Consequences of Democratic Institutions
Majoritarian or consensus democracy?
Arrow's theorem, though, comes from demonstrating that every decision-making process that we could possibly design, including any majority-rule one, must sacrifice at least one of Arrow's fairness conditions if it is to guarantee group transitivity and, hence, stable outcomes. Put differently, if we insist that Arrow's four fairness conditions be met, we must accept the possibility of group intransitivity—there is no way around it.

The implications of Arrow's theorem are far-reaching. Suppose that we take Arrow's conditions of unanimity and independence from irrelevant alternatives as uncontroversial and given. If we do this, Arrow's theorem tells us that we face an institutional "trilemma" between stable outcomes, universal admissibility, and nondictatorship. In other words, we can design decision-making institutions that have at most two of these three desirable attributes. In Figure 11.10, we illustrate Arrow's institutional trilemma with the help of a triangle.

Basically, Arrow's theorem states that when we design decision-making institutions, we can choose one and only one side of the triangle shown in Figure 11.10. If we want decision-making institutions that guarantee group transitivity and stable outcomes (A), then we must give up either nondictatorship (B) or universal admissibility (C). If, on the other hand, we want to avoid dictatorship (B), then we must give up either transitivity (A) or universal admissibility (C). Finally, if we hold individual preferences as inviolable (C), then we must do without group transitivity (A) or nondictatorship (B).

**Figure 11.10** Arrow's Institutional Trilemma

<table>
<thead>
<tr>
<th>A</th>
<th>B</th>
<th>C</th>
</tr>
</thead>
</table>
| Group transitivity  
(stable outcomes) | Nondictatorship | Universal admissibility |

Note: Arrow's conditions of unanimity and independence from irrelevant alternatives are assumed as given here.
Every decision-making mechanism must grapple with the trade-offs posed by Arrow’s Theorem, and every system of government represents a collection of such decision-making mechanisms.
Constitution writers have responded to Arrow’s institutional ‘trilemma’ in one of two ways:

1. **Majoritarian vision**: Concentrate power in the hands of the majority.

2. **Consensus vision**: Disperse power to as many people as possible.
Majoritarian vision of democracy

- Two alternative teams of politicians compete for the support of voters.

- The team selected by a majority of the voters is given unfettered control over policy.

- It must implement the policies that it ran on during the election campaign.
In the delegate model of representation, representatives have little autonomy and are mandated to act as faithful agents of their particular constituents.

In the trustee model of representation, representatives are free to use their own judgement when making policy. They are supposed to promote the collective good and act in the national interest rather than in the interests of any particular constituency.
Majoritarian vision of democracy

• Citizens know which team is responsible for policy outcomes.

• They can use their evaluations of the policy record when deciding whether to reward or punish the incumbent in the following election.

• Citizens only get to exert influence at election time.
Majoritarian vision of democracy

• Policy should be determined only by the majority.

• The involvement of the minority in the policy-making process is considered illegitimate.

Power is to be concentrated in the hands of a single majority team of politicians.
Consensus vision of democracy

- During elections, citizens are to choose representatives from as wide a range of social groups as possible.

- These representatives are advocates who bargain on your behalf in the promotion of the common good.

- Trustee model of representation.
Consensus vision of democracy

• Elections should produce a legislature that is a miniature reflection of society as a whole.

• Elections are not designed to serve as some sort of referendum on the set of policies implemented by the government.

• Citizens exert influence over the policymaking process between elections through the ongoing bargaining of their elected representatives.
Consensus vision of democracy

• Policy should be determined by as many citizens (and their representatives) as possible.

• Citizens with majority preferences do not have a privileged status.

• Restrictions placed on the ability of the majority to ride roughshod over the preferences of the minority.

Power is to be dispersed among as many people and groups as possible.
In Table 16.1, we illustrate when a particular "institution" can be considered more majoritarian or more consensual. As will become clear, the decisions to adopt majoritarian or consensus institutions are not entirely independent of one another. Choosing to adopt certain majoritarian institutions can virtually guarantee having to live with other majoritarian institutions. Similarly, choosing to adopt certain consensus institutions virtually guarantees having to live with other consensus institutions. This is because many of these institutions are causally related. Indeed, it is this causal interdependence among institutions that explains why constitutional designers are not mixing and matching institutions with reckless abandon and why democracies, despite their great institutional variety, tend to come in just two main types—majoritarian and consensus (Lijphart 1999; Powell 2000).

It is easy to see how electoral systems fit onto a majoritarian-consensus dimension. As our discussion of electoral systems in Chapter 13 indicates, majoritarian electoral systems tend to concentrate power in that only those candidates or parties with the most votes win; indeed, in most majoritarian systems only one candidate wins. In contrast, proportional electoral systems tend to disperse power among candidates or parties in proportion to the share of electoral support they win. As a result, even candidates winning minority support obtain some policymaking power. The more proportional the electoral system, the more it disperses power and the more it approximates the consensus vision of democracy. The size of the party system can also be conceptualized along a majoritarian-consensus dimension in a fairly straightforward manner. For example, power is concentrated in two-party systems in that there are two dominant political parties in the legislature and only these parties have a

<table>
<thead>
<tr>
<th>Institution</th>
<th>Majoritarian</th>
<th>Consensus</th>
</tr>
</thead>
<tbody>
<tr>
<td>Electoral system</td>
<td>Majoritarian</td>
<td>Proportional</td>
</tr>
<tr>
<td>Party system</td>
<td>Two parties</td>
<td>Many parties</td>
</tr>
<tr>
<td>Government type</td>
<td>Single-party majority</td>
<td>Coalition/minority</td>
</tr>
<tr>
<td>Federalism</td>
<td>Unitary</td>
<td>Federal</td>
</tr>
<tr>
<td>Bicameralism</td>
<td>Unicameral</td>
<td>Bicameral</td>
</tr>
<tr>
<td>Constitutionalism</td>
<td>Legislative supremacy constitution</td>
<td>Higher law constitution</td>
</tr>
<tr>
<td>Regime type</td>
<td>Parliamentary</td>
<td>Presidential</td>
</tr>
</tbody>
</table>

1. The information in Table 16.1 gives the impression that institutions are either majoritarian or consensus. This, however, is somewhat misleading because the extent to which institutions disperse or concentrate power is best thought of as a continuum rather than a dichotomy. For example, some forms of bicameralism disperse power more than others. Similarly, some electoral systems are more proportional than others. The point here is that the extent to which particular institutions, such as the electoral system, bicameralism, federalism, and so on, disperse power depends crucially on exactly what form they take.
What do these different visions of democracy mean for political representation?
Formalistic representation has to do with how representatives are authorized and held accountable.

Descriptive representation addresses the extent to which representatives resemble and ‘stand for’ their constituents.

Symbolic representation focuses on the symbolic ways that representatives ‘stand for’ the citizens.

Substantive representation emphasizes how representatives ‘act for’ the people and promote their interests.
Authorization and accountability are treated differently in the majoritarian and consensus visions of democracy.
Authorization

- In majoritarian systems, it is majority support that authorizes political actors to wield power.

- In consensus systems, power is to be distributed among political actors in direct proportion to their electoral size.

The two systems do not always live up to these ideals in practice.
Accountability refers to the extent to which it is possible for voters to sanction parties for the actions they take while in office.

Retrospective voting occurs when voters look at the past performance of incumbent parties to decide how to vote in the current election.

Accountability tends to be high in majoritarian systems and low in consensus systems.
Clarity of responsibility is the extent to which voters can identify exactly who it is that is responsible for the policies that are implemented.

Clarity of responsibility is a necessary condition for accountability.

Clarity of responsibility tends to be high in majoritarian systems and low in consensus systems.
Substantive representation occurs when representatives take actions in line with the substantive and ideological interests of those they represent.

Substantive representation can be evaluated in terms of ideological congruence or ideological responsiveness.
Ideological congruence has to do with the extent to which the actions of the representatives are in line with the interests of the people at a fixed point in time.

Ideological responsiveness has to do with how representatives change their behavior to become more congruent with the interests of the people over time.
Substantive representation occurs when representatives take actions in line with the substantive and ideological interests of those they represent. For many democratic theorists, substantive representation is the most important form of representation as it focuses on what representatives actually do in office. Substantive representation has typically been studied in terms of either ideological congruence (Huber and Powell 1994) or ideological responsiveness (Page and Shapiro 1983).

Ideological congruence has to do with the extent to which the actions of the representatives are in line with the interests of the people at a fixed point in time, whereas ideological responsiveness has to do with how representatives change their behavior to become more congruent with the interests of the people over time (Golder and Ferland, forthcoming). One way to think about this is that congruence captures a static or distance form of representation, whereas responsiveness captures a dynamic or directional form of representation.

To highlight the conceptual distinction between ideological congruence and ideological responsiveness, consider the three different scenarios in Figure 16.1. Each scenario depicts a representative R and a citizen C in some policy space. The dashed gray lines indicate how a fully responsive representative would move in each scenario. Scenario (a) shows a situation of perfect ideological congruence with the representative sharing the same policy position as the citizen.

Figure 16.1 Ideological Congruence and Responsiveness
Majoritarian and consensus systems differ in how they think about ideological congruence.

Majoritarian systems want congruence with the majority, usually represented by the preference of the median voter.

Proportional systems want congruence with the full distribution of voter preferences.
Empirically, the ideological congruence of governments with their citizens is very similar in majoritarian and consensus systems.
Theoretically, majoritarian systems should exhibit higher levels of ideological responsiveness.

The incentives and ability to be responsive should be higher in majoritarian systems.

However, few empirical studies have examined this issue.
Descriptive representation has to do with whether representatives resemble and therefore ‘stand for’ their constituents.

It calls for representatives who share the same characteristics, such as race, gender, religion, and class, as those they represent.

Descriptive representation is valued more highly in consensus democracies than in majoritarian democracies.
Two potential arguments for descriptive representation:

1. Descriptive representation is valuable in its own right – it signals a policy of recognition and acceptance, and it promotes a sense of fairness and legitimacy.

2. Descriptive representation can be a pathway to improved substantive representation.
Critics of descriptive representation argue that it can promote group essentialism, the idea that all members of a group share an essential identity that only they can have and understand.

Group essentialism can be divisive and causes people to ignore the heterogeneity that exists within groups.
Descriptive representation of women

- The average level of women’s legislative representation in the world in 2016 is 20.9%.

- In only two countries, Rwanda (63.8%) and Bolivia (53.1%), do women comprise a legislative majority.

- Democracies have a slightly higher percentage of women's representation (22.3%) than dictatorships (18.8%).

- Women’s representation in the U.S. in 2017 is 19.4%.
Women's Legislative Representation in 2014

MAP 16.1

Source: Data are from the Inter-Parliamentary Union and can be found at http://data.worldbank.org/indicator/SG.GEN.PARL.ZS (“Proportion of Legislative Seats” 2016).

Note: The map shows the proportion of legislative seats held by women in national parliaments in 2014.
Gender distortions can arise in each stage of the political recruitment process.

1. Set of eligible candidates
2. Only some aspire to compete for office
3. Only some are nominated by a political party
4. Only some are elected
Most studies find that proportional electoral rules help the election of women candidates.

There is mixed evidence as to whether open list or closed list PR systems are best.
Over the last two decades, gender quotas have played a significant role in increasing the share of women legislators around the world.

- Reserved legislative seats
- Legislated candidate quotas
- Voluntary political party quotas
There is some evidence that the descriptive representation of women improves the substantive representation of women.

However, the strength of the empirical evidence is contested.
Symbolic representation focuses on the symbolic ways that representatives ‘stand for’ the citizens.
Symbolic representation constructs boundaries that allow us to see who and what is being represented.

Symbolic representation challenges the notion that there are constituencies out there waiting to be represented.

It suggests that representatives ‘create’ constituencies for themselves to represent through the symbolic claims they make about their constituents.
If constituencies are constructed, then symbolic representation is a process by which certain groups or identities are deemed worthy of representation and others are not.

In addition to identifying who is worthy of representation, the constitutive process of symbolic representation also identifies who can appropriately represent particular groups.
Political institutions and fiscal policy
Fiscal policy involves the manipulation of tax and spending decisions to accomplish governmental goals.
Political economy model.

- Economic policy is typically made by elected officials who may have goals other than stable growth.

- Economic policies tend to have distributional consequences.
as France, Belgium, and the Netherlands, fiscal activity is relatively high, above 75 percent of GDP. What explains this cross-national variation in fiscal policy? It is this question that we address in the remainder of this section. We begin by examining economic and cultural determinants of fiscal policy. We then turn to our primary task, which is to examine the ways in which political institutions influence fiscal policy.

Economic and Cultural Determinants of Fiscal Policy

Total public fiscal activity is interpreted by many economists as the “size of government” because it gives an indication of the ratio of total government economic activity to overall economic activity within a country. The traditional explanation for the size of the government is “Wagner’s law,” named after the German economist Adolph Wagner (1835–1917), who predicted that the size of government would grow as countries became more industrialized. Wagner’s law is often interpreted to mean that the size of government increases as countries become wealthier. In the broadest sense, Wagner’s law seems consistent with the facts—as European countries became richer and more industrialized, the role of the government in the economy did increase as predicted. As Figure 16.3 illustrates, there was an

**Figure 16.2** Total Public Fiscal Activity in Twenty-One OECD Countries, 1947–1997

Central Government Revenues and Expenditures as a Percentage of GDP

Source: Franzese (2002b, 16).

Note: AL = Australia; AU = Austria; BE = Belgium; CA = Canada; DE = Denmark; FI = Finland; FR = France; GE = Germany; GR = Greece; IR = Ireland; IT = Italy; JA = Japan; NE = Netherlands; NO = Norway; NZ = New Zealand; PO = Portugal; SP = Spain; SW = Sweden; SZ = Switzerland; UK = United Kingdom; US = United States. The black dots indicate the mean level of total public fiscal activity for each country; the vertical black lines indicate the maximum and minimum levels of total public fiscal activity in each country; the vertical size of each box indicates one standard deviation above and below the mean in each country.
Total public fiscal activity is often interpreted as the ‘size of government’ because it gives an indication of the ratio of total government economic activity to overall activity in the country.

**Wagner’s Law** states that the size of government grows as countries become more industrialized.
upward trend in fiscal activity among countries in the Organisation for Economic Co-operation and Development (OECD) during the postwar period, a period generally considered a time of economic growth and increased industrialization. This can be seen by looking at how the black dots, which represent the OECD average level of fiscal activity in each year, rise over time. Note, though, that not only do the black dots rise over time, but the "boxes" and "whiskers" lengthen too. This indicates not only that the mean level of government fiscal activity among OECD countries increased during the postwar period but also that the cross-national variation in the level of government fiscal activity increased as well. Wagner's law does not provide a straightforward explanation for this continued and increasing variation in the level of fiscal activity across countries that, in regard to wealth and industrialization, were probably becoming increasingly similar over time (Le Pen 2005; Li and Papell 1999).

What might explain this cross-national variation in the level of fiscal activity? One explanation that has been offered as an improvement over Wagner's law emphasizes the conflicting preferences that citizens have with regard to fiscal policy. As our discussion of the Meltzer-Richard model in Chapter 9 indicated, there are good reasons to believe that citizens...
What explains this cross-national variation in fiscal activity?
One possibility is that citizens in different countries differ in their preferences for fiscal activity.

Meltzer-Richard Model

- Citizens should differ in their preferences for taxation.
The government taxes all individuals at the same rate, \( t \),

\[ T_i = y_i t, \]

and provides the same subsidy, \( s \) to everyone.
The net benefit, $B$, from the tax and transfer system is

$$B_i = y_i + s - y_it.$$ 

If an individual’s income is unrelated to the tax rate, then she will be concerned only with the net effect of the tax and transfer regime:

$$s - y_it.$$
Those with above average income (the rich) are net contributors, and those with below average income (the poor) are net recipients.
All voters with below average income will like redistributive tax and transfer systems.

Thus, preferences over redistribution are a function of one’s income.
Income inequality produces systems where the median voter (median income earner) is poorer than the average income earner.

As a result, the median voter is always a net recipient of redistributive taxation.

The more income inequality in society, the more enthusiastic the median voter is for a large tax and redistribution system.
The Meltzer-Richard model provides an explanation – different levels of income inequality – for the observed variation in cross-national fiscal activity.

The problem is that income inequality is not strongly associated with fiscal activity in the real world.
One explanation has to do with the assumption that all income earners vote.

- Empirically, high income earners tend to vote more than low income earners.

- Some evidence that the link between inequality and fiscal activity is strongest when turnout is high.
This means that institutions that influence turnout will affect fiscal activity.

Empirically, we find that voter turnout and fiscal activity are both higher in PR countries.
The Meltzer-Richard model also assumes that preferences are automatically translated into fiscal policy.

But preferences are aggregated through institutions before determining policy.

So, we should probably look at institutions.
The partisan model of macroeconomic policy argues that left-wing parties represent the interests of low-income voters and that right-wing parties represent the interests of high-income voters.
The main prediction of the partisan model is that changes in the partisan control of the government will lead to predictable changes in fiscal policy.

Perhaps the preferences of the poor are translated into fiscal policy only where strong left parties exist to represent their interests.
The partisan model does not receive much support within countries, but it does between countries.

Perhaps the partisan composition of governments reflects cross-national differences in voter preferences.

- Perhaps some countries have more left-wing preferences and, as a result, have more left-wing governments and fiscal activity.
luck determines income. Americans are twice as likely as Europeans to say that the poor are lazy. And Europeans are twice as likely as Americans to self-identify as leftists. To some extent, these data, which are shown in Table 16.2, suggest that differences in attitudes toward the poor might be what is driving broad differences in the left-right policy preferences of citizens between the United States and Europe. Although there is some truth to this, Alesina, Glaeser, and Sacerdote note that things are more complicated when we look at the individual level rather than the national level. It appears that many Europeans who are not leftists hold what might be thought of as charitable views toward the poor; indeed, the number of people holding these views is about twice as large as the number identifying as leftists.

There are at least two possible explanations for the lack of a close link at the individual level between attitudes toward the poor and self-identification as a leftist. One is that the

*FIGURE 16.5* The Partisan Composition of Government and the Expansion of the Public Economy, 1960–1975 (Percentages)

![Graph showing the relationship between the share of governments' electoral base composed of Social Democratic or Labor Parties and the increase in GDP represented by all governments' revenues.](image-url)
But what evidence is there that voter preferences actually do vary across countries?

Let’s compare the U.S. and Europe in terms of their attitudes towards the poor.
presence of a large number of leftists in a country may shift the terms of debate about welfare in such a way that the attitudes they hold about the poor come to be accepted by some non-leftists as well. The second is that leftists may not have a monopoly on these attitudes about the poor. In most European countries, for example, there are parties and substantial numbers of voters that ascribe to what are sometimes called “Christian democratic” attitudes. Christian democrats often espouse a form of conservatism, not often articulated in the United States, that combines interventionist social welfare attitudes with morally conservative views on social issues. Thus, it may be that the large number of non-leftist Europeans expressing “charitable” views to the poor are Christian democrats. For this reason, some careful studies of the partisan sources of fiscal policy divide parties into three categories—right-wing, left-wing, and Christian democratic—and typically expect parties of the last two varieties to act alike (E. Huber, Ragin, and Stephens 1993).

There is also some empirical evidence that attitudes toward the poor are related to fiscal policy that goes beyond the United States–Europe comparison that we have just presented. In Figure 16.6, we reproduce a scatter plot from Alesina, Glaeser, and Sacerdote (2001) showing the relationship between the national average response concerning the belief that luck determines income and the national average share of GDP devoted to social spending. Although there is considerable variation in social spending for any given set of beliefs, countries in which relatively few people believe that income is determined by luck have substantially lower levels of social spending, and, with the exception of Portugal and Brazil, countries in which most people believe income is determined by luck have substantially higher levels of social spending. Overall, the data presented by Alesina, Glaeser, and Sacerdote suggest that fiscal policy is influenced not only by economic factors, such as income inequality, but also by cultural factors, such as attitudes toward the poor and beliefs about the extent to which luck determines income.

We now turn to an examination of how political institutions influence fiscal policy. In particular, we focus on the relationship between electoral laws and fiscal policy.

<table>
<thead>
<tr>
<th>Item</th>
<th>European Union</th>
<th>United States</th>
</tr>
</thead>
<tbody>
<tr>
<td>Believe poor are trapped in poverty</td>
<td>60</td>
<td>29</td>
</tr>
<tr>
<td>Believe luck determines income</td>
<td>54</td>
<td>30</td>
</tr>
<tr>
<td>Believe the poor are lazy</td>
<td>26</td>
<td>60</td>
</tr>
<tr>
<td>Identify themselves as on the left of the political spectrum</td>
<td>30</td>
<td>17</td>
</tr>
</tbody>
</table>

The differing attitudes towards the poor are not just because there are more left-wing voters in Europe.

Right-wing voters in Europe also have more charitable attitudes towards the poor.

Why?
Possible explanations

1. Political debate about the poor may be framed differently in countries with a large number of left-wing voters.

2. Europe has Christian Democratic parties – socially conservative but interventionist on social welfare policy.
Electoral Laws and Fiscal Policy

Over the last two decades, a steady stream of research has shown that proportional electoral systems are associated with more public goods, larger and more redistributive social welfare programs, and a larger overall size of government than majoritarian electoral systems (Iversen and Soskice 2006; Persson and Tabellini 2004). Although there is a growing consensus that fiscal policy activity is higher in countries that employ proportional electoral rules, there is little agreement as to exactly why this is the case. In what follows, we present three sets of arguments linking fiscal policy to a country’s electoral system.

Proportional Representation Leads to More Redistribution by Facilitating the Election of Left-Wing Governments

Although it is important, as we saw earlier, to look at the way cross-national differences in attitudes affect the propensity to elect left-wing governments, many scholars have suggested that electoral laws also play an important role in determining the partisan composition of governments. Specifically, several studies have argued that proportional electoral systems increase the likelihood of left-wing parties gaining power. This is because proportional electoral systems give political parties a greater incentive to appeal to a broad range of voters, including those who support left-wing policies.

For example, in countries with proportional electoral systems, political parties are more likely to form coalitions that include left-wing parties. This is because proportional electoral systems allocate seats in the legislature based on the percentage of votes each party receives, so parties with a broad base of support can gain a significant number of seats even if they do not receive the largest share of the popular vote. As a result, left-wing parties are more likely to have a voice in government and to be able to advocate for policies that benefit their constituents.

Additionally, proportional electoral systems tend to be associated with a greater degree of political stability, as they reduce the likelihood of sudden changes in government. This is because it is more difficult for a single party to win a majority of seats in a proportional electoral system, so changes in government are more likely to be the result of negotiations among multiple parties. As a result, left-wing parties are more likely to be able to sustain their influence over time, rather than being swept out of office by a more centrist or right-wing government.

In summary, electoral laws play a significant role in shaping the distribution of fiscal policy activity across countries. Proportional electoral systems, in particular, have been shown to be associated with more redistribution and a larger overall size of government. However, the precise mechanisms through which electoral laws influence fiscal policy remain the subject of ongoing research.
How do political institutions – electoral laws – influence fiscal policy?
Proportional representation countries have higher fiscal activity.

- More public goods
- Larger and more redistributive welfare states
- Larger overall size of government

But why?
1. Proportional representation leads to redistribution by facilitating the election of left-wing governments.
Two potential stories

- Left-wing parties draw their support from a concentrated geographic base and are, therefore, hurt by the disproportionality of SMDP electoral laws.

- PR facilitates coalition bargaining between centrist and left-wing parties, whereas SMDP creates incentives for the middle class to ally with right-wing voters.
beginning of the twentieth century with proportional ones (Boix 1999). This suggests that the causal relationship between proportional representation and left-wing electoral success may run in both directions—countries in which left-wing parties are strong have tended to adopt PR, and PR, in turn, is likely to reinforce the representation of left-wing parties in government.

Rodden (2006) argues that the electoral system affects not only the probability of left-wing parties gaining power but also the way that left-wing parties behave once in power. Specifically, he claims that left-wing parties in SMDP systems are less aggressive in pressing for redistributive fiscal policies than they are in PR systems. The reason is that, to the extent that parties have incentives to court the median voter, parties have incentives to court the national median voter in PR systems but the marginal constituency median voter in SMDP systems. Marginal constituencies are basically constituencies in which the electoral support for the two biggest parties is evenly split. In SMDP systems, national parties have incentives to ignore voters in “safe districts”—ones where they are likely to win and ones that are “safe” for their competitors where they are likely to lose. Elections in SMDP systems are won and lost in marginal constituencies because that is where the “swing voters” are. Because of the geographic concentration of support for left parties mentioned earlier, the median voter in marginal constituencies is likely to be far to the right of the average supporter of the left-wing party. As a result, left-wing parties in SMDP systems have an incentive not to be as redistributive in regard to fiscal policy as those same parties would be in PR systems.

Iversen and Soskice (2006) agree that left-wing parties are likely to participate in government more frequently in PR systems than in SMDP systems. They argue, however, that this is because of the difference in coalitional bargaining across the two systems and not because of the geographic distribution of left-wing support. Iversen and Soskice present a model in which there are three equal-size groups in society based on income level (Low, Middle, and High). According to their model, the low-income voters want to tax the high- and middle-income groups at the highest possible rate and redistribute this wealth to themselves. The middle-income voters want to tax the high-income group and divide this wealth between themselves and low-income voters. Finally, as in the Meltzer-Richard model, the high-income voters want zero taxes and no redistribution.

### Table 16.3

**Electoral Systems and the Number of Years with Left and Right Governments, 1945–1998**

<table>
<thead>
<tr>
<th>Electoral system</th>
<th>Left</th>
<th>Right</th>
<th>Proportion of left governments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Proportional</td>
<td>342</td>
<td>120</td>
<td>0.74</td>
</tr>
<tr>
<td>Majoritarian</td>
<td>86</td>
<td>256</td>
<td>0.25</td>
</tr>
</tbody>
</table>

Source: Iversen and Soskice (2006, fig. 1).

Note: Data are from seventeen advanced industrialized democracies; centrist governments have not been included.
2. Proportional representation leads to more redistribution through its effect on the size of electoral districts.
Legislators in SMDP systems vote for lavish levels of spending because the benefits can be concentrated in their districts while the costs are shared with the entire nation.

Legislators in (large magnitude) PR systems ‘internalize’ the cost of such spending and are, therefore, less likely to spend money on concentrated benefits.

To the extent that projects producing broader benefits are more redistributive than projects producing concentrated benefits, PR systems will be associated with higher levels of redistribution.
A common pool resource problem exists when actors can consume some commonly held resource and pay only a share of the costs.

- They consume more than they would if they had to pay the full social cost of the resource.

Fiscal policy is a common pool resource problem if each legislator has an incentive to maximize government spending in her own district, while the costs of paying for that spending are spread across society as a whole.
3. Proportional representation affects government spending and debt through its effect on the composition of governments.
A common pool resource problem exists *in the cabinet*, with each minister trying to maximize the size of his own ministry’s budget while shifting the costs onto the government as a whole.

This problem is less severe in single-party majority governments (common in SMDP systems) than in coalition governments (common in PR systems).

Countries with more parties in government will have higher spending and more debt.
Proportional representation increases the number of partisan veto players.

• The oil shocks of the 1970s caused all governments to increase spending and debt levels.

• Countries with lots of veto players (more parties in government) were unable to reduce their spending and debt levels after the oil shocks had dissipated.

• Countries with few veto players (fewer parties in government) were able to reduce their spending and debt levels.
Are there institutional choices that might encourage democratic consolidation in ethnically divided countries?
How common is ethnic conflict?
<table>
<thead>
<tr>
<th>Type of communal violence</th>
<th>Number of incidents for all countries and years</th>
<th>Country mean of incidents per year</th>
<th>Number of potential incidents for all countries</th>
<th>Country mean of potential incidents per year</th>
<th>Ratio of all actual incidents to all potential incidents</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ethnic violence</td>
<td>20</td>
<td>0.03</td>
<td>38,383</td>
<td>59</td>
<td>0.0005</td>
</tr>
<tr>
<td>Irredentism</td>
<td>29</td>
<td>0.04</td>
<td>18,757</td>
<td>26</td>
<td>0.0015</td>
</tr>
<tr>
<td>Rebellion</td>
<td>27</td>
<td>0.04</td>
<td>18,757</td>
<td>26</td>
<td>0.0014</td>
</tr>
<tr>
<td>Civil war</td>
<td>52</td>
<td>0.10</td>
<td>18,757</td>
<td>26</td>
<td>0.0028</td>
</tr>
</tbody>
</table>

Ethnic conflict is rare, while ethnic cooperation is common.
public goods than would be the case in a more homogeneous society. For instance, a public good like a school might lead to lower satisfaction in an ethnically diverse setting if the groups cannot agree on the main language of instruction, location, or general curriculum. The result is that the ethnically diverse society is less likely to end up building the school. Part of the problem is also that members of one ethnic group may not be willing to spend resources on providing public goods that members of other ethnic groups will get to consume. Whatever the reason behind the low level of investment in public goods, economic growth is likely to be inhibited. Evidence supporting this argument linking ethnic heterogeneity with lower levels of public goods provision can be found in a variety of settings, including advanced industrialized democracies. For example, Alesina, Baqir, and Easterly (1999) compare US cities and find that governments in ethnically diverse cities tend to provide fewer public goods than governments in more ethnically homogeneous cities.

Significantly, given our upcoming discussion of institutions, Easterly (2001) notes that what economists call “good institutions” (those that reduce bureaucratic delay, enforce contracts, reduce the risk of nationalization, and provide sound infrastructure) can help to alleviate the negative effects of ethnic heterogeneity on economic growth. In other words, if a country’s institutions are of a sufficiently high quality, then ethnic heterogeneity may have no effect on the provision of public goods or on conflict.

The arguments that we have examined so far focus on the claim that it is the number of ethnic groups in a country that increases the risk of conflict and violence. Some scholars, though, argue that it is not the number of ethnic groups per se that matters for conflict but rather the distribution of ethnic group memberships. For example, some studies have suggested that it is ethnic polarization and not ethnic heterogeneity that increases the likelihood of civil wars. It is unclear whether ethnic heterogeneity has a direct effect on civil war.

**Figure 16.7** Possible Causal Paths by Which Ethnic Heterogeneity Encourages Civil War

- Civil war
- Poverty
- Ethnic heterogeneity

Note: The positive signs indicate the direction of the causal effect. Thus, high levels of ethnic heterogeneity increase poverty, and high levels of poverty increase the likelihood of civil wars. It is unclear whether ethnic heterogeneity has a direct effect on civil war.
Ethnically heterogeneous African countries have lower economic growth than ethnically homogeneous African countries.

Governments may derive less satisfaction from providing public goods when there is ethnic heterogeneity.

Governments in ethnically diverse U.S. cities provide fewer public goods than those in ethnically homogeneous U.S. cities.
If ethnic identity is primordial, then the best one can do is guarantee the representation of minorities.

- Scholars in this tradition take ethnic divisions as given and want to establish power-sharing arrangements that guarantee minority participation (consociationalism).
Consociationalism is a form of government that emphasizes power sharing through guaranteed group representation.

- Proportional representation
- Federalism
- Other guarantees of group representation
Confessionalism is a form of government that emphasizes power sharing by different religious communities through guaranteed group representation.
If ethnic identity is malleable, then institutions will determine the extent to which politics is organized along ethnic lines.

• Scholars in this tradition think interethnic compromise can be encouraged through the adoption of the right institutions.
Some scholars argue that majoritarian institutions that create incentives for inter-ethnic cooperation, such as the alternative vote, can reduce ethnic conflict.

The alternative vote (AV) is an instant runoff system that requires a candidate to win a majority of all votes cast in a district.
The choice between PR and AV is the choice between replicating ethnic divisions in the legislature hoping that legislators will cooperate after the election (PR) and creating institutional incentives that seek to weaken or even transcend the political salience of ethnicity altogether (AV).
Traditionally, scholars have argued that incongruent and asymmetric federalism can reduce ethnic conflict and dampen secessionist demands by:

- Bringing the government closer to the people.
- Increasing opportunities to participate in government.
- Giving groups discretion over their political, social, and economic affairs.
Recent studies, though, suggest that federalism may actually intensify ethnic conflict.

- It reinforces regionally-based ethnic identities.

- It provides access to political and economic resources that ethnic leaders can use to bring pressure against the state.

- It makes it easier for ethnic groups at the sub-national level to produce legislation that discriminates against regional minorities.
Why does federalism seem to be helpful in some contexts but not in others?
One suggestion is that political decentralization reduces ethnic conflict when regional parties are weak but that it increases conflict when regional parties are strong.

Regional parties can be weakened by adopting institutions such as presidentialism and cross-regional voting laws.
As we saw in Chapter 14 (see Box 14.4, “Nationalizing Party Systems”), political decentralization increases the strength of regional parties through the opportunities it provides these parties to win elections and influence policy in regional legislatures (Chhibber and Kollman 1998, 2004). According to Brancati, this strengthening of regional parties has a detrimental effect on ethnic conflict because these parties frequently reinforce regionally based ethnic identities, they produce legislation that favors certain groups over others, and they mobilize groups to engage in ethnic conflict and secessionism or support terrorist organizations that participate in these activities. Regional parties, by their very nature, tend to reinforce regional and ethnic identities by making people who share certain attributes think of themselves as a group with shared needs and goals. For example, the Northern League, a regional party in Italy, has gone to great lengths to make the people of northern Italy think of themselves as Northern Italians rather than simply as Italians. Regional parties also frequently attempt to pass laws that discriminate against regional minorities. As an example, regional parties in Moldova exacerbated ethnic tensions with minority Romanians in Transnistria in 2004 when they passed a law closing schools that did not use the Cyrillic alphabet, thereby preventing Romanians in this region from being educated in their language. Regional parties also sometimes help violent insurgent groups in their activities against the state. For instance, regional parties in Northern Ireland and Spain, such as Sinn Féin and Herri Batasuna, have helped such organizations as the Irish Republican Army (IRA) and the Basque Euskadi Ta Askatasuna (ETA) in their secessionist campaigns against the state.

In sum, Brancati (2006) argues that whether federalism is helpful in reducing ethnic conflict or not depends on the extent to which decentralization leads to the strengthening of regional parties. If she is correct, then the key for policymakers interested in reducing ethnic conflict and stabilizing democracy is to combine incongruent and asymmetric federalism.
How do political institutions influence democratic survival?
Strong empirical evidence that the expected survival time of democracy in presidential systems is considerably shorter than it is in parliamentary systems.
The perils of presidentialism

- Concentration of power over policy
- Inexperienced leaders
- Difficulty in making policy quickly
- Difficulty in locating responsibility for policy
- Difficulty in making comprehensive policy
But many of these outcomes are not unique to presidentialism

Difficulty in making policy quickly, locating responsibility for policy, and making comprehensive policy are also true of highly fractionalized parliamentary systems.
Immobilism describes a situation in parliamentary democracies in which government coalitions are so weak and unstable that they are incapable of reaching an agreement on new policy.

Presidentialism is often seen as a solution to these problems in parliamentary systems.
The essence of parliamentarism is mutual dependence.

- The government needs the support of a legislative majority to stay in power.

The essence of presidentialism is mutual independence.

- The president and legislature have their own fixed electoral mandates and their own sources of legitimacy.

Parliamentarism encourages reconciliation, while presidentialism encourages antagonism.
Why are presidential democracies more unstable than parliamentary ones?
If there is deadlock in a parliamentary democracy, you can solve this through the vote of no confidence.

If there is deadlock in a presidential democracy, there is no vote of no confidence.

- Actors may look to extra-constitutional means to solve the problem.
### Table 16.5 Democratic Survival in Newly Independent States after World War II

#### a. Form of Democracy Adopted

<table>
<thead>
<tr>
<th>Parliamentary</th>
<th></th>
<th>Presidential</th>
<th></th>
<th>Semi-Presidential</th>
</tr>
</thead>
<tbody>
<tr>
<td>N = 41</td>
<td>N = 36</td>
<td>N = 3</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Country</th>
<th>Parliamentary</th>
<th>Presidential</th>
<th>Semi-Presidential</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bahamas</td>
<td>Mauritius</td>
<td>Algeria</td>
<td>Madagascar</td>
</tr>
<tr>
<td>Bangladesh</td>
<td>Nauru</td>
<td>Angola</td>
<td>Malawi</td>
</tr>
<tr>
<td>Barbados</td>
<td>Nigeria</td>
<td>Benin</td>
<td>Mali</td>
</tr>
<tr>
<td>Botswana</td>
<td>Pakistan</td>
<td>Burkina Faso</td>
<td>Mauritania</td>
</tr>
<tr>
<td>Burma</td>
<td>Papua New Guinea</td>
<td>Cameroon</td>
<td>Mozambique</td>
</tr>
<tr>
<td>Chad</td>
<td>St. Lucia</td>
<td>Cape Verde</td>
<td>Niger</td>
</tr>
<tr>
<td>Dominica</td>
<td>St. Vincent</td>
<td>Central African</td>
<td>Philippines</td>
</tr>
<tr>
<td>Fiji</td>
<td>Sierra Leone</td>
<td>Republic</td>
<td>Rwanda</td>
</tr>
<tr>
<td>The Gambia</td>
<td>Singapore</td>
<td>Comoros</td>
<td>São Tomé</td>
</tr>
<tr>
<td>Ghana</td>
<td>Solomon Islands</td>
<td>Congo</td>
<td>Seychelles</td>
</tr>
<tr>
<td>Grenada</td>
<td>Somalia</td>
<td>Cyprus</td>
<td>Syria</td>
</tr>
<tr>
<td>Guyana</td>
<td>Sri Lanka</td>
<td>Djibouti</td>
<td>Taiwan</td>
</tr>
<tr>
<td>India</td>
<td>Sudan</td>
<td>Equatorial Guinea</td>
<td>Togo</td>
</tr>
<tr>
<td>Indonesia</td>
<td>Suriname</td>
<td>Gabon</td>
<td>Tunisia</td>
</tr>
<tr>
<td>Israel</td>
<td>Swaziland</td>
<td>Guinea</td>
<td>Vietnam (N)</td>
</tr>
<tr>
<td>Jamaica</td>
<td>Tanzania</td>
<td>Guinea Bissau</td>
<td>Vietnam (S)</td>
</tr>
<tr>
<td>Kenya</td>
<td>Trinidad and Tobago</td>
<td>Ivory Coast</td>
<td>Yemen (S)</td>
</tr>
<tr>
<td>Kiribati</td>
<td>Tuvalu</td>
<td>Korea (N)</td>
<td>Zambia</td>
</tr>
<tr>
<td>Laos</td>
<td>Uganda</td>
<td>Korea (S)</td>
<td></td>
</tr>
<tr>
<td>Malaysia</td>
<td>Western Samoa</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Malta</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: Data are from Stepan and Skach (1993, 8–9).
How many were continuous democracies between 1980 and 1989?
How many were continuous democracies between 1980 and 1989?

<table>
<thead>
<tr>
<th>Parliamentary $N = 15/41$</th>
<th>Presidential $N = 0$</th>
<th>Semi-Presidential $N = 0$</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bahamas</td>
<td>Nauru</td>
<td></td>
</tr>
<tr>
<td>Barbados</td>
<td>Papua New Guinea</td>
<td></td>
</tr>
<tr>
<td>Botswana</td>
<td>St. Lucia</td>
<td></td>
</tr>
<tr>
<td>Dominica</td>
<td>St. Vincent</td>
<td></td>
</tr>
<tr>
<td>India</td>
<td>Solomon Islands</td>
<td></td>
</tr>
<tr>
<td>Israel</td>
<td>Trinidad and Tobago</td>
<td></td>
</tr>
<tr>
<td>Jamaica</td>
<td>Tuvalu</td>
<td></td>
</tr>
<tr>
<td>Kiribati</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: Data are from Stepan and Skach (1993, 8–9).
between 1945 and 1979. We also list whether they adopted a parliamentary, presidential, or semi-presidential form of democracy. As you can see, countries that became independent in the post–World War II period were about as likely to adopt parliamentarism (forty-one) as they were to adopt presidentialism (thirty-six). In Table 16.5b, we list the names of those countries that were continuously democratic from 1979 to 1989 and the form of democracy that they had. Of the eighty countries that became independent democracies in the postwar period, only fifteen were continuously democratic through the 1980s. Incredibly, all fifteen of these countries had adopted parliamentarism; none of the thirty-six countries that adopted presidentialism managed to sustain democracy during the 1980s.

Lest a focus on newly independent countries be a source of bias, Stepan and Skach next present evidence from all countries that experienced democracy between 1973 and 1989 but that were not members of the Organisation for Economic Co-operation and Development (OECD). They wanted to know how many non-OECD countries that experienced democracy for at least a year between 1973 and 1989 were able to sustain it for a continuous ten-year period. Their data are shown in Table 16.6. As you can see, countries that experienced democracy for at least a year between 1973 and 1989 were about as likely to adopt parliamentarism (twenty-eight) as they were to adopt presidentialism (twenty-five). Of those countries that managed to sustain democracy for a continuous ten-year period, though, almost none had a presidential form of democracy. By comparing “democratic experimenters” with “democratic survivors,” we can calculate a “democratic survival rate.” As Table 16.6 illustrates, the democratic survival rate for parliamentary regimes is three times that for presidential regimes.

Although these simple comparisons suggest that there is something to the notion that presidentialism imperils democratic survival, they say almost nothing about why this might be the case. In other words, they say very little about the causal link between regime type and

<table>
<thead>
<tr>
<th>Democratic Survival in Fifty-Three Non-OECD Countries, 1973–1989</th>
</tr>
</thead>
<tbody>
<tr>
<td>Parliamentary</td>
</tr>
<tr>
<td>Democratic for at least one year</td>
</tr>
<tr>
<td>Democratic for ten consecutive years</td>
</tr>
<tr>
<td>Democratic survival rate</td>
</tr>
</tbody>
</table>

21. The Organisation for Economic Co-operation and Development is essentially a club of rich democracies set up by the Allied powers after World War II. Stepan and Skach focus on non-OECD countries because it is in poor countries that democracy is most unstable and that institutional choice is arguably most important for the survival of democracy. This last point is one that we return to at the end of this section.
democratic survival. Recall, though, that Stepan and Skach do provide a potential causal story for the results in Tables 16.5 and 16.6. Specifically, they argue that presidentialism is more likely to lead to the kind of deadlock between the executive and legislative branches that invites extraconstitutional behavior. Thus, an observable implication of their theory is that military coups should be more common in presidential democracies than in parliamentary ones. Is this actually the case in the real world? In Table 16.7, we present data on the frequency of military coups collected by Stepan and Skach in the same fifty-three non-OECD countries as before. As you can see, military coups are more than twice as likely in presidential democracies as they are in parliamentary ones. Whereas 40 percent of the non-OECD countries that adopted presidentialism experienced a military coup between 1973 and 1989, just 18 percent of the countries that adopted parliamentarism did. This higher coup rate in presidential regimes is exactly as Stepan and Skach (1993) predict.

Although these simple statistics are quite illustrative, it is probably the case that some factors that cause democracies to fail are also associated with the choice to adopt parliamentarism or presidentialism in the first place. This raises the concern that it may be these other factors, and not presidentialism per se, that lead to the collapse of democracy. In other words, the failure to take account of these other factors might lead us to overestimate the true effect of regime type on democratic survival. Recognizing this concern, Stepan and Skach attempt to deal with it by leaning on the work of a Finnish political scientist named Tatu Vanhanen.

Recall from Chapter 6 that modernization theory predicts a strong association between democracy and societal development. In an attempt to evaluate modernization theory, Vanhanen (1991) constructed an index of democratization—a measure capturing the level of democracy in a country—and what he calls an index of power resources—a measure capturing the level of societal development in a country. If modernization theory is accurate, then countries with a high score on the power resource index should also have a high score on the democratization index.

22. Vanhanen's (1991) index of power resources combines six factors related to modernization: the percentage of the population that is urban, the percentage of the population in nonagricultural occupations, the percentage of students in the population, the literacy rate, the percentage of land in family-owned farms, and the degree of decentralization of nonagricultural economic resources.

<table>
<thead>
<tr>
<th></th>
<th>Parliamentary</th>
<th>Presidential</th>
</tr>
</thead>
<tbody>
<tr>
<td>Democratic for at least one year</td>
<td>28</td>
<td>25</td>
</tr>
<tr>
<td>Number that experienced a coup</td>
<td>5</td>
<td>10</td>
</tr>
<tr>
<td>Coup susceptibility rate</td>
<td>18%</td>
<td>40%</td>
</tr>
</tbody>
</table>
Vanhanen finds a strong association between the power resource index and the democratization index, but the fit is certainly not perfect. Some countries, for example, score significantly higher on the democratization index than their level of modernization, as revealed by the power resource index, would predict. Similarly, some countries score significantly lower on the democratization index than their level of modernization would predict. Stepan and Skach label those countries that score surprisingly high on the democratization index as “democratic overachievers.” And they label those countries that score surprisingly low on the democratization index as “democratic underachievers.” In Table 16.8, we present data from Stepan and Skach (1993) showing whether the democratic overachievers and underachievers are parliamentary or presidential democracies.

Stepan and Skach interpret the comparison of democratic overachievers and underachievers in Table 16.8 to mean that, after taking account of a set of modernization variables thought to influence democratic survival, parliamentary systems are five times more likely to be democratic overachievers than they are to be democratic underachievers. In contrast, presidential systems are slightly more likely to be democratic underachievers than they are to be democratic overachievers. A different way to look at the data is that democratic overachievers are about three times more likely to be parliamentary regimes than they are to be presidential ones. In contrast, democratic underachievers are about twice as likely to be presidential regimes as they are to be parliamentary ones. Overall, the evidence in Table 16.8 provides strong support for the claim that the prospects of democratic survival are lower in presidential systems than they are in parliamentary systems even after controlling for other factors that affect the survival of democracy.

We now briefly present some new statistical evidence to further support this conclusion. In Chapter 6, we used data from Przeworski and colleagues (2000) on 135 countries from 1950 to 1990 to examine how economic factors, such as a country’s status as an oil producer, its wealth, and its economic growth, affect the survival of democracy. We can use the same data to examine whether the choice of parliamentarism or presidentialism also affects the probability of democratic survival. The results of our analysis are shown in Table 16.9.

<table>
<thead>
<tr>
<th></th>
<th>Parliamentary</th>
<th>Presidential</th>
</tr>
</thead>
<tbody>
<tr>
<td>Overachievers</td>
<td>31</td>
<td>10</td>
</tr>
<tr>
<td>Underachievers</td>
<td>6</td>
<td>12</td>
</tr>
<tr>
<td>Ratio of overachievers to underachievers</td>
<td>5.17</td>
<td>0.83</td>
</tr>
</tbody>
</table>
Recall that the sign of a coefficient is important because it tells us the slope of the relationship between some independent variable in the left column and the dependent variable, democratic survival. A positive coefficient indicates that an increase in the independent variable is associated with an increase in the probability of democratic survival. A negative coefficient indicates that an increase in the independent variable is associated with a reduction in the probability of democratic survival. If the statistical analysis reveals that there is no relationship between an independent variable and the probability of democratic survival, then the coefficient will be zero. Recall also that the standard error beneath the coefficient helps us to determine how confident we should be in our results. We tend to be confident that we have found a pattern in the data that is likely to be found more generally when the standard error is small relative to the size of its corresponding coefficient. Typically, as a rule of thumb, we say that we have found a statistically significant relationship whenever the coefficient is bigger than twice the size of the standard error. It is common practice for political scientists to place stars next to the coefficients that are considered statistically significant; more stars signal higher statistical significance. Independent variables that do not have a coefficient with stars—where the size of the coefficient is not sufficiently large relative

<table>
<thead>
<tr>
<th>Independent variables</th>
<th>Model 1</th>
<th>Model 2</th>
</tr>
</thead>
<tbody>
<tr>
<td>Presidentialism</td>
<td>−0.58***</td>
<td>−0.32*</td>
</tr>
<tr>
<td></td>
<td>(0.14)</td>
<td>(0.16)</td>
</tr>
<tr>
<td>GDP per capita</td>
<td>0.0002***</td>
<td></td>
</tr>
<tr>
<td></td>
<td>(0.00005)</td>
<td></td>
</tr>
<tr>
<td>Growth in GDP per capita</td>
<td>0.04***</td>
<td></td>
</tr>
<tr>
<td></td>
<td>(0.01)</td>
<td></td>
</tr>
<tr>
<td>Oil producer</td>
<td>−0.12</td>
<td></td>
</tr>
<tr>
<td></td>
<td>(0.28)</td>
<td></td>
</tr>
<tr>
<td>Constant</td>
<td>2.22***</td>
<td>1.29***</td>
</tr>
<tr>
<td></td>
<td>(0.10)</td>
<td>(0.18)</td>
</tr>
<tr>
<td>Number of observations</td>
<td>1,584</td>
<td>1,576</td>
</tr>
<tr>
<td>Log-likelihood</td>
<td>−170.85</td>
<td>−142.15</td>
</tr>
</tbody>
</table>

* \( p < 0.10 \); ** \( p < 0.05 \); *** \( p < 0.01 \)
Empirical evidence that parliamentary democracies live longer than presidential ones.

But maybe presidential democracies fail at higher rates because they are chosen in difficult times.
Empirical evidence that parliamentary democracies live longer than presidential ones.

But maybe presidential democracies fail at higher rates because they are chosen in difficult times.

The problem is that there is strong evidence that presidentialism is bad for ailing polities.
Presidential regimes can be a liability for three reasons:

1. They find it difficult to resolve deadlock or crisis situations because they lack of a vote of no confidence.

2. There is a greater chance of gridlock in presidential regimes because divided government is possible.

3. Presidential elections tend to produce politically inexperienced candidates.
These problems are exacerbated when there is legislative fragmentation.

1. Legislative fragmentation increases the likelihood of deadlock.

2. Legislative fragmentation increases the likelihood of ideological polarization, which makes solving deadlock situations more difficult.

3. Legislative fragmentation creates a need for coalition building, something inexperienced presidents will find difficult to do.
Presidentialism and multipartism have been called the ‘difficult combination.’
that experienced uninterrupted democracy for the twenty-five-year period between 1967 and 1992. Although twenty-four parliamentary regimes were able to sustain democracy during this period, just four presidential regimes were able to do so: Colombia, Costa Rica, the United States, and Venezuela. Mainwaring wanted to know what made these presidential regimes different from other presidential regimes. His answer was that they all effectively had two-party systems, as illustrated in Table 16.10; none of them had multiparty systems. At the time of his writing in 1993, Mainwaring argued that only one multiparty presidential regime had historically managed to sustain democracy for a twenty-five-year period. And this exception was Chile, a democracy, begun in 1932, that experienced a dramatic “death” in 1973 when a military coup overthrew the Socialist president Salvador Allende and replaced him with the dictator General Augusto Pinochet. Allende had been elected in 1970 with a slim plurality of the vote (35.3 percent) and was immediately beset with problems from every side in the country’s highly fragmented and deeply polarized legislature.28

In Table 16.11, we use data from Mainwaring (1993, 205–207) to calculate the democratic success rate for parliamentary regimes, multiparty presidential regimes, and two-party presidential regimes. Democratic success is defined here as a sustaining of democracy for an uninterrupted twenty-five-year period at any time between 1945 and 1992. The information in Table 16.11 suggests that democratic consolidation is possible in two-party presidential regimes but not in multiparty presidential regimes. Interestingly, the democratic success rate for two-party presidential regimes (0.50) is almost as high as the democratic success rate for parliamentary regimes (0.57). These results provide strong evidence that it is the combination of presidentialism and multipartism rather than just presidentialism that is inimical to democracy. Indeed, Mainwaring refers to the combination of presidentialism and multipartism as “the difficult combination” for precisely this reason.

28. We are generally reluctant to invoke the “exception that proves the rule,” but if this hackneyed phrase ever applies, this seems to be the case.

<table>
<thead>
<tr>
<th>Country (Year)</th>
<th>Effective number of legislative parties</th>
</tr>
</thead>
<tbody>
<tr>
<td>Colombia (1986)</td>
<td>2.45</td>
</tr>
<tr>
<td>Costa Rica (1986)</td>
<td>2.21</td>
</tr>
<tr>
<td>United States (1984)</td>
<td>1.95</td>
</tr>
<tr>
<td>Venezuela (1983)</td>
<td>2.42</td>
</tr>
</tbody>
</table>

It is worth noting that Stepan and Skach (1993) also provide evidence in support of Mainwaring’s conjecture in their own analysis of presidentialism and democratic survival. Although they do not make too much of it, they provide data on the size of party systems in those countries that became independent after 1945 and that managed to sustain democracy during the 1980s. These data are shown in Table 16.12. As you can see, long-lived multiparty parliamentary regimes are not particularly rare, but long-lived multiparty presidential regimes are.

**Summary**

In this section we examined, and found considerable support for, an argument that says that presidential constitutions make successful democratic consolidation more difficult than parliamentary constitutions, particularly when the legislature is highly fragmented. The key weakness of presidentialism appears to be its inability to find legal ways out of executive-legislative deadlock, something that is more likely to occur when the legislature is highly fragmented. It is possible to put this finding in a broader perspective by comparing it with the analysis of veto players that we did in the last chapter. In Chapter 15, we discussed Regime Type, Party System Size, and Democratic Consolidation, 1945–1992

### Table 16.11

<table>
<thead>
<tr>
<th>Regime type</th>
<th>Democratic success rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Multiparty presidentialism</td>
<td>1/15, or 0.07</td>
</tr>
<tr>
<td>Two-party presidentialism</td>
<td>5/10, or 0.5</td>
</tr>
<tr>
<td>Parliamentarism</td>
<td>25/44, or 0.57</td>
</tr>
</tbody>
</table>

Source: Data are from Mainwaring (1993, 205–207).

Note: The democratic success rate refers to the proportion of countries that were able to sustain democracy for an uninterrupted twenty-five-year period at any time between 1945 and 1992.
It is worth noting that Stepan and Skach (1993) also provide evidence in support of Mainwaring’s conjecture in their own analysis of presidentialism and democratic survival. Although they do not make too much of it, they provide data on the size of party systems in those countries that became independent after 1945 and that managed to sustain democracy during the 1980s. These data are shown in Table 16.12. As you can see, long-lived multiparty parliamentary regimes are not particularly rare, but long-lived multiparty presidential regimes are.

**Summary**

In this section we examined, and found considerable support for, an argument that says that presidential constitutions make successful democratic consolidation more difficult than parliamentary constitutions, particularly when the legislature is highly fragmented. The key weakness of presidentialism appears to be its inability to find legal ways out of executive-legislative deadlock, something that is more likely to occur when the legislature is highly fragmented. It is possible to put this finding in a broader perspective by comparing it with the analysis of veto players that we did in the last chapter. In Chapter 15, we discussed

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**Table 16.12** Consolidated Democracies by Regime Type and Party System Size

<table>
<thead>
<tr>
<th>Constitution</th>
<th>Effective number of legislative parties</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Fewer than three</td>
</tr>
<tr>
<td>Parliamentary</td>
<td>23</td>
</tr>
<tr>
<td>Semi-presidential</td>
<td>0</td>
</tr>
<tr>
<td>Presidential</td>
<td>5</td>
</tr>
</tbody>
</table>
In recent years, a number of presidential democracies with multi-party systems have emerged in Eastern Europe and Latin America.

Many of these democracies appear quite resilient.

Could it be that the ‘difficult combination’ is no longer a problem?
Substantial evidence that it was difficult to consolidate multi-party presidential democracies in the past.

What is different now?

- Many of the countries that have become presidential recently are quite wealthy.

- Wealthy countries are more likely to survive as democracies.
This suggests that institutional choice is more important for poor countries than rich ones.