

## POLLS AND POLS ON THE PRAIRIE

November 1, 2008

Please don't get rid of the 'quants' just yet! Or so pleads a prominent professor of mathematical sciences (1). In so doing, a thoughtful response to an equally prominent public desire to blame now beleaguered quantitative analysts for the current financial crisis may have begun. After all, it was their hard-won models that provided a guide to the perceived lessening of risk that surrounded the rise and collapse of a global investment strategy in what turned out to be highly problematic mortgage-linked security derivatives.

Yet an assigning of blame needs a more cautious underpinning. Financial modeling is often a tool of inquiry. It may be pinned to scientific methodologies, but it is not in and of itself a science of the type whose predictive values are non-random – there is a risk in forecasting the risk (2). Then, too, models and modeling are often a mechanism of communication among the few, and while remaining relatively opaque, are nonetheless sought out by others beyond this expert spectrum as formidable pathways to creative opportunities and associated gains. Similarly important is the fact that quantitative analysts themselves may not have been wholly involved in any real decision-making process, and were also noted to have warned in advance of the current crisis that the energetic expansion of still more complex investment vehicles appeared to be exceeding the limitations of their models' own projections.

Contemporary election pollsters are also involved in any clarification of the role of quantitative analysis in predicting the uncertain outcomes of individual and institutional behavior. They must reckon as well with minimizing risk and, in addition, with a known track record of apparent miscalculations that remain subject to public review long after specific battlegrounds have otherwise faded into any democratic nation's collective political memory.

A wealth of familiar variables figure here, including how questions are asked or phrased, size and quality of samples, as well as a host of complexities that stretch from gauging factors that surround the measurement of "likely" voters, to a survey's reaching or not reaching the growing number of voters who can't be contacted through traditional telephone landlines. Further, whether or not a diversity of polls fulfils the aim of successfully translating behavior associated with a selective microcosm onto a broader demographic landscape in a representative way, their actual use, like the models of financial analysts, ultimately rests with those located beyond the primary research setting. The professional purpose of providing information for its own sake may thus grade unintentionally but rather seamlessly into others' more subjective interpretative frameworks, and evoke the criticism that such actions can alter the polls' original intent in a manner that has a potential to alienate many prospective voters, or create self-fulfilling prophecies at the ballot box (3).

Political historians may be among the few who still cling tenaciously to a world in which behaviors seem to resist quantification. Gary Ecelbarger's tale of Abraham Lincoln's pre-presidential years is one of those detailed surveys that takes readers back to the prairies of a meager childhood, his family's moves through the backwoods of Indiana and Wisconsin and onward to Illinois, and through the future president's estimated 18 months of formal education to his emergence as a self-taught attorney with a wife, family, and a growing desire to participate in the tumultuous political life of a fragmenting nation (4) .

A majority know about the Lincoln presidency and the debates with Stephen A. Douglas in 1858 when Lincoln's own hopes for a Senate seat from Illinois were dashed by the Little Giant, so-called because of a favorable combination of an assertive, often convincing debating style, and a diminutive stature. Lincoln himself, hardly a media favorite at that time, appeared unusually tall and gangly in contrast— he reportedly stood 6 feet 4 inches and seemed even taller when speaking while standing on the proverbial stump — and his stance against the extension of what he had always looked on as the pernicious institution of slavery into newer territories and states also stood in stark opposition to Douglas' notions about the right to hold referendums, an integral part of a policy widely- termed popular sovereignty.

After suffering the loss of a Senate seat to Douglas in 1858, Lincoln's political future hinged precariously on two different types of competition. On the one hand, there was a need to overcome a series of local groundswells emanating from a variety of favorite sons who were vying for a chance as the presidential nominee of the newly founded Republican Party. On the other hand, there was what at first appeared an overwhelming challenge headed his way from a host of leading political figures, but largely in the form of William H. Seward, a Senator from New York and a former Governor of his state, who was already widely popular at the national level. Lincoln's small band of stalwarts blasted out a continuous stream of letters to competing newspapers and managed to dampen enthusiasm for many local contestants. His biographer then underscores an unexpected but distinct advantage, namely, that Seward, a major contender, felt both above the fray and sufficiently secure of his ultimate victory for his party's leadership that he actually left the geographic limits of the US, favoring instead an extensive period abroad in place of enervating months of campaigning, travel, and electioneering.

Lincoln, like Seward, managed to hold himself above and apart from the fray, but positioned himself squarely on decidedly national turf. He refused to declare a formal candidacy for his party's presidential nomination, preferring in its place a blend of conflicting images, that of a rather studious persona along with that of a rail-splitting outsider from the West. This ungainly frontier figure, rather than establishment spokesperson, nevertheless went on to shrewdly calculate his schedule, so that he spoke to growing crowds just a short time after one of the many local favorites, a tactic that tended to drown out their ideas and personalities in many of the latest newspaper editions.

By the time the 1860 convention in Chicago, Illinois took place, Lincoln had articulated a national message similar to Seward's. They were both against the pernicious institution's spread, and convinced slavery would ultimately decline due to a people's inevitable disdain at regarding others as mere objects and commodities. They were similarly concerned about the potential of a Civil War, but refused to regard the prospect of national division as a reality that might lie just over what turned out to be a very brief horizon.

It was Lincoln, however, who ultimately offered delegates a vision in which all manner of diverse opinions could find a home — that the nation itself had moved firmly beyond its past into an era of urbanization and industrialization. The Democrats of the day were not only splintered over a future national direction, argued the rail-splitter. They were also the bearers of a Jeffersonian legacy of a smaller town, agrarian way of life that was quickly fading from the realities of the popular experience, and therefore could not any longer assure victory. All sections of the nation, moreover, had a vested interest in promoting education, for even a moderate exposure to US and others' history promoted a vital respect for their own country's freely established institutions.

Despite the ringing words and concepts, a tempestuous nominating convention ensued. No real polling was evident there in Chicago, only small scraps of paper hastily marked with delegate totals as these fell, rose, were traded, and shifted in seemingly ocean-like waves, from state to state over 3 tortuous counts. Finally, Lincoln's campaigners on the convention floor promised Seward's staunch supporters that he would most likely receive a post in a prospective cabinet, and a few necessary and outstanding votes passed into their camp on the last ballot.

The 2008 presidential election is characterized not only by national politicians and issues, but also by a heightened desire of people from around the world to somehow participate in the process, even vote online on the Internet in what has been referred to as an "electoral college" of global scope. (5) These participants may find it relatively easy to factor Lincoln's memory out of their own decision-making. But through a knowledge of local, state, and national history, not to mention the strenuous contributions of scholarship, it is difficult to keep Abraham Lincoln out of the modern American ballot box. There, quantified attempts at predicting uncertainty are often preempted by personal choice along with an astute awareness of the needed convergence of past politicking and future statesmanship. Whoever ultimately wins, results are usually steeped in the institutionalization of the one thing Lincoln championed yet never himself enjoyed, the gift of a free public school education.

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(1) Shreer, Steven. "Don't Blame The Quants." Forbes.com. (10/8/2008). (2) Crovitz, L. Gordon, "The 1% Panic." Wall Street Journal Online. (10/13/2008), and Fitzgerald, Terry J and Ronald A. Wirtz. "Say Hello To The Modest Good Life For Me." FedGazette Online, Federal Reserve Bank of Minnesota. (September, 2008). (3) Moore, David W. "Good Polling Means Not Influencing The Outcome." Letters, October 14, 2008, Wall Street Journal Online. (4) Ecelbarger, Gary. The Great Comeback: How Abraham Lincoln Beat the Odds to Win the 1860 Republican Nomination. New York, Thomas Dunne Books, St. Martin's Press. (5) "Global Electoral College: What If The Whole World Could Vote." Economist Online (10/31/2008).