

# **Economy President?: Exploring Determinants of Presidential Approval of Myung-bak Lee**

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## Economy President? : Exploring Determinants of Presidential Approval of Myung-bak Lee\*

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### Abstract

Presidential approval indicates public evaluation of the president's job performance and reflects public satisfaction level on the current administration. Therefore, high presidential approval is a driving force for good governance. The primary purpose of this paper is to explore determinants of Myung-bak Lee's presidential approval by applying a political-economic model that includes economic and non-economic variables. The findings can be summarized as follows: the economy matters for presidential approval; however, political determinants tend to have stronger influence than economic determinants on presidential approval in Korea. The results of this research suggest that when the president obtains visible economic performance recognizable to the public, presidential approval will substantially increase; Then, President Lee could be recognized as the "Economy President."

**Keywords:** Presidential approval, Myung-bak Lee, Economic Perception

### Introduction

Presidential approval indicates the public evaluation of a president's job performance, and reflects the level of public satisfaction on major policies that the president promotes. In a democratic society, the public support for the president is the political foundation for steering state affairs, and at the same time it exerts a great influence on the president's leadership. High presidential approval has positive effects on the president's performance, whereas low approval can dampen the president's activities and further plans (Ka 2005,



154-156). In order to resolve many contending economic and social issues that South Korea confronts, President Myung-bak Lee's active policy drive is needed with strong public support.

Nonetheless, President Lee's job approval rating over the first two years of his presidency has remained low with only an average of 30-40 percent.<sup>1</sup> This is in stark contrast to the trends in the United States, where the former Presidents Bill Clinton and George W. Bush were able to maintain their approval ratings around 50 percent even under unfavorable circumstances, such as war, scandals and economic depressions. The possible reasons for Lee's low approval rating has been analyzed on various levels; issues regarding personnel management since his inauguration, a lack of political leadership, resistance from citizens, aggravation of the economic crisis triggered by the 2008 global financial crisis, and various disputable issues regarding the Four River Restoration Project and Sejong City. But most of them are journalistic explanations rather than academic or empirical ones (Yi 2009).

In cases of developed countries in the West, studies on presidential approval have been strongly combined with the analysis of presidential elections. However, in Korea an academic approach for presidential approval is nearly nonexistent. This may be due to the fact that a long period of authoritarianism, ideological conflict and regionalism after the democratization in the 1990s made it difficult to come up with various explanations of presidential approval. Nevertheless, many public opinion polls taken after the Roh Moo-hyun administration have demonstrated a meaningful change, that public preferences have been diversified in ideological and regional dimensions. In fact, the most significant feature of the 17<sup>th</sup> presidential election was that the focus on economic issues exceeded all the other problems, playing the critical role as a determinant of the outcome of the election. Some authors have explained the analysis of presidential elections to show that economic factors have a significant influence on voter's choice (Jeong 2007; Kwon 2008; Lee 2008).

As a matter of fact, economic factors have been the strongest explanation for presidential approval in the United States or Western Europe after Mueller's study in 1970 (Davis and Langley 1995). However, in developing or underdeveloped countries with fragile democratic political system and poor economic performance, political explanations have been more profoundly given than economic ones. Recently in Korea, some authors analyzed election results using an economic voting model which focuses on the voter's perceptions of the economy, although it has not yet been widely used in explaining presidential approval. Thus, I will attempt to address to what extent economic factors have influenced presidential approval. Especially, during the presidential election



campaign President Lee was primarily perceived by the public as an “Economy President” who was believed to have more potential to solve the domestic economic problems than other candidates. In this respect, it will be interesting to examine whether or not the public perception toward national economy plays a critical role in evaluating presidential performance. If this is the case, the question of to what degree economic perception does affect presidential approval needs to be adequately discussed. Consequently, the analysis of economic factors of presidential approval will be meaningful in apprehending the public support of Lee.

In this context, the objective of this study is to analyze factors that determine the presidential approval with a primary focus on economic factors. To do so, this study employed the economic voting model for analysis. The study will be conducted in the following procedure: First, I will consider whether it is possible to use economic factors to explain presidential approval, and examine non-economic factors that have been discussed in relevant literatures as potential explanatory variables. Second, based on the theoretical discussion about presidential approval, I will design an analysis model in which economic and non-economic factors are combined. Third, I will verify influencing factors for explaining presidential approval by utilizing polling data.<sup>2</sup> Fourth, I will discuss practical and theoretical implications of presidential approval based on the findings.

## **Theoretical Discussion about Presidential Approval**

Since Muller (1970)’s findings, most studies of presidential approval have been centered on aggregate trends, and in particular they have focused attention on the causal relationship among events, economy, form of media coverage, time, and other main variables (Druckman and Homes 2004). In these researches, the explanatory variables of presidential approval are mainly divided into economic and non-economic factors.

### **Economic factors affecting presidential approval**

The economic voting model is focused on economic factors to explain public voting behavior and approval. Assuming all people are rational, electorates cast their votes based on their individual self-interests. Thus, voters’ support depends on what they can receive from government policies. A voter’s support, or lack thereof, thus acts as carrots and



sticks to the current administration. A forerunner in this area of research, Kramer (1971) showed that during the prosperous periods of the economy, support for the ruling party increases, whereas support for the opposing party tends to increase in times of depression. Since then much empirical research has proven that there is an intricate relationship between economic factors and political approval (Kirchgaessner 1991; Rattinger 1991).

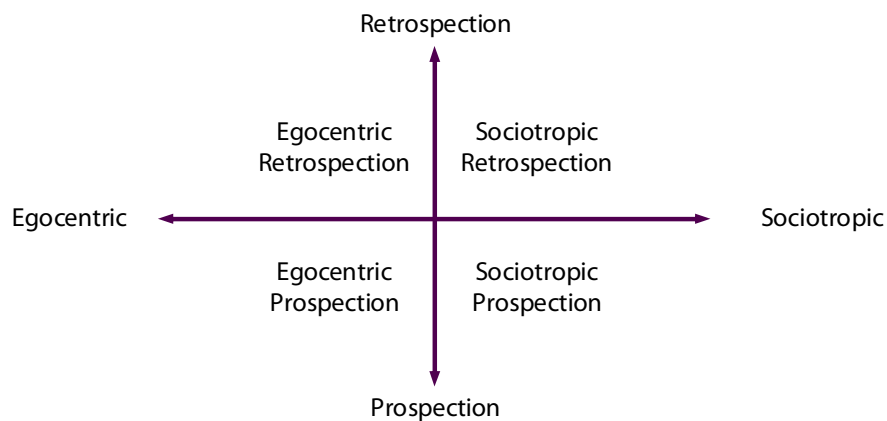
The idea that economic conditions are an important determinant in presidential and executive approval has been widely accepted by many scholars. However, disagreement still exists over which factors are influential (Cohen 2004, 28).<sup>3</sup> One particular point of contention is whether people employ retrospective or prospective economic perceptions in evaluating their political leaders.<sup>4</sup> Previous empirical research has shown that a prospective as well as sociotropic evaluation has a greater influence on people's voting behavior (Erickson and Tedin 2005; Kiewiet and Udell 1998; Kiewiet and Kinder 1981; Lewis-Beck and Stegmaier 2000). Some studies have also shown that the perception of a nation's economic circumstance, rather than individual's financial conditions, plays a bigger role in determining presidential approval (Kinder and Kiewiet 1979; Kramer 1983; Norpoth 1996).<sup>5</sup> Likewise, previous empirical studies in South Korea have yielded similar results; a prospective economic perception and sociotropic tendency strongly shape voting behavior. Thus, Korean voters display an altruistic behavior when voting, prioritizing the nation's overall economic performance over their own economic condition (Jeong 2007; Kwon 2008; Lee, 2008). However, there is still a debate on whether people employ economic perceptions in their political leaders in Korea.

However, the economic perception perspective has a few flaws, especially considering that there may be variances in the stages of political development, structural differences in political regimes, and different ways of measuring data (Anderson 2007; Kwon and Jeong 2009). Such a problem can be observed when viewing the process of economic perception influencing political support. As Rudolph (2003) appropriately points out, there is a danger of over-generalization if one assumes that a retrospective assessment of the economy automatically leads to governmental support. According to his findings, a voter's political reaction to an economic determinant can change according to his or her perception of the governmental responsibility for economic fluctuations (Jeong 2007). Rudolph (2003) claims that factors such as a divided government, partisanship, and diverging economic ideologies not only affect people's perception and evaluation of the national economic performance, but also brings about discrepancies in their outlook (Anderson 2007; Gomez and Wilson 2006). In fact, it could also be suggested that a voter's rational economic perception is based on slanted information favored to his or her partisan disposition (Bartels 1999; Conover et al. 1987). Although it would be difficult to



accommodate all the critiques against the economic voting theory, it is important to at least consider them when formulating a model to test the link between economic conditions and presidential approval. In this respect, it is necessary to examine whether economic perception is egocentric or sociotropic, as well as retrospective or prospective.

**Figure 1. Framework for the economic perception perspectives**



In addition, the importance of a comparative explanation in evaluating economic determinants on presidential approval cannot be overemphasized. This is because in countries with a poorly performing economy or low levels of political democratization, the impact of non-economic factors is more important in determining presidential approval. South Korea's political or economic conditions are not at the same level with those of the developing countries and yet it would be an inaccurate simplification to assume that those are on par with the United States' or Western Europe's. Thus if economic determinants alone are insufficient to explain the factors behind South Korea's presidential support, it is necessary to include non-economic variables into the model.

### **Non-economic factors affecting presidential approval**

Non-economic variables are an indispensable element in explaining the factors behind presidential approval. Such variables can be divided into the following: party identification, political ideology, governmental performance, rally events, and other political factors.

Firstly, party identification can be generally defined as "a sense of affiliation to a



particular party,” (Kim 2007, 23) and is considered by most election-researchers as the main factor shaping an individual’s political support (Ka 2004). If their argument is endorsed, then it must be agreed that the impact of party identification on presidential approval depends on the level of synchronization between the public’s preferential party and the president’s party. In other words, the approval of President Lee largely depends on the public party identification with his party, the Grand National Party.

Next, political ideology is another variable affecting political behavior. The impact of political ideology was first observed in the 1997 presidential election, and in the 2002 elections. Its impact was so great that the elections were often referred to as having an “ideological divide.” Empirical analysis yields that the ideological gap between the liberals and the conservatives was strongly reflected in the voter’s preference for a certain candidate (Kang 2003; Kim 2006; Cho 2004). This changed during the 2007 elections, with economic issues overshadowing ideological disagreements (Kang 2009, 95). Nevertheless, when considering aspects such as the level of governmental participation in the society or social policies, ideological variation is an important factor behind presidential approval.

Citizenry’s evaluation of the president is directly linked to the government performance. Such evaluation is shaped not only by the state’s economic performance, but also policies that have affected the lives of ordinary individuals. Thus, it is undeniable that economic accomplishments are the most important element driving approval, it is insufficient to completely understand the dynamics of presidential approval. Some authors posit that the importance of diplomatic policies is just as great as economic performance (Aldrich, Sullivan and Borgida 1989; Holsty 1996; Nickelsburg and Norpoth 2000).<sup>6</sup>

Other non-economic variables affecting governmental approval include dramatic events related to the state. These events include summits, international conferences, crises affecting national interests, assassination attempts and so on. Such events may act as positive factors increasing citizenry solidarity and patriotism, eventually leading on to presidential support. On the other hand, an array of negative events including bribery, scandals, civil protest, strike, and signs of economic depression tend to decrease presidential approval (Brace and Hinkley 1991, 997-998; Lewis-Beck and Stegauer 2000, 184). Another variable is time, in particular how long the president has been in office and the period left in his term. Mueller (1970) and Stimson (1976) claim that presidential support tends to decrease throughout one’s term in office. One obvious manifestation of this variable is the honeymoon period, which is marked by the inflated level of government support during the first few months after the inauguration due to the public’s high expectations.





This paper has reviewed the political variables that have been discussed in the precedent studies. Another potential variable that must receive more attention is governmental trust. This can be conceptualized as the citizenry's trust in the administration that it will work to form and implement policies that would improve the lives of the people (Lee 2006, 2). It is mainly based on the evaluation of the political regime and important political figures (Ka 2004). However, one must be careful not to confuse governmental trust with presidential approval. Due to the elusive definition of governmental trust, it is often used interchangeably in studies on political behavior. Despite the two terms' conceptual similarity, it would be erroneous to assume they are the same. Trust is understood as a behavior of optimistic expectations as well as the willingness to submit to shortcomings whereas approval includes the citizenry's particular political behavior (Mayer *et al.* 1995). If governmental trust is defined as such, including the citizens' unfaltering support for the administration even in periods of uncertainty (Son and Chae 2005, 89), it acts as a positive variable increasing presidential approval (Yang and O 2008; Lee, 1993, 34). This research will consider this element as an explanatory variable and attempt to use it to explain presidential approval.

## Model Design and Measurement

Our model has been constructed on the basis of the classic economic and non-economic factors of presidential approval. It is based on economic variables that are seen to influence presidential evaluation, to which non-economic variables are added. Economic factors are taken from the economic voting model, and non-economic factors consist of those political variables that have been reviewed through the presidential approval studies.

### Model

$$Y = a + b_{1i}X_{1i} + b_{2i}X_{2i} + b_{3i}X_{3i} + \epsilon$$

**X<sub>1i</sub> Economic Factors**      X<sub>11</sub> retrospective national economic perception

X<sub>12</sub> retrospective individual economic perception

X<sub>13</sub> prospective national economic perception

X<sub>14</sub> prospective individual economic perception



**X<sub>21</sub> Non-economic Factors** X<sub>21</sub> political ideology  
X<sub>22</sub> party identification (d)  
X<sub>23</sub> governmental trust  
**X<sub>31</sub> Control variables** X<sub>31</sub> gender (d)  
X<sub>32</sub> age  
X<sub>33</sub> education  
X<sub>34</sub> income,  
X<sub>35</sub> region: Youngnam (d)  
X<sub>36</sub> region: Honam (d)  
(d) = dummy variable

As a dependent variable, presidential approval is defined as the citizenry's evaluation of presidential performance. It is measured by asking "Do you approve or disapprove of the way President Myung-bak Lee is handling his job as president?" and scored on a scale from one to four (very approve/ approve/ disapprove/ very disapprove), with four being the highest score.

Independent variables are largely divided into economic, non-economic and control variables. Economic variables include retrospective national economic perception, prospective individual economic perception, and prospective national economic perception.

Retrospective perceptions of national as well as individual economic conditions were drawn up by asking "Thinking about our economic situation, how would you describe your current household (and national) economic situation?" And prospective perceptions of national as well as individual economic conditions were drawn up by asking "How do you expect your household (and national) economic situation in our country over the next few years to be?" Those answers were rated on a scale of one to five, with five being the highest (improved significantly/ improved slightly/ stayed the same/ worsened slightly/ worsened significantly). The government's responsibility for economic fluctuations was measured by asking "Which institution do you think holds the responsibility for domestic economic fluctuations?" and then to set up dummy variables those selected governments were coded 1 and the rest (political parties and the parliament/ private enterprises/ individual citizens/ the international economy/ don't know and Refused) were coded 0.

Non-economic factors explaining presidential approval are political ideology, party identification.

Political ideology was measured on a scale of zero to ten, ranging from progressive, to neutral to conservative. To measure party identification, the Grand National Party was



used as a dummy after surveying people's supporting parties (Grand National Party/ Democratic Party/ Liberty Forward Party/ Democratic Labor Party/ Creative Korea Party/ New Progressive Party/ Pro-Park Coalition/ etc). To represent party identification as a dummy variable, those supporting the Grand National Party were coded as 1. The question "How much trust do you put in the current administration?" was asked to measure public trust in government and was captured on a scale of four (very much/ moderately/ not very much/ not at all) with four reflecting the highest level of trust.

Control variables consist of gender,<sup>7</sup> age, education, income and region. When considering a diverse range of electorates, these can also be thought of as explanatory variables that directly affect presidential approval. As a reflection of one's social status, income and education are key elements that shape political behavior. Income divergences and generational gap were seen to have significant influence in South Korea's 16<sup>th</sup> presidential election. In particular, age was an important definitive factor that divided the votes along generational lines (Kim 2006; Kim 2008). Also, regional ties were deemed to be an important variable, from the way that the electorates tended to shape their political preference in accordance with their region of birth (Kang 2008; Lee 2008). To accommodate these variances, sixteen wide-area units of local government excluding Jeju were sampled but in the regression model, only two categorized regions – Youngnam and Honam - were used as dummy variables.

## Findings

To find determinants that affect President Lee's approval, economic factors, non-economic factors and control variables were injected to the model of analysis, and a regression analysis was conducted.<sup>8</sup> Results of the analysis are presented in table 1.

The value of the adjusted R<sup>2</sup> yielded 0.332, supporting the validity of the regression analysis, and the test of tolerance as well as VIF showed that there were no problems of multicollinearity. There was also no presence of autocorrelation detected by the Durbin-Watson test, all strengthening the validity of the regression model.

According to results of the regression analysis, explanatory variables that significantly influence presidential approval are retrospective national economic perception ( $\beta=.248$ ,  $p<.001$ ), and prospective national economic perception ( $\beta=.077$ ,  $p<.05$ ). Non-economic determinants affecting presidential approval are party identification ( $\beta=.390$ ,  $p<.001$ ), and governmental trust ( $\beta=.111$ ,  $p<.001$ ). In other words,



people who perceive the national economic situation to be outstanding generally hold high levels of approval; the higher the evaluation, the higher the approval. And people who have the prospect of the future national economy give the more approval to the president. In terms of non-economic determinants, people who identify with the ruling party, the Grand National Party, are likely to give more approval to the president than others; the higher the governmental trust, the higher the approval.

**Table 1 Results of the Regression Analysis**

|                 |  | Presidential Approval |           |       |       |
|-----------------|--|-----------------------|-----------|-------|-------|
|                 |  | $\beta$               | T         | T.L.  | VIF   |
|                 | constant                                     | (.537)                | 2.983**   |       |       |
| X <sub>11</sub> | retrospective national economic perception   | .248                  | 8.548***  | .798  | 1.254 |
| X <sub>12</sub> | retrospective individual economic perception | -.020                 | -.702     | .817  | 1.225 |
| X <sub>13</sub> | prospective national economic perception     | .077                  | 2.446*    | .667  | 1.500 |
| X <sub>14</sub> | prospective individual economic perception   | .026                  | .814      | .640  | 1.563 |
|                 | X <sub>21</sub> political ideology           | .047                  | 1.725     | .897  | 1.114 |
|                 | X <sub>22</sub> party identification (d)     | .390                  | 13.977*** | .861  | 1.161 |
|                 | X <sub>23</sub> governmental trust           | .111                  | 4.244***  | .978  | 1.023 |
|                 | X <sub>31</sub> gender (d)                   | -.001                 | -.056     | .973  | 1.028 |
|                 | X <sub>32</sub> age                          | .137                  | 4.375***  | .681  | 1.469 |
|                 | X <sub>33</sub> education                    | -.0013                | -.036     | .713  | 1.403 |
|                 | X <sub>34</sub> income                       | -.033                 | -1.142    | .797  | 1.254 |
|                 | X <sub>35</sub> region: Youngnam (d)         | .005                  | .196.     | .902  | 1.109 |
|                 | X <sub>36</sub> region: Honam (d)            | -.023                 | -.822     | -.861 | 1.161 |
|                 | Adjusted R <sup>2</sup>                      |                       | .332      |       |       |
|                 | F  |                       | 38.174*** |       |       |
|                 | Durbin-Watson                                |                       | 1.774     |       |       |
|                 | N  |                       | 1,012     |       |       |

\* p < .05, \*\* p < .01, \*\*\* p < .001

$\beta$  = standard coefficient; constant ( ) = nonstandard coefficient(B)

(d) = dummy variables, X<sub>22</sub>: Grand National Party = 1; X<sub>31</sub>: Female =1; X<sub>35</sub>~X<sub>36</sub>: yes = 1

T.L. = Tolerance Limits; VIF = Variance Inflation Factor



What do these results mean? First off, it verifies that economic determinants behind presidential approval lead to sociotropic, retrospective voting behavior. As with prior election analysis, it is confirmed that most people are to be sociotropic rather than personal (egocentric). However, contrary to the election studies, variables in retrospective or prospective evaluation do not exclusively affect presidential approval; they act simultaneously instead. But from the point of relative affect, retrospective evaluation has a much stronger influence in presidential approval than prospective evaluation.<sup>9</sup> The reasons for the difference in the degree of influence that the economic perception has between election and support can be deduced as follows: while the president election depends on prospective judgment on candidates by their ability to shepherd the future, presidential approval is largely determined by retrospective evaluation on the economic situation.

Another important result was that the party identification ( $\beta=.504$ ,  $p<.001$ ) turned out to be the most influential in determining presidential approval. In other words, it was partly verified that the variable acted as a filtering mechanism that led voters to selectively discern government achievements thereby shaping their political behavior. However, research revealed that there was no significant impact of political ideologies on approval ratings. Supporters of the Grand National Party are likely to be advocates of President Lee, but it would be inaccurate to say that they are purely conservative. That is to say, the decline in approval ratings does not necessarily reflect the loss of the 'pragmatic-doctrine' followers and the re-gathering of conservatives. When it comes to presidential approval, the lines of separation do not occur along the progressive -conservative divide, but rather among specific policy-ideologies. The two most controversial policies in South Korea are the economic growth versus fair distribution debate, and the North Korea policies. This research shows that those who maintain a negative outlook on the current administration's welfare and North Korean policies show low approval rate. This tendency is seen to reflect the current government's efforts to prioritize economic growth and adopt a hard-line policy toward North Korea.

Meanwhile, an interesting outcome was that governmental trust was a significant variable determining presidential approval. The decrease in governmental trust or the loss thereof, can aggravate distrust and uncertainty in new policy agenda and its expected outcomes. Amid this uncertainty, those targeted by a new policy seek strategic actions to avoid risks that may arise, and this can incur unexpected negative results rather than expected positive effects of the policy. Consequently, the policy becomes problematic and decreases the governmental trust, causing noncompliance of the targeted group of the policy. This leads to the whole process trapped in a vicious circle of distrust and ultimately to government failure. Simply put, a low level of public trust in government can generate



barriers in implementing policies. The more important fact is that unlike presidential approval that undergoes frequent fluctuations, public trust for government is an accumulated evaluation of the governmental performance. Therefore, it is crucial to increase public trust by pursuing a consistent and rational policy, rather than seeking an immediate or short-term public approval. Building a high level of public trust for government is imperative to maintain public support for the president's major policy initiatives.

However, results showed that only age among control variables had statistically significant influence on presidential approval ( $\beta=.137$ ,  $p<.05$ ). In other words, elderly people tend to approve how President Lee is handling his job, than young people do.<sup>10</sup> This is inconsistent with some analyses of the 17th presidential election that socio-economic and demographic features of voters like gender, age, education, and income were not statistically significant (Yang and O 2008; Lee 2008). Given the fact, however, that people in Yeongnam are more likely to have higher approval rate, whereas those in Honam are more likely to have lower rate, it may be difficult to comprehend findings that regional variables have no statistical significance. Although a more thorough research into this finding is necessary, it could be summed up by recognizing the different political mechanisms needed to understand presidential elections, and presidential approval. In other words, whereas a presidential election is a zero-sum game where there is much pressure to vote for a candidate from the voter's region, an evaluation of the president's job performance does not bring such pressure upon the electorate.<sup>11</sup>

## Conclusion

Presidential approval is the public evaluation of presidential job performance and a major indicator of public satisfaction level on the current administration. Therefore, high presidential approval is a driving force for good governance. This research empirically analyzed determinants that influence President Lee's job approval. Specifically, this study depended largely on the economic voting model for analysis. One of the reasons for analyzing economic factors is that President Lee has been supported by the public as "Economy President" to revive the economy. However, this study did not exclusively select economic variables; a hybrid model composed of economic and non-economic variables was designed in order to explore determinants of presidential approval.

The analysis found that President Lee's job approval was greatly influenced by the public's retrospective evaluation on the national economic situation and slightly by its



prospective expectation of future economic conditions. These results are different from previous studies which suggest that public expectations on the candidates' future economic performance have a strong influence on their voting decision. Thus, it verifies that the sociotropic, retrospective economic voting model modified to combine the prospective economic perception, can be used to explain presidential approval in Korea.

However, in the case of President Lee's job approval, political factor such as a party identification exerts a stronger influence than economic factors. This may demonstrate a limit of economic voting theories on explaining presidential approval in Korea. Another interesting finding is that one's identification with the ruling party – in other words, affiliation to the Grand National Party - crosses the ideological spectrum ranging from progressives to conservatives, and forms the foundation of presidential approval. This can be attributed to the fact that Korean parties are not distinctly divided along ideological lines, and thus there are no major differences between their policies. However, it would be difficult to say that such is the result of regionalism, another characteristic of the Korean political landscape. This is because regional differences do not pose a significant influence on presidential approval.<sup>12</sup> Nevertheless, based on this finding one cannot conclude that such a regional divide is disappearing or that its influence on politics is dwindling. In order to determine the precise impact of regionalism on presidential approval, a more thorough analysis of the relationship between variables needs to be conducted.

In addition, another noteworthy result of this study is that governmental trust indeed is a factor that affects presidential approval. This finding corresponds to the results of research on factors influencing presidential candidates' support conducted by Yang and Oh (2008), who found governmental trust as one factor. Moreover, considering the fact that altruistic motivation for voting is not different from altruism as a normative element, a social capitalistic perspective can be another theoretical view on presidential approval.

The analysis, after all, can be summarized as follows: “the economy matters for presidential approval” in Korea; however, political determinants have strong influence on presidential approval, whereas economic determinants have relatively weak influence. But one must be careful; fundamentally, as such analysis could be due to low presidential approval. In other words, political factor such as party identification is a variable that works in favor of presidential approval regardless of economic performance. Thus, party identification plays a critical role when the approval rate is low. However, as the rate increases, its influence will relatively decrease. This research suggests that when the president obtains visible economic accomplishments that are recognizable to the public, the presidential approval will substantially increase. Therefore, President Lee could be recognized as the “Economy President.” ■



## Endnotes

\* Data analyzed in this paper were collected by EAI and Hankook Research for 'A Survey Project of Public Recognition on Middle Class in Korea (September 2009)'. I am grateful for assistance of Jen Lee and Semi Kim. An earlier version of this article was presented at Brown Bag Seminar of the EAI, April 2, 2010.

<sup>1</sup> According to EAI polls, President Lee's approving rate dropped to the lowest level of 19.7% in May 2008. His approving rate currently stands at around 40% since Lee's retrieving approval rating with the public in the second half year of 2008 (EAI, 2009).

<sup>2</sup> Analysis of a public opinion survey conducted at a certain period of time has limitations in which it cannot fully explain the dynamics of changes in presidential approval. However, considering the obstacles in obtaining time series data on major factors for presidential approval, cross-section analysis emerges as an alternative that can empirically explain the influence of potential explanatory variables. The accumulation of these cross-section data results will yield a generalized model for presidential approval in Korea.

<sup>3</sup> For typical researches on this debate, see Clarke and Stewart (1994), Erickson et al. (2000), Jeong (2007), Jeong and Kweon (2009), MacKuen et al. (1996), and Norhporh (1996).

<sup>4</sup> Since MacKuen, Erickson, and Stimson (1992), many researches on the impact of economics on approval and voting turned their attention away from the objective economic indicators and toward people's perception of the economy (Cohen 2004, 28).

<sup>5</sup> However, controversy still abounds over whether people are retrospective or prospective, while research has mostly pointed to people being sociotropic (Cohen 2004, 29).

<sup>6</sup> For Example, in Korea's 17<sup>th</sup> president election, North Korean issues played a big role in determining its outcome (Yang and O 2008, 444).

<sup>7</sup> Gender is a dummy variable that female is coded 1.

<sup>8</sup> To test a political-economic model of presidential approval, I used the survey data taken by the EAI & Hankook Research Poll (September, 2009). They conducted a survey on regional multi-stratified sample of 1,012 adults, 19 years of age or older, throughout the country from August 31 through September 11, 2009. The respondents' social-demographic features are as follows: a) gender:





male=500, female=512; b) age: 19-29= 208, 30-39=224, 40-49=229, 50-59=163, 60 to highest=188; d) education: graduates of middle-school or less=161, graduates of high-school or less=450; graduates of two-year college=137, graduates of four-year college or higher=262, don't know/refused= 2; d) income(a month): two million won or less=156, three million won or less=178, 4 million won or less=223, 2 million won or more=451, don't know/refused=4; 5) region: Seoul=217, Gyeongin=281, Chungcheong=103, Honam=107, Youngnam= 272; Gangwon= 32.

- <sup>9</sup> Retrospective peasants are much more likely to approve (or disapprove) of the president than prospective bankers are according to MacKuen et al. (1992)'s metaphor in the assessing of the economy.
- <sup>10</sup> The value of  $\beta$  indicates that female tend to support president's handling of major policies than male, and voters with a higher level of education and income are more likely to hold critical views toward president's job performance, though not significantly.
- <sup>11</sup> Yi (2009)'s study of using the regression models, given only the region as an independent variable, indicates that the regional variable is significantly influential on presidential approval in specific regions, whereas it is downsized by other explanatory variables from a nation-wide perspective.
- <sup>12</sup> In fact, regional variables that affect the outcome of the presidential election do not affect presidential approval. This is due to the fact that the election and the approval have different mechanisms of voters' decision making. In other words, the presidential election is a zero-sum game in which voters are pressured to vote for candidates according to regional ties. However, evaluation of the president's performance is not a zero-sum game. Thus, regional variables have no significant influence statistically on presidential approval.



## Appendix

Table 2 Pearson Correlation Coefficient

|                 | Y       | X <sub>11</sub> | X <sub>12</sub> | X <sub>13</sub> | X <sub>14</sub> | X <sub>21</sub> | X <sub>22</sub> | X <sub>23</sub> | X <sub>31</sub> | X <sub>32</sub> | X <sub>33</sub> | X <sub>34</sub> | X <sub>35</sub> | X <sub>36</sub> |
|-----------------|---------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| Y               | 1       |                 |                 |                 |                 |                 |                 |                 |                 |                 |                 |                 |                 |                 |
| X <sub>11</sub> | .307**  | 1               |                 |                 |                 |                 |                 |                 |                 |                 |                 |                 |                 |                 |
| X <sub>12</sub> | .085**  | .376**          | 1               |                 |                 |                 |                 |                 |                 |                 |                 |                 |                 |                 |
| X <sub>13</sub> | .197**  | .267**          | .145**          | 1               |                 |                 |                 |                 |                 |                 |                 |                 |                 |                 |
| X <sub>14</sub> | .078*   | .158**          | .185**          | .514**          | 1               |                 |                 |                 |                 |                 |                 |                 |                 |                 |
| X <sub>21</sub> | .130**  | -.048           | -.035           | -.042           | -.081*          | 1               |                 |                 |                 |                 |                 |                 |                 |                 |
| X <sub>22</sub> | .610**  | .064            | -.005           | .087            | .049            | .218**          | 1               |                 |                 |                 |                 |                 |                 |                 |
| X <sub>23</sub> | .170**  | .071*           | .028            | .064*           | -.001           | -.018           | .091*           | 1               |                 |                 |                 |                 |                 |                 |
| X <sub>24</sub> | -.007   | -.037           | .000            | .042            | -.031           | -.019           | -.028           | .018            | 1               |                 |                 |                 |                 |                 |
| X <sub>31</sub> | .262**  | .095**          | .002            | .078*           | -.219**         | .237**          | .246**          | .093**          | .045            | 1               |                 |                 |                 |                 |
| X <sub>32</sub> | -.098** | -.025           | .014            | -.006           | .182**          | -.194**         | -.030           | -.056           | -.130**         | -.448**         | 1               |                 |                 |                 |
| X <sub>33</sub> | -.080*  | .025            | .167**          | .022            | .154**          | -.139**         | -.019           | -.022           | -.040           | -.313**         | .367**          | 1               |                 |                 |
| X <sub>34</sub> | .107**  | .032            | .003            | -.010           | -.098**         | .128**          | .317**          | -.004           | .009            | .018            | .010            | .004            | 1               |                 |
| X <sub>35</sub> | -.136** | -.035           | .023            | .004            | -.049           | -.065*          | -.347**         | -.056           | -.006           | .057            | -.137**         | -.153**         | -.218**         | 1               |

\* p < .05, \*\* p < .01



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