1 Expectations as Forecasting Instrument

- Subjects are asked for their expectation of the election outcome.
- Everyone can provide an expectation (also those undecided or not eligible to vote).
- Indirect enlargement of the sample size.
- Empirical findings suggest it works in the US (next President) and the UK (next Prime Minister).
- Individual forecasting ability depends on the amount and quality of available information and the capacity to process this information.
- Individual forecasts are erroneous.
- Aggregation can, however, yield a correct forecast (individual errors cancel each other out).

2 Application in Germany

- Telephone survey of 1,000 randomly selected eligible voters.
- 4 weeks prior to the 2013 federal election.
- Vote expectation question:
  - Subjects were asked to allocate 100 points to 7 parties plus “others.”
  - Interviewer read out remaining points after every allocation.

→ Low predictive quality.

3 Wishful Thinking as Bias

- Different theoretical approaches and empirical studies indicate an effect of preferences on expectations.
- Supporters of certain candidates or parties rate their chances of success systematically higher.
- This effect is usually interpreted as (undesirable) bias.

4 Wishful Thinking: Findings

- We, too, find higher expected vote shares for preferred parties.
- However, this leads to a better forecast.

Mean percental forecasting errors for subgroups

OLS coefficients of vote intention for resp. party
Dependent variable: Percental error

controls: Political knowledge, member of political organization, pol. information, education, notice of election forecast within last week (plus interaction effects)
R²: .068, .132, .050, .112

<table>
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<th>Union</th>
<th>SPD</th>
<th>Greens</th>
<th>Left</th>
<th>FDP</th>
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</table>

5 Conclusion and Remaining Questions

- Wishful thinking can improve forecasts.
- If non-wishful thinkers underestimate vote shares.
- This is not due to wishful thinkers’ stronger political involvement.

→ But: Only one election → coincidence?
- What determines underestimation?