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How Parties Create Electoral Democracy, Chapter 2

Parties neither cease to exist nor cease to compete for office when the general election is over. Instead, a new round of competition begins, with legislators as voters and party leaders as candidates. The offices at stake are what we call “mega-seats.” We consider the selection of three different types of mega-seats—cabinet portfolios, seats on directing boards, and permanent committee chairs—in 57 democratic assemblies. If winning parties select the rules by which mega-seats are chosen and those rules affect which parties can attain mega-seats (one important payoff of “winning”), then parties and rules should coevolve in the long run. We find two main patterns relating to legislative party systems and a country’s length of experience with democratic governance.

It is said that political parties *created* democracy (Schattschneider 1942, 3). If democracy is defined in terms of regular, free, and fair elections, then the rhetorical flourish of this statement is backed up by some relatively mundane facts: In many countries, the parties were the primary actors involved in choosing the rules that constitute electoral democracy. Once chosen, of course, electoral rules exert their own effects on parties. There is thus a symbiotic relationship between the rules of electoral competition and the players in that competition, each affecting the other’s survival.

Political scientists are familiar with both sides of this symbiosis in the electoral arena. On the one hand, electoral rules affect the number and size of parties competing in elections (Cox 1997; Duverger 1954; Lijphart 1994; Rae 1967; Sartori 1976; Taagepera and Shugart 1989). On the other hand, political parties seek those rules that best suit them (Bawn 1993; Boix 1999; Calvo 2005; Colomer 2004). The first, or electoral, chapter of “how parties create electoral democracy”—or, “how parties and electoral democracy coevolve”—is thus relatively well researched.

In this article, we adapt the logic of these familiar studies to a different arena: the national assembly. Parties neither cease to exist nor cease to compete for office when the general election is over. Instead, a new round of competition begins, with legislators as voters and party leaders as candidates. The offices at stake are what we call “mega-seats.” Depending on the assembly in question, mega-seats are positions such as those held by the chief executive, cabinet ministers, the presiding officer, members of the directing board, and chairs of permanent committees. Just as parties evaluate different *electoral* rules in terms of how they will affect their party’s future success, so too do they evaluate different *legislative* rules (pertaining to mega-seat elections) with an eye to their own success. And just as different electoral rules foster different configurations of electoral parties, so too do different legislative rules foster different configurations of legislative parties. Thus, a second chapter in how parties create electoral democracy is opened, one that has been relatively neglected.

To contribute to this second chapter, we consider how (dis)proportionally seats translate into three different types of mega-seats—cabinet portfolios, board seats, and committee chairs—in 57 democratic assemblies. In particular, we characterize each assembly in terms of the “majoritarian bonus” it gives to larger parties: Do such parties tend to get a smaller share of mega-seats than seats (a negative bonus), an equal share (a nil bonus), or a larger share (a positive bonus)? We find two main patterns.

First, the majoritarian bonus in the allocation of mega-seats tends to be larger in systems with a smaller effective number of parties. This correlation may arise because larger parties engineer larger majoritarian bonuses, because larger majoritarian bonuses drive smaller parties out of business, or both.

Second, if we hold constant the effective number of parties, we find that the majoritarian bonus in the allocation of mega-seats tends to be larger in polities that have had more years of democratic governance. This correlation may arise because the parties in older democracies have more-precise estimates of their likely future strength (in votes and seats) and are, accordingly, more willing to raise minimum thresholds, even in relatively fragmented systems.

Mega-Seats

Ideally, this study would embrace all important offices filled via elections within the national assembly. In practice, however, it is exceedingly difficult to collect systematic information on all of these

offices; see Thies's (2001) pathbreaking study, for example, for his account of the difficulties entailed in collecting information on junior ministers.

We chose instead to focus on three of the most important types of officials who are elected by, or whose appointment is influenced by, the assembly: cabinet ministers (not junior ministers), members of directing boards, and permanent committee chairs (not vice chairs and ordinary members, and not other sorts of committees).¹ Of these, cabinet ministers have been extensively studied, and committees (and their chairs) have an established niche in comparative legislative studies (see also Mattson and Strøm 1995; Powell 2000). It may be useful, however, to say a word about directing boards (see also Döring 1995; Loewenberg 2003).

All legislative assemblies have officers charged with deciding the detailed day-to-day agenda of the plenary session. The most important of these directing authorities are the *presiding officer* (for example, the Speaker, Marshall, or President) and, in many but not all cases, the *directing board* (for instance, the Rules Committee, mesa directiva, or presidium). Often, the presiding officer chairs the directing board. In some assemblies, such as the United Kingdom's House of Commons, the Speaker simply implements the agenda decided in the cabinet. In such cases, we view the cabinet as being the directing board. Although seats on the directing board vary in power from assembly to assembly, they are often important and sought-after.

One can array the rules used in selecting members of directing boards along a continuum running from "winner-take-all" to "proportional."² At the winner-take-all extreme of directing board allocation rules are cases in which a Speaker takes direction from a single-party cabinet. Examples include the United Kingdom, Jamaica, Australia, Malta, and Canada. Other systems that also lie toward the winner-take-all end of the spectrum include Panama, Chile, the Philippines, and the Dominican Republic, all of which invest floor leadership in a multimember board yet allow the majority party (or governing coalition) to obtain all of these posts. Other cases with multimember boards, such as Latvia and Finland, employ a multiple-round absolute majority vote to elect each post individually, allowing a distribution to parties outside the majority coalition to take place via informal procedures.

Majority vote procedures for individual posts may also be combined with explicit requirements for overall proportionality, as in Romania and France, ensuring that the board's composition reflects that of the floor. Japan and Taiwan also have formal requirements for proportional representation on their directing boards. One of the most

formal proportional systems exists in the German Bundestag, where board posts are allocated according to each party's assembly seat share, using the method of Sainte-Laguë divisors.

As this discussion of board seats illustrates, mega-seats are chosen under many different constellations of formal and informal rules. Our purpose here is not to code each case along the continuum from proportional to winner-take-all (there are too many difficulties in deciding how to rank very different sets of rules). Rather, we stress an "evolutionary" point. If winning parties choose the rules and the rules influence which parties win, then the following "equilibrium" condition should hold: *After parties have enough chances to adapt to (and change) the rules, the surviving parties will like (or, at least, not dislike) the surviving rules and the surviving rules will favor (or, at least, not harm) the surviving parties.*

The work of Boix (1999) and especially Colomer (2004) on the electoral arena suggests that the process of parties preserving or altering rules and rules favoring or harming parties can settle into either of two equilibria: (1) two large parties competing under highly disproportional rules or (2) many smaller parties competing under highly proportional rules. The first scenario is an equilibrium in the sense that large parties prefer winner-take-all rules and such rules make electoral life hard for all but large parties. The second is an equilibrium in the sense that small parties prefer proportional rules and such rules make it possible for them to win office and continue as viable political forces.

We hypothesize that the same two equilibria characterize the allocation of mega-seats in democratic assemblies.³ The rest of the article will show that in inexperienced democracies, where both parties and rules tend to be fluid, there is less evidence of parties settling into either of these equilibria. In contrast, in sufficiently experienced democracies, there are various patterned relationships consistent with the two posited equilibria. Before moving on to the evidence, we first consider the theoretical argument in more detail.

How Parties Choose Rules

Choosing Rules in the Electoral Arena

Several scholars—here we consider Boix (1999) and Colomer (2004) in particular—have investigated the choice of rules in the electoral arena. Boix and Colomer assume that each party favors a level of proportionality, along a scale running from perfect proportionality to winner-take-all, that maximizes its own seat share.⁴ These

authors also assume that the *governing* parties are able to alter electoral rules (formulas, district magnitudes, and so on) to affect the level of proportionality. Given these assumptions, they conclude that the more fragmented the party system is expected to be, the more proportional the rules will be.⁵

The logic behind this proposition is that more-fragmented party systems are more likely to produce multiparty governments with one or more small parties. These small parties may benefit from a more-disproportional allocation, one closer to winner-take-all, if they are able to pool their votes with those of various allies before the initial allocation of seats. Not all systems allow such vote pooling, however. Moreover, even when vote pooling is allowed, a small party's uncertainty about the stability of its alliance or about what the alliance-wide vote share will be means that more-disproportional rules will expose it to greater electoral risk: It may end up being in a small alliance (or no alliance at all) and, hence, receive a seat share substantially short of its vote share. Thus, the more fragmented the party system is expected to be, the more likely the current governing parties are to opt for proportional electoral rules.

Note that it is the expected state of the party system at the next election that matters, not simply the current state. For example, the Mitterrand government's switch to proportional representation before the 1986 election was crafted in light of the French Socialists' likely vote share in the forthcoming election, not their then-current seat share. Nonetheless, in stable party systems, where tomorrow's cast of characters is much the same as today's, one also expects stable rules that "fit" the party system, with more-proportional rules covarying with more-fragmented party systems.

Choosing Rules in the Legislative Arena

Just as the translation of votes into seats within the electoral arena can favor larger parties a little or a lot, so too the translation of votes into mega-seats within the legislative arena can favor larger parties a little or a lot. Considering the rules for electing directing boards, for example, one finds a range of regulations that permit outcomes to fall along the continuum from winner-take-all to proportional.

Because there are three different types of mega-seats under study here, each subject to different rules, there are three relevant proportionality levels: one each for cabinet portfolios, board seats, and committee chairs. Parties prefer proportionality levels that work in their favor in the electoral arena; likewise, they prefer such levels in the

legislative arena. Thus, essentially the same predictions arise in the legislative arena as in the electoral arena, *mutatis mutandis*.⁶ In particular, *the more fragmented the legislative party system is expected to be after the next election, the more proportional mega-seat elections in the legislature there should be.*

We should stress that there are different ways to measure proportionality. Some measures focus on the size of what we call the “majoritarian bonus.” Imagine that one has data on how many votes and seats each party won in a particular election. From these data, one can calculate each party’s seat “bonus,” defined as its seat share minus its vote share (bonus = seat share – vote share). When larger parties systematically tend to receive larger bonuses, we say that the electoral system offers a majoritarian bonus. The extent of the majoritarian bonus depends on the electoral rules in place. Single-member plurality systems award very large majoritarian bonuses; such bonuses decline as the system more closely approximates perfect proportionality. Standard models exist to estimate the majoritarian bonus, given an array of observations on party seat and vote shares. We will discuss such models later in more detail.

Another class of techniques measures deviations from proportionality not in terms of how large a bonus larger parties tend to get, but in terms of *any* deviation from proportionality, whether benefiting smaller parties on average, benefiting larger parties on average, or unrelated to party size (cf. Cox and Shugart 1991; Gallagher 1991). Theoretically, we prefer measures of the majoritarian bonus; our theory is precisely about how differently sized parties view rules and their effects. We should note, however, that empirically, most departures from proportionality do in fact favor larger parties, so measures of proportionality that detect any deviations and measures that focus on systematic bonuses in favor of larger parties tend to be highly correlated. In this paper, we focus on estimating the majoritarian bonus, but we also provide some summary statistics on disproportionality more broadly defined.

An Operational Model

Thus far, we have argued that there should be a correlation between the (expected) effective number of parties in an assembly and the size of the majoritarian bonus observed in intralegislative elections. In this section, we consider how one might measure the majoritarian bonus. We do not propose to examine the detailed rules that contribute to or constitute the big-party advantage in each system. Instead, we

seek an overall measure that will reflect the various rules, both written and unwritten, that help set the size of that advantage.

To this end, we adapt the standard model of how vote shares map onto seat shares (see, for example, Campagna and Grofman 1990; Cox and Katz 2002; King 1990; and King and Browning 1987) to model how seat shares map onto mega-seat shares. To explain the standard model, say we let party j 's vote share at election t be denoted v_{jt} and its share of seats be denoted s_{jt} . We focus on the case in which two parties compete repeatedly in their country's legislative elections. The basic formula in this case (cf. King and Browning 1987) is:

$$E\left[\frac{s_{jt}}{1-s_{jt}}\right] = \exp[\lambda_j] \left(\frac{v_{jt}}{1-v_{jt}}\right)^\rho. \quad (1)$$

The parameter ρ represents the majoritarian bonus of the assembly's electoral system, that is, the bonus in seats that parties winning more than half the votes typically receive. Now, let us suppose that $\lambda_j = 0$ for all parties j (so that the first multiplicand on the right-hand side of equation (1) reduces to unity and can be ignored). If $\rho < 1$, then parties winning a majority of votes get a smaller share of seats than they do votes (and parties winning a minority of votes get a larger share of seats than votes). In this case, the majoritarian bonus is negative. If $\rho = 1$, then both parties get a share of seats exactly equal to their vote shares and the majoritarian bonus is nil. Finally, if $\rho > 1$, then parties winning a majority (minority) of votes get a larger (smaller) share of seats than they do of votes and, thus, the majoritarian bonus is positive. Early empirical work by Kendall and Stuart (1950) found that single-member-district elections using plurality rule tended to fit a cube law model (in which $\rho = 3$), a trend indicating a substantial bonus for larger parties.

The parameters $\{\lambda_j\}$ represent party-specific biases. Party 1, for example, may have gerrymandered the districts used in the assembly's elections so that it tends to win more than half the seats when it wins half the votes (cf. Cox and Katz 2002). An unbiased system has $\lambda_j = 0$ for all j . Larger positive values of λ_j indicate larger biases in favor of party j .

Our data differ in at least three ways from those that commonly appear in the typical votes-to-seats setting. First, the parties in our study seek to translate their seats into mega-seats of various kinds, rather than to translate their votes into seats. Second, we often have

observations on more than two competing parties. Third, the parties in our study hail from many distinct country-years.

King (1990) has devised a model specifically to deal with the second issue, multiparty competition. To address the third issue (data from multiple country-years), we let $u(j,t)$ be the identification number of the country-year in which party j competes at time t and we denote the set of parties competing in country-year $u(j,t)$ by $Z(j,t)$. Letting m_{jt} denote party j 's share of the mega-seats being allocated (whether cabinet portfolios, board seats, or committee chairs) in country-year $u(j,t)$, we find that the version of King's model that we employ stipulates:

$$E[m_{jt}] = \frac{s_j^{\rho_{u(j,t)}}}{\sum_{h \in Z(j,t)} s_h^{\rho_{u(j,t)}}}, \text{ and} \quad (2a)$$

$$\rho_{u(j,t)} = \rho_0 + \rho_1 \text{HH}_{u(j,t-1)} + \rho_2 \text{DEMYRS}_{u(j,t)}. \quad (2b)$$

There are two main ways in which this model, estimated via maximum likelihood, differs from that offered by King (1990). First, we have set to 0 the party-specific bias parameters ($\{\lambda_j\}$) that King includes. The reason for this constraint is that our data is cross-sectional. Thus, we cannot estimate party-specific biases within each country: There simply are not enough data.

Second, and more important, we allow the parameter ρ to shift from country-year to country-year. We would not expect all electoral systems governing the choice of mega-seats to have the same majoritarian bonus any more than we would expect all electoral systems governing the choice of seats to have the same majoritarian bonus. Here, we model the majoritarian bonus as a function of two variables: (1) the Hirschmann-Herfindahl measure of how concentrated the seats in a particular country were in the *previous* electoral period, denoted $\text{HH}_{u(j,t-1)}$ ⁷ and (2) the years of experience with democracy that the country in country-year $u(j,t)$ has had prior to time t , denoted $\text{DEMYRS}_{u(j,t)}$.⁸

The intuition behind specification (2b) is as follows. The parameter ρ_0 gives the majoritarian bonus in a hypothetical country-year $u(j,t)$ for which $\text{HH}_{u(j,t-1)} = 0$ (meaning that, after election $t - 1$, each legislator belonged to a party consisting solely of him- or herself) and $\text{DEMYRS}_{u(j,t)} = 0$ (meaning that this country has had no previous experience with democratic governance prior to the focal year). In other words, ρ_0 gives the majoritarian bias in a hyperfragmented and brand-new democracy. Since none of our observations closely

approximate a completely fragmented and brand-new democracy, the estimates that we will present of ρ_0 are extrapolations.

The parameter ρ_1 indicates how much the majoritarian bonus changes as seats become more concentrated (or, equivalently, as the effective number of parties declines).⁹ We have argued that two-party systems, which have more-concentrated seats, will tend to give their largest party a more significant mega-seat bonus, because it will be the largest party that chooses the rules by which mega-seats are awarded. If this line of argument holds water, then we should find that $\rho_1 > 0$. That is, smaller (more-concentrated) party systems award bigger majoritarian bonuses.

Finally, the parameter ρ_2 allows the majoritarian bonus to trend upward or downward as a country gains experience with democratic governance. We include this parameter because recent studies have discovered a significant trend toward more-proportional rules governing the choice of legislative seats (cf. Boix 1999; Calvo 2005; Colomer 2004). If a similar trend exists in the rules governing the choice of mega-seats, then we will find that $\rho_2 < 0$.

Although the results we present here were estimated using King's model, we also estimated majoritarian bonuses by adapting the approach devised by Calvo (2005). Our results using Calvo's model are qualitatively similar to those we report here.¹⁰

Data

We used three main criteria to choose the countries for our study. First, only countries that were coded "free" by Freedom House at least once in the last three years (2001–03) qualified for inclusion. Second, from this initial group we excluded countries in which a single governing party held more than three-quarters of the seats (Mongolia, Namibia, and Mauritius were thus excluded). Third, we excluded countries with a population smaller than 300,000.¹¹ From the 67 countries meeting these criteria, we dropped 10 because of a lack of available information.¹² Thus, in total, we have data on 57 countries.

Ideally, we would have a series of observations on mega-seat appointments for each country corresponding to the appointments made after each general election in that country. Thus far, however, we only have the following data on mega-seat appointments: (1) one observation for each of our 57 countries in the initial sample period, 2001–03, and (2) an additional observation for every multiparty country in our initial sample for which we could readily find appropriate data from a different electoral period (searching within the window 1997–2004).

All told, we have observations on mega-seat appointments from 72 country-years. These data are obviously not enough to conduct time-series analyses or analyses within single countries, so here we treat the data as purely cross-sectional.

We collected all data for boards, presiding officers, and committee chairs from the websites of each national assembly. Information about cabinet ministers and their party affiliations came from the official government websites and Keesing's Worldwide database. Data on elections came from diverse sources.

Descriptive Statistics

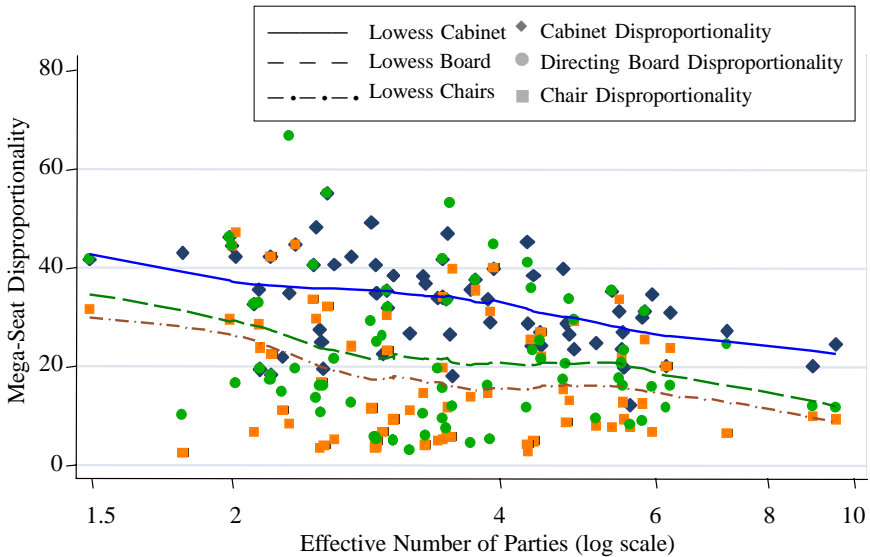
One way to get a feel for our data is to plot the effective number of parties in a polity on a log scale along the horizontal axis, against the disproportionality with which that polity's mega-seats are allocated on the vertical axis (we use Gallagher's least squares index of disproportionality).¹³ If larger party systems tend to have more-proportional mega-seat allocations, as we have hypothesized, then one should find declining disproportionality indices for all three mega-seats.

Figure 1 displays a scatterplot and lowess line fit of the three relevant bivariate relationships.¹⁴ As can be seen, the larger the effective number of parties at t , the less disproportionately mega-seats are allocated at $t + 1$. Cases with a low effective number of parties, such as Panama, Australia, and Greece, distribute mega-seats least proportionally; more-fragmented party systems, such as Finland, Denmark, and Estonia, have more-proportional distributions. This relationship is evident across all three types of mega-seats—portfolios, directing boards, and committee chairs.

Figure 1 also shows that cabinet portfolios tend to be more disproportionately allocated than board seats, which in turn tend to be more disproportionately allocated than committee chairs. This relationship may arise, in part, because governing parties are more willing to take a disproportional share of a resource, the more important that resource is.¹⁵

One might reasonably worry that the declining slopes depicted in Figure 1 are in part artifactual, because Gallagher's least squares index accords greater weight to large deviations from proportionality (as might occur in smaller party systems) and less weight to small deviations (as might occur in larger party systems). We sidestep this issue by moving to a different level of analysis that allows us to estimate the majoritarian bonus in each system directly, using the adaptation of King's (1990) model described earlier.

FIGURE 1
Mega-Seat Disproportionality and Party Fragmentation



Results

Our dataset includes information on 619 parties competing for mega-seats in 72 country-years. As Table 1 shows, the majoritarian bonuses for all three mega-seats exhibit qualitatively similar patterns. First, in all three cases, ρ_0 is estimated to be more than two standard errors *below unity*. Thus, very new and fragmented democracies tend to give bonuses to *smaller* parties, not to larger ones.¹⁶

Second, the more concentrated the seat shares within an assembly become (the smaller the effective number of parties becomes), the larger the majoritarian bonus becomes (if we hold constant the age of the democracy). The estimated effect is largest for cabinet portfolios but still significant for committee chairs and board seats. This pattern is our main result and is consistent with the evolutionary perspective we have laid out, in which larger parties push for larger majoritarian bonuses and smaller parties push for smaller ones.¹⁷

Third, the more years of experience a polity has with democratic governance, the larger its majoritarian bonus tends to be (if we hold constant the effective number of parties). Thus, for example, both South

TABLE 1
Majoritarian Bonuses in the Allocation of Mega-Seats
(standard errors in parentheses)

	Portfolios	Boards	Chairs
Baseline majoritarian bonus (ρ_0)	0.534*** (0.187)	0.549*** (0.184)	0.674*** (0.142)
Effect of lagged party system concentration on majoritarian bonus (ρ_1)	2.680*** (0.557)	0.948** (0.443)	0.940** (0.388)
Effect of democratic experience on majoritarian bonus (ρ_2)	0.007*** (0.002)	0.006*** (0.002)	0.006*** (0.001)
Number of Party Observations/Case Years	619/72	619/72	619/72
Log likelihood	1414.950	1027.153	1799.180
Pseudo R ²	0.620	0.635	0.746

Note: The pseudo-R² we report is the square of the correlation between our predicted values and the actual values for each party.

* significant at 10%; **significant at 5%; ***significant at 1%.

Africa in 1999 and Greece in 2000 had highly concentrated party systems (HH = .47 and .45, respectively). Yet South Africa's African National Congress, commanding a very large majority, nonetheless brought a junior partner into government, whereas Greece's Panhellenic Socialist Movement, commanding a much smaller majority, took all. Thus, the older democracy was more majoritarian. As another example, both Canada in 2000 and Hungary in 2002 had seat concentration indexes of .39. Yet Hungary formed a two-party coalition in which the junior partner was overrewarded, whereas Canada's Liberals took all. Again, the older democracy was more majoritarian. As a final example, both Albania in 2000 and Austria in 2002 had similar seat concentrations (HH = .38 and .35, respectively). Yet Albania's Socialist Party brought in a junior partner, despite commanding a majority on its own, whereas the Austrian People's Party formed a minimal winning coalition with the Freedom Party. Again, the older democracy was more majoritarian.

These results are robust in the following senses. First, if one reanalyzes the data excluding each country-year one by one, then the three coefficient estimates for portfolios (ρ_0 , ρ_1 , and ρ_2) are always of the same sign and significance as those reported in Table 1; the third coefficient estimate for board seats is always of the same sign and significance; and the first and third coefficient estimates for committee

chairs are always of the same sign and significance. With regard to committee chairs, there is one case whose removal results in the estimated effect of increasing seat concentration no longer being statistically significant (p -value = .16). As for board seats, there are two cases whose removal from the dataset results in the estimated baseline majoritarian bonus no longer being statistically discernible from 0 (India and New Zealand) and five cases whose removal results in the estimated effect of increasing seat concentration no longer being statistically significant (p -values in the range of .1 to .22). All five of these cases are highly concentrated party systems in the United Kingdom and its former colonies (Canada, Jamaica, and South Africa twice).

Second, if one uses the contemporaneous seat concentration index instead of the lagged index, then the results are similar to those reported in Table 1, in terms of both coefficient estimates and levels of statistical significance for all variables. Also, if one uses an average of the lagged and contemporaneous seat concentration indexes, then the results are similar for all variables.

Third, if one restricts each country to a single observation, then the results are similar to those reported in Table 1, in terms of both coefficient estimates and levels of statistical significance for all variables. This restriction entails removing 15 country-years' worth of data.

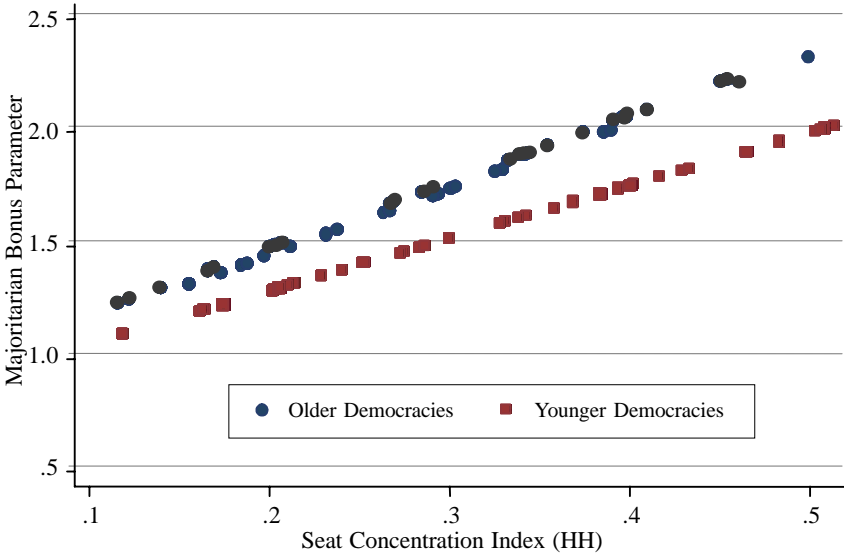
All told, our results for portfolios and committee chairs are highly robust. There is some indication, however, that our results for board seats depend on having enough observations of highly concentrated party systems.

Experience with Democracy and Party-Rule Symbiosis

In new democracies, there may be a period of adjustment before the party system and the rules governing intralegislative elections are compatible. One reason is that parties may learn over time, either how to exploit given rules or what rules best suit them (Reed 1991). Even if parties instantly knew how to adapt to rules and which rules best suited them, however, one would still expect coordination failures in the early elections of a new democracy (Cox 1997, 159; Zielinski 2002).

Our results show that, when we hold constant the concentration of the party system, the majoritarian bonus is larger in older democracies. This finding is consistent with the notion that the larger parties in any given system seek to restrict access to mega-seats to parties that exceed a certain minimum threshold. The older a democracy is, the longer its successful parties have had to increase the "mega-seat access thresholds" to the maximum size that does not threaten

FIGURE 2
The Majoritarian Bonus in Portfolio Allocations,
as a Function of Party-System Concentration

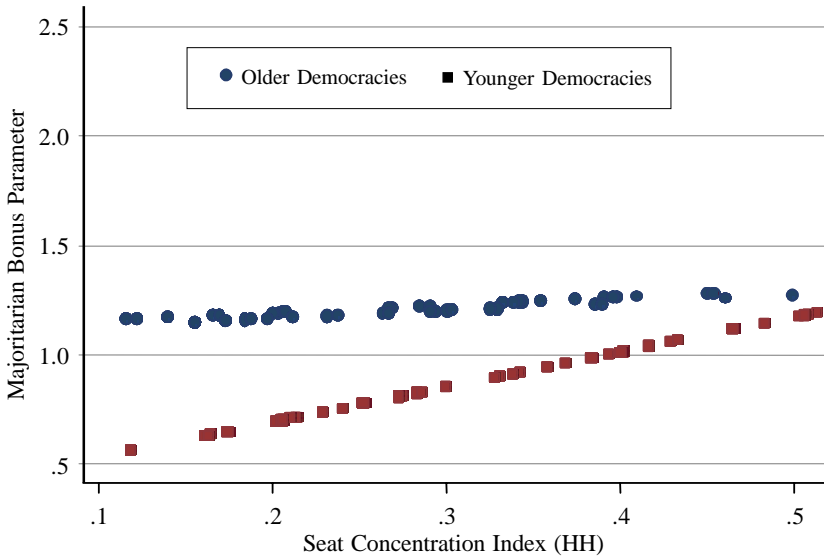


any of them but does discourage new entrants.¹⁸ The larger parties in new democracies may also not believe that they will last in their current form and size for a long time, and hence they may not have as clear incentives to manipulate the rules. Thus, parties in older democracies may have had both better incentives and more time to adjust the rules.

To explore the possibility that there is a period of coordination (with or without learning) in new democracies, we split our sample of countries into two subsamples, those with less than 40 years of democratic government since 1900 and those with more, and we estimated the three seats-to-mega-seats curves for these two groups separately. To estimate the curves, we again used equations (2a) and (2b), except we dropped DEMYRS from equation (2b) because it has already been partly controlled by our sorting of the sample.

We graphed a given country-year's *estimated* majoritarian bonus for cabinet portfolios (Figure 2), board seats (Figure 3), and committee chairs (Figure 4) as a function of the seat concentration in that country-year. Each figure has two lines, one (with circles) corresponding to the more-experienced democracies, and the other (with squares) to the less-experienced democracies. In all three cases, the older democracies have a larger majoritarian bonus at any given level of seat concentration.

FIGURE 3
The Majoritarian Bonus in Board Seat Allocations,
as a Function of Party-System Concentration

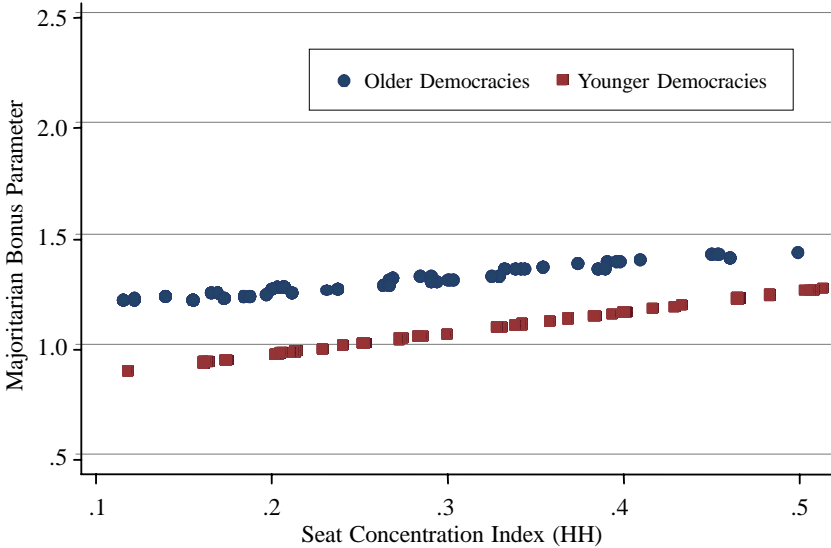


Thus, the basic finding that older democracies are more majoritarian, for any given level of party-system concentration, remains.

Now, let us consider the three figures in more detail. Figure 2 (cabinet portfolios) shows that the relationship between the majoritarian bonus and party-system concentration is positive for both newer and older democracies. The majoritarian bonus increases a bit more steeply among older democracies as the party system becomes more concentrated. The overall fit of the model is also slightly better for the older democracies, a pseudo- R^2 of .64 for the older democracies and .60 for the newer. If anything, Figure 2 (and the split-sample analysis on which it is based) suggests a stronger relationship between party-system concentration and majoritarian bonus among the older democracies, an implication consistent with the notion that the parties in the older democracies have had longer to adapt to or alter the rules (or both) under which they compete.

Now, consider Figure 3 (board seats). The relationship between the majoritarian bonus and party-system concentration is again positive for both newer and older democracies. The bulk of the newer democracies, however, are estimated to have *negative* majoritarian bonuses in the awarding of their directing board posts, meaning that

FIGURE 4
The Majoritarian Bonus in Committee Chair Allocations,
as a Function of Party-System Concentration



smaller parties tend to get larger shares of the board than they have of the assembly. The pseudo- R^2 is also significantly lower among the newer democracies (.56 versus .69).

What does this result mean? In a separate analysis, we found that the older democracies tend to have larger directing boards. Moreover, case-by-case examination shows that many older democracies have established fairly clear rules by which board positions are filled, rules which are some form of proportional representation with thresholds excluding smaller parties. The newer democracies, in contrast, tend to have smaller directing boards, and they are much less consistent regarding who gets these posts. Sometimes, quite small parties get on the board, while other, larger parties are denied representation.¹⁹ This scenario is sufficiently common that smaller parties in the more-fragmented party systems tend to get larger bonuses on the board than do the larger parties.

Finally, consider Figure 4 (committee chairs). There is not much difference between old and new democracies in how the allocation of committee chairs responds to party-system concentration, except that older democracies award larger majoritarian bonuses at any given level of concentration. (The estimated slope in the newer democracies is,

however, more precisely estimated than in the older democracies.)

The longer democracy exists in a given country, the longer its parties have to compete against one another, not just in general elections but also in intralegislative elections. As they compete, parties both adapt to the rules and change them to their own advantage, when they can. Under the heading of “adapting to the rules” come various forms of coordination, such as engineering or reversing mergers, alliances, or joint-nomination agreements, as well as decisions to go out of business. Under the heading of “changing the rules” come increases or decreases in the legal barriers to entry by new parties, increases or decreases in the proportionality of electoral formulas, and the like. Eventually, as parties adapt to and change the rules, the party system and the rules governing elections equilibrate at all levels, general and intralegislative.

Conclusion

Political parties and rules governing elections (both general and intralegislative) coevolve. Parties must win offices, under the current rules, to stay in business. Rules must be maintained, by the currently governing parties, to stay on the books.

In new democracies, the interaction between parties and rules may be hard to predict. Political parties in emerging democracies face the early rounds of a repeated coordination game and thus may adopt “tough” (noncoordinative) strategies for a while, before electoral results are clear enough to force coordination around a particular group of winners and likely future winners (cf. Cox 1997, 159; Filippov, Ordeshook, and Shvetsova 1999; and Zielinski 2002). At this early stage, typically each party is relatively uncertain about how many votes it will command. Hence, party attempts to engineer the rules will fail more often. It is only after the party system has “frozen”—that is, after a coordination equilibrium has been reached—that each party will know its support with more precision and, hence, will begin the task of fine-tuning the rules with more accuracy.

Consistent with this evolutionary perspective, we find the following patterns. First, larger party systems have smaller majoritarian bonuses in their mega-seat allocations, whether because the winning parties change the legislative rules, the legislative rules drive some parties out of business, or both. Second, when one holds constant the effective number of parties, older democracies tend to have larger majoritarian bonuses than younger ones. Third, as a country’s experience with democracy increases, majoritarian bonuses awarded in intralegislative elections are more likely to approximate those awarded in general elections.

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NOTES

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1. In a few cases, the committees in our sample are not called “permanent” or “standing” by the assembly of origin but are the most important committees in their system.

2. We should note, however, the following empirical pattern. All cases in which the formal rules mandate a proportional allocation in fact have proportional allocations. But some cases in which the formal rules would allow a majority government to take all exhibit more-proportional allocations. Thus, in some of our cases, informal norms appear to modify the application of formal rules, although only to mitigate winner-take-all rules, not to vitiate proportional rules.

3. We say “two” equilibria, but a better characterization would be that there are multiple ranked equilibria, with the rules (and hence outcomes) sliding along a scale from least to most proportional and the number of parties sliding along a scale from two to many parties. It is possible for an equilibrium in our sense to arise with three medium-sized parties and moderately proportional rules: The rules accommodate the parties, and the parties tolerate the rules (the latter because the current parties can win under the current rules and perhaps because, since the rules are not more proportional, they slightly discourage the emergence of more parties). When we speak of two equilibria, then, we have in mind the most extreme possibilities along the continuum: two-party winner-take-all on one end and multiparty pure proportional representation on the other.

4. In perfectly proportional systems, larger parties (i.e., those garnering more votes) get a share of seats that is strictly proportional to their vote shares, giving them a nil bonus (defined as seat share minus vote share). In less proportional systems, larger parties get a share of seats that exceeds their vote shares, giving them a positive bonus. Larger and larger big-party bonuses lead eventually to winner-take-all rules, such as those implemented in single-member plurality elections.

5. Boix and Colomer have somewhat different empirical and theoretical focuses. Boix targets European responses to mass suffrage circa 1920, arguing that where the pre-existing parties believed they could present a united front against the socialist threat, they maintained winner-take-all rules, but where the pre-existing parties foresaw difficulties in coordinating on a single antisocialist option, they introduced proportional representation. Colomer investigates a wider range of cases, both geographically and temporally, and focuses more generally on the relationship between party fragmentation and proportionality.

6. One implicit assumption in the electoral literature does merit discussion. Boix (1999) and Colomer (2004) assume that parties cannot observe their vote shares first and then choose the rules that translate votes into seats. This is a perfectly natural (and never violated) assumption in the electoral arena. What about in the legislative arena?

We assume that the first order of business in any new session is the selection of a presiding officer and other mega-seat-holders and that the rules regulating elections can only be changed in time to affect the next session's elections, not the current session's. This is explicitly the case in many assemblies. For example, in Sweden, an incoming majority wishing to change the rules regulating elections in the Riksdag before holding elections in the current session would have to violate the Riksdag Act, which stipulates holding certain elections as the first order of business. We believe that our assumption corresponds to, at least, an unwritten rule in all our cases. Moreover, this prohibition on choosing rules after observing political strength has a clear political logic to it. Were alliances allowed to choose the rules after observing their seat shares in the assembly, majority alliances might discover a taste for winner-take-all rules rather quickly. Because they cannot choose the rules first, then elect officers, their choice of rules is put behind at least a minimal veil of ignorance, as they cannot be certain of their seat shares after the next general election.

7. The Hirschmann-Herfindahl index equals the sum of squared seat shares of the parties. If party j 's seat share is s_j , then the probability that a legislator randomly sampled from the assembly as a whole will belong to party j is s_j , and the probability that two randomly sampled legislators will both belong to party j is s_j^2 . Thus, the Hirschmann-Herfindahl index gives the probability that two randomly sampled legislators will belong to the same party. The reciprocal of this index is the well-known "effective" number of parties, per Laakso and Taagepera 1979. We use the *lagged* Hirschmann-Herfindahl index, because our theory posits that it is the legislators in the previous electoral period who choose the rules that will govern the next period, and one plausible assumption is that such legislators forecast that the party system will remain as it currently is when they make their decision. An alternative assumption would be that legislators have accurate and self-fulfilling forecasts of what the party system will look like, in which case the contemporaneous Hirschmann-Herfindahl index, $HH_{u(j,t)}$, would be superior. We have also used the contemporaneous concentration index and found results similar to those reported here.

8. We assess democratic experience in terms of each country's total experience with democracy since 1900, with its total continuous experience with democracy in its latest democratic period as a secondary measure. We believe our primary measure is the correct conception of democratic experience when considering party-rule symbiosis. Although parties and their organizations may not be active in government during a nondemocratic period, they often still continue to function underground or in civil society, and they often preserve certain traditions and expectations that they seek to reinstate when democracy returns. For example, although Uruguay had two short periods of nondemocratic rule, most recently from 1973 to 1984, the Blancos and the Colorados are nearly as old as the country itself. These parties continued to exist during the years of military rule, they structured opposition to the junta, and they reestablished their positions rapidly with the return to democracy. Thus, we believe that Uruguay's 79 years of democracy since 1900 better reflect its situation in 2000 than its continuous experience with democracy in its latest democratic period (17 years). The latter measure

suggests Uruguay has had very limited experience with democratic governance. In reality, Uruguay has decades of experience with its particular party system, even by Western European standards. Similarly, we believe that the Chilean experience with democratic governance from 1925 to 1973 has clearly left a legacy that the parties in the most recent democratic period have built upon. In contrast, a country such as Bulgaria has no such legacy to build upon. Our conclusions are qualitatively similar if we use continuous experience with democracy in the latest democratic period rather than our preferred measure.

9. The effective number of parties equals the reciprocal of the Hirschmann-Herfindahl index.

10. Calvo (2005) models each seat won as a draw from a binomial, but he allows the votes-to-seats curve to shift, depending on the effective number of parties competing. The estimates from this model do not necessarily sum to the number of seats awarded in each country-year, as they do in the King model, but the Calvo model produces an estimate of how much shifts in the number of parties affect the overall votes-to-seats translation, whereas the analogous effect in the King model, while it exists, would need to be separately simulated.

11. The cases excluded after applying this rule were Andorra, Bahamas, Barbados, Bahamas, Dominica, Belize, Granada, Guyana, Kiribati, Liechtenstein, Marshall Islands, Micronesia, Monaco, Nauru, Palau, Saint Kitts and Nevis, Saint Lucia, Saint Vincent and Grenadines, Samoa, San Marino, Saõ Tome and Príncipe, Tuvalu, and Vanuatu.

12. Korea, Botswana, Ghana, Lesotho, Mali, Papua New Guinea, Senegal, Suriname, Serbia, and Benin had missing data.

13. The formula for calculating Gallagher's index is the same for each case. Let party k 's share of the seats in the assembly be s_k and its share of the relevant mega-seats (whether cabinet portfolios, board seats, or committee chairs) be m_k . Subtract each m_k from s_k and square the differences. Then sum the squared differences and divide the total by two. Take the square root of the result.

In these calculations, one important question is "What do we do with independents?" For the results reported in Table 1, we treat independents as if each belonged to a separate party of which he or she were the sole member and calculate this "party's" share of both seats and mega-seats accordingly.

14. Lowess lines plot what are essentially running averages of the data. More precisely, lowess "is a method for smoothing a scatterplot, (x_i, y_i) , $i = 1, \dots, n$, in which the fitted value at x_k is the value of a polynomial fit to the data using weighted least squares, where the weight for (x_i, y_i) is large if x_i is close to x_k and small if it is not. A robust fitting procedure is used that guards against deviant points distorting the smoothed points" (Cleveland 1979, 829).

15. Suppose that (1) cabinet portfolios are, on average, more valuable than board seats, which in turn are, on average, more valuable than committee chairs and that (2) a winner-take-all allocation of any resource opens the winner-who-takes-all to charges of unfairness or of violations of proportionality norms. Then, even if the strength of the fairness or proportionality norms varies from polity to polity, one expects more-disproportional allocations to be worth the risk for the more-valuable offices. Thus, to the extent that the first assumption holds empirically, one expects closer and closer approximations to winner-take-all as one moves from the least important (committee chairs) to the middling important (board seats) to the most important (cabinet portfolios) mega-seats.

16. As previously noted, we have no data on systems that are both brand-new and completely fragmented. Thus, we do not wish to put too much emphasis on this first result, other than to say that it shows that the majoritarian bonus in new and fragmented systems is very small, and possibly even negative.

17. A complementary result is reported by Martin (2005), who provides evidence that the size of the legislative party system is statistically associated with prominent features of legislative organization.

18. In some cases, the access thresholds are explicitly stated in the rules. For example, most assemblies have rules that stipulate a minimum size for a party group, and most restrict access to directing boards and committee chairs to party groups. In other cases, the restrictions may be more informal.

19. For example, the Popular Socialist Party in Brazil, which held less than 3% of the seats, was overrepresented on the directing board in 2002, whereas the much larger Brazilian Social Democracy Party was not. Similarly, Bulgaria's Movement for Rights and Freedoms, which held 8.75% of the seats, was overrepresented on the directing board in 2001, whereas the much larger Coalition for Bulgaria was not, receiving 20% of the board seats for its 20% of the assembly seats.

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