

WHO WOULD BENEFIT FROM ELECTORAL COLLEGE REFORM?

Carter was elected president in a race close enough to deserve the appellation "cliff-hanger" and to revive the perennial fears that (1) the electoral college arrangement may one day deny the presidency to someone who has captured a plurality of the popular vote; or (2) the popular vote may be inconclusive, leaving the people's fate in the hands of 435 men and women unbound by that vote. These fears have not yet been realized in the twentieth century. But in the nineteenth century, two presidential candidates who received the greater popular vote were defeated in the electoral college; one, Samuel Tilden, failed to win the necessary electoral college majority, and was finally defeated in the House of Representatives.

Why Change?

These dangers make us apprehensive. Many of us feel intuitively that there should be reform to eliminate ambiguity, give us a system everyone can understand, and ensure that the most popular candidate does indeed make it to the White House. Direct popular election often seems to be considered somehow "fairer"—that is to say, those who are seen as politically underprivileged in the current system would gain more power through reform.

But, as Seymour Spilerman and David Dickens point out, extensive public discussion about electoral college reform has taken place without any systematic evidence on what difference reform would in fact make to the political power structure reflected in the status quo. Many have felt free to speculate and their speculations do not present a consistent picture.

Will "direct popular vote . . . give greater influence to the major urban cities" or will "the metropolis . . . lose its most important point of leverage in the total political system"?² Will "black people and other minorities . . . lose a distinct advantage"³ under direct election or will the blacks' "nationwide strength . . . be pooled instead of washed out in winner-take-all elections state by state"?⁴

Until the Spilerman-Dickens recent district-by-district sensitivity analysis, in which the results of four different electoral systems are simulated using the 1960 Nixon-Kennedy contest as the basic data source, we have not had

Seymour Spilerman and David Dickens, "Who Will Gain and Who Will Lose Influence under Different Electoral Rules." *American Journal of Sociology* 80: 443-477. Institute for Research on Poverty Reprint no. 160.

the information necessary to make an informed judgment. (Three empirical studies were done relatively recently, but those results do not allow for the differential influence of votes depending on whether they are cast in an area of close elections or not.)

The Study

The four presidential election reforms the Spilerman-Dickens study examines cover the basic gamut of possibilities: (a) retain the essential features of the electoral college, introducing minor modifications such as automatically validating the popular vote in a state; (b) retain the winner-take-all or unit-rule feature of the present system, but change the electoral unit from the state to the congressional district; (c) apportion a state's electoral vote among the candidates in proportion to their popular votes; or (d) elect the president and vice president by direct popular vote.

Voting studies consistently show that different groups in the population have characteristic propensities to prefer a particular party. These social groups, moreover, tend to be concentrated in particular cities and states, with the result that many geographic locales have become identified with a characteristic set of political interests and a traditional leaning toward one of the major parties. Since the alternative rules would be likely to dilute some groups' impact and enhance that of others, any empirical study must be able to use relevant socioeconomic data at a very local level.

Spilerman and Dickens do just that. The 1960 Census data, along with voting data from the 1960 Kennedy-Nixon presidential election, are used to construct *county-level* estimates of how different social groups voted. These estimates are used as the status quo. The "electoral influence" of each group, defined as the extent to which a shift in its party preference will alter the final electoral vote, is then measured. Finally, the resulting county voting patterns under each electoral arrangement are put together, and the question of who will gain and who will lose influence under each system is assessed.

Who Benefits from the Status Quo?

The heavy states. The relative influence of different voting groups derives from the way that a given change in party preference on the part of a voting group, as reflected in the direct popular vote, is magnified or reduced by the specific electoral reform alternatives. The electoral college provides a significant advantage to residents of large, populous states over all four reform alternatives. A 4 percent change in the popular vote in large states could alter the electoral college vote by 13.38 percent; the same sized shift in the popular vote in small states could alter the electoral college vote by only 6.95 percent. The ratios of the effects of a 4 percent change in voter preference in the large states to the effects of a 4 percent change in the small states are:

Electoral college (13.38/6.95) = 1.93
 Direct popular vote (1.0/1.0) = 1.00
 Proportional plan (0.83/1.51) = 0.54
 Equal district plan (3.76/7.31) = 0.51
 Mundt⁵ district plan (4.17/9.94) = 0.42.

Translated, these figures mean that in the electoral college, the voting preferences of residents of large states have almost twice the impact as that of residents of small states. Direct popular vote, of course, gives everyone equal weight. Under the proportional plan and the equal district plan the situation is reversed—the effect of large state preferences would be only half as great as that of small states. And under the Mundt district plan the influence of the large states would be still less. The proportional plan would also have the effect of making close contests even closer.

Urban areas. The influence of large metropolitan centers is enhanced under the electoral college as compared with all the other alternatives. Consistent with the state-size findings, the district and proportional plans would favor rural areas and small towns even more than the popular-vote rule.

Nonwhites and Catholics. The Spilerman-Dickens results show that both nonwhites and Catholics enjoy greater influence in presidential politics under the electoral college than they would under any of the other alternatives, with some evidence that nonwhites wield greater relative influence than Catholics. Under direct popular election both groups would lose substantially. Under either of the two district plans the situation would deteriorate further for both groups—slightly more so for Catholics than for nonwhites. The proportional plan would result in larger erosion of electoral impact for Catholics than would direct election. For nonwhites direct election would be worse.

The poor. Low-income persons are shown to enjoy a modest advantage over the rest of the population with the electoral college, relative to the direct popular vote. The proportional plan would also benefit the poor slightly in comparison to direct election. Neither of the district plans would make any consistent difference.

What is Equity?

As is clear from the Spilerman-Dickens findings, the large urban states, the nonwhites, the Catholics, and the poor

Institute for Research on Poverty-
 Federal Council on Aging
 Jointly Sponsored Conference

THE TREATMENT OF ASSETS AND INCOME FROM ASSETS IN INCOME-CONDITIONED PROGRAMS

May 13-14, 1977

This conference, held at the Poverty Institute, grows out of the 1976 report by Betty Duskin to the Federal Council on Aging that recommended study of asset-testing options. The six principal conference papers frame the inquiry more broadly. They comprise:

- review of policy and practice of means-testing in existing programs
- review of the treatment of assets and property income in designs for negative income taxation
- critical examination of options for treating assets and property income.

These papers, and an overview essay by Robert Lampman that focuses on alternatives for public policy, will later be published together with the FCA recommendations.

are the beneficiaries of the current electoral college system in comparison to their influence in the direct popular vote. Even if the members of each of these groups were to form their own "rational voting bloc"—that is, share a voting identity irrespective of location—their impact on presidential politics would be reduced under direct election.

This puts into sharp focus the issue of fairness. Spilerman and Dickens state it succinctly:

Ultimately, if one accepts the principle of equal representation, his position on direct election must derive from a judgment as to what constitutes the relevant system. What analysis can show is how advantage currently is allocated, and how this will change if the Electoral College is replaced. . . .

If we broaden the system specification to encompass the federal government, we find that the very groups advantaged in presidential politics are under-represented in the U.S. Senate. . . . We do believe that the distribution of influence in the legislative branch is a proper consideration, and as long as imbalances exist there, we find it difficult to justify eliminating compensatory imbalances in the executive branch.

This whole issue of equity gains new relevance from the fact that in late January, 1977, the Senate Judiciary Subcommittee opened hearings on the Bayh amendment, which would eliminate the electoral college and elect the presidential and vice-presidential candidates who jointly received the most votes in all states combined. If no ticket got 40 percent or more of the vote, a runoff between the top two would be held. This amendment is sponsored by 42 of the 100 members of the Senate. The Spilerman-Dickens research has told us what to expect from such a reform. Let us hope the consequences are understood by those who will vote on it.

¹Senator Peter Dominick in U.S. Congress, Senate, Committee on the Judiciary, *Electing the President*, 91st Congress, 1st sess., 1970.

²Wallace S. Sayre and Judith H. Parris, *Voting for President* (Washington, D.C.: Brookings Institution, 1970), p. 72.

³Reverend Channing Phillips quoted in "Archaic and Dangerous," *Newsweek*, 30 December 1968, p. 23.

"Archaic and Dangerous," p. 24.

⁴Under the Mundt district plan, each congressional district would cast one electoral vote, determined by the majority outcome in the district. In addition, two electoral votes would be cast for the state's popular vote winner. The equal district plan does not contain the latter feature.

Newly-Published Institute Monograph

**THE ECONOMIC IMPACTS OF
TAX-TRANSFER POLICY:
REGIONAL AND DISTRIBUTIONAL
EFFECTS**

Frederick L. Golladay and Robert H. Haveman,
with the assistance of Kevin Hollenbeck

It is well known that proposals for changes in transfer and taxation policy vary in their effects on regions, occupations, industries, and income classes. Little attention has been given, however, to the magnitude of these effects or a means of estimating them. Moreover, it has not been determined whether the induced effects of welfare reforms would tend to favor the poor or to offset the primary benefits of such measures.

This volume presents a microeconomic simulation model—using microdata based on the Current Population Survey—designed to estimate these induced effects. The model, applied to variants of proposed negative income tax plans for the United States, entails analysis of:

- distribution of benefits over persons of various income levels and regions
- resultant changes in consumption patterns and the consequent labor demand effects
- the implications of these occupational demands on the distributions of earnings and income.

The most significant finding is that the simulated negative income tax will benefit high-skill, high-wage workers more than low-skill, low-wage workers. The authors conclude that the demand-induced effects of the policy tend to offset its first-round regional and income distributional effects.

Golladay and Haveman's provocative analysis will be of particular interest to economists in the areas of public finance, policy analysis, income distribution, regional analysis, input-output studies, and microdata simulations.

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