Less Dollars, More Sense: Understanding the Outcome of the 2006 Michigan Gubernatorial Election

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Introduction

The 2006 Michigan Gubernatorial election featured Republican Dick DeVos challenging incumbent Democrat Jennifer Granholm. Under Governor Granholm, Michigan’s economy was stagnant, unemployment rates soared to be among the highest in the nation, and the sentiment among a majority of constituents was that the state was headed in the wrong direction.¹ It came as little surprise to the electorate when Dick DeVos, a successful Michigan businessman in the private sector, decided to challenge Granholm for the governorship with the promise of rebuilding the state. In a determined effort, the DeVos team spent close to three times as much money as Governor Granholm and ran a professional campaign.² Yet despite all of the cash on the table, Dick DeVos was crushed in the election by 14 percentage points.³ This outcome begs the question: with the strong influence that self finance plays in political campaigns, why was Dick DeVos so unsuccessful? More specifically, in light of the struggles Michigan experienced during Governor Granholm’s first term, why did she so easily win reelection against such a well organized and well funded campaign? Is Governor Granholm a superior politician? Or did the advantages of her incumbency allow her to win? Why wasn’t the race more competitive?

In this paper I will explore three factors that influenced the outcome of this race: the midterm effect (the effect on the electorate of having a midterm election while an unpopular President who shares the challengers’ party is in office), the impact of the state’s poor economic conditions, and the contrasting styles of each candidate’s campaign strategy. I will argue that while the midterm effect and economy were relatively significant, it was Governor Granholm’s well calculated strategy that allowed her to out-maneuver the DeVos team when it counted, which led to the landslide victory. My findings intend to provide an answer to the question at hand, as well as suggest the limitations of strong campaign funding in this particular election. The paper proceeds as follows:

Section II will analyze past studies on campaign financing in gubernatorial elections and outline scholarly research on the three factors at hand. Section III will explain the case in detail by outlining statistics and external variables relevant to the 2006 election. Section IV will analyze each of the three factors and their respective effects on the campaign outcome. Section V will provide my conclusions in regards to the various factors, including my assessment of how

² Michigan Department of State, Campaign Finance Reporting. (Lansing, 2006).
³ Michigan Department of State, Election Results: General Election, (Lansing, 2006).
superior strategy secured the race. I will then propose future research to better explain the election results.

**Standard Explanations of Victory in Gubernatorial Elections**

Past studies concerning the factors that affect a gubernatorial race produce an array of suggested theories on the most significant influence on the electorate’s vote. Scholars agree that campaign spending plays a significant role in the likelihood of a candidate’s success in gubernatorial elections. Some suggest that money is the most important factor, as “gubernatorial elections are about as much contests in raising money as in winning votes.” This specific election featured challenger Dick DeVos outspending the incumbent Governor Jennifer Granholm by 28.1 million dollars. While money clearly has a substantial degree of influence, history also provides examples of political candidates outspending their opponents overwhelmingly in losing efforts (notably Elliot Spitzer’s failure to attain his party’s nomination for Attorney General in 1994).

**State Economy**

Past studies suggest that the state economy largely impacts gubernatorial races. When considering whether to reelect an incumbent, the state economy is a key concern for many voters. Hansen’s study suggests that a state’s unemployment rate has a negative influence on an incumbent’s reelection bid. Chubb finds that voters tend to pay more attention to the economy on the national level, and punish or reward the acting President’s party accordingly in gubernatorial elections. Further studies have also suggested that divided state government mitigates the amount of blame placed upon a governor. Research has shown that when control of the state’s Senate and House of Representatives are not unified by one party, voters do not hold the governor as responsible for the state’s poor economy.

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5 Samuel C. Patterson, “Campaign Spending in Contests for Governor,” *Western Political Quarterly* 35 (December 1982): 475.


10 For analysis of economic effects on voting in accordance with national politics see: John E. Chubb, “Institutions, the Economy, and the Dynamics of State Elections,” *American Political Science Review* 82 (1988): 133-54. The context of this particular election featured a favorable national economy under a Republican President while the state’s economy was very poor. See also: Richard Wolf, “Races in Michigan Explore Economy’s Electoral Impact,” *USA Today*, October 26, 2006, 8A.

National Economy
Scholars concur that national trends play a significant role in state gubernatorial elections. Simon argues that when a President has an approval rate below 45% the President’s party’s chances in defeating incumbents of the opposite party decrease significantly. More research indicates that midterms generally lead to the President’s party losing large amounts of governorships and not only legislative seats.

Strategy
Scholars tend to disagree on the relative significance of campaign strategy in affecting the outcomes of gubernatorial elections. Recent studies show that negative ‘attack adds’ can be received positively and negatively, but that overall they are advantageous and work to the benefit of the candidate who uses them most effectively. Research has also shown that the strategy that goes into televised debates can have a significant impact on the electorate’s position on a candidate. Another contributing factor relevant to this case is the importance of a candidate’s ability to use ‘good timing’ to tactfully influence the electorate at pivotal points in the campaign, which Paquette contends makes a major difference in the swing of campaign momentum. Romero’s study shows that an incumbent’s likeability can be a significant strategic obstacle for challengers to overcome. Skubick’s lengthy analysis of the Granholm-DeVos election reveals that both campaigns were well organized and well calculated from the beginning, but neither was without mistakes in executing their strategies.


13 Simon, “Presidents, Governors, and Electoral Accountability.” 286-304.


19 Tim Skubick, *See Dick and Jen Run*, Ann Arbor: The University of Michigan Press, 2006. To date, Skubick’s chronological documentation of the entire campaign is the one authoritative work on this particular election.

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The Political Circumstances Surrounding the 2006 Gubernatorial Election

The first term of Jennifer Granholm’s stint as Michigan’s Governor was marked by several political challenges, which included a struggling auto-industry, poor circumstances surrounding Michigan’s health insurance policies, and a state unemployment rate which grew to be the second highest in the nation over her first four years in office. Even so, the governor entered the campaign as a young, clever, telegenic, viable candidate with invaluable election experience.

Dick DeVos’s bid to defeat the incumbent Granholm began in the summer of 2005 with his decision to run for office. DeVos entered the race with a monetary advantage, possessing a personal fortune accumulated during his success in the business arena. His intention to utilize his CEO experience to help turn around a struggling Michigan economy was both his primary reason for seeking election and the base of his platform throughout the campaign.

The 2006 election period in Michigan was intensified by the complicated political climate at the state and national level. In the wake of controversial Republican policy-making in regards to the ongoing war in Iraq, President Bush’s job approval rating was below 40% for five consecutive weeks leading up to the election. Moreover, Michigan’s population on Election Day seemed to hold the President accountable for the state’s troubles, as 41% blamed the President while only 30% blamed the governor for the economic situation.

Michigan’s political climate was also extremely tense leading into the election. Despite Michigan’s recent trend of voting for the Democratic Party in major elections, Jennifer Granholm’s job seemed to be in jeopardy. This was largely due to the 6.9% unemployment


Prior to the election, DeVos held notable corporate positions including President of the Windquest Group and former CEO of Amway Corporation. Charlie Cain and George Weeks, “Republican Power Broker DeVos to Run for Governor,” Detroit News Online, June 3, 2005.


Bill Ballenger, interview by author, February 7, 2007. Bill Ballenger is a former state senator and state representative. He currently holds the Robert P. & Marjorie Griffin Endowed Professorship in American Government at Central Michigan University and is the editor and publisher of the “Inside Michigan Politics” newsletter.


EPIC – MRA Statewide Poll, Exit Poll, November 8, 2006. To underscore the challenge: a DeVos victory, against these formidable odds, would have made him the only Republican challenger to defeat a Democrat in either a congressional or gubernatorial election in the 2006 election cycle. Richard DeVos, interview by author, February 28, 2007.


EPIC – MRA Statewide Poll, Exit Poll, November 8, 2006. According to the EPIC –MRA Poll, 52% of Election Day voters felt that Michigan was on the ‘wrong track.’
rate Michigan faced in 2006. Dick DeVos emerged throughout his campaign as a “Mr. Fix-It” man determined to apply his CEO tools to the fiscal struggles Michigan faced.

Both candidates approached the race with vigor in slightly different styles. Governor Granholm relied heavily on her ability to sway voters with her charisma in the three televised debates, while Dick DeVos attempted to use his spending edge to purchase air-time and campaign resources to pull voters to his side. Over the course of the campaign, the Republican challenger outspent the incumbent by a 3:1 ratio, spending $39.3 million compared to her $11.2 million.

The great mystery of the election is how such a seemingly competitive race resulted in such a large margin of victory for the incumbent. Governor Granholm won the election 56% to DeVos’s 42%. This included remarkable victories for the governor in regions that typically voted Republican, including Eaton and Clinton Counties and the Upper Peninsula.

Such a surprising outcome demands an informed assessment of why the Governor was so successful. Given the poor state of Michigan’s economy and a severe disadvantage in campaign funding, how was Governor Granholm able to win reelection so easily?

Contributing Factors to the Election Outcome

The State Economy

Boasting his managerial experience, DeVos based his campaign on his intentions to use his business background to revive the Michigan economy. During Granholm’s first term, Michigan’s unemployment rate rose by one percentage point to 6.9%. Theory indicates that the considerable rise in the state’s unemployment rate should have significantly decreased Granholm’s odds of being reelected, as voters should have been more likely to punish the incumbent by voting for Dick DeVos. It seemed that the economy would shape the election and ultimately give the edge to DeVos.

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29 Michigan’s unemployment rate at the time of the election (6.9%) was second only to Mississippi, a state struggling to recover from Hurricane Katrina (7.5%). United States Department of Labor, Local Area Unemployment Statistics, February 5, 2007. http://www.bls.gov/lau/#news (accessed February 21, 2007).


33 Michigan Department of State, Election Results: General Election, Lansing, 2006.

34 Tim Skubick, interview by author, January 30, 2007. The EPIC – MRA Statewide Poll confirmed the importance of the economy in the voters’ decision for Governor as well: forty-six percent of voters claimed that improving the state’s economy was the issue that concerned them the most. EPIC – MRA Statewide Poll, Exit Poll, November 8, 2006.


Governor Granholm was able to minimize the effect of the negative economy by passing the blame on to major political leaders in her challenger’s party. DeVos noted that the Governor was able to convince voters that there was “nothing she could do” about the economy, which led many voters to blame the President and the former Republican governor for the struggles.\(^{37}\) The poll data reiterates this notion, as 11% more voters blamed President Bush and his national policies for the downtrodden state of the Michigan economy than Governor Granholm.\(^{38}\)

Evidence also reveals that Granholm may have benefited from the makeup of the state legislative branch. During much of her first term, Republicans held the majority in the Michigan House of Representatives, which led to a divided state government. One past study on the electoral impact of a unified state government reveals that when it comes to the economy, a divided government allows the incumbent to place the political blame on the legislature.\(^{39}\) Therefore voters were more likely to sympathize with Governor Granholm over the lack of cooperation from her Republican opponents in Lansing, and give her the benefit of the doubt for her efforts.

**The National Midterm Effect: “Simply a Bad Year for Republicans”**

Months removed from his disappointing election defeat, Dick DeVos explained in words what most Michigan Republicans had feared would happen from the outset of his campaign; the GOP’s opportunity to defeat a politically vulnerable Governor was swept away in the late stages of the campaign by the national anti-Republican sentiment.\(^{40}\) He noted that the sub-40% Presidential approval rating provided Governor Granholm with an easy target to blame for Michigan’s own economic strife.\(^{41}\) According to DeVos, this midterm effect was the defining factor in his loss; it was “simply a bad year for Republicans.”\(^{42}\)

An examination of Senator Debbie Stabenow’s (D-MI) reelection bid reiterates the DeVos claim that 2006 was a particularly challenging year for Republicans in Michigan. In 2000, Senator Stabenow was elected by a 1% margin against her Republican opponent Spencer Abraham, while in the 2006 midterm she won by 17% against Republican challenger Michael Bouchard.\(^{43}\)

Despite this evidence, polling data throughout the entire campaign ultimately calls the midterm effect explanation of the Granholm victory into question. DeVos correctly noted that his campaign was extremely successful in resisting the national trend far longer than most Republican challengers;\(^{44}\) Skubick’s study of the DeVos campaign documents that the challenger

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\(^{41}\) Richard DeVos, interview by author, February 28, 2007. DeVos’s observation concurs with Simon’s study on the statistical correlation between Presidential approval ratings and the chances of a challenger from the President’s party succeeding in a gubernatorial election against an incumbent of the opposing party. See Simon, “Presidents, Governors, and Electoral Accountability,” 286-304.

\(^{42}\) Following the election, DeVos echoed the national sentiment by reiterating that the Anti-Republican vibe was a reaction to President Bush’s leadership, especially in regards to the ongoing war in Iraq and unanswered questions regarding the state of the national economy. Richard DeVos, interview by author, February 28, 2007.


actually led several of the polls during the summer of 2006. Additionally, significant events unrelated to the national scene (such as the televised policy debates) seemed to considerably alter public opinion in favor of the Governor. While DeVos proposes that these factors show the strength of the midterm effect, the large magnitude of Granholm’s victory suggests that the incumbent’s campaign strategy made the difference in the election’s outcome.

**Campaign Strategy**

The final factor to consider when analyzing the Granholm victory is the nature of the victorious candidate’s campaign strategy, and how her team handled the challenge of a wealthy opponent with practically unlimited resources.

Although Granholm’s successes in the strategic arena had a greater influence on the outcome than DeVos’s shortcomings, it is important to note a few tactical errors that DeVos made early and often in his campaign. According to Tim Skubick, “The greatest mistake Dick DeVos made was introducing himself as the wrong person. He needed to be introduced as the man, not the businessman.” This assertion that DeVos’s business background could have influenced public opinion is supported by the sentiment of the voters. One poll revealed that 46% of voters said Granholm had been more honest during her campaign compared to 22% of voters for DeVos. Such numbers suggest that DeVos’s fatal strategic mistake was assuming a businessman’s persona rather than one of a leader for every day Michigan constituents.

A more widely recognized DeVos error in strategy was the absence of a clear plan to accompany his theme of economic recovery. The DeVos team correctly recognized that voters were most interested in economic recovery, but failed to promise anything more than competence in the economic realm. Eric Friedman, District Director for Congressman Dave Camp (MI-4), felt that the lack of an organized and concise plan hurt the challenger: “He told people that Michigan should do better, but didn’t have a concrete plan to go to… where was his five-point plan?”

Yet ultimately it was Granholm’s effectiveness, not errancy on the part of DeVos, which made the difference in the campaign strategy arena. One consensus among Republicans and many political analysts outside of the governor’s campaign team is that Granholm was especially good at passing the blame for her own shortcomings to her political opponents. Bill Ballenger,

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47 Skubick went on to explain that DeVos did not come off as candidate voters could relate to until it was too late in the campaign. He noted that “The best campaign ad DeVos ran was the one with him and his daughter, but it came too late. Too little too late. That’s what he needed from the start.” Furthermore, Skubick poses that “Businessmen have a bad reputation in this country. People don’t trust them. They’re the guys who take away 401(k)s and all that – [DeVos] needed to be humanized.” Tim Skubick, interview by author, January 30, 2007.

48 EPIC – MRA Statewide Poll, *Exit Poll*, November 8, 2006. The same poll showed that 52% believed Governor Granholm better understood the needs and concerns of the voters, compared to DeVos’s 32%.

49 Burton and Shea’s research indicates that a key theme is crucial to a campaign’s success. It was the absence of details, not that absence of a theme, which hurt DeVos in this particular election. For more on the significance of campaign themes see: Michael John Burton and Daniel M. Shea, *Campaign Craft: The Strategies, Tactics, and Art of Political Campaign Management*, 3rd ed. London: Praeger, 2006.

50 Friedman went on to note that Granholm didn’t have a plan either. The difference was that voters trusted her to act in their best interest. Eric Friedman, interview by author, February 16, 2007.
editor of the “Inside Michigan Politics” newsletter, notes that Granholm blamed former governor John Engler (R) and President Bush for a number of problems, and did so in a way that created hostility towards the President and his party in general.\textsuperscript{51} DeVos agrees that Granholm “was consistently able to point fingers and pass blame” to everyone from Engler to Bush.\textsuperscript{52} The governor’s effectiveness in attributing the chief problems of the state to members of her challenger’s party put DeVos at a significant disadvantage.

Granholm’s strategic emphasis on the televised policy-debates which occurred in the months leading up to the election also had an impact on the general public’s impressions of each candidate.\textsuperscript{53} It was a wise move for the incumbent to strategically fixate on these public appearances, as the first debate attracted the largest television audience in Michigan’s political history, and 54\% of voters tuned in to watch at least one of the debates.\textsuperscript{54} The result of Granholm’s focus on the debates, especially the first one, was a resounding victory in the eyes of many Michigan voters. Rasmussen’s rolling average of three major polls completed just days after the first debate on October 2 showed that Granholm regained the lead by seven percentage points, which the pollsters pointed out was the first significant lead for Granholm since January of 2006.\textsuperscript{55} Bill Ballenger observed that while the incumbent appeared more skilled and more assertive in the first televised debate, her challenger “laid an egg.”\textsuperscript{56} In Ballenger’s estimation, this marked the end of DeVos’s campaign hopes.\textsuperscript{57}

The greatest feat of the Granholm campaign was overcoming DeVos’s advantages in financing and resources. To accomplish this task, Granholm relied on superb timing in regards to when she chose to take her political actions during the course of her campaign. Skubick’s research reveals that the Granholm team did very little to contest the challenger between January and June of 2006, and as a result, DeVos led in several polls during the early to mid-summer months.\textsuperscript{58} It seemed that while DeVos was attempting to ignite a fiery, competitive campaign, Granholm was hesitant to even get involved. Chris DeWitt, the incumbent’s campaign spokesman, noted after the election that the incumbent’s team didn’t move early because of

\textsuperscript{51} Ballenger further notes that this created hostility towards the party that may explain the Governor’s victories in the Upper Peninsula and other typically Republican counties. Ballenger is a former state representative and state senator. Bill Ballenger, interview by author, February 7, 2007.

\textsuperscript{52} Richard DeVos, interview by author, February 28, 2007.

\textsuperscript{53} Scholars disagree on the significance of debates in elections. Paquette observes that by the time of the debates the majority of viewers have already made up their minds about the candidates. Friedenberg notes that when the public is unfamiliar with a candidate, the voters shape their opinions of a candidate’s character and competency by their debate performances.


\textsuperscript{56} Bill Ballenger, interview by author, February 7, 2007. In the first debate, DeVos appeared less poised than Granholm. He seemed slow to react and uncomfortable in the spotlight, while Granholm’s charisma made her appear much stronger as a candidate.

\textsuperscript{57} Ballenger and Skubick agree that DeVos did much better in the second and third debates. Unfortunately for DeVos, as Skubick notes in his book \textit{See Dick and Jen Run}, the later debates fell on the same nights as Detroit Tigers playoff games, which caused the TV ratings for the debates to drop significantly. See Tim Skubick, \textit{See Dick and Jen Run}, Ann Arbor: The University of Michigan Press, 2006.

limited resources. While DeVos was greatly outspending the governor in the first several months, Granholm was waiting for a time to strike back that the challenger would not be able to recover from. She made use of timing with a number of key political moves, including her strategic late-summer negotiations to open up Michigan’s job market, her emphasis on the before mentioned debates in the early fall, and closed the deal by managing to outspend her challenger by $1.2 million in the final reporting period of the campaign. This carefully crafted timing scheme allowed the governor to secure the advantage when it mattered most.

**Conclusion: Sound Campaign Strategy is the Difference Maker**

The evidence of this case reveals that while a variety of factors affected the election’s outcome, it was Jennifer Granholm’s superb campaign strategy that allowed her to tilt the election so dramatically to her side.

Even so, the notion that the midterm effect combined with Michigan’s trend as a “blue state” influenced the election is not completely without merit. In fact, it was a disappointing year for every Republican challenger. The case could certainly be made that Granholm’s success was simply the product of a poor year for Republicans. Yet after considering DeVos’s own comments that Michigan avoided the national trend until very late in the campaign, it seems that Granholm’s team was able to capitalize at just the right time to sway the election in her favor by a notably large margin. This was due not to the happenstance of a poor Republican cycle, but rather to superior campaign strategy by Granholm and her team.

It is worth noting that Granholm’s campaign strategy was not independent of the other variables discussed in this analysis. The incumbent successfully incorporated the impact of both the midterm effect and Michigan’s economic struggles into her strategy in a way that would shape the electorate’s view of her administration and her opponent’s party. In light of the midterm elections, she was able to successfully apply much of the blame for Michigan’s economic shortcomings to the policies of President Bush and the Republican Party at large. By understanding how to use these variables to her advantage at the most opportune moments of the

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59 DeWitt summed up the dilemma very simply: “When you’re in a political fight with a billionaire, if you can knock him down, you better make sure he can’t get back up.” Chris DeWitt, interview by author, February 23, 2007.


64 Granholm’s mastery of timing reinforces the ideas put forth by Paquette. “The greater the disadvantage, the longer the wait is likely to be before the situation is ripe for success.” The governor’s campaign team knew that if they were patient, they could strike at a time that would slow the challenger’s momentum and reestablish the incumbent’s advantage.

campaign, Granholm was able to overcome the great money gap that separated her from Dick DeVos. She opted to spend the majority of her funds towards the end of the campaign when it mattered most. Hinged on this keen sense of timing, her team’s campaign strategy proved to be more effective than DeVos’s, and ensured her reelection.

As for the puzzling question of why the election was so lopsided, with the governor winning by a 14% margin, the answer remains a mystery. Granholm’s campaign spokesman suggests that, by Election Day, Michigan voters ultimately came to realize that the Governor was on their side, that the poor state of affairs was not her fault, and that she had a superior plan to help the state recover. The ability to overcome a strong challenger’s resources and to convince voters of these questionable principles is a testimony to the incumbent’s strategic success throughout her campaign.

Future research should explore the practicality of Granholm’s strategic approach for incumbents at all levels of politics who are faced with better self-funded opponents. Is it always sensible to let a well financed challenger start strong for several months essentially uncontested, before countering in the final stages of a campaign? More research should also examine case studies of former gubernatorial campaigns in regards to the three factors examined in this paper.

Furthermore, Granholm’s 2006 election victory suggests that candidates with fewer resources are capable of winning competitive races. As the costs of campaign financing continue to inflate, such tactical innovation is likely to play a role in even the highest realms of politics. Wealthier candidates must determine how campaign funds can be invested most effectively to increase the chances of securing an Election Day victory, while candidates with less funding will need to consider campaigns such as Granholm’s as a strategic model. From a financial perspective, Granholm’s campaign implies that it’s not always how much candidates spend overall, but when they spend their funds that affects the outcome the most. The 2006 gubernatorial race suggests that the strategy component of any modern day election scheme is often just as important as the monetary aspect.

The challenge for tomorrow’s candidates is to emphasize a fusion of calculated timing with more traditional strategic techniques in order to turn competitive campaigns into impressive victories, just as Jennifer Granholm was able to do in 2006.

66 Other democratic incumbent governors won by closer margins in 2006, including Wisconsin’s Doyle (+8%), Oregon’s Kulongoski (+8%), and Illinois’s Blagojevich (+10%). With the Michigan race being very close until the final 6 weeks, when polls showed Granholm leading by 6-8%, it is still a mystery as to why she was able to pull away by so much on Election Day. For these election results and others, see: America Votes 2006, Governor/Michigan/Exit Poll, November 8, 2006, http://www.cnn.com/ELECTION/2006/pages/results/states/MI/ (accessed February 21, 2007).

67 DeWitt commented that he and his campaign teammates had their own explanation to account for the 14% victory: “This is by no means scientific, but we like to think that 4 points came from our good campaign, 4 points from their poor campaign, and 4 points just because it was a good democratic year; and then, when you take all that away, we would’ve won by 2 because she was simply a better candidate for the job.” Chris DeWitt, interview by author, February 23, 2007.

68 To further validate the Granholm/DeVos case study, similar questions need to be asked of other intriguing elections. Such questions may include: Does a state’s economy ever make the difference in particular campaigns? Are voters more likely to vote for incumbents who accept responsibility for a term’s failures or thrust blame on national politicians?
Works Cited


Matthews: Less Dollars, More Sense

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