

Who Gets Their Way in Coalition Policy?

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Overview

Research question

Whose preferences prevail in multiparty governments?

Current wisdom

Literature expectation and norm: policy proportional to seats

Objective

Test all the fundamental hypotheses about the relationship between parties' seat share and the coalition policy position; for weights:

- Equal: government policy is independent from parties' seat share
- Less than proportional: marginal value of seats decreasing
- Directly proportional: proportionality hypothesis (Gamsom's law)
- Over-proportional: marginal value of seats increasing

Preview of the results

Reject seats proportionality

Cannot reject hypothesis that parties exert equal influence

Setup



One policy dimension

Government parties

Single peaked preferences

Government position Pareto optimal

Parties bargain over government policy position

Policy is *some* weighted average of parties ideal points

Statistical model:

$$y_i = \beta_0 + \sum_{j=1}^{\bar{j}_i} W_{ij} * z_{ij} + \epsilon_i$$

y_i = policy position of government i

z_{ij} = policy position of party j in government i

W_{ij} = weight of party j in government i

\bar{j}_i = number of parties in government i

Constraints on W_{ij} for Pareto optimality:

$$W_{ij} \text{ s.t. } W_{ij} \geq 0 \quad \forall i, j, \quad \text{and} \quad \sum_{j=1}^{\bar{j}_i} W_{ij} = 1 \quad \forall i,$$

What are the weights?

Data

Left-Right positions of parties and governments:

Comparative Manifesto Project (and Warwick's data)

Other variables:

European Representative Democracy (ERD); Parliament and Government Composition Database (ParlGov); Portfolio Allocation in Western Europe (PAWE)

106 governments; 9 Western European Countries; 1945 - 1998

The Effect of Seat Share on Coalition Policy

Weights parametrization:

$$W_{ij} = \frac{e^{\beta x_{ij}}}{\sum_{j=1}^{\bar{j}_i} e^{\beta x_{ij}}}$$

x_{ij} = log of the parliamentary Seat Share for party j in government i

Which simplifies to:

$$W_{ij} = \frac{\text{SeatShare}_{ij}^{\beta}}{\sum_{j=1}^{\bar{j}_i} \text{SeatShare}_{ij}^{\beta}}$$

The four scenarios are special cases of the value of β :

Equal: $\beta = 0$, $W_{ij} = 1/\bar{j}_i$

Less than proportional: $0 < \beta < 1$, $W_{ij} = \text{SeatShare}_{ij}^{\beta}/\text{const.}$

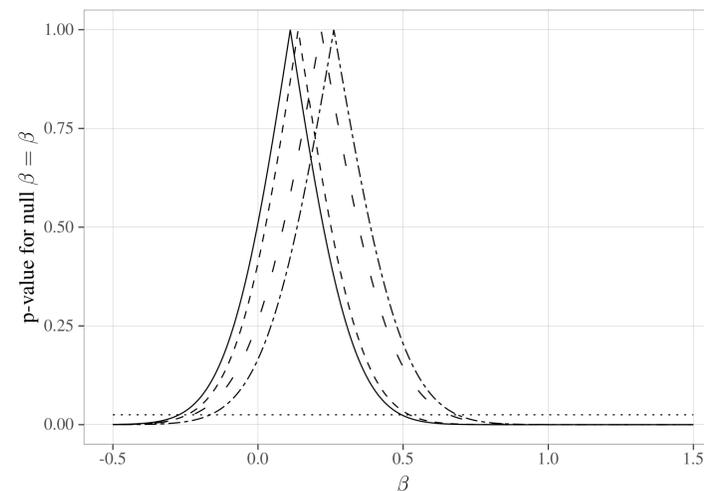
Directly proportional: $\beta = 1$, $W_{ij} = \text{SeatShare}_{ij}$

Over-proportional: $\beta > 1$, $W_{ij} = \text{SeatShare}_{ij}^{\beta}/\text{const.}$

Results:

	Left-Right position of the Government			
	(1)	(2)	(3)	(4)
Log Seat Share	0.111 (0.168)	0.261 (0.187)	0.138 (0.166)	0.217 (0.191)
Constant	8.084*** (1.499)		4.335*** (1.587)	
Log Seat Share:				
p-value for null $\beta=0$	0.510	0.165	0.409	0.262
p-value for null $\beta=1$	0.000***	0.000***	0.000***	0.000***
Country Fixed Effects	—	✓	—	✓
Obs	107	107	65	65

model — (1) - - (2) - - (3) - (4) ... significance threshold



Not possible to reject the null that parties bargain as equal

Reject the possibility that parties' weights are proportional to seats

Discard the possibility that weights are over-proportional

Not possible to rule out the chance of less than proportional weights

The Effect of Other Variables on Coalition Policy

Weights parametrization:

$$W_{ij} = \frac{e^{\sum_{k=1}^{\bar{k}} \beta_k x_{kij}}}{\sum_{j=1}^{\bar{j}_i} e^{\sum_{k=1}^{\bar{k}} \beta_k x_{kij}}}$$

x_{kij} = observable k for party j in govt. i

β_k = coefficient on observable k

\bar{k} = number of independent variables in the specification

Variables:

Log Seat Share; Delta Seat Share; Median Legislative Party; Abs. Distance to Median Legislative Party; Formateur; Biggest Coalition Party; Median Party of the Coalition; Surplus Parties; Inconsistent Parties

Results:

	Left Right position of the Government			
	(1)	(2)	(3)	(4)
Log Seat Share	0.111 (0.169)	-0.026 (0.195)	-0.695* (0.394)	-0.848* (0.439)
Abs. Distance to Median Legislative Party		-3.727** (1.802)		-2.877* (1.724)
Formateur			1.586** (0.665)	1.596** (0.736)
Constant	8.085*** (1.499)	7.748*** (1.480)	8.266*** (1.446)	8.072*** (1.440)
Log Seat Share:				
p-value for null $\beta=0$	0.510	0.895	0.080*	0.055*
p-value for null $\beta=1$	0.000***	0.000***	0.000***	0.000***
Country Fixed Effects	—	—	—	—
Obs	107	107	107	107

Confirmed role for Seat Share

Parties closer to the median position hold more influence

Increased influence for the Formateur

The closeness to the median result provides supporting evidence to the median voter theorem of Black (1948)

Together with the result for the Formateur, it represents a positive test of the non-cooperative theory of government formation of Baron (1991)

Robustness

Inclusion of Supporting Parties: no elements favoring the hypothesis that supporting parties have influence in coalition policymaking

Alternative Policy Measures (implemented pledges): congruent results

Next Steps

Most research on the quality of democratic representation, ideological congruence, and the median mandate base their results on the proportionality assumption. In work that is in progress, I construct new government locations using the estimated weights and compare the congruence of different governments utilizing the new measure.