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Linking Perception towards Prospective Economic Conditions on Satisfaction towards Federal Government

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Abstract

This paper contributes empirical findings on the examination of the perceived prospective economic conditions and demographic factors on the satisfaction of Federal government in Malaysia. The findings show that the perception towards prospective economic conditions has an impact on the satisfaction towards federal government after controlling the gender, ethnicity, and age factors. These results imply that voters are concerned with the prospective economic conditions when deciding whether or not to support the incumbent government. Thus, federal government needs to ensure the relevant policies and programmes implemented are able to strengthen the economic performance in order to gain the voters confidence.

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1. Introduction

What impact does economic performance and other demographic factors have on voters' choice? How do voters generally perceive their federal government? Does it live up to their expectations? These are the questions often raised when studying the relationship between economic performance and satisfaction towards federal government in order to comprehend the voters' choice and decision. The performance of economy is one of the most important issue affecting voters' choice and decision. Based on the economic voting theory, voters tend to support and reward the

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incumbent government during good economic times but in bad economic times, they have the tendency to punish the incumbent party or coalition (Lewis-Beck, 1988; Lewis-Beck & Nadeau, 2011). Therefore, there is not much dispute that economics can influence voters' choice and decision but how does the economic conditions influence voting, unfortunately, is less clear (Grafstein & Moser, 2001). In addition, there is still uncertainty on the impact of prospective evaluations on countries with parliamentary systems and coalition governments (Michelitch, et al., 2012). Furthermore, most of the previous studies are based on the economics and elections of the developed democracies countries of North America and Europe, and some from developing countries in Latin America (Lewis-Beck & Ratto, 2013). Nevertheless, there is dearth of research about economic voting among Asian countries. Meanwhile, Malaysia has gone through the most hotly contested election in the country's history in 2013. In this election, the federal ruling Barisan Nasional (National Front) (BN) coalition formed the federal government with 59.9% of parliamentary seats, even though Barisan Nasional only received 47.4% of the popular vote nationwide. Thus, it is interesting to study the Malaysia post general election scenario from the economic voting perspective where the objective is to examine the perceived prospective economic conditions and demographic characteristics on the satisfaction of federal government. In Malaysia, there is a difficulty to gauge the voters' choice. Thus, in this study, satisfaction towards federal government will be adopted as the proxy to the voters' choice.

2. Literature Review

There is a continue research on the assertion by MacKuen, Erikson, and Stimson (1992) that "economics moves political behavior". This has also been Kay's (1968) argument that voters are rational actors and their options on the government performance on economy will affect voting choices (Michelitch, et al., 2012). Voters may judge and evaluate the past performance of the national economy on their perceptions of the future of the national economy in selecting the government (MacKuen, Enkson, & Stimson, 1992; Norpoth, 1996). In US, the economy is the key to presidential election; for example, prospective economic evaluations were very much correlated with voters' choice in the 2008 US Presidential Elections (Michelitch, et al., 2012). In general, the economic prospective voting theory claims that voters link their perception towards the future performance of the economy with their vote decision and choices (Michelitch, et al., 2012; Lewis-Beck 1988). However, there are inconsistent empirical results in supporting economic prospective voting hypothesis. Many studies find that the electorate's prospective evaluations of the economy are vital in explaining the behavior of voters (Michelitch, et al., 2012; Carey & Lebo, 2006; Clarke & Stewart, 1994). Nevertheless, some studies have falsified the prospective voting hypothesis (Norpoth, 1996; Nannestad & Paldam, 2000). Thus, if one has positive perception towards prospective economic conditions, one would be more satisfy towards federal government.

H1: There is significant relationship between perception towards prospective economics and satisfaction of federal government

Studies have shown the existence of a complex connection between social backgrounds and believe in government related agencies, but demographic characteristics are not seen as an important determinants of trust in politicians (Christensen & Læg Reid, 2002; Bennett & Bennett 1990). There is growing studies that reveals voters with a given demographic characteristic prefer leaders or candidates with similar characteristic (Heath, et al., 2015). For example, the studies in US show that women are more likely than men to vote for female candidates (Plutzer & Zipp, 1996; Dolan, 1998). Number of studies have revealed that women tend to stand with public sector rather than men (Christensen & Læg Reid, 2002) as the women's earlier years in the labour market predominantly came from within the public sector. Hence, women have become more dependent, whether direct or indirectly, on the public sector for their employment.

On the other hand, growth in government expenses has also resulted in a higher tax burden for men, therefore the men might have induced a more negative attitude towards government (Christensen & Læg Reid, 2002). One can therefore presuppose that women will believe the government more than men do. In addition, empirical evidence suggests that men tend to vote egocentrically than women; while women are more likely to vote as sociotopically

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