Every generation votes in their own interest. But in an ageing world, that's a problem

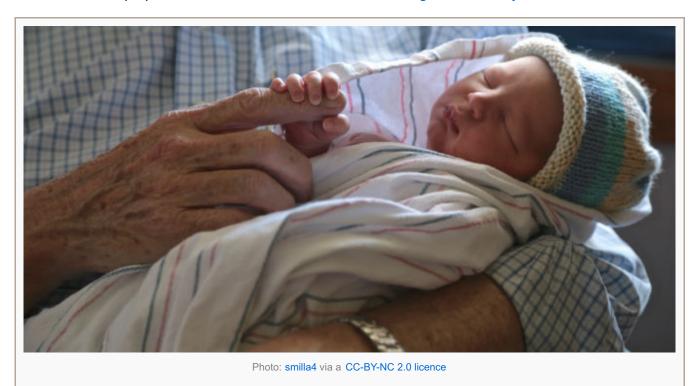
blogs.lse.ac.uk/brexit/2016/11/22/every-generation-votes-in-their-own-interest-but-in-an-ageing-world-thats-a-problem/

22/11/2016

A majority of pensioners voted for Brexit, but less than a fifth of 18-24 year-old voters did. How does age influence voting decisions in referenda? As direct democracy becomes more and more popular, **Gabriel Ahlfeldt** and his co-authors analysed voting patterns among different generations and found people tend to vote in their own interests – which, when the costs are short-term and the benefits accrue later, puts the young at a disadvantage. They suggest ways of addressing the generation gap before voters go to the polls.

Different people have different tastes, ideals and political preferences. It is no wonder that when asked to decide on a specific question in a public referendum, different population groups tend to vote systematically differently. As an example, it is now well documented that homeowners vote differently from renters, because they benefit from increases in home values, while renters do not. Theoretically, great heterogeneity in tastes, preferences and incentives is a problem because it makes it less likely that direct democracy leads to welfare-maximising decisions.

While group-specific voting is by no means surprising, the degree of generational divide that became apparent in the recent Brexit referendum is striking. Polls suggested that among pensioners a clear majority of 59% supported a British exit. The same proportion, however, was as low as 19% among the 18 to 24-year-olds.



How can such a "generation gap" be interpreted? It is easy to argue that young voters who have their professional careers ahead of them have a larger interest in avoiding the predicted negative economic consequences of Brexit. However, it seems also likely that older voters internalise the economic consequences to the young because they care about their children and grandchildren, if not for generic altruism. It is entirely possible that older voters factored in important costs of staying in the European Union that were overlooked by the less experienced young.

To uncover the motivations behind the generation gap in the Brexit referendum it is useful to consult what role age played as a determinant of voting decisions in other referenda. Many empirical analyses of public referenda in the political economy literature control for age effects. But the evidence is scattered across various separate literature strands and the age effect is hardly ever at the centre of the empirical analyses, which makes it difficult to draw a comprehensive picture. In a recent discussion paper, my co-authors and I provide the first attempt to summarise the state of knowledge on the effect of voter age on voter decisions in public referenda. We were able to locate 112 suitable referendum analyses, which we grouped into 15 different referendum categories. Using meta-analytic research techniques, we then analysed how voting decisions, on average, depended on age in each of the considered categories.

It turns out that older voters are generally more likely to vote against European integration (e.g. on joining the European Union or the European Monetary Union). So the generation gap in Brexit is in line with a more general trend. As for the other categories, older voters are less likely to support measures that protect the environment, promote sustainable use of energy or improve transport. Older voters are also less likely to support expenditures on education or welfare policies, such as unemployment benefits, but they are more likely to support expenditures on health systems. The reasons for these tendencies can be different in every category. But it is difficult to find a singular explanation other than generational self-interest, which would explain why older voters tend to be generally less supportive of expenditures that benefit other generations and projects that have positive expected effects in the long run, but costs in the short run. It fits the bill that where it is harder to think of generational-specific interests such as on questions related to animal protection, women's rights or urban development, there is also no evidence of a generation gap.

Given the generation gap, a natural question to ask is how population ageing – one of the mega-trends of the 21 st century – will impact on direct democracy outcomes. To answer this question, we combine an own referendum analysis with official population projections. We analysed the spatial pattern in voting decisions in the 2011 Stuttgart 21 referendum, one of the largest transport projects in Germany in recent decades. The €6.5bn redevelopment of Stuttgart's main station is supposed to improve regional and local connectivity and free up spaces for urban development. Besides the huge monetary cost, there is a 10-year construction period during which significant disruptions in urban and regional transit are expected. This makes the project less attractive to older voters who will have less time to enjoy the benefits.

In line with anecdotal evidence in the mainstream media we find higher opposition where the population is older after controlling for other factors. Our results imply that at the current rate of population ageing a similar referendum could have faced a 3–5 percentage point higher opposition in two decades, which is more than the margin by which Brexit was decided. Stuttgart 21 was supported by a clear majority of 59% of voters, but in the most pessimistic scenario (fast ageing) a similar referendum could fail by as early as 2030.

In a similar spirit, we can "backcast" the outcome of the Brexit referendum. In a very crude back-of-the-envelope calculation, we can combine an estimate of the age effect on the share of leave votes with the trend in the average age of the British population. It turns out that to alter the Brexit decision the population would have to rejuvenate by slightly more than three years on average, which corresponds to going back to the mid-1990s. Of course, these are illustrative examples not to be taken as proper counterfactual scenarios, because it is impossible to control for all other factors that determine political decisions. The point is that the generation gap is probably large enough for population ageing to be a decisive factor in future referenda.

The evidence may be disillusioning or hardly surprising depending on one's expectations but, in any case, no one is to blame. The young vote as much in their own interest as the old do. Yet the implications are important because direct democracy is spreading. One obvious concern is that the young will have to live longer with the consequences of collective decisions than the old. The even bigger concern is that future generations do not get a vote at all. The generation gap in Brexit is yet another wake-up call reminding us that we need to (re-)think how we make decisions—particularly those with long-ranging consequences—that are hard to reverse. These go beyond Brexit and

international relations: they concern expenditures on education, infrastructure, the protection of the environment and many more topics.

So what can be done to address the generation gap? One option is to favour technocratic approaches based on cost-benefit appraisals. Alternatively, adjustments can be made to the voting process. One idea currently circulating is that parents should vote on behalf of their young children. Another idea is that an individual's vote should be weighted inversely to the age. Yet another alternative is to set the right incentives. Some projects will appear more attractive to older generations if financed purely through public debt with a credible commitment that no alternative public expenditure will be crowded out. While any option is controversial, the first critical step is to consider the potential for a generation gap *before* calling voters to the ballots. This is crucial, because the evidence suggests that direct democracy does not automatically balance generational interests.

This post represents the views of the author and not those of the Brexit blog, nor the LSE. It is based on Après Nous le Déluge? Direct Democracy and Intergenerational Conflicts in Ageing Societies by Dr Gabriel M. Ahlfeldt, Dr Wolfgang Maennig and Malte Steenbeck, published in CESIFO.

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