The Dynamic Political Economy of Support for Barack Obama

During the 2008 Presidential Election Campaign

by

Thomas J. Scotto
University of Essex
tscott@essex.ac.uk

Harold D. Clarke
University of Texas at Dallas and University of Essex
clarke475@msn.com

Allan Kornberg
Duke University
kornberg@duke.edu

Jason Reifler
Georgia State University
poljar@langate.gsu.edu

David Sanders
University of Essex
sanders@essex.ac.uk

Marianne C. Stewart
University of Texas at Dallas
mstewart@utdallas.edu

Paul Whiteley
University of Essex
whiteley@essex.ac.uk

Version: January 12, 2010
Abstract

The Dynamic Political Economy of Support for Barack Obama
During the 2008 Presidential Election Campaign

In recent years, students of voting behavior have become increasingly interested in valence politics models of electoral choice. These models share the core assumption that key issues in electoral politics typically are ones upon which there is a widespread public consensus on the goals of public policy. The present paper uses latent curve modeling procedures and data from a six-wave national panel survey of the American electorate to investigate the dynamic effects of voters' concerns with the worsening economy—a valence issue par excellence—in the skein of causal forces at work in the 2008 presidential election campaign. As the campaign developed, the economy became the dominant issue. Although the massively negative public reaction to increasingly perilous economic conditions was not the only factor at work in 2008, dynamic multivariate analyses show that mounting worries about the economy played an important role in fueling Barack Obama's successful run for the presidency.
The Dynamic Political Economy of Support for Barack Obama During the 2008 Presidential Election Campaign

"It's getting harder and harder to make the mortgage or even keep the electricity on until the end of the month. The question isn't just whether you're better off than four years ago: it's whether you're better off than you were four weeks ago."

Barack Obama

“The issue of economics is not something I've understood as well as I should ....I've got Greenspan's book.”

John McCain

In recent years, students of voting behavior have become increasingly interested in valence politics models of electoral choice (e.g., Ansolabehere and Snyder, 2000; Clarke, Kornberg and Scotto, 2009; Clarke et al., 2004, 2009; Johns et al., 2009; Schofield, 2004, 2005). Building on pathbreaking work by Stokes (1963; see also Stokes, 1992) these models differ in specifics, but share the core assumption that key issues in electoral politics in contemporary mature democracies such as Great Britain and the United States typically are ones upon which there is a widespread public consensus on the goals of public policy. The classic example is the economy; almost everyone endorses the goal of a vibrant economy characterized by low rates of inflation and unemployment, and robust, sustainable, growth. But there are others—for example, vast majorities of voters endorse the goals of having high quality, easily affordable, and readily accessible health care and educational systems. Crime and terrorism are issues with similarly one-sided opinion distributions; citizen demands for security from threats posed by terrorists and common criminals are virtually ubiquitous. For these and similar issues, political debate focuses not on ends, but rather on means. In the world of valence politics, "who?" and "how?" are what matter when voters make their electoral choices.
As developed in our previous work (e.g., Clarke, Kornberg and Scotto, 2009; Clarke et al., 2004, 2009; see also Clarke and McCutcheon, 2009), valence issues are joined by party leader images and flexible partisan attachments as the three key variables in a valence politics model. Although this model provides a powerful and parsimonious explanation of voting behavior, we do not claim that other variables are irrelevant. In particular, the locations of voters, parties and candidates on position issues emphasized in Downsian-style spatial models of party competition (e.g., Adams, Merrill and Grofman, 2005) provide modest additional explanatory power. In previous work on voting the 2008 American presidential election (Clarke et al., 2010), we have demonstrated how these several variables do much to account for the choices voters ultimately made in this contest.

In the present paper, we focus on the dynamic effects of voters' concerns with the worsening economy in the skein of causal forces at work in the 2008 election campaign. As the campaign developed, the economy, a valence issue *par excellence*, became the dominant issue. Consistent with a basic hypothesis of the voluminous literature on "economic voting" (e.g., Lewis-Beck, 1988; Norpoth, Lewis-Beck and Lafay, 1991; van der Brug, van der Eijk and Franklin, 2007; Duch and Stevenson, 2008), the consequence of the flood of bad economic news in 2008 had predictably negative effects on the fortunes of John McCain, the presidential candidate of the incumbent Republican Party, and predictably positive ones for his Democratic opponent, Barack Obama. The increasingly perilous state of the economy was not the only factor at work but, as discussed below, it was a crucial factor in Obama's successful run for the White House.
He reaped major political profits from an economy that was plunging into one of the deepest recessions in American history.

**Data:** The data set we use was generated by a large multi-wave national internet survey of registered voters conducted by YouGov/Polimetrix. This Cooperative Campaign Analysis Project (CCAP) survey was administered six times over the course of the 2008 presidential campaign. Starting with a baseline survey in December 2007, subsequent waves were fielded in January, March, September, October, and November 2008. For present purposes, we utilize data gathered in the five-wave December 2007-October 2008 pre-election panel (N = 7595).

**The 2008 Context: From Guns to Butter**

On the eve of the 2008 campaign season it was not inevitable that the economy would become the issue of the general election. Unemployment was under five percent, and the implications of President Bush’s decision to increase the number of troops fighting in Iraq was the issue more likely to appear in the opening segment of the nightly news. In the 2006 mid-term congressional elections the Democrats had capitalized on Bush’s failure to quell the insurgency in Iraq. The steadily rising numbers of American and Iraqi casualties and the escalating financial burden of the war convinced large numbers of voters that a major redirection of policy was necessary. Discontent with the evident lack of progress in Iraq, disgusted by the Bush administration's inept handling of the Katrina hurricane crisis, and disillusioned by a widely publicized series of financial and sex scandals involving Congressional Republicans, the public mood was sympathetic to the Democrats' appeal for change. In November 2006, a disgruntled electorate gave
the keys of both Houses of Congress to the Democrats for the first time since 1994 (Clarke, Kornberg, and Scotto, 2009).

Although public unhappiness with the situation in Iraq had done much to help the Democratic cause, a year later, in late 2007, the continuing conflict in that country presented a challenge to candidates for the Democratic presidential nomination. Many of those who had voted to give the Democrats control of Congress expected them to push hard for withdrawal. Newly installed House Speaker Nancy Pelosi and her colleagues in the liberal wing of the Democratic congressional caucus were happy to oblige. However, President Bush, never one to appear swayed by public opinion, let alone liberal Democrats, would hear nothing of withdrawal. Instead, he announced a plan to send an additional 20,000 troops to Iraq. According to a White House press release (2007), the troop "surge" would quell sectarian violence, isolate extremists determined to see the United States fail, and provide the safe, stable environment needed to foster the development of democratic governance in Iraq. Mindful of the sizable base of strident anti-war voters in their party, Senator Obama and his main rival for the Democratic presidential nomination, Senator Hillary Clinton, initially came out strongly against the surge and called for a definitive timetable to draw down US troops and end US military involvement in Iraq.

These positions became difficult to maintain because voters were increasingly seeing the surge as a successful policy. For example, in the December 2007 wave of the CCAP national panel survey, 44% reported that they believed the surge had improved the situation and only 18% said that they thought it had failed. And, as the primary season progressed, the percentage of respondents who wanted American armed forces to leave
Iraq immediately declined (from 30% in December 2007) to 20% (in March 2008). Moreover, although less than one third of the CCAP respondents wanted the United States remain in Iraq indefinitely, many more were willing to give the surge more time, more than one year, to work. The Democrats had used public disaffection with Iraq to their advantage in 2006, but in early 2008 advocacy of a "cut and run" strategy seemed politically ill-advised.

Indeed, advocating a quick exit strategy as a solution to the Iraq problem might be a liability. The eventually victorious Democratic candidate, whether Senator Obama or Senator Clinton, would compete against Republican John McCain, whose popularity with the electorate was fueled by his unquestioned status as a genuine war hero. McCain also made much of his reputation as a straight talking maverick willing to oppose Republican colleagues, regardless of possible political costs. However, on Iraq, he backed Bush. Claiming great experience in foreign policy and proven ability to meet the challenges of wartime leadership, McCain strongly endorsed the surge.

In the event, Obama did not have to worry greatly about positioning himself relative to McCain on vexing issue of Iraq because another issue, the state of the economy, quickly became the dominant public concern. As observed above, the economy is a quintessential valence issue—virtually everyone wants a healthy economy. Since prosperity has a vanishingly small number of political opponents, when adverse economic conditions become a salient issue debate focuses heavily on who can get the derailed engine of wealth production back on track. Economic mismanagement and political success seldom go hand-in-hand and, since many voters attribute responsibility
to presidents for the performance the economy, recessions are typically bad news for incumbent administrations.

In 2008, growing public concern about the economy began with signs of trouble in the housing and commercial properties industry that had expanded rapidly in the first two-thirds of the decade leading to a so-called “Housing Bubble” that saw many people make large sums of money, at least on paper. When the bubble burst, a subprime mortgage crisis ensued, and many Americans found themselves with heavily mortgaged properties and negative equity (Akerlof and Shiller, 2009; Shiller, 2006). There were major "knock on" effects because of a liquidity crisis (the inability/unwillingness of banks to extend credit because of their own perilous conditions): in the banking and investment sectors, in the insurance industry, in the automobile industry, in thousands of other businesses, large and small. Job losses and layoffs started to make front-page news; and the growing possibility of state and local government bankruptcies threatened disruptions in vital public services. As Figure 1 shows, on the eve of the 2008 election the Dow Jones industrial average, a signal to millions of Americans of the health of their retirement portfolios and personal investments, was nearly 5,000 points down from early 2007. And, as just noted, unemployment became an increasingly serious problem, moving upward, first gradually and then more rapidly, as 2008 wore on. The public reacted predictably—as Figure 2 illustrates, retrospective and prospective assessments of national economic conditions became massively negative as the bad economic news mounted.

(Figures 1 and 2 about here)
Voters' worries about the economy are abundantly evident in the successive CCAP panel surveys. The percentage of respondents who stated that the economy had performed worse over the past year rose steadily from 68% in December 2007 to fully 93% in October 2008. Not only that, as Figure 3 shows, the economy became the dominant issue on the public mind. In December 2007, less than one in five respondents had designated the economy as their most important issue, but that figure grew markedly throughout the campaign. When voters cast their ballots in November 2008 nearly 60% stated that the economy was their foremost concern. Also important was the fact a decreasing number of voters were concerned with any other issues, including ones such as immigration, Iraq or terrorism that might have been Senator Obama’s Achilles Heel had one or more of them become highly salient in a contest with an opponent such as Senator McCain.

(Figure 3 about here)

Was Senator Obama able to convince voters he was able to handle the economy effectively, and did this issue provide the "political rocket fuel" that propelled him to victory? Inspection of the CCAP data suggests that the preliminary answers to these questions are affirmative. Figure 4 shows that Obama tended to be viewed positively among the large and growing number of voters designating the economy as their most important issues, with his favorability ratings increasing from 46% to 60% across the December 2007 to October 2008 CCAP surveys. Also, and indicative of the problems he might have faced if the economy had not weighed so heavily on voters' minds, the CCAP data indicate that his favorability was much lower and actually declined slightly—from 42% in December 2007 to 38% in October 2008—among those collectively concerned
primarily with one of the non-economic issues. As the campaign drew to a close, Obama effectively "owned" the issue—the economy—that defined the political agenda.

(Figure 4 about here)

As noted above, a host of studies have indicated that economic conditions have significant effects on electoral choice. To date, however, the vast bulk of the work on "economic voting" has relied on either aggregate time series data or cross-sectional survey data. The former facilitate the analysis of dynamic relationships, but are bedeviled by the problem of ecological inference. The latter avoid this problem, but are necessarily unable to address questions relating to dynamic interrelationships among variables of interest. The five-wave 2008 CCAP survey has the major advantage of allowing one to conduct multivariate analyses of how individual voters responded to worsening economic conditions, and the consequences those reactions had for support for Barack Obama. That is our next task.

**Methods and Models**

As observed above, both retrospective economic evaluations and public support for Democratic challenger Barack Obama exhibited substantial dynamics over the course of the 2007-2008 election campaign. The primary topic we investigate is whether those who grew more pessimistic about economic performance as the year wore on grew more favorable to the Democratic challenger controlling for a variety of demographic, ideological, and partisan forces that motivate candidate support in valence and other models of voter choice. In addition, we consider the extent to which the growing economic pessimism that characterized the electorate throughout the 2008 campaign hurt
Republican presidential candidate John McCain and widened the favorability gap between him and his Democratic rival.

Latent Curve Modeling (LCM) (Browne, 1993; Bollen and Curran, 2006; Duncan, Duncan and Strycker, 2006; Lackey et al. 2006) is a flexible methodology that permits one to model individual-level variation in the dynamics of processes of interest—here support for presidential candidates and evaluations of the performance of the national economy. LCMs incorporate random intercepts and slopes into a broader structural equation modeling (SEM) framework by specifying them as latent factors. As part of the more general SEM class, the performance of LCMs can be assessed using a wide array of model fit and adjudication statistics.³

We begin by investigating the relationship between negative economic retrospections and support for Barack Obama. A similar model is used to analyze support for Obama relative to his Republican opponent, Senator McCain. As discussed above, attitudes towards the two presidential candidates are measured using five-point ordinal scales, ranging from "very favorable" to "very unfavorable." These scales are available in each of five pre-election waves (December, January, March, September, October) of the CCAP 2008 national panel survey.

For unconditional models that exclude exogenous, time-invariant covariates, the dynamics of favorability towards Obama and economic retrospections can be represented as follows:

\[
\begin{align*}
\text{Obama}_{it} &= \alpha_{\text{Obama}} + \beta_{\text{Obama}} \lambda_i + \epsilon_{\text{Obama}it} \\
\text{Econ.ret}_{it} &= \alpha_{\text{econ.ret}} + \beta_{\text{econ.ret}} \lambda_i + \epsilon_{\text{econ.ret}it}
\end{align*}
\]

The subscript \(i\) indicates that each individual in the sample has their own growth trajectory giving them their own intercept, slope, and residual. The subscript \(t\) indexes
the five time points in our data so that each value of the variables on the left-hand side of
these equations represents the value of economic retrospections or Obama favorability
given by each individual $i$ at each time point. The $\lambda_i$’s represent the paths from the latent
factors (described below) to the repeated measures that have initial and time varying
properties we wish to understand. Unconditional equations for the latent intercepts, $\alpha$, and slopes, $\beta$, are:

$$\alpha_{\text{Obama}i} = \mu_{\alpha\text{Obama}} + \alpha_{\text{econ.ret}} \lambda_{\text{econ.ret}} + \zeta_{\alpha\text{Obama}i}$$
$$\beta_{\text{Obama}i} = \mu_{\beta\text{Obama}} + \alpha_{\text{econ.ret}} \lambda_{\text{econ.ret}} + \beta_{\text{econ.ret}} \lambda_{\text{econ.ret}} + \zeta_{\beta\text{Obama}i}$$
$$\alpha_{\text{econ.ret}i} = \mu_{\alpha\text{econ.ret}} + \zeta_{\alpha\text{econ.ret}i}$$
$$\beta_{\text{econ.ret}i} = \mu_{\beta\text{econ.ret}} + \zeta_{\beta\text{econ.ret}i}$$

These equations signify that the intercepts and slopes are functions of their mean
intercepts and slopes across all individuals plus random disturbances, the $\zeta_i$’s. The values
of both the $\alpha_{\text{econ.ret}} \lambda_{\text{econ.ret}}$ and the $\beta_{\text{econ.ret}} \lambda_{\text{econ.ret}}$ parameters are noteworthy. A person’s
position on the latent intercept measuring favorability towards Senator Obama is also a
function of their position on the latent intercept for economic retrospections, and their
position on the latent slope that measures favorability towards Senator Obama is a
function of their positions on the latent intercepts and slopes that capture an individual’s
starting level of and subsequent changes in economic evaluations. Model parameters
thereby indicate how voters’ initial and subsequent negativity regarding the performance
of the national economy were related to levels of and movements in candidate support.

The random intercepts and slopes can be thought of as factors that are linked to
observed indicators via path coefficients, here $\lambda_{\text{econ.ret}1t}, \lambda_{\text{econ.ret}2t}, \lambda_{\text{Obama}1t},$ and $\lambda_{\text{Obama}2t}$
where $t = 1, 2, 3, 4, 5$ and the first factor for each variable is the latent intercept ($\alpha_{\text{Obama}}$
and $\alpha_{\text{econ.ret}}$) and the second factor is the latent slope ($\beta_{\text{Obama}}$ and $\beta_{\text{econ.ret}}$). A key
decision when estimating a LCM is how to scale the paths from the latent intercepts and latent slopes to the time-varying observations. Typically, latent intercepts are fit to the time-varying indicators by constraining all of the factor loadings to 1.0. Identification also requires fixing the path from the latent slope to one of the time-varying indicators to zero. Substantively, setting the path from the latent slopes to the December 2007 measurement of support for Obama and negative economic retrospections to zero provides a straightforward interpretation of the latent intercepts: they are the initial levels of negative attitudes towards the economy and favorability towards Obama.

Many LCMs assume a linear growth process (see Bollen and Curran, 2006), and with five unevenly spaced surveys, we can estimate a growth model under the linearity assumption by fixing the paths from the latent slopes to the indicators to the number of months after the initial December 2007 measurement was taken. Thus, the fixed paths from the latent slopes to the indicators would be: $\lambda_{\text{Jan}} = 0$, $\lambda_{\text{Jan}} = 1$, $\lambda_{\text{March}} = 3$, $\lambda_{\text{Sept.}} = 9$, and $\lambda_{\text{Oct}} = 10$.

Although parsimonious, it is not necessary to assume a strictly linear process for either economic evaluations or candidate support, and identification of an LCM with five time-varying indicators requires only that two of the paths remain fixed (Bollen and Curran, 2006). The 2008 race for the presidency featured a highly divisive Democratic primary and a subsequent general election campaign that many argued was not well fought by Obama’s opponent, John McCain. Obama’s hotly contested primary battle against Senator Hillary Clinton may have stunted his rise in support early in the year. Further, although growth in economic pessimism is evident in the data throughout the entire time period, the pace of this growth may have increased somewhat late in the
campaign after the highly publicized mid-September collapse of Lehman Brothers. To determine whether the growth processes are non-linear, we fix $\lambda_{\text{Jan}}$ and $\lambda_{\text{Oct}}$ and freely estimate the other $\lambda$'s. Non-linearity in the growth process for economic retrospections and Obama’s favorability will be evident if the estimated coefficients for the freed parameters are significantly different from the time in months after December 2007 in which a particular wave of the survey was fielded.

Figure 5 presents a conceptual diagram of the unconditional growth model just described. Structural relationships of interest involve initial economic retrospections, on the one hand, and the initial level and growth in support for Senator Obama, on the other. The other important structural relationship involves change in negative economic retrospections, measured by $\beta_{\text{econ.ret}}$ and change in support for Obama, measured by $\beta_{\text{Obama}}$. The thick lines in Figure 5 indicate these paths.

(Figure 5 about here)

LCMs such as the one depicted in Figure 5 may be augmented to incorporate a variety of additional factors affecting candidate support in presidential election campaigns. Initial positions and growth in favorability towards Senator Obama and evaluations of economic performance were not likely to be evenly distributed across different sub-groups in the electorate, defined either in terms of political psychology or political sociology. In 2008, discussions of forces at work in the campaign focused heavily on whether the candidacy of Senator Obama transcended deep-seated attitudes Americans held concerning race generally, and the status of African Americans in particular. And, as is typical in American national elections, ideology and partisanship were relevant, with Senator Obama needing both to appeal to the Democratic base after a
divisive primary, while simultaneously distancing himself from what many commentators considered a very liberal voting record in the Senate. Socio-demographic characteristics also may have played a role by influencing both worries about the worsening economy and varying levels of support for the Democratic candidate and his Republican rival.

Taken, together, these considerations suggest that the growth trajectories depicted in Figure 2 are conditional on several longer term factors. Incorporating these factors into the candidate support growth process is relatively straightforward. The equations are:

\[
\alpha_{\text{Obama}} = \mu_{\text{Obama}} + \alpha_{\text{recon,ret}} + \sum_{i}^{D} \gamma_{\text{econ,ret}} \cdot x_{id} + \sum_{f}^{F} \kappa_{\text{econ,ret}} \cdot \xi_{if} + \zeta_{\text{Obama}}
\]

\[
\beta_{\text{Obama}} = \mu_{\text{Obama}} + \alpha_{\text{recon,ret}} + \sum_{i}^{D} \gamma_{\text{econ,ret}} \cdot x_{id} + \sum_{f}^{F} \kappa_{\text{econ,ret}} \cdot \xi_{if} + \zeta_{\text{Obama}}
\]

\[
\alpha_{\text{recon,ret}} = \mu_{\text{recon,ret}} + \sum_{i}^{D} \gamma_{\text{recon,ret}} \cdot x_{id} + \sum_{f}^{F} \kappa_{\text{recon,ret}} \cdot \xi_{if} + \zeta_{\text{recon,ret}}
\]

\[
\beta_{\text{recon,ret}} = \mu_{\text{recon,ret}} + \sum_{i}^{D} \gamma_{\text{recon,ret}} \cdot x_{id} + \sum_{f}^{F} \kappa_{\text{recon,ret}} \cdot \xi_{if} + \zeta_{\text{recon,ret}}
\]

Here, the x’s are socio-demographic controls where d equals the number of exogenous variables that condition the latent intercepts and slopes. The \(\xi_{if}\)’s are three time-invariant latent variables, \(f = 1, 2, 3\) that measure voters’ liberal-conservative ideologies, the strength of their religious beliefs and their racial attitudes. As per the discussion of the dynamics of party identification above, partisanship is treated as a time-varying political attitude that directly influences favorability towards Barack Obama at each point in time. Additionally, partisanship influences time-specific economic attitudes. Thus, its impact on the economic evaluation and Obama support indicators is modeled as follows:
In these equations $z_{it}$ is a voter's partisanship at a given point in time, and this is related to support for Obama and economic evaluations via a time specific slope parameter, $\omega_t$. The interpretation of the latent intercepts and slopes shown in the conditional model depicted in Figure 6 is that initial favorability and changes in support for Obama are affected by the dynamics of negative economic retrospections conditional on covariates, $x_d$ and $y_{it}$, and net of an individual’s partisanship, $z_{it}$, at each of the time points.

(Figure 6 about here)

In the next section, we first report results of analyses of the unconstrained and constrained growth models for Senator Obama. Then, we present an additional set of analyses focusing on the initial and growth in differences in support for Obama and McCain.

**Empirical Results**

We first estimated an unconditional latent curve model where five-point ordinal measures of favorability towards Obama across the five time points (December 2007 and January, March, September, October 2008) were specified as functions of a latent intercept ($\alpha_{Obama}$) and a latent slope ($\beta_{Obama}$). Likewise, a latent intercept ($\alpha_{econ.ret}$) and a latent slope ($\beta_{econ.ret}$) were specified based on respondents’ evaluations of the past year’s economic performance measured at each of the five time points.Indicator variables were coded so that increasing values on the latent economic retrospect intercept and slope corresponded with more negative initial retrospections and growth in negative retrospections, respectively. Thus, a (weighted least squares) regression of $\beta_{Obama}$ on $\alpha_{econ.ret}$ and $\beta_{econ.ret}$ should yield positive coefficients. Further, in accordance with the
literature on economic voting, we expect voters with initial negative economic retrospections would be more positively predisposed to the Democratic challenger. Regressing $\alpha_{\text{Obama}}$ onto $\alpha_{\text{econ.ret}}$ should produce a positive coefficient.\(^8\)

Results from the unconstrained model accorded well with these expectations. Not only were the three slope coefficients positive and statistically significant ($p < .05$), but the Root Mean Square Error of Approximation (RMSEA), a statistic commonly used to judge the goodness-of-fit of structural equation models, was only 0.046.\(^9\) What the unconstrained model suggests is that, on average, those who believed the economy was performing poorly at the outset of the campaign were likely to have higher levels of favorability towards candidate Obama and they grew more favorable towards the Democratic candidate as the year wore on. Furthermore, those whose negativity about recent economic performance increased as the campaign progressed also became more favorable to Senator Obama.

However, not all voters became more favorably inclined to the Democratic challenger and there is reason to suspect attitudes towards him were contingent on several factors in addition to those generated by the worsening economy. The Senator from Illinois was perceived by many to be very liberal, much was made of the fact that he was the first African-American nominee from a major party, and attitudes toward him were divided along socio-demographic and partisan lines. By estimating the conditional latent curve model depicted in Figure 6, we can determine whether racial attitudes, ideology, and religiosity were important factors driving favorability towards Senator Obama, and whether economic effects are sustained when these factors are controlled. Although this model has far more parameters than the unconditional model discussed above, the lower
RMSEA value of 0.02 suggests a better fit. The Weighted Root Mean Square Residual (WRMR), another measure of model fit, also has a satisfactory value.\textsuperscript{10} Table 1 reports the parameter estimates and asymptotic standard errors for the latent portion of the conditional LCM.

(Table 1 about here)

Taking the bottom half of the table beginning with “latent predictors” first, we see that initial economic retrospections ($\alpha_{\text{rcen.cet}}$) remain a significant predictor of initial attitudes towards Obama ($\beta_{\text{Obama}}$). However, its magnitude is dwarfed by the race, religiosity, and the "new racism" latent variables. Latent liberalism and progressive scores on the new racism scale in conjunction with low levels of religiosity were more potent in predicting initial support for Obama. Standardized slope coefficients (not shown) show that the power of the new racism scale dwarfed that of the other latent variables combined. Before his primary victory over Senator Hillary Clinton and before the economy became \textit{the} issue of the 2008 campaign, Senator Obama appealed to those on the ideological left and those with progressive racial attitudes. We also note that these variables had indirect effects—liberals and those with progressive attitudes concerning race were also more likely to view the economy as troubled in the beginning of the campaign.

Although space prevents us from showing all of the coefficients, the latent variables also were also regressed on several socio-demographics. Results show that Obama was supported initially by a niche section of the electorate. He appealed most strongly to the young, the upper class, Catholics, and African-Americans. Obama’s appeal among Hispanic voters was not greater than that among Whites, and older voters
and persons with a high school education or less initially held him in relatively low esteem. However, Obama’s negatives presented an opportunity for his candidacy. Voters in the demographics that did not favor his candidacy were also those most ill-disposed about the performance of the economy and, accordingly, were potential recruits for a candidate perceived able to restore "good times."

The regression of the latent slope for Obama’s favorability rating on other latent variables and socio-demographic characteristics tell the story about how the economy propelled his candidacy and secured voters beyond those in his initial base. Combined, the effects of $\alpha_{econ.\text{ret}}$ and $\beta_{econ.\text{ret}}$ on $\beta_{Obama}$ far exceed those of other predictors. Beginning levels and growth in negative evaluations of the performance of the economy were associated with significant increases in favorable attitudes towards Obama. To illustrate the influence of the growth in economic concerns, Figure 7 presents scatter plots and accompanying regression lines of $\alpha_{Obama}$ by $\alpha_{econ.\text{ret}}$, $\beta_{Obama}$ by $\alpha_{econ.\text{ret}}$ and $\beta_{Obama}$ by $\beta_{econ.\text{ret}}$ for black and white respondents. These data illustrated in Figure 7 show that initial and increasingly negative economic retrospections were associated with initial levels of and growth in support for Obama among both racial groups. Note that the relationships are stronger among whites. Since the election of Lyndon Johnston in 1964, Democratic presidential candidates typically have struggled to win a majority of the white vote, and the data show that rising economic worries among whites helped Obama to capture the support of this group in the electorate. Second, the regression lines accompanying the scatter plots show that initially negative economic retrospections (i.e., high values on $\alpha_{econ.\text{ret}}$) were the strongest predictor of growth in support for the Democratic challenger.

(Figure 7 about here)
Just how important was the economy? The top portion of Table 1 reports the mean values of the latent slopes, $\beta_{\text{Obama}}$ by $\beta_{\text{econ.ret.}}$. On average, support for Obama across the electorate rose at a modest 0.14 of a standardized unit ($p < 0.10$), and a sizable number of voters grew more negative towards him over the course of the campaign. However, the effect of growth in negative economic retrospections was large 0.41 ($p < 0.001$), and only a minuscule number of respondents grew more positive about the performance of the economy. Among whites, positive growth in favorable attitudes towards Obama does not occur until values of growth in negative economic retrospections surpass the variable’s mean value. All else equal, Obama's task would have been much more difficult had there not been a substantial number of voters with initial concerns about the economy and a sharp increase in the number who became worried about the worsening economic conditions as the campaign progressed. In the event, these groups constituted substantial portions of the electorate. The economy clearly was a crucial issue.

The top half of Table 1 also shows that patterns of growth in support for Obama and negative economic retrospections were slightly non-linear.$^{11}$ The fact that $\lambda_{\text{Jan}}$ for Obama was significantly less than 1.0 suggests that growth in his support was muted during the early part of the primary season. The two remaining freed $\lambda$ coefficients are not significantly different from the values of 3 and 9 that would be expected if Obama's favorability followed a linear growth process, but the fact that $\lambda_{\text{Sept.}}$ remains more than 0.5 of a unit below its expected value suggests larger growth in the closing month of the campaign. The growth process for negative economic retrospections appears quite close to linear until the end of the campaign season. The $\lambda_{\text{Sept.}}$ coefficient of 7.72 is
significantly lower than 9.0, and suggests that the rapid compounding of an already poor economic outlook that accompanied the widely publicized collapse of Lehman Brothers in September 2008 caused a late campaign spike in negative economic retrospections. Again, the model tells a simple story, suggesting that Obama benefited from the bad economic news in September and October, with people worried about the economy swinging their support behind his candidacy.\(^{12}\)

As noted above, Obama did not have it all his way; there were a substantial minority of voters who did not grow warmer towards him. Conditioning the latent slope for Obama’s favorability on the other latent variables and various other covariates indicates that racial attitudes and political ideologies helped to determine the trajectory of Obama's favorability ratings (results not shown in tabular form). People with lower levels of education who were initially unfavorable towards the candidate but initially pessimistic about the performance of the economy grew more favorable to the candidate during the year. Quite possibly, this effect reflects the simple fact that, with the Democratic primaries over, the only alternative to Obama was Republican John McCain. It is also noteworthy that few of the covariates other than the latent variable tapping the intensity of religious beliefs significantly predicted growth in negative economic retrospections. This, in conjunction with the small magnitude of the variance of \(\beta_{\text{econ.ret}}\) suggests that growing negative economic retrospections became nearly ubiquitous throughout the electorate.

Our analyses of Obama's favorability ratings also considered the effects of party identification and attitudes toward Iraq. Recall that the conditional latent curve model (Figure 6) examines the growth in latent favorability towards Obama \textit{after} factoring out
the impact of partisan identification on his favorability indicators. As one might expect, although its influence was statistically significant on all five measures of favorability, the strength of partisanship in predicting favorability towards the Democratic challenger was stronger in September and October than earlier in the year. To study the impact of opinions about Iraq, we estimated another conditional growth model similar to the one discussed above. In this supplemental model, we added a measure of attitudes towards the course of action the United States should in Iraq. This variable was measured in September and it was used predict support for Obama in October. The impact of initial levels of and growth in negative economic retrospections on growth in his support remained strong.

Did the increase of initial and increasingly negative economic retrospections also hurt the candidacy of John McCain? To answer this question, we re-estimated the model depicted in Figure 6 using McCain's favorability ratings in the five pre-election waves of the CCAP panel. The results (not shown in tabular form) reveal that negative initial economic retrospections and growth in economic pessimism was associated with both initial and increasing disfavor towards the Republican candidate.

There are other interesting findings in the McCain model. The sign on the coefficient for the effect of ideology on initial attitudes suggests that McCain initially found favor among liberals. Further attesting to McCain’s early ability to appeal to a broad section of the electorate the religiosity variable was not significantly associated with initial reactions to him, and the impact of racial attitudes was correctly signed and significant, but quite weak. Coefficients for other predictors show that African-Americans and Latinos were actually more favorably disposed than Whites to McCain
whose appeal, at least at the campaign's outset, seemed to have potential to transcend narrow partisan and socio-demographic boundaries.

Regarding the dynamics of McCain's favorability ratings, voters with initially negative economic evaluations and those who became negative about the economy as the year progressed became less favorably disposed towards him. Standardized LCM coefficients indicate that these effects were sizable, a finding consistent with our argument that reactions to the worsening economy were a key factor driving the dynamics of candidate support during the campaign. Model estimates also indicate that McCain's appeal narrowed over time. African Americans and Latinos grew significantly cooler towards his candidacy, and his appeal to ideological and racial conservatives and religiously minded voters increased. In sum, while Obama was able to expand his support beyond the Democratic heartland over the course of the campaign, McCain found himself supported by fewer and fewer voters outside of the Republican base.

Finally, we consider a head-to-head match-up of voters’ favorability ratings of the two candidates. This is an interesting analysis because the difference in favorability ratings in the October CCAP survey has an extremely strong correlation (r = +.90) with voting in the November post-election survey.\textsuperscript{13} Table 2 reports the results of a latent curve analysis for the difference in Obama and McCain's favorability ratings.\textsuperscript{14} Similar to the dynamics of support for Obama, the growth in the favorability gap between the two candidates follows a slightly non-linear trajectory. The absence of growth early in the primary season is followed by a surge, such that the $\lambda_{\text{March}}$ coefficient of 3.46 is significantly greater than the 3.0 value expected if the growth process was linear. And, although not significantly different from its anticipated value under the linearity
assumption, the finding that $\lambda_{\text{Sept}}$ exceeds 9.0 suggests that much of the growth in the favorability gap between the two candidates occurred before the closing month of the campaign.

(Table 2 about here)

Similar to their effects in the Obama support model, liberal racial attitudes were the most potent factor prompting voters to favor Obama initially over his Republican rival. However, starting levels of and growth in negative economic retrospections again combined to trump other forces in driving the growing gap between Obama and McCain. Unlike the favorability models for the individual candidates, few of the socio-demographic variables were significant predictors in the favorability gap model. Only African-Americans demonstrated an increasing tendency to favor Obama over McCain. Thus, although several variables help to explain support for the individual candidates, voters' reactions to the worsening economy was a dominant force driving the growing gap in support between Obama and McCain as the campaign progressed.

**Conclusion: "It's the Economy and ..."

The 2008 presidential election provides a classic example of the power of valence politics. With the American economy going into freefall over the course of the campaign, the election constituted an important, but very painful, real-world experiment demonstrating the ability of a quintessential valence politics issue—the state of the national economy—to drive support for the competing presidential candidates. As the campaign progressed, Democratic standard bearer, Barack Obama, found himself propelled towards the White House by perilous economic conditions that were preoccupying an increasingly worried electorate. Obama's campaign slogans "Yes We
Can!" and "Change You Can Believe In!" proved highly effective rhetorical devices that enabled him to exploit the deepening crisis for handsome political profit. Carefully avoiding potentially divisive policy specifics, Obama convinced many voters that he had the "right stuff" to handle the ailing economy and other serious problems confronting the country.

Obama's success in persuading a substantial portion of the electorate that he could do the job on the economy and other vexing issues was facilitated by his rival, John McCain. Although McCain had attempted to portray himself as the only candidate who had the experience needed to be an effective president, he maladroitly undercut his message by proclaiming at the campaign's outset that he knew little, if anything, about economics. Subsequently, his selection of untested Alaska Governor Sarah Palin as his vice presidential running mate—a choice many commentators judged to be a bizarre, even irresponsible, act of political desperation—put paid his argument that proven experience should be the *sine qua non* for choosing between himself and his Democratic rival. Leader images regularly are key heuristic for voters trying to make sensible decisions in a political world of high stakes and considerable uncertainty, and in 2008 Obama was able to portray himself as having the traits needed to be successful president in a time of national crisis.

Obama's campaign was helped by other factors as well. After 2004, the distribution of party identification had swung sharply in favor of the Democrats, as sizable numbers of voters became increasingly disaffected with President Bush and his handling of the Iraq War. A rising tide of lurid publicity about scandals involving members of the Republican congressional caucus also tarnished the GOP brand, not just
among liberals, but also among many people closer to the center of the ideological spectrum. Benefitting from this wave of dissatisfaction, Obama had strong appeal to many groups that typically contribute heavily to the Democratic Party's electoral coalition (see Lewis-Beck et al., 2008). African Americans, Hispanics, blue-collar workers, women and young people all demonstrated their enthusiasm for him at the polls.

There is an important addendum to the story—analyses of the CCAP survey data testify that Obama was not uniformly well received. Specifically, although he became the first African-American president, this did not occur because racial biases had become irrelevant in American politics in 2008. A sizable number of voters continued to harbor less than flattering views of African Americans, and these negative attitudes strongly influenced their images of the candidates. Nevertheless, Obama prevailed. Benefiting handsomely from an extremely well-organized and lavishly financed campaign, he did an excellent job in combating these toxic stereotypes to the extent needed to ride the deepening economic crisis to victory. Replaying the 2008 election without the economic adversity that worked powerfully to make Barack Obama America's 44th president is destined to remain a counterfactual exercise for Political Science commons rooms.
Figure 1. The Dynamics of Unemployment Rates and the Stock Market, November 2004-November 2008

Source: Federal Reserve Bank of St. Louis (FRED) database; monthly data.
Figure 2. Retrospective and Prospective National Economic Evaluations, November 2004-November 2008

Source: Monthly Reuters/University of Michigan Surveys of Consumers.
Figure 3. The Dynamics of Issue Concerns—Most Important Issue
December 2007-November 2008

Source: December 2007-November 2008 waves of CCAP panel survey.
Figure 4. The Aggregate Dynamics of Obama’s Favorability Ratings and the Economy as Most Important Issue, December 2007-November 2008

Source: December 2007-November 2008 waves of CCAP panel survey.
Figure 5. Basic Latent Curve Model: The Dynamics of Negative Economic Evaluations and Favorable Attitudes Towards Barack Obama
Figure 6. Latent Curve Model of Dynamics of Negative Economic Evaluations and Favorable Attitudes Towards Barack Obama with Covariates

Exogenous Socio-Demographic Covariates

New Racism, Religiosity and Ideology Factors

α_{Obama}  α_{econ.ret.}  β_{Obama}  β_{econ.ret.}
Figure 7. Individual-Level Intercepts and Slopes in Dynamics of Obama Favorability by Individual-Level Intercepts and Slopes in Dynamics of Economic Evaluations, African American and White CCAP Panelists

- Intercept Economic Evaluations
  - African American $r = +.32$
  - White $r = +.46$

- Slope Economic Evaluations
  - African American $r = +.55$
  - White $r = +.67$

- Intercept Obama Favorability

- Slope Obama Favorability
  - African American $r = +.38$
  - White $r = +.37$
Table 1. Parameter Estimates and Asymptotic Standard Errors for Conditional Multivariate Latent Curve Model of Support for Obama and Negative Retrospective Evaluations

<table>
<thead>
<tr>
<th>Parameter</th>
<th>Obama Favor</th>
<th>Economic Retrospections</th>
</tr>
</thead>
<tbody>
<tr>
<td>mu-alpha</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>mu-beta</td>
<td>0.18(0.10)*</td>
<td>0.41(0.07)***</td>
</tr>
<tr>
<td>Lambda(Dec07)</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Lambda(Jan08)</td>
<td>0.39(0.22)*</td>
<td>0.91(0.45)*</td>
</tr>
<tr>
<td>Lambda(Mar08)</td>
<td>2.91(0.20)***</td>
<td>2.83(0.34)***</td>
</tr>
<tr>
<td>Lambda(Sept08)</td>
<td>8.40(0.43)***</td>
<td>7.72(0.75)***</td>
</tr>
<tr>
<td>Lambda(Oct08)</td>
<td>10</td>
<td>10</td>
</tr>
<tr>
<td>psi-alpha alpha</td>
<td>4.52(0.36)***</td>
<td>3.25(0.25)***</td>
</tr>
<tr>
<td>psi-beta beta</td>
<td>0.06(0.01)***</td>
<td>0.02(0.004)***</td>
</tr>
<tr>
<td>psi-alphabet</td>
<td>-0.02(0.02)</td>
<td>-0.07(0.02)***</td>
</tr>
</tbody>
</table>

Latent Predictor   | Alpha-Obama | alpha-Econ. Ret |
-------------------|-------------|-----------------|
alpha-Econ Ret.    | 0.08(0.03)** | ---             |
Ideology           | 0.30(0.03)*** | 0.20(0.03)***  |
Religiosity        | -0.14(0.04)*** | -0.01(0.03)    |
New-Racism         | 1.60(0.07)*** | 0.23(0.04)***  |

Latent Predictor   | Beta-Obama | beta-Econ. Ret |
-------------------|------------|---------------|
alpha-Econ. Ret.   | 0.05(0.01)*** | ---           |
beta-Econ. Ret.    | 0.66(0.10)*** | ---           |
Ideology           | 0.02(0.01)*** | 0.00(0.00)    |
Religiosity        | 0.004(0.01)  | 0.01(0.01)*   |
Race               | 0.05(0.01)*** | -0.013(0.004)** |

*p<0.10  *p<0.05  **p<0.01  ***p<.001

X²(WLSMV)=634.05(p<0.000) RMSEA=0.02 WRMR=0.94
Table 2. Parameter Estimates and Asymptotic Standard Errors for Conditional Multivariate Latent Curve Model of Support for Obama Relative to Support for McCain and Negative Retrospective Evaluations

<table>
<thead>
<tr>
<th>Parameter</th>
<th>Obama Favorability</th>
<th>McCain Favorability</th>
<th>Economic Retrospections</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>mu-alpha</td>
<td>0</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>mu-beta</td>
<td>0.18(.10)⁺⁺⁺</td>
<td>0.41(.07)⁺⁺⁺</td>
<td></td>
</tr>
<tr>
<td>Lambda(Dec07)</td>
<td>0</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Lambda(Jan08)</td>
<td>-0.01(0.18)</td>
<td>0.88(0.46)⁺⁺</td>
<td></td>
</tr>
<tr>
<td>Lambda(Mar08)</td>
<td>3.46(0.17)⁺⁺⁺</td>
<td>2.92(0.34)⁺⁺⁺</td>
<td></td>
</tr>
<tr>
<td>Lambda(Sept08)</td>
<td>9.28(0.45)⁺⁺⁺</td>
<td>7.70(0.77)⁺⁺⁺</td>
<td></td>
</tr>
<tr>
<td>Lambda(Oct08)</td>
<td>10</td>
<td>10</td>
<td></td>
</tr>
<tr>
<td>psi-alphaalpha</td>
<td>3.31(.24)⁺⁺⁺</td>
<td>3.24(.25)⁺⁺⁺</td>
<td></td>
</tr>
<tr>
<td>psi-betabeta</td>
<td>0.07(.01)⁺⁺⁺</td>
<td>0.02(.004)⁺⁺⁺</td>
<td></td>
</tr>
<tr>
<td>psi-alphabeta</td>
<td>-0.02(.01)</td>
<td>-0.07(.02)⁺⁺⁺</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Latent Predictor</th>
<th>Alpha-Obama-Ideology</th>
<th>Alpha-Econ. Ret</th>
<th>Alpha-McCain-Ideology</th>
<th>Alpha-Econ. Ret</th>
</tr>
</thead>
<tbody>
<tr>
<td>alpha-Econ Ret.</td>
<td>0.15(0.02)⁺⁺⁺</td>
<td>---</td>
<td>0.20(0.03)⁺⁺⁺</td>
<td>---</td>
</tr>
<tr>
<td>Ideology</td>
<td>0.15(0.03)⁺⁺⁺</td>
<td>0.20(0.03)⁺⁺⁺</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Religiosity</td>
<td>0.10(0.03)⁺⁺⁺</td>
<td>-0.01(0.03)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>New-Racism</td>
<td>0.70(0.05)⁺⁺⁺</td>
<td>0.23(0.04)⁺⁺⁺</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Latent Predictor</th>
<th>Beta-Obama-Ideology</th>
<th>Beta-Econ. Ret</th>
<th>Beta-McCain-Ideology</th>
<th>Beta-Econ. Ret</th>
</tr>
</thead>
<tbody>
<tr>
<td>alpha-Econ Ret.</td>
<td>0.05(0.04)⁺⁺⁺</td>
<td>---</td>
<td>0.00(0.00)</td>
<td>---</td>
</tr>
<tr>
<td>beta-Econ Ret.</td>
<td>0.49(0.07)⁺⁺⁺</td>
<td>---</td>
<td>0.01(0.01)</td>
<td>0.01(0.01)</td>
</tr>
<tr>
<td>Ideology</td>
<td>0.01(0.01)⁺⁺⁺</td>
<td>0.00(0.00)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Religiosity</td>
<td>-0.01(0.01)</td>
<td>0.01(0.01)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Race</td>
<td>0.04(0.01)⁺⁺⁺</td>
<td>-0.013(0.004)</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

*p<0.10  *p<0.05  **p<0.01  ***p<.001

Χ²(WLSMV)=596.18(p<0.000) RMSEA=0.02 WRMR=0.92
References


Endnotes

1 Lynn Vavreck, UCLA, and Simon Jackman, Stanford, served as CCAP study directors. We take this opportunity to thank them for their insightful and generous assistance.

2 The analyses employ a large number of variables in the CCAP data set. Three variables are particularly crucial. Two of them measure how favorably or unfavorably respondents were disposed towards Barack Obama and his general election opponent, John McCain. The question measuring these attitudes is: "Here is a list of candidates running for president. How favorable is your impression of each candidate or haven't you heard enough to say? Response categories were "very favorable," "somewhat unfavorable," "neutral," "somewhat unfavorable," and "very unfavorable." The list of candidates varied depending upon when a particular wave of the survey was in the field.

The third crucial variable is a measure of respondents' retrospective economic evaluations ascertained by asking them for their reactions to the state of the national economy over the past year. This question is: "Would you say that over the PAST YEAR [emphasis in original] the nation's economy has gotten much better, gotten better, stayed about the same, gotten worse, gotten much worse?" Respondents also were given the opportunity to indicate that they were "not sure." Details concerning the measurement of other variables and how they were coded for analysis are available from Thomas Scotto’s website: http://privatewww.essex.ac.uk/~tscott/

3 A hierarchical linear model (HLM) would treat a respondent's repeated evaluations of Barack Obama and the economy as level one units that are nested within respondents who are treated as the units of analysis at level two (e.g., Raudenbush and Bryk, 2002). However, HLM models can be problematic with only five units at the first level, and an HLM model designed to answer the questions we are asking would contain many cross-level interactions (Snijders and Bosker, 1994; Hox, 2002).

4 Given the ordinal and highly skewed nature of the data, particularly the observed values on economic retrospections, parameter estimates are obtained via the weighted least squares with adjusted means and variances (WLSMV) estimator with the theta parameterization available in MPLUS 5.1 (Muthén et al., 1997). Only respondents who answered all five pre-elections waves of CCAP panel are included, and the small number of respondents who failed to report their attitudes towards Obama or the economy were treated as missing at random and included in the analysis via MPLUS’s procedure for handling missing ordinal data (e.g., Muthén and Muthén, 1999-2006). Paths between the latent variables and time-varying parameters are ordered probit coefficients. Thresholds of ordinal variables are estimated, but constrained to be equal over time, a process that allows observations across exogenous latent variables to be normally distributed with a mean of zero and a standard deviation of one (Bollen, 1989; Lackey et al., 2006).

5 There is no requirement that the first time-varying indicator act as the starting or zero point for the coding of time, but interpretations change when a different starting point is used (see Biesanz et al., 2004).
The latent variables measuring ideology and racial attitudes also are conditioned on the socio-demographics. To increase the reliability of the control for ideology, it is specified as a latent factor that motivated responses to a standard liberal-conservative ideology question asked in all five waves of the survey. A person’s latent racial attitudes drove their responses to four questions from the modern symbolic racism scale (e.g., Tarman and Sears 2005) fielded in the March 2008 wave of the study. A person’s latent religiosity drove their responses to three questions: a) frequency of church attendance; b) belief in the authenticity of the bible, and the importance of religion in the respondent's everyday life. See the Co-operative Election Study Codebook (Jackman and Vavreck, 2009) for question wording and answer choices. Higher factor scores indicate greater religiosity, liberalism, and progressive attitudes on the symbolic racism scale. Given the strong relationship between ideology and symbolic racism (Sniderman and Tetlock 1986; see also Gomez and Wilson, 2006; Tarman and Sears, 2005), we regressed ideology onto latent religiosity in the conditional LCM for Obama. All latent factors, in addition to partisanship were regressed onto the socio-demographic variables. Full details are available from the authors.

Similar to regression analysis, $E(\varepsilon_{\text{Obama}it=0})$ and $E(\varepsilon_{\text{Econ}ret.it=0})$ and the errors of the time-varying indicators are assumed to be uncorrelated with any of the other variables on the right-hand side of the model and are also considered to be uncorrelated across time. As in Lackey et al. (2006), we designate the time-varying errors of the level 1 residuals as invariant, making the error matrix $\Theta_{it}$ block diagonal. Elements of the level-2 covariance matrix, $\Psi$, are freely estimated. For the purposes of improving model fit and specification, some errors of the indicators of the ideology and racial attitudes latent variable were allowed to co-vary as were those of some of exogenous covariates. Details concerning the specification of the model and of results from parameters not included in the tables can be found at the authors' website cited in note 2 above.

Partisanship is a three-category variable (Republican, Independent/Other, Democrat) with higher values indicating Democratic partisanship. Each time-specific measure of partisanship is conditional on the exogenous socio-demographic variables and the latent ideology and racial attitudes factors. Further, partisanship has an autoregressive property—party identification in March 2008, September 2008, and October 2008 is modeled as an AR(1,2) process. Given data availability limitations, party identification in January 2008 is modeled as a function of partisanship in December 2007.

Given the paucity respondents reporting positive economic retrospections by the end of 2008, we investigated whether the skewed responses to the question might drive the results. We replaced the economic retrospections variable with a dichotomous economy is the most important issue variable (where 1 = respondent named the economy as the most important issue and 0 = respondent named another issue as most important or did not believe any issue was important), and re-estimated the LCMs. Results were similar to those reported in the paper.

The statistically significant $\chi^2_{WLSMV}$ value of 434.80 (26df), $p = 0.00$ does not surprise given the large sample size of 7,595 and the propensity of this statistic to signal ill-fit
because of the presence of small but significant co-variances that are fixed at zero. Rather than freeing additional co-variances in an atheoretical fashion to attain a statistically insignificant $\chi^2$, we rely chiefly on RMSEA as a measure of adequacy of fit. RMSEA is the average discrepancy between the observed and model implied co-variances weighted by the degrees of freedom in the model (Kline, 2005: 137-40). RMSEA values than less than 0.05 indicate a close fit.

10 WRMR is a weighted measure of the difference between sample variances and co-variances and those estimated for a population. A model with a WRMR less than 1.00 is generally judged to have close fit (Yu, 2002).

11 We conducted $\chi^2$ difference tests (modified for the WLSMV estimator) and rejected the null hypothesis that setting the $\lambda$ coefficients equal to the number of months after administration of the initial survey produced equal or superior model fit.

12 Remaining coefficients reported in the top part of Table 1 signify that even with the added covariates, there remains unexplained variance in the latent intercept and slopes for both favorability towards Obama and negative retrospections. However, note that the magnitude of the variance of the slopes is small. Initial favorability towards Obama was not significantly associated with growth in his support, but people with initial positive economic retrospections grew more negative over time. Note that only a very small number of people (e.g., 0.5% of those participating in the December 2007 and October 2008 waves of the survey) were initially negative about the economy and subsequently became positive.

13 The percentage of CCAP respondents voting for Obama in November who are strongly favorable to him and strongly unfavorable to McCain in October is 99.2; the percentage of respondents voting for McCain who are strongly favorable to him and strongly unfavorable to Obama is 98.4.

14 In this analysis the lambda coefficients and variances of the latent slope and intercept for economic retrospections are very similar to those reported for the LCM for Obama favorability. This finding lends bolsters confidence in the specification decisions made in paramaterizing that model.