

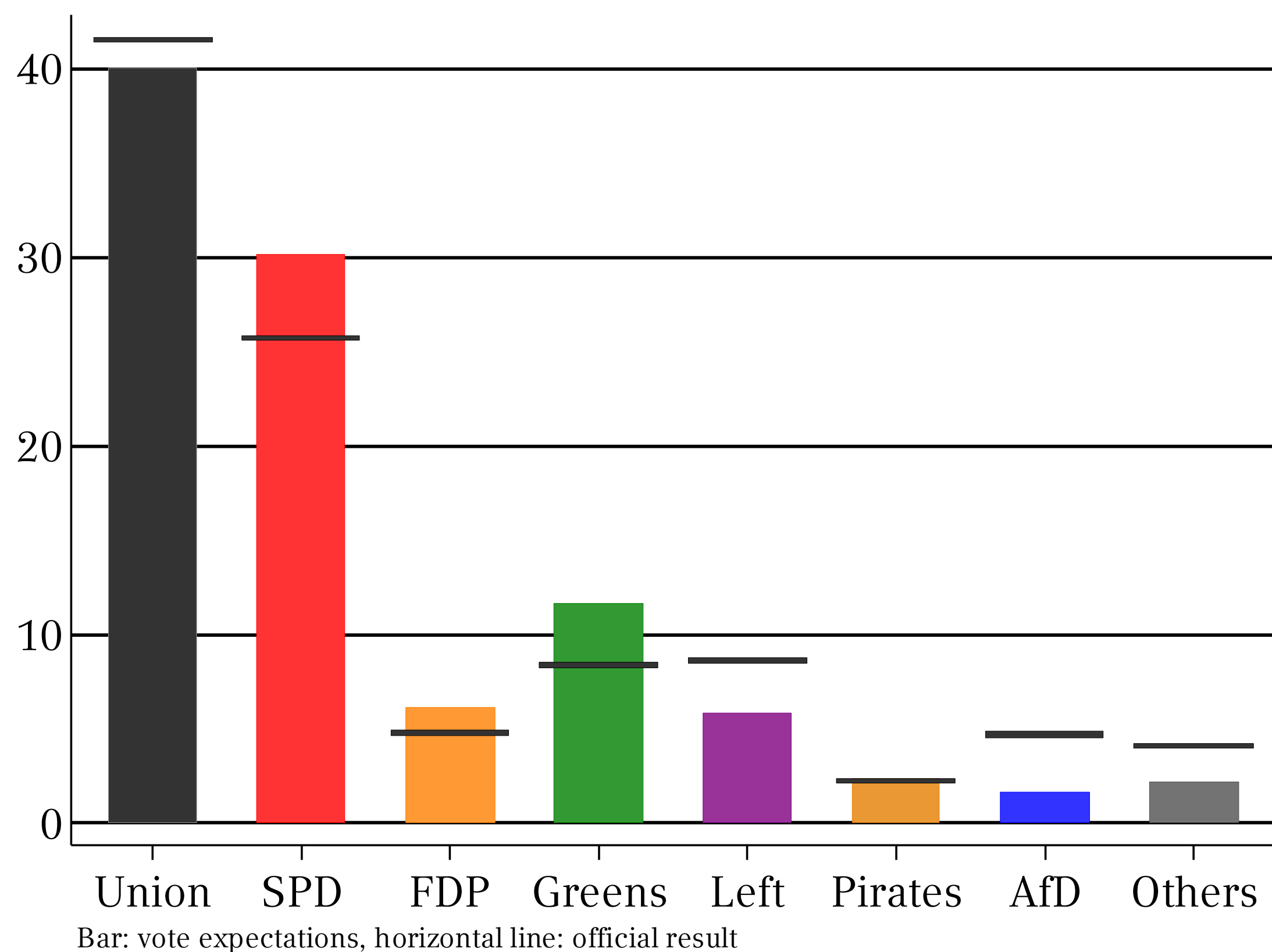
## 1 Expectations as Forecasting Instrument

- 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

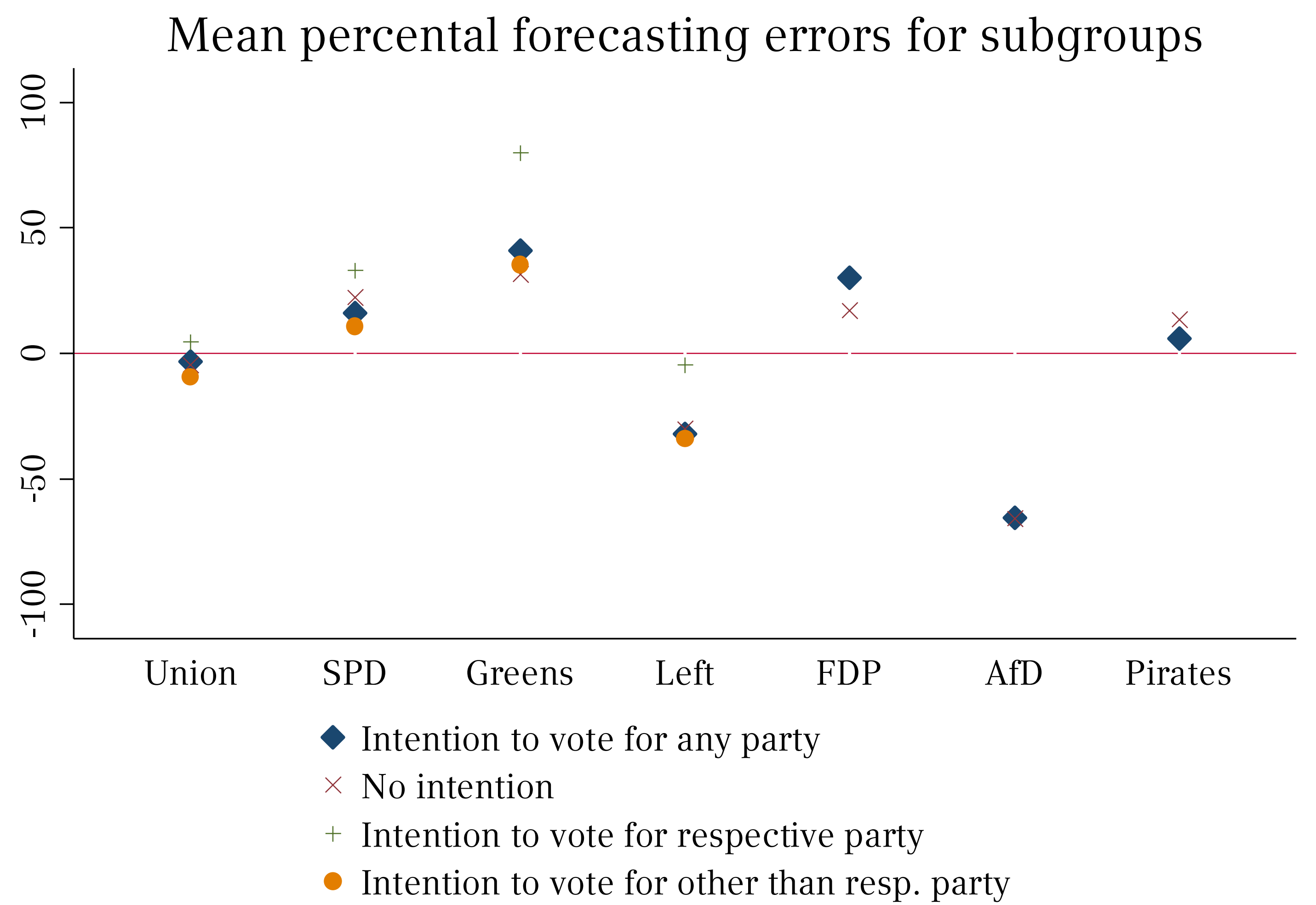


## 3 Wishful Thinking as Bias

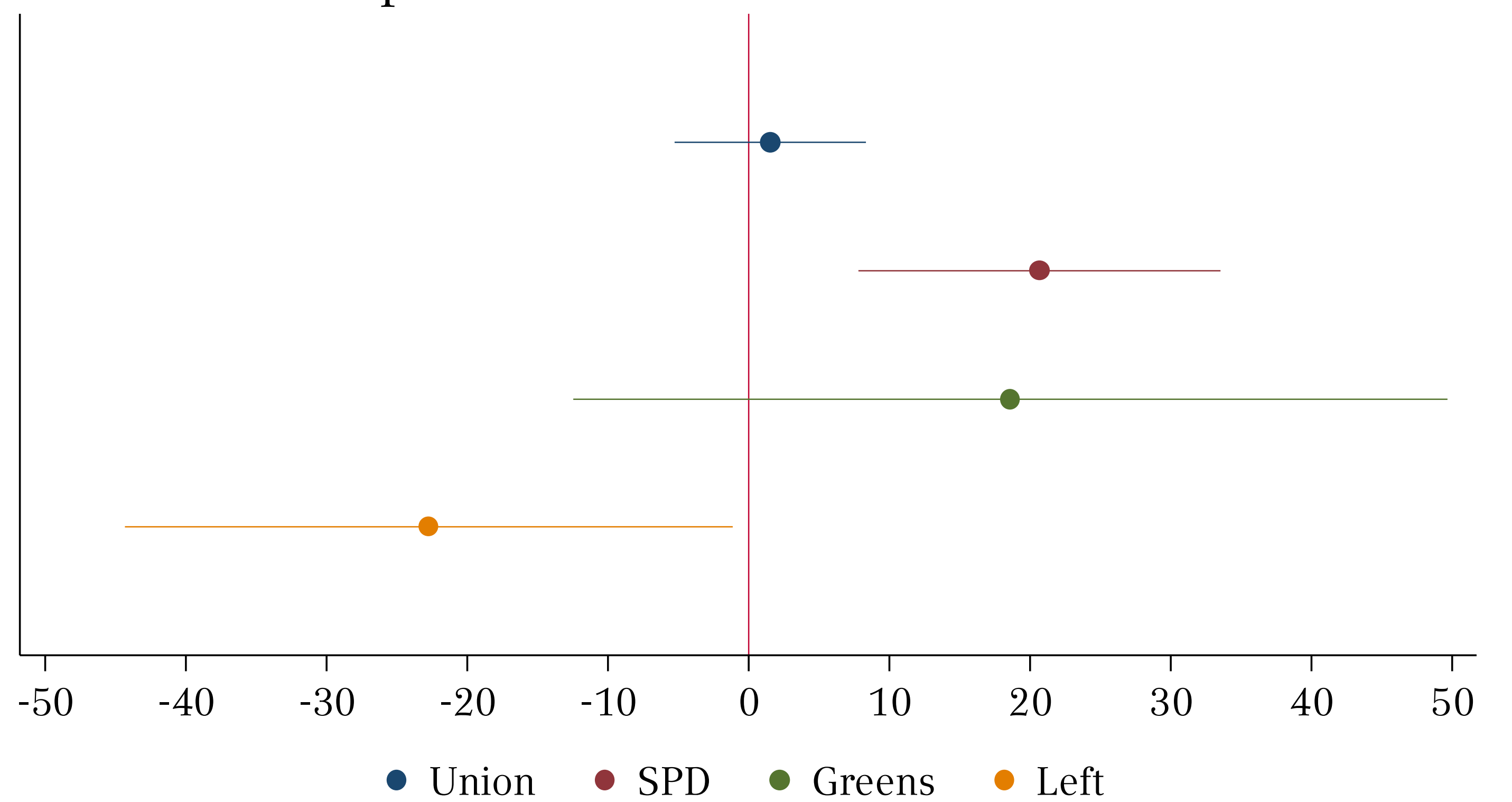
- Different theoretical approaches and empirical studies indicate an effect of preferences on expectations
- Supporters of certain candidates or parties rate their chances of success systematically higher
- This effect is usually interpreted as (undesirable) bias

## 4 Wishful Thinking: Findings

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



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)  
R<sup>2</sup>: .068, .132, .050, .112

	RMSE	MAPE
Vote intention	-0.660	-11.487*
Constant	6.704	71.536
R <sup>2</sup>	0.118	0.142

## 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?**