

# WEST MICHIGAN VIEWPOINT

## Michigan Election Results: Income, Not Employment, Mattered

Economists like to believe that our actions in the voting booth, like those in the marketplace, are highly influenced by economic factors. Indeed, a preliminary examination of Michigan's presidential election results suggests that the state's voters carried their economic concerns, as well as other worries, into the voting booth.

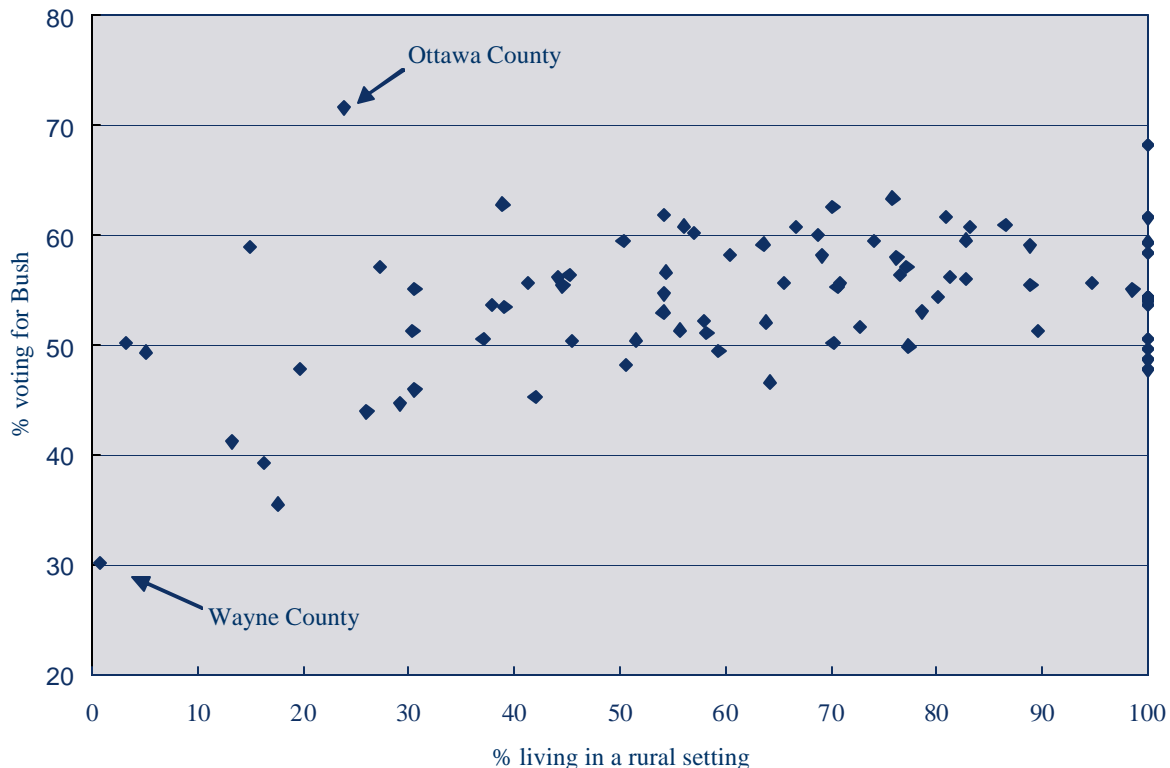
Overall, while John Kerry narrowly took the state, 51 percent to 48 percent, George W. Bush captured 63 of the state's 83 counties. There is some evidence to suggest that, like the nation's, Michigan's presidential election results broke along rural vs. urban lines. As shown in Figure 1, there is an upward trend between the percentage of a county's voters choosing Bush and the percentage of its residents living in a rural setting. The simple correlation statistic is 0.40 on a scalar where 0 indicates no linear association and 1 indicates perfect linear correlation.

Two urban counties clearly stand out in Figure 1. First, voters in Wayne County—which, with its 840,000 votes, represented 17.5 percent of the total number of ballots cast—gave only 30 percent of their votes to President Bush. Meanwhile, the 128,600 voters in Ottawa County on the state's west side gave their overwhelming support to Bush, 71 percent vs. 27 percent for Kerry.

The first question is whether labor market conditions played a role in the election. The short answer is no. As shown in Figure 2, a county's current unemployment rate (year-to-date average to September) was totally unrelated to its voting results: the simple correlation statistic was an insignificant 0.02.

Just as the counties' current unemployment rates did not influence the voting pattern of their residents, neither did

**Figure 1**  
**Percent Voting for President Bush**  
**by Percentage of Residents Living in Rural Areas**



private employment growth. We compared the percentage of the county's voters choosing Bush with the change in the county's private employment from the first quarter of 2001 to the first quarter of 2004. The three-year period from 2001 to 2004 was not kind to most of the state's 83 counties; 67 lost private employment during this period. In the rural counties of Menominee, Mackinac, Leelanau, and Baraga, private employment fell by more than 25 percent, and President Bush received more than 50 percent of the ballots cast in each of them.

Although local labor market conditions or performance carried little weight in the voting pattern of county residents, their financial conditions did matter. As shown in Figure 3, residents of counties that suffered high rates of poverty in 2000 were less likely to vote to reelect the president this year. Residents in counties that experienced an increase in private wage and salary income were more likely to toss their support to the president for another four years, as shown in Figure 4.

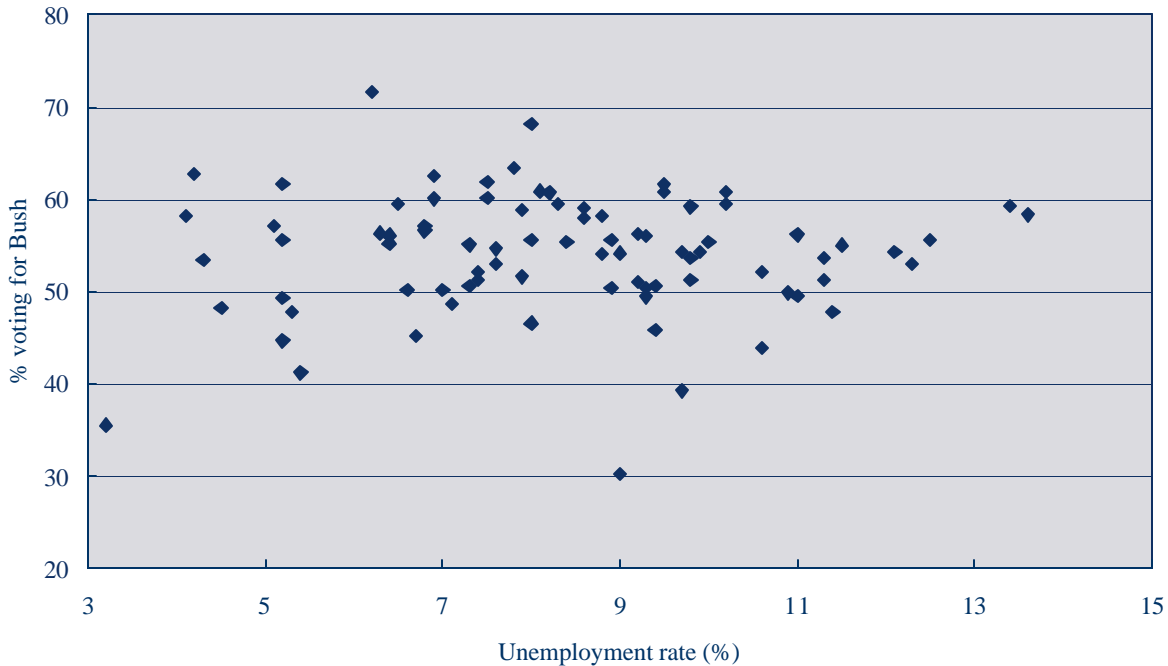
Of course, analyzing each of these factors separately provides an incomplete picture, because it does not control

for the interaction among variables. Throwing all of these data into a regression model, we are able to explain roughly 85 percent of the variation in the presidential election.

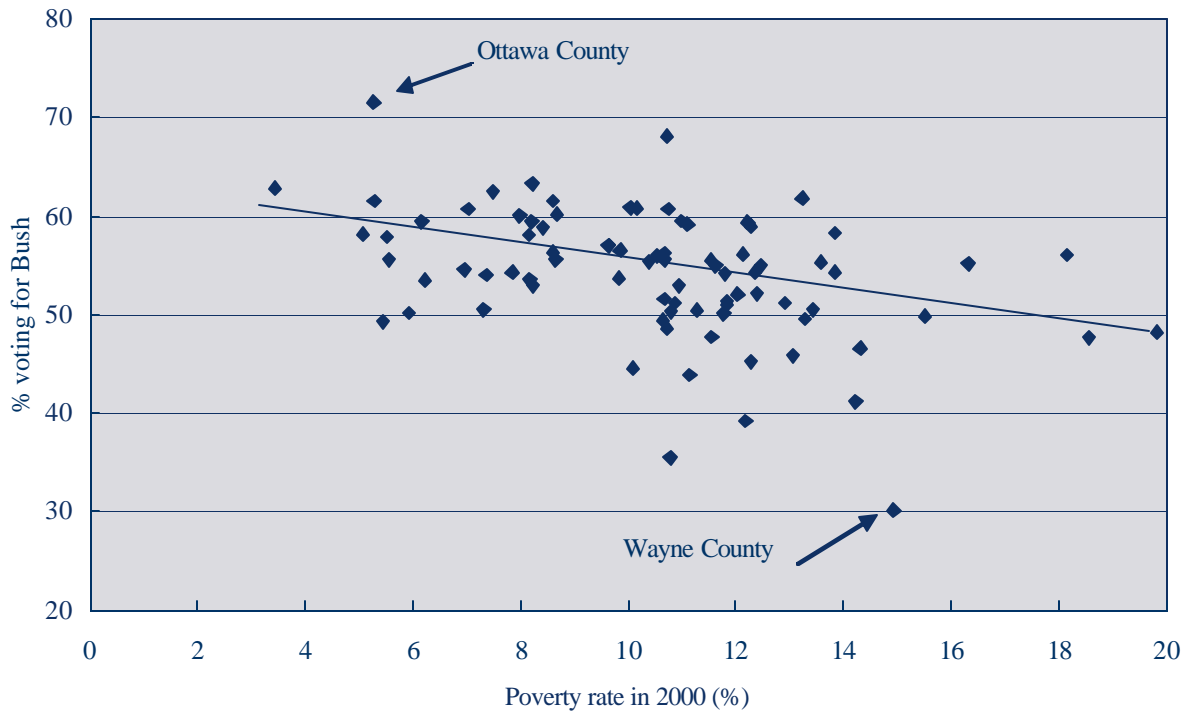
- A 1.0 percent improvement in the 2000 poverty rate would have increased the percentage of state residents voting for Bush by 0.4 percent.
- A 1.0 percent increase in the percentage of residents living in a rural setting would have increased the percentage of state residents voting for Bush by less than 0.1 percent.
- A 1.0 percent increase in the growth of the state's wages and salary per capita from 2001 to 2004 would have increased the percentage of state residents voting for Bush by 0.2 percent.
- Employment conditions, surprisingly, had little effect.

In conclusion, we can say the economy did matter in the election, and Kerry's narrow victory in the state rests, in part, on the lackluster growth in the state's economy.

**Figure 2**  
**Percent Voting for President Bush**  
**by County's 2004 Unemployment Rate**



**Figure 3**  
**Percent Voting for President Bush**  
**by Percentage of County's Residents Living in Poverty in 2000**



**Figure 4**  
**Percent Voting for President Bush**  
**by Change in Private Wage and Salary in County,**  
**2001 Q1 to 2004 Q1**

