters have different expectations towards political parties regarding the policies they are expected to implement, and subverted expectations can have electoral consequences. This is particularly the case when they are related to issues central to the party's ideological agenda. We supply experimental evidence of this in the case of social-democratic austerity policies: Left-wing voters punish social democrats much more for implementing such policies than they punish a mainstream right party for the same actions. Our findings have important implications for several ongoing debates in the literature such as the demise of social democratic parties in the wake of the Great Recession, the interplay between parties and citizens, as well as the general effect of austerity on electoral outcomes.

1. Introduction

Only a decade after governments all over Europe famously made a shift towards 'the dangerous idea' of austerity (Blyth, 2013), steep inflation following the pandemic and the war in Ukraine has once again put austerity policies on the political agenda (Arrieta, 2022). The electoral repercussions of austerity policies have received a great deal of attention among researchers. In particular, research has debated whether austerity policies reduce government support, or if governments can implement fiscal consolidation measures without paying a price in elections. Past research leaves us with conflicting expectations regarding this question. Findings differ both with respect to the overall effects of austerity (e.g. Alesina et al., 1998; Arias and Stasavage, 2019; Giger and Nelson, 2011; Horn, 2021), as well as to whether parties on different sides of the left-right spectrum are equally affected by such measures (Horn, 2021; Schumacher et al., 2013). While some studies suggest that left- and right-wing governments are equally likely to lose approval after implementing austerity (e.g. Jacques and Haffert, 2021), others find that parties on the left are more susceptible to electoral loss (e.g. Horn, 2021; Hübscher et al., 2021; Schumacher et al., 2013).

In this article, we zoom in on the question of how austerity policies affect electoral support for social democratic parties. This is an

important question, as social democratic parties across Europe suffered massive electoral losses in the same period as they turned towards austerity (Blyth, 2013). Specifically, in the wake of the Great Recession, also left-wing parties argued that policies of fiscal consolidation had to be implemented (Bremer, 2018) and cabinets in which left-wing parties were present implemented policies of fiscal consolidation (Kennett and Lendvai-Bainton, 2017). Investigating how austerity policies affect electoral support for social democratic parties may thus help us understand one of the most profound political developments in Europe in the 21st century, namely the demise of social democracy (e.g. Benedetto et al., 2020).

We make two contributions to this literature. Our main contribution is to bring experimental evidence to the table. Previous research on the electoral consequences of austerity is largely based on observational data (but see Hübscher et al., 2021). As recently highlighted by both Hübscher et al. (2021) and Jacques and Haffert (2021), this is problematic because observational studies are susceptible to selection bias: governments in vulnerable positions likely avoid implementing austerity measures (if they can) precisely because they expect them to further damage their electoral support, while popular governments are better positioned to see these policies through. If this is the case, any observed relationship between austerity measures and electoral support will

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likely reflect a lack of plausible counterfactuals and thus not represent true causal effects. By contrast, we use a survey-experimental design to study whether left-wing voters punish social democrats more strongly than they punish the mainstream right for implementing austerity measures.

Second, we make a theoretical contribution by demonstrating a mechanism by which austerity policies may affect party preferences – *the mechanism of subverted expectations*. Contrary to most research, we are not interested in the extent to which voters react to economic outcomes (e.g. Stegmaier et al., 2017), but whether it also matters for voters who implements certain economic policies. Specifically, we assume that voters have different expectations about different parties, and that these expectation affects their reactions to the parties' policies. Here we study a core issue of parties on the left-right political spectrum (i.e., government expansion versus non-intervention), and argue that when expectations are subverted, voters may react with hostility towards their own party. Our argument builds on previous research that also emphasizes the policy-implementing actor – such as research on party cues (e.g., Bullock, 2011) and “Nixon-goes-to-China” effects (e.g. Mattes and Weeks, 2019) – but it is novel in that it comes to different predictions. While Nixon-goes-to-China and party cue effects imply that social democratic parties would be *less* punished for implementing austerity, the mechanism of subverted expectations suggest that social democratic parties are punished *more* strongly because their voters expect them to reject fiscal conservatism.

We supply experimental evidence in support of our theory: in the case of subverted expectations, parties lose the support of their voters. When presented with a vignette in which we held an economic crisis situation (and everything else) constant, while varying the actor implementing an austerity response, social democratic supporters do punish their party more strongly than they punish right-wing parties for implementing austerity. In what follows, we first lay out the theoretical foundation for our argument about the electoral impact of subverted expectations and derive testable hypotheses in the case of social democratic austerity policies. We then describe our research design before we turn to the analyses. Our findings have important implications for several ongoing debates in the literature such as the effect of austerity on electoral outcomes, the demise of social democratic parties in the wake of the Great Recession as well as the interplay between parties and citizens. In the concluding section, we also discuss to what extent our findings generalise beyond the case of austerity.

2. Hawks and party leaders: earlier ideas about political actors

That policies and their consequences matter for voters is a key assumption in many of the most central theories of electoral behaviour, including ideological and issue voting (e.g., Alvarez and Nagler, 2004; Lachat, 2008). Voter reactions to policies constitute an important mechanism connecting social structures to voting behaviour (e.g. Langsæther, 2019) and is a fundamental premise for economic voting theory, wherein voters punish the incumbent for the (perceived) economic consequences of its policies (e.g., Lewis-Beck and Costa Lobo, 2017). Finally, there is a substantial electoral cost of ruling, and increasing policy misrepresentation is an important mechanism inducing this cost (Wleziën, 2017).

These central theories share an emphasis on voters' reactions to policies and their consequences. Some of them also allow for some reactivity to the actor implementing policies. Economic voting theory allows parties with clearer responsibilities of outcomes to be more punished, such as the party with the prime minister or the financial minister (e.g. Debus et al., 2014). Similarly, there have been indications that the cost of ruling varies with characteristics of the parties (Klüver and Spoon, 2020).

Some theories take this a step further, suggesting that voters' reactions to policies are conditional on the actor. A prominent example is the literature on foreign policy suggesting a “Nixon-goes-to-China”

effect. The idea is that only a stout anti-communist like Richard Nixon could reconcile with Chinese communists without raising suspicions of selling out American interests. Following this line of reasoning, it has been proposed that voters have an easier time accepting rapprochement efforts from a leader with a “hawkish” reputation than one with a “dovish” reputation, because hawks' peaceful efforts are considered to be in the country's national interest rather than a result of their dovish orientation (cf. Mattes and Weeks, 2019). Comparative welfare state research has suggested a similar mechanism (Green-Pedersen, 2001; Kraft, 2017). Applying this logic to welfare politics, “social democratic governments engaging in unpopular social policy retrenchment may be more acceptable to the voters because they enjoy more credibility in protecting the system than right-wing market reformers” (Klitgaard, 2007, 174).

The growing research agenda on party cues also suggests that it matters for voters who implements certain policies. In fact, the political actor behind an issue is seen as “one of the most widely available and influential information shortcuts in politics” (Nicholson, 2012, 52; for an overview, see Bullock, 2011). Empirical studies provide both experimental and real-life evidence that citizens are more likely to support policies when endorsed by the party they identify with or support (e.g. Slothuus and Bisgaard, 2020).

The argument we propose is similar to theories of party cue effects and “Nixon-goes-to-China” effects in that it puts emphasis on the policy-implementing actor, but is novel in that it comes to different predictions. While Nixon-goes-to-China and party cue research suggest that social democratic parties would be *less* punished for implementing austerity, the mechanism of subverted expectations suggest that social democratic parties are punished *more* strongly because their voters expect them to reject fiscal conservatism.

3. To thine own self be true? An alternative mechanism on how expectations towards the actor matter

In our model, we argue that voters have specific expectations about political parties and meaningful opinions about what policies they should support. These expectations, in turn, may affect how voters react to the policies parties implement.

Campaign pledges constitute an obvious mechanism in which a party creates expectations among the voters. Their (unfulfilled) expectations may have electoral repercussions when a party promises to enact certain policies, but then does something else – or even enacts policies that run counter to those promised. People who voted for the party have legitimate reasons to feel disappointed when the party does not deliver. Research on electoral pledges has mainly been concerned with under what conditions governments fulfil their pledges (Thomson et al., 2017; Mansergh and Thomson, 2007), and less attention has been given to citizens' views on this question. An emerging literature, however, does show that broken campaign pledges tend to hurt parties at Election Day (Naurin et al., 2019). What matters seems to be that voters' expectations are subverted in a negative way. Pledge breaking is an instance of what we may call *explicit* expectation subversion: The parties explicitly set up expectations in the voters' mind by pledging to do something and then failing to deliver.

However, pledges are not the only way parties can create expectations. Voters may have good reasons to expect certain policies from a party they support even if the party has not *pledged* to enact them. Parties have core ideologies and values that implicitly create expectations among voters, especially on core issue areas in which the party has issue ownership. Climate worriers may be reasonably confident that a Green party will enact carbon emission reducing policies even if they have not explicitly promised to do so; immigration-sceptical voters probably expect a radical right party to restrict immigration while in government; and fiscally left-wing citizens have reasons to expect at least moderately left-wing economic policies from a social democratic government. The expectations that voters infer from party ideology and

previous behaviour rather than from their explicit promises can be termed *implicit expectations*. Parties failing to live up to these implicit expectations may also induce expectation subversion and make their voters punish the party in a similar way as with pledge breaking as voters feel let down. Our argument is, essentially, that voters care not only about the policies they are subjected to, but also about the actor implementing the policies, and the mechanism is one of subverted expectations.

We emphasize that our theoretical proposition is not likely to apply for issues that are only peripherally, or not at all, connected to a party's ideology and core values. Studies show that parties' abilities to change voters' perceptions of their policy positions indeed hinge on whether voters regard their messengers as credible (Fernandez-Vazquez, 2019). We thus believe that the subverted expectation mechanism is only likely to happen when citizens have well-defined expectations about the party's policies and care about those policies, that is, on core issues on which parties have some degree of ownership and credibility among voters. To preview the next section, austerity politics are a likely scenario for subverted expectations to occur, as they are closely connected to the traditional economic left-right cleavage. While one could expect left-wing citizens to be in favour of expansion of government services and taxes, right-leaning citizens should prefer the opposite, and vote accordingly (Haupt, 2010). In the next section, we further show that social democratic austerity measures fit the description of subverted expectations and we derive a number of testable hypotheses from our theoretical proposition.

4. Subverted expectation in the case of austerity

Parties tend to adjust their policy positions in response to changes in the global economy (Haupt, 2010). In the case of the Great Recession, after an initial phase of diverse, yet mostly expansive, policy responses across Europe (Hemerijck, 2013; van Kersbergen and Vis, 2014), governments on both the left and the right side of the political spectrum turned towards austerity in the following years (Blyth, 2013). In other words, in the aftermath of the Great Recession, also left-wing parties argued that policies of fiscal consolidation had to be implemented (Bremer, 2018). Equally important, cabinets in which left-wing parties were present implemented policies of fiscal consolidation, with examples including Germany's Grand Coalition, Greece's Syriza-led government coalition or the policies enacted under François Hollande's presidential term in France (Kennett and Lendvai-Bainton, 2017).

The electoral costs of austerity are disputed in the research literature. In particular, research has debated whether austerity policies reduce government support, or if governments can implement fiscal consolidation measures without paying a price in elections. One stream of research argues that voters tend to be fiscally conservative, and sceptical of public debt and deficits. Alesina et al. (1998:198), for instance, argued that "there is no evidence for a systematic electoral penalty or fall in popularity for governments that follow restrained fiscal policies" (see also Arias and Stasavage, 2019; Giger and Nelson, 2011). However, the empirical evidence on this is mixed. An aggregate study of government support in the period between 1970 and 2002 found that only parties with positive welfare images lose support when implementing cutbacks, while most parties with negative welfare images do not, following a similar vein of argument as ours (Schumacher et al., 2013). Another, more recent study finds that austerity policies are widely unpopular and government popularity falls for left- and right-wing governments alike (Jacques and Haffert, 2021; but see Horn, 2021), while experimental evidence suggests that the former are substantially more punished by the electorate as a whole (Hübscher et al., 2021).

The collective shift towards austerity stands in contrast to what most left-leaning voters expect left-wing governments to do. Social democratic voters typically expect social democratic governments to redistribute incomes and to invest in the welfare state rather than to support austerity policies and retrenchment. After all, support for the welfare

state has been a trademark of many left-wing cabinets in Europe for decades, and it is an important reason for their electoral support. Thus, social democrats' implementation of austerity may subvert the expectations of their voters. When austerity policies are implemented by right-wing governments, on the other hand, we would not expect such a strong violation of expectations to occur, because right-wing governments typically favour lower levels of public spending (Huber and Stephens, 2014; Jensen et al., 2014). Hence, citizens may expect some retrenchment of public spending from these parties. Overall, we believe left-leaning citizens will react *more negatively* if social democrats implement austerity than if the mainstream right does it, as their expectations are subverted, giving rise to anger and feelings of betrayal or disappointment. These citizens expect social democratic parties to look after their interests and to represent their policy preferences. When the parties on the left do not live up to these expectations, their voters will become resentful towards them and thus less likely to support them in future elections. This is our *subverted expectations hypothesis (H1)*. Such an effect does, however, presuppose that voters have well-defined expectations about a party's policies in an issue area and care about those policies.

As discussed above, a *Nixon-goes-to-China* effect has been theorised and empirically investigated in foreign policy studies as well as comparative welfare state research. Applying this logic to our case, this would mean that social democratic voters may react *less negatively* if the social democrats implement austerity, as they have a stronger propensity to believe that austerity is indeed necessary when social democratic parties implement it, rather than being used as an excuse for welfare cuts by right-wing parties (Alesina, 1988; Schumacher et al., 2013). The most general version of party cue theory, wherein citizens take cues from their parties on all issues, would yield similar predictions. Regardless of the exact mechanism, these different perspectives imply that social democratic voters should react less strongly when their own party implements austerity than when the centre-right does so. This is the *Nixon-goes-to-China-hypothesis (H2)*. We recognize that other versions of party cue theory argue that party cues are most relevant for difficult or novel issues and so less likely to apply to the case of austerity policies.

Finally, it is of course possible that voters' reactions to policies do not depend on the actor implementing them, as actor-blind theories discussed earlier imply. In that case, social democratic and centre-right parties who implement austerity should receive similar reactions from the voters (H0).

5. Data and methodology

We test our hypotheses with a survey experiment of a nationally representative sample of Norwegian citizens through the Norwegian Citizen Panel (NCP, Ivarsflaten et al., 2020, 2021).¹ The NCP is a high-quality probability panel, with thousands of respondents. Our survey experiment was first incorporated in the 18th wave of the NCP for a random subset of respondents. However, our theoretical arguments only pertain to Labour supporters, of which there were 167 in this round. The interviews were conducted in the Summer of 2020, at a time where the corona pandemic was rather non-salient in Norway. There were few restrictive measures in place and infection rates were extremely low. We then ran the survey experiment again in the 20th wave of the NCP on another random subset of respondents, excluding those who received the survey experiment in round 18. There were two reasons for doing so. Firstly, to get more statistical power for the experiment. In round 20 we had access to more respondents, yielding 317 additional Labour

¹ The NCP is financed by the University of Bergen and Trond Mohn Stiftelse. Data are produced by the University of Bergen and made available by idea2evidence, and distributed by NSD. Neither UiB, I2E or NSD are responsible for the analyses or interpretation of data in this article.

supporters. Secondly, to make sure our findings were not sensitive to the political situation. Interviews for round 20 were conducted in the winter of 2021, at a time where Norway was facing high corona infection rates and strict measures to contain the virus. Results are very consistent across the rounds, yielding increased confidence in the validity of our findings.

The choice of the Norwegian case and an experimental approach is crucial for our purposes. In view of contradictory observational evidence on whether (left-wing) governments are actually punished for retrenchment, an experimental approach could allow for a more in-depth insight into the specific mechanisms behind this hypothesised electoral punishment. Further, it was important to avoid fielding the survey experiment in any country where the social democrats have already implemented austerity, as this would alter voters' expectations. We thus decided to field our survey experiment in Norway, because in this particular country, left-wing governments have not implemented severe austerity measures in the last decades. On the contrary, during the 2009 financial and economic crisis, Norway's left-wing government pursued Keynesian policies (cfr. Stoltenberg III, with the social democratic Labour party (Arbeiderpartiet) in the lead). The Norwegian economy hardly contracted, and the government had sufficient financial means to face the limited consequences of the global economic contraction (Dølvik and Oldervoll, 2019; OECD, 2019)² This stands in contrast to countries like France, Spain, or Belgium, where left-wing (coalition) governments indeed implemented austerity policies (Armingeon et al., 2016; Hübscher et al., 2021; OECD, 2012). This is important for our experiment, as this means that our respondents have not yet been "treated", or may already have diminished expectations. As far as Norwegians are concerned, left-wing governments indeed are not expected to implement austerity policies. There are thus strong theoretical reasons to believe that Norwegian Labour supporters do not expect Labour to implement austerity. While a direct measure of such expectations would be ideal, we are unfortunately not able to document them directly here. However, we can check where Norwegian voters locate the parties on a left-right scale. We use the Norwegian Election Study 2017 and find that Labour was indeed considered left-wing (average value 4.1). By comparison, the Conservatives were considered right-wing (average value 7.8). Results are almost identical if considering the opinions of only Labour supporters (cf. Appendix Table A.7).

In Norway, then, respondents still consider Labour a left-wing party, and Labour has not implemented severe austerity measures in recent decades – on the contrary, it has been implementing Keynesian policies when facing the financial crisis. We thus use an experiment in a country where respondents are not yet treated, which also yields insights into the processes of social democratic electoral losses in the countries where social democrats have implemented austerity.³

We asked the respondents about their party support *before* the experiment was presented. We wanted to identify Labour supporters, which are the theoretically interesting subjects. In round 18 we asked which party respondents voted for in the previous general elections of 2017.⁴ On this retrospective voting question, the main conservative

² In Table A.8 we show that social spending in Norway did not decline during the Great Recession.

³ While we do believe that the Norwegian case is thus an ideal case to test our hypotheses, we also ran a pilot study on Belgian students and found similar results, further boosting our confidence in the external validity of the findings. These pilot analyses are available in appendix B.

⁴ These are: Red, Socialist Left Party, the Greens, Labour, the Conservatives, the Liberal Party, the Centre Party, the Christian Democrats, the Progress Party.

party (Høyre) and Labour both obtained 26% of the votes⁵ These percentages are very close to the actual vote percentages of those parties, which stood at 27.4% for Labour and 25% for the conservatives respectively (Döring and Manow, 2020), meaning that this sample of respondents can be seen as closely corresponding to the Norwegian electorate of 2017. In round 20, we asked them what party they would have voted for if there was an election tomorrow, of which 22% of those who reported a party preference were Labour supporters (Appendix A contains full descriptive statistics, including on the propensity to vote questions).

After collecting data on the respondents' political position, we administered the treatment, which consisted of a vignette in which we held the economic situation (and everything else) constant, while only varying the actor implementing the austerity policies. Did the social democrats or a mainstream right party implement austerity? We administered the following vignette (translated from Norwegian), where half the respondents were randomized to get the left-wing alternative and the other half got the right-wing government:

Imagine that there is a general election this autumn. The Labour party wins the election and gets the prime minister in a red-green majority government consisting of Labour, the Centre Party, and the Socialist Left Party [the Conservatives win the election and gets the prime minister in a right-wing majority government consisting of the Conservatives, the Progress Party, and the Liberals]. After the election the oil price falls dramatically and unemployment rises a great deal. Faced with this economic crisis situation, the Labour-led [Conservative-led] government chooses to cut in welfare. This includes cuts in unemployment benefits and pensions as well as more expensive kindergartens.

The vignette, including the crisis condition, is made to be as realistic as possible to Norwegian voters.⁶ A party going against its own core ideology would seem unlikely without apparent cause, and becomes more likely in the face of a crisis or strong pressure from a larger coalition partner. Leaving out the crisis condition could of course increase the subversion of expectations even further, as a crisis might induce expectations or acceptance of austerity. However, firstly, austerity is not the only possible route of action when facing an economic crisis, especially in a country with a large oil fund. Secondly, if anything, the crisis condition would lead us to *underestimate* the treatment effect, as expectations could have been even more strongly subverted without it. Given that subverted expectations are most likely to occur in the real world due to unforeseen problems or coalition pressure, we argue that the crisis condition improves the realism of the treatment and the external validity of the results.

After administering the vignette, we asked the respondents, when thinking about this decision to implement austerity in Norway, how *likely they were to vote* for the different Norwegian parties in case a general election would be held tomorrow. The respondents could choose any value between 0 (would definitely not vote for this party) and 10 (would definitely vote for this party) for each main Norwegian party. Our dependent variables of interest are thus the propensity to vote for Labour and the Conservatives (cf. Van der Eijk et al., 2006).

We could have included two control groups where either the left or right-wing coalition governs but does *not* implement austerity, yielding a 2x2 factorial design. However, given that we study a subsample of voters, this would have induced an unfortunate loss of statistical power. We therefore chose to only vary which party implemented austerity. The

⁵ Note that this question was not asked to all respondents as per the set-up of the survey (which was outside of the scope of influence of the authors). As discussed above, we had 167 Labour supporters in round 18 and 317 in round 20.

⁶ As late as in 2014, Norway experienced falling oil prices with ensuing rises in unemployment that became highly politically salient (Haugsgjerd and Kumlin, 2019). Unemployment benefits and kindergarten prices have been discussed in the Norwegian political context.

treatment effect is then not only the effect of Labour implementing austerity, but of Labour implementing austerity *versus* the Conservatives doing the same. It is of course possible that a Conservative austerity policy makes Labour more popular, in which case the observed treatment effect would be a composite of the effects of both parties' policies. While this may overestimate the effect of Labour implementing austerity in itself, our theoretical interest is indeed related to varying the *actor* implementing austerity.

What is more, we are estimating an intention-to-treat model, which pulls in the other direction and may induce an underestimation of the effect of our treatment. However, we also included manipulation checks in the last round, which show that most respondents did remember the treatment they were exposed to, and re-running analyses while excluding those who failed the manipulation check yields identical conclusions as the main analyses.

In sum, we study whether left-wing voters punish the social democrats more than they punish the mainstream right for implementing austerity. We restrict the samples to social democratic supporters as these are the respondents to which our hypotheses relate.

Formally, we estimate the following two OLS models⁷:

$$PTV(Labour) = b_{0a} + b_{1a} * treatment \tag{1}$$

$$PTV(Cons) = b_{0b} + b_{1b} * treatment \tag{2}$$

Our *subverted expectations hypothesis* is that the effect of the treatment is larger in equation (1) than in equation (2). Former Labour supporters punish Labour more when Labour implements austerity than they punish the Conservatives for implementing the same policies. For equation (1) we code the treatment variable such that Labour implementing austerity takes on the value 1, and the Conservatives implementing austerity are coded as the reference category 0. For equation (2) we turn the treatment variable so the Conservatives implementing austerity takes on the value 1 and Labour implementing austerity taking on the value 0. In this way, the coefficients can be interpreted the same way and be easily compared.

Conversely, the *Nixon-goes-to-China hypothesis* based on party cues and welfare state literatures is that the effect of the treatment is larger in equation (2) than in equation (1). In that case, left-wing voters are following the cues of their parties, and they are not punishing Labour, even though they are implementing austerity – or at least, punishing Labour less than they would the Conservatives. This “off-setting” effect should lead to a coefficient that is in absolute value smaller than the reaction of conservative voters. If the “Nixon-goes-to-China” hypothesis is correct, left-wing voters adapt their expectations, and punish Labour less.

Our *null hypothesis* is that the treatment effect is similar in both equations. In that case, voters might just appreciate the austerity measures being taken – or indeed, reject them overall, regardless of who is actually implementing the policy. Following this scenario, former Labour supporters should punish both parties similarly.

6. Results

Before testing our hypotheses, we start by investigating whether we can detect any direct effect of our treatment on the propensity to vote for the two parties, in the entire electorate – that is, not restricting our analyses to Labour supporters. Table 1 (Models 1–2) shows, as expected, that Labour is punished in the treatment condition where they implement austerity, by more than 0.9 scale points, an important effect. Similarly, the Conservatives are punished in the reference condition, when *they* are implementing austerity, although slightly less than Labour. This documents that austerity is generally unpopular and has electoral repercussions, moderately more so for the left-wing party than

Table 1

Effects of implementing austerity on propensity to vote for Labour and the Conservatives, in the entire electorate (Models 1–2) and among former Labour supporters only (Models 3–4).

	(1)	(2)	(3)	(4)
	PTV	PTV	PTV	PTV
	Labour	Conservative	Labour	Conservative
Treatment:				
Labour	-0.91***		-1.99**	
government	(0.23)		(0.27)	
Conservative		-0.79***		-0.58
government		(0.20)		(0.35)
Intercept	4.60***	4.05***	8.41**	2.14**
	(0.19)	(0.15)	(0.14)	(0.30)
R2	0.019	0.014	0.162	0.016
N	2616	2618	466	413

Standard errors in parentheses. **p* < 0.05, ***p* 0.01, ****p* < 0.001. NB! Treatment variable is turned between Model 1 and Model 2 (and between Model 3 and Model 4) so coefficients have same direction and are more easily comparable, cf. discussion above.

the right-wing party. This is in keeping with various other studies, which show that austerity has negative political consequences on government approval (Hübscher et al., 2021; Jacques and Haffert, 2021), and with the economic voting literature, wherein incumbent governments are held accountable for worsening economic conditions.

Having established that austerity is generally unpopular and has consequences for the electoral support of the (main) parties implementing it,⁸ we move on to restrict our sample to previous Labour supporters to test our hypotheses (Models 3–4 in Table 1). This is a straightforward analysis, where we regress the treatment dummy (whether Labour or Conservatives implemented austerity) on the propensity to vote for Labour and the Conservatives included after the experiment, restricted to former Labour supporters. As can be seen in Models 3–4 in Table 1, our subverted expectations hypothesis receives strong support. Former Labour voters who learn that Labour introduced austerity measures reduce their propensity to vote for Labour by a massive two full points compared to those that are told that the Conservatives implement austerity measures (column 1). The effect is significant at the 0.01 level and accounts for 16% of the variation in propensity to vote for Labour among these voters. On the contrary, former Labour supporters do not change their propensity to vote for the Conservative party when told that the Conservatives implement austerity as opposed to Labour. The coefficient is closely estimated around zero and does not reach statistical significance (*p* = 0.095). Explained variance is only 1.6%.

Appendix tables A.5–A.6 show the results of the experiments for round 18 and round 20 separately. They are extremely similar across the rounds, eliminating concerns about our results being affected by the political or pandemic situation, or by the different wording of the restriction question on previous party support. We therefore focus on the results from the combined dataset.

One objection would be that the results above may in fact only be showing that voters punish “their own” party more for implementing austerity, and is thus not evidence of subverted expectations. To test this alternative explanation, we replicate the analyses from Table 1 (Models 3–4), but now restricting the sample to previous *Conservative* supporters. The results are reported in Table 2, and show that previous Conservative supporters punish both parties with approximately 0.9 PTV points for implementing austerity. The crucial point here is that they punish *both parties equally*. While these voters also dislike austerity, on average, there is no “breach of contract” between them and Labour, which they

⁸ Analyses of the PTV for all other parties show that junior coalition partners are less punished, if at all, and those not in government are left unaffected. These analyses are available in appendix C for interested readers.

⁷ All models include a population weight.

Table 2

Propensity to vote for Labour and the Conservatives, among former Conservative voters.

	PTV Labour	PTV Cons
Treatment:		
Labour government	-0.92** (0.32)	
Conservative government		-0.89** (0.30)
Intercept	3.05*** (0.14)	8.09*** (0.30)
R ²	0.034	0.040
N	429	493

Standard errors in parentheses. * $p < 0.05$, ** $p < 0.01$, *** $p < 0.001$.

have not supported.

Furthermore, this new analysis reduces concern related to another alternative interpretation of the findings above, namely that there is simply a floor effect. If former Labour supporters already had a low propensity to vote Conservative, perhaps there was simply little room left for any additional punishment for Conservative austerity policies.⁹ But if that is the case, then we should see the same in Table 2: Former Conservative supporters already have a low PTV for Labour and so there should not be any room for punishing Labour – yet there is a strong punishment effect of almost an entire scale point.

Another alternative explanation for our findings is that the Labour supporters are not in fact disappointed by having their expectations subverted, but rather that they update their views on Labour's economic left-right position. Standard proximity theory would then predict that the Labour supporters leave the party as their distance to Labour increases. On the other hand, they already thought the Conservatives had this position and did not update their views on that party. Our treatment was designed to reduce the chance of this happening, as we constructed a case where Labour did not shift their ideological or general economic left-right position, but dealt with a specific crisis with a specific policy. However, we acknowledge that this is a possible alternative interpretation. We cannot test directly whether this interpretation is more or less valid than ours with the data at hand, but we urge future research to repeat the experiment while collecting data on the mechanism, e.g. measuring the affective response of voters as well as their positioning of the parties.

In the meantime, what we can do with our current data is give an indirect test of this alternative explanation. If the effect is indeed driven by a simple updating of views on Labour's left-right position, then the effect should be similar for the propensity to vote for the Centre Party, which is considered by Labour supporters to be very similar to Labour on the left-right axis (cf. Appendix Table A.7). The Centre Party was also part of the government in the treatment, and thus the former Labour supporters should update their views on the Centre Party in a similar fashion as they did for Labour. However, as Table 3 shows, that is simply not the case. Former Labour supporters do not change their propensity to vote for the Centre party in response to it being part of a government introducing austerity measures.

Yet another very recent version of the argument is that the punishment of Labour comes about through a brand dilution or loss of issue ownership (Horn, 2021: 1500). We have much sympathy for this argument, which is similar to ours, although we prefer to discuss it in terms of subverted expectations rather than issue ownership. There are two reasons for this. Firstly, because traditional issue ownership research asserts that "it can be extremely hard for parties to change existing

⁹ Labour and Conservative voters have low propensities to vote for each other's parties (Labour voters have a PTV Mean of 1.83 (SD = 2.31) for the Conservatives, and Conservative voters have a PTV Mean of 2.63 (SD 2.51) for Labour), so the presence of a floor effect is likely among both sets of voters.

Table 3

Propensity to vote for Labour and the Centre Party, among former Labour voters.

	PTV Labour	PTV Centre Party
Treatment:		
Labour government	-1.99*** (0.27)	-0.02 (0.49)
Intercept	8.41*** (0.14)	3.03*** (0.31)
R ²	0.162	0.000
N	466	414

Standard errors in parentheses. * $p < 0.05$, ** $p < 0.01$, *** $p < 0.001$.

patterns of issue ownerships" (Kraft, 2017: 1434). If a party can lose decades of issue ownership through *one* policy change in a very specific, extraordinary situation (an economic crisis), one may ask whether issue ownership adds anything beyond being a reflection of current policy distance between party and voter. Secondly, and more importantly, our argument implies that the punishment goes over and beyond the effects of issue ownership. Because the mechanism is affective response, we suggest these voters will react more strongly to Labour shifting on this particular policy area than they would dislike another party that had always lacked issue ownership or never had a strong brand related to it in the first place. In our model, it is the *unexpected shift* on a core policy area that leads to subverted expectations and thus creates the affective response and the subsequent behavioural change.

7. Conclusion

Voters react not only to policies, but also to the actor implementing them. We put forth a theoretical mechanism of subverted expectations. Parties can create explicit expectations about the policies they will enact by making electoral promises, and their voters react negatively when these promises are broken. Similarly, we suggest, parties can create *implicit* expectations on their core issue areas through their ideology and long-standing ties with social groups. Their voters react negatively also when these implicit expectations are subverted. While we cannot test the mechanism directly with the data at hand, we derive testable implications from our proposition that are different from predictions from existing theories, and we find strong experimental evidence in favour of our theory in the case of austerity politics. Voters bear in mind *what policy* was enacted *by whom*, and punish their political actors in case their implicit expectations are unmet.

Our findings have important implications. Firstly, the empirical findings add to the literature on the electoral consequences of austerity politics. We provide experimental support to recent studies that find that austerity overall is electorally costly for parties across the political left-right spectrum, as opposed to previous studies which found that it was not, or reported mixed results on the basis of longitudinal data (Alesina et al., 1998; Arias and Stasavage, 2019; Jacques and Haffert, 2021). While both parties are punished for austerity, we find support for a larger cost for left-wing parties than for right-wing parties, in line with Hübscher et al. (2021) and Schumacher et al. (2013), but contrary to Jacques and Haffert (2021). Finally, we suggest and find support for an alternative mechanism behind this effect at the micro-level, namely that left-wing voters have other expectations about left-wing governments.

Second, the theory and findings could help make sense of one of the most important political developments in the 21st century, namely the demise of social democracy following the Great Recession. In many countries, social democrats introduced austerity measures following the financial crisis. They were then severely punished by the voters. This happened in countries such as Spain, Portugal, or Greece; but also in countries less severely affected by the financial crisis, such as France during François Hollande's presidency. Similarly, the Dutch social democratic party PvdA was almost annihilated after the coalition with the mainstream right from 2012 to 2017, dropping from 24.7% of the vote to 5.7%. At the same time, their mainstream right coalition partner,

the VVD, only lost a moderate amount of votes. Our findings suggest that this could be because voters had different expectations for the VVD and the PvdA, and only the latter subverted the voters' expectations. This is not to say that other issues, for instance related to the second dimension, have been unimportant to the electoral fortunes of social democracy in this period (e.g. Abou-Chadi and Wagner, 2020). Still, our findings suggest that subverted expectations in the case of austerity contribute to explaining social democratic electoral loss, but also yield a clue as to why mainstream right coalition partners did not suffer the same devastating consequences.

Thirdly, this study contributes to the literature on party cues and issue ownership. In these studies, it is often highlighted that voters make strong efforts to follow the position of the party they voted for, also when these policies are not fully in line with their own preferences (Bang Petersen et al., 2013). While party cues might be followed for more peripheral issues for a given party, for some core topics, party cues may be insufficient in and on their own to make their voters update their opinions and implicit expectations. In keeping with the findings of Boudreau and MacKenzie (2014) party cues may only matter if these cues don't go directly against the core expectations of voters, or when more peripheral issues are at stake. When parties defend policies that conflict with the issues on which they have ownership, voters most likely do not follow party cues. In that scenario, i.e., when parties enact unexpected policies, "Nixon-goes-to-China" public opinion changes are the exception, and subverted expectations most likely the norm.

While we tested the subverted expectation mechanism on the salient case of austerity politics, the general idea should be tested on other *policy areas* and for other *political parties*, and further theorizing is necessary. We focused on one salient political outcome that is closely connected to the traditional left-right political cleavage, with a focus on public expenditure on social policies. Future studies should therefore expand on what the consequences are when voters' implicit expectations about political parties are infringed upon for other aspects of the left-right political cleavage (e.g., on changing tax rates), or other policy domains (e.g., on migration policies). For instance, would we see a similar effect if, say, a Green party accepted massive rises in carbon emissions while in government, or if a radical right party would implement more lenient migration policies? To find this out, detailed measures of voter's policy expectation toward different parties should be included in the research design. Further, one could study if voters punish their party more depending on what causing these unexpected policies, such as an external shock, or pressure from a coalition member, etc. In a similar vein, one could study whether such implicit expectations are mainly important for politically salient versus less salient topics, on which voters have less clearly defined political preferences.

It may also be that voters are reacting less strongly when their implicit expectations are satisfied by parties, rather than subverted. The economic voting literature, for one, suggests that there is a negativity bias in the electorate: voters punish governments more strongly in bad economic times, than they reward them in good economic times (Stegmaier et al., 2017). A similar mechanism could be at play in the case of implicit expectations. The *timing* of subverted expectations may also be of importance. Our experiments focused on immediate policy outcomes and voting intentions, so they do not provide information on how long voters remain disgruntled.

Moreover, it may be that the *consequences* of subverted expectations depend on *political supply dynamics*. Social democratic voters who are unhappy with the economic policies of social democratic parties have alternatives – in most countries, they can go to radical left parties. However, radical right voters who are unhappy with the immigration policies of radical right parties in government have in many countries nowhere else to go for stricter immigration policies. In these cases, they are perhaps less likely to leave the radical right party, and if they do, they are perhaps more likely to move towards abstention rather than to move to another party.

On the basis of our initial results, it can be highlighted that voters

care about what political parties are doing, and that voters' implicit expectations about parties' behaviour are an overlooked, yet crucial factor in explaining party support. Hence, future studies should further investigate how subverted expectations are shaping Western democracies' political systems.

Data availability

The data will become publicly available through the Norwegian Citizen Panel.

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Appendix A. Supplementary data

Supplementary data to this article can be found online at <https://doi.org/10.1016/j.electstud.2022.102529>.

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