1. Aggregate Rationality

2. The Thermostatic Model

3. Dynamic versus Partisan Representation

4. Institutional Variance in Representation and Responsiveness

5. The Decline of Evidence-Based Policymaking?
Our starting point is this: public opinion, in the aggregate at least, is stable, and reacts to changes in external conditions.
Public opinion can thus be a useful resource in policy-making and policy evaluation, and in judging the nature of democracy and/or democratic institutions.

Indeed, we should view the relationship between public opinion and policy as “thermostatic”...
THE THERMOSTATIC MODEL
A PRECURSOR: FUNCTIONALIST MODELS OF DEMOCRACY

Diagram 2. A Dynamic Response Model of a Political System.

If policy (P) moves closer to the public’s preferred level of policy (P*), then the public’s relative preference for policy change (R) will be reduced (that is, it will respond thermostatically).

If policy ($P$) moves closer to the public’s preferred level of policy ($P^*$), then the public’s relative preference for policy change ($R$) will be reduced (that is, it will respond thermostatically).
The impact of policy on preferences, and of preferences on policy, spills out over time, where:

(a) relative preferences for policy (R) in year \( t \) matter for policy (P) in year \( t+1 \), and  
(b) policy (P) in year \( t \) affects relative preferences (R) in year \( t \).
The thermostatic model does not require a lot of public opinion:

- people need to have relative, not absolute, preferences for policy
- they do not need to have clearly-defined positions on all issues, just broad preferences for ‘more’ or ‘less’
- not everyone has to pay attention to all policies all the time

Public Responsiveness (Feedback):

\[ R_t = a + \beta_1 P_t + \beta_2 W_t + \epsilon \]

Policy Representation:

\[ \Delta P_t = \rho + \gamma_1 R_{t-1} + \gamma_2 G_{t-1} + \mu_t \]
The thermostatic model focuses on indirect/dynamic representation. And dynamic representation (between elections) is critical.

But we probably don’t want exclusively dynamic representation -- we want the partisanship of governments to matter as well. So there should be some balance between direct/partisan representation, and indirect/dynamic representation.

THE THERMOSTATIC MODEL
THE BALANCE BETWEEN DIRECT (PARTISAN) AND INDIRECT (DYNAMIC) REPRESENTATION

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Opinion-policy connections will not be the same across all policy domains, or all political-institutional environments. We have at least three expectations.

A. Opinion-policy connections will be greatest in salient domains (where people are paying attention).

B. Public responsiveness decreases with federalism (where the “policy signal” is less clear).

C. Policy representation decreases in parliamentarism (where the executive is more isolated from public opinion).
VARIANCE IN RESPONSIVENESS AND REPRESENTATION

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VARIANCE IN RESPONSIVENESS AND REPRESENTATION

Results across Canada, the UK and US suggest that feedback and representation are positively related, and vary as we would predict based on issue salience, federalism, and parliamentarism.

The relationship between issue salience and the magnitude of public responsiveness:

VARIANCE IN RESPONSIVENESS AND REPRESENTATION

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The relationship between representation and feedback (across institutions):

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System efficiency ($\zeta$) for domain $d$ in political system $c$ is:

$$
\zeta_{cd} = \beta_{cd} \gamma_{cd},
$$

where $\beta$ is public responsiveness, and $\gamma$ is policy representation. The product of these two coefficients, $\zeta$, tells us how much of a given shock is corrected in each year.

VARIANCE IN RESPONSIVENESS AND REPRESENTATION

These results are confirmed in more broadly comparative findings as well.

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**TABLE 3**
PUBLIC RESPONSIVENESS, MODERATED BY FEDERALISM

<table>
<thead>
<tr>
<th>DV: Net preferences&lt;sub&gt;t&lt;/sub&gt;</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>% government spending/GDP&lt;sub&gt;t&lt;/sub&gt;</td>
<td>−3.169**</td>
<td>−2.298**</td>
</tr>
<tr>
<td>Federalism&lt;sub&gt;t&lt;/sub&gt;</td>
<td>0.920**</td>
<td>−2.357</td>
</tr>
</tbody>
</table>

**TABLE 4**
IMPLIED FEEDBACK COEFFICIENTS BY LEVEL OF FEDERALISM

<table>
<thead>
<tr>
<th>Level</th>
<th>Implied feedback coefficient</th>
</tr>
</thead>
<tbody>
<tr>
<td>Federalism</td>
<td>0.545*</td>
</tr>
<tr>
<td>Low</td>
<td>0.585</td>
</tr>
<tr>
<td>Medium</td>
<td>−0.594</td>
</tr>
<tr>
<td>High</td>
<td>−0.673</td>
</tr>
</tbody>
</table>

**p < 0.05. Levels of federalism correspond to the 25th, 50th and 75th percentiles in the data, i.e. 9, 13 and 32. Based on results in column 1 of Table 4.**

| N (panels) | 34 | 22 |
| L.R. Chi2 | 22.875 | 29.812 |
| rho | 0.534 | 0.000 |

*p < 0.10; **p < 0.05. Cells contain MLE coefficients with standard errors in parentheses.
Federalism is a revenue-based measure (rescaled from 0 to 100) from Rodden (2004).

VARIANCE IN RESPONSIVENESS AND REPRESENTATION

These results are confirmed in more broadly comparative findings as well.

**TABLE 6**
POLICY REPRESENTATION, MODERATED BY PROPORATIONALITY AND PRESIDENTIALISM

<table>
<thead>
<tr>
<th>Executive dominance</th>
<th>Low (0.25)</th>
<th>Medium (0.34)</th>
<th>High (0.25)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pref</td>
<td>0.136*</td>
<td>0.304**</td>
<td>0.043**</td>
</tr>
<tr>
<td>ENPPx</td>
<td>0.142**</td>
<td>0.110**</td>
<td>0.045**</td>
</tr>
<tr>
<td>Prefx, ENPPx</td>
<td>(0.015)</td>
<td>(0.015)</td>
<td>(0.015)</td>
</tr>
<tr>
<td>Prefx</td>
<td>0.083**</td>
<td>0.050</td>
<td>0.014</td>
</tr>
<tr>
<td>ENPPx</td>
<td>(0.023)</td>
<td>(0.023)</td>
<td>(0.023)</td>
</tr>
</tbody>
</table>

**TABLE 7**
IMPLIED REPRESENTATION COEFFICIENTS, BY EXECUTIVE DOMINANCE AND ENPP

<table>
<thead>
<tr>
<th>Executive dominance</th>
<th>Low</th>
<th>Medium</th>
<th>High</th>
</tr>
</thead>
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<td>Prefx, ENPPx</td>
<td>(0.015)</td>
<td>(0.015)</td>
<td>(0.015)</td>
</tr>
</tbody>
</table>

*p < 0.10; **p < 0.05. Levels of institutional variables correspond to the 25th, 50th and 75th percentiles in the data; for ENPP, 2.74, 3.34, 3.93; for Executive dominance, 2.09, 2.86, 4.36. Based on results in column 3 of Table 6.

Rho 0.000 0.000 0.000

*p < 0.10; **p < 0.05. Cells contain MLE coefficients with standard errors in parentheses. ENPP is the effective number of parliamentary parties from Golder (2010), and Executive dominance is from Lijphart (1999).

WHAT WE KNOW...

Work on the thermostatic model makes clear the areas in which opinion and policy are (more or less) connected.

It also makes clear that, in some domains at least, public opinion can be a useful signal for policymakers, both for policy development, and policy evaluation.

This is true for broad, salient issues of public policy, at least.
  Public opinion will be less informative in non-salient domains.
  Specific questions (should doctors work in groups, or independently?) are probably still left to policymakers.

And representation of preferences does not really require that governments poll all the time - there are many ways in which public preferences can find their way to policymakers.
That said, testing the thermostatic model requires data; and policymakers require data in order to accurately gauge public reactions to policy change. The recent (and marked) decline in public opinion polling by the federal government is problematic -- much of that polling data had value for policy development and policy evaluation.

Health Canada Polling Projects, by Fiscal Year

<table>
<thead>
<tr>
<th>Year</th>
<th># Polls</th>
</tr>
</thead>
<tbody>
<tr>
<td>2001-2</td>
<td>106</td>
</tr>
<tr>
<td>2002-3</td>
<td>105</td>
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<tr>
<td>2003-4</td>
<td>106</td>
</tr>
<tr>
<td>2004-5</td>
<td>80</td>
</tr>
<tr>
<td>2005-6</td>
<td>101</td>
</tr>
<tr>
<td>2006-7</td>
<td>67</td>
</tr>
<tr>
<td>2007-8</td>
<td>22</td>
</tr>
<tr>
<td>2008-9</td>
<td></td>
</tr>
</tbody>
</table>
It nevertheless remains the case that available opinion data can be of real value for those interested in policy development, in policy outcomes, and in the comparative functioning of democratic institutions as well.

That said, the story in Canada is that our political-institutional environment (federal & parliamentary) likely reduces effectiveness of public responsiveness, and political representation.

Amongst Anglo-American democracies, *ceteris paribus* opinion-policy connections in Canada are likely the weakest.

That does not mean that we should pay no attention to opinion, indeed in probably means we should pay more attention to it — in order to better consider both the weaknesses and advantages of the Canadian system generally; the strength (or weakness) of opinion-policy links across policy domains; and to work towards better representation, and more effective use, of public policy preferences in Canada.