Strategy and Politics: Some More Spatial Models

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Federalism

Political scientists often differentiate states depending on whether they are federal or unitary.

A **federal state** is one in which sovereignty is constitutionally split between at least two territorial levels so that independent governmental units at each level have final authority in at least one policy realm.

States that are not federal are known as **unitary states**.

Federalism

Important to distinguish between federalism in structure (de jure) and federalism in practice (de facto).

De jure federalism is referred to as federalism and *de facto* federalism is called decentralization.

Decentralization refers to the extent to which actual policy-making power lies with the central or regional governments in a country.
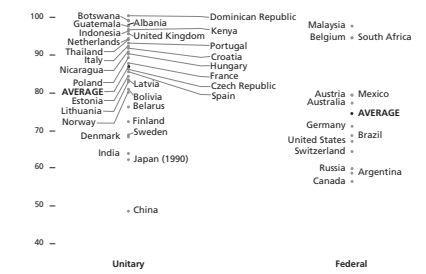
Most political scientists see decentralization as a revenue issue: the greater the share of all tax revenues going to the central government, the less decentralized the state.

Figure: Revenue Centralization: Central Government's Share of Tax Revenue

Source: Data are from World Bank (2000, 216–217).
Note: With the exception of Japan, all data points are for 1997; Japan's data point is for 1990. Tax revenue that is legally mandated to be transferred to regional governments through a revenue-sharing scheme is treated as belonging to the regional governments even if it is first collected by the central government. The names of some unitary countries have been omitted simply for visual clarity.

Figure: Two Dimensions of Federalism
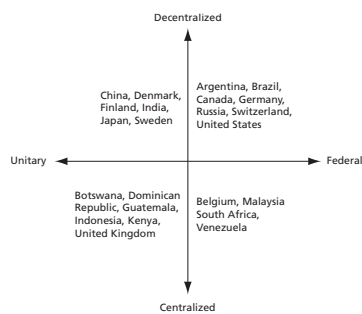
Bicameralism

Political scientists sometimes distinguish between states depending on whether they have unicameral or bicameral legislatures.

A **unicameral legislature** is one in which legislative deliberation occurs in a single assembly.

A **bicameral legislature** is one in which legislative deliberation occurs in two distinct assemblies.

Bicameral legislatures differ in terms of whether they are (i) congruent or incongruent and (ii) symmetric or asymmetric.

Bicameralism

Congruent bicameralism occurs when the two legislative chambers have a similar political composition.

Incongruent bicameralism occurs when the two legislative chambers differ in their political composition.

The level of congruence depends on how the membership of the two chambers is selected and whom that membership is supposed to represent.

Symmetric bicameralism occurs when the two legislative chambers have equal or near equal constitutional power.
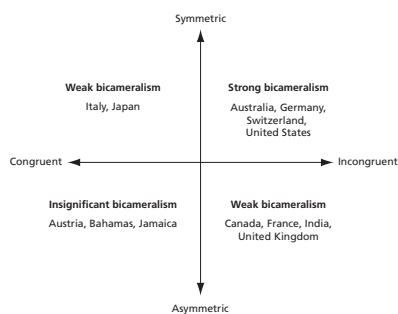
Asymmetric bicameralism occurs when the two legislative chambers have unequal constitutional powers.

Bicameralism

Figure: Two Dimensions of Bicameralism

Symmetric

Weak bicameralism
Italy, Japan

Strong bicameralism
Australia, Germany,
Switzerland,
United States

Congruent ← → Incongruent

Insignificant bicameralism
Austria, Bahamas, Jamaica

Weak bicameralism
Canada, France, India,
United Kingdom

Asymmetric

Constitutionalism

Constitutionalism refers to the commitment of governments to accept the legitimacy of, and be governed by, a set of authoritative rules and principles that are laid out in a constitution.

A **system of constitutional justice** comprises the set of institutions and procedures that are established to protect constitutional rules and principles.

Historically, there has been a **norm of legislative supremacy**, which states that the laws created by the people's elected representatives in the legislature should not be constrained by other authorities such as the constitution.

Since 1945, there has been a shift towards a **new constitutionalism**, which describes a situation in which almost all countries have an entrenched constitution, a bill of rights, and a procedure of constitutional review to protect rights.

Constitutionalism

A **constitution** provides the formal source of state authority. In addition to establishing the structure, procedures, powers, and duties of governmental institutions, more recent constitutions also contain a list of guaranteed rights.

A **codified constitution** is one that is written in a single document.

An **uncodified constitution** is one that has several sources, which may be written or unwritten.

An **entrenched constitution** is one that can be modified only through a special procedure of constitutional amendment.

An **unentrenched constitution** has no special amendment procedure and can be modified at any point in time with the support of a legislative majority.

Constitutionalism

A **legislative supremacy constitution** has no constitutional review, has no bill of rights, and is not entrenched.

A **higher law constitution** has constitutional review, has a bill of rights, and is entrenched.

Since 1945, there has been a shift to a new constitutionalism i.e. from legislative supremacy constitutions to higher law constitutions.

Constitutional review is the authority of an institution to invalidate legislation, administration decisions, judicial rulings, and other acts of government that violate constitutional rules, such as rights.

When constitutional review is conducted by ordinary judges from the regular judicial system, it is commonly referred to as **judicial review**.

Constitutionalism

Abstract constitutional review involves the constitutional review of legislation in the absence of a concrete legal case.

Concrete constitutional review involves the constitutional review of legislation with respect to a specific legal case.

A priori constitutional review occurs before a law is formally enacted.

A posteriori constitutional review occurs only after a law is formally enacted.

Centralized constitutional review refers to a situation in which only one court can conduct constitutional review.

Decentralized constitutional review refers to a situation in which more than one court can interpret the constitution.

Constitutionalism

Figure: Different Systems of Constitutional Justice

	Concrete		Abstract	
Jurisdiction/timing	*A priori*	*A posteriori*	*A priori*	*A posteriori*
Centralized (European)	Not possible	Yes	Yes	Yes
Decentralized (American)	Not possible	Yes	Not observed	Not observed

Source: Navia and Rios-Figueroa (2005, 199).

Constitutionalism

Figure: American and European Models of Constitutional Justice

Characteristic	American model	European model
Jurisdiction: Who has the power to engage in constitutional review?	Decentralized; ordinary courts can engage in constitutional review	Centralized; only a single constitutional court can engage in constitutional review; other courts are barred from doing so, although they may refer to the constitutional court.
Timing: When can constitutional review occur?	A posteriori	A priori or a posteriori or both; some courts have a priori review over treaties or government acts; others have both, and some have either but not both.
Type: Can constitutional review occur in the absence of a real case or controversy?	Concrete	Abstract and concrete; most constitutional courts can exercise review in the absence of a real case, and many can also exercise concrete review.
Standing: Who can initiate disputes?	Litigants engaged in a case or controversy and who have a personal stake in the outcome can initiate a dispute.	The range can be broad, from governmental actors (including executives and members of the legislature) to individual citizens.

Constitutionalism

Figure: The Geographic Distribution of Different Models of Constitutional Justice, 2004

Region	American model	European model	Mixed	Other	None
Europe	5	31	3	1	2
Africa	12	30	1	6	3
Middle East	2	4	0	3	1
Asia and Southeast Asia	17	14	2	9	0
North America	2	0	0	0	0
Central America	3	3	3	0	0
South America	3	4	5	0	0
Caribbean	11	0	0	1	0
Total	55	86	14	20	6

Source: Data are from Dr. Arne Mavčič and are available at http://www.concourts.net.
Note: "Mixed" means some combination of the American and European models; "Other" means that the system of constitutional justice is unique or unclassifiable; "None" means that there are no mechanisms for constitutional review. Systems based on France are coded as European.

Veto Player Theory

Political scientists sometimes distinguish between democracies by whether they are federal or unitary, bicameral or unitary, and whether they accept constitutionalism or not.

Recently, though, scholars have begun to move away from seeing the world in terms of different institutional dichotomies.

All of these institutions are conceptually the same in that they all act as checks and balances on the political system.

They all affect the ease with which the political status quo in a country can be changed.

This new approach to understanding political institutions is known as **veto player theory**.

Veto Player Theory

Veto player theory offers a way to think about political institutions in a consistent way across countries.

In effect, veto player theory conceptualizes the institutional structure of a given country in terms of its configuration of veto players.

A **veto player** is an individual or collective actor whose agreement is necessary for a change in the political status quo. There are two types of veto player.

An **institutional veto player** is generated by a country's constitution.

A **partisan veto player** is generated by the way the political game is played.

Veto Player Theory

Federalism, bicameralism, and constitutionalism are just different types of institutional veto player.

All three institutions place hurdles on the ability of political actors to change the status quo.

Veto player theory indicates that countries in which there are many veto players with conflicting policy preferences are likely to be characterized by:

1. greater policy stability
2. smaller shifts in policy
3. less variation in the size of policy shifts
4. weaker agenda-setter powers.

Veto Player Theory

Figure: An Application of Veto Player Theory

Note: A, B, and C = three veto players; SQ = the status quo policy; c_{AS} = the policy alternative that C would propose if he were the agenda setter; the three circles = the indifference curves of A, B, and C with respect to the status quo; the shaded area = the winset, assuming decisions are made by unanimity rule.
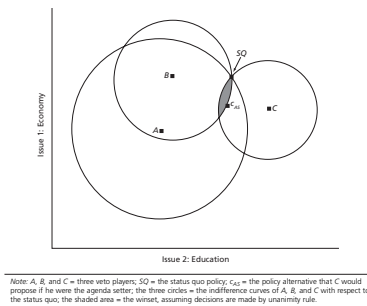
Veto players can be represented by their preferred policy positions or ideal points in some issue space.

Veto Player Theory

A central concept in veto player theory is the **winset**.

Recall that a winset is the set of policy alternatives that would defeat the status quo in a pair-wise contest under whatever voting rules are being employed.

Given the definition of a veto player, unanimity is required to change the status quo.

As a result, the winset in a veto player setting is the set of policy alternatives that falls within the indifference circle of *every* veto player.

Veto Player Theory

According to veto player theory, the size of the winset has a significant impact on policy outcomes.

The size of the winset influences **policy stability**.

- When the winset is large, policy is less stable because there are many policy alternatives that can defeat the status quo.
- When the winset is small, policy is more stable because there are few policy alternatives that can defeat the status quo.

The size of the winset influences the likely **size of policy change**.

- When the winset is small, policy shifts must necessarily be small.
- When the winset is large, the possibility for more radical policy shifts arises.

Veto Player Theory

According to veto player theory, the size of the winset has a significant impact on policy outcomes.

The size of the winset influences how much **variation** we will see in the size of policy change.

- When the winset is small, policy shifts will always be small.
- When the winset is large, policy shifts may be small or large.

The size of the winset influences the **power of the agenda setter**.

- When the winset is small, the power of the agenda setter is weaker.
- When the winset is large, the power of the agenda setter is stronger.

Veto Player Theory

How does changing the number and ideological distance between veto players influence the size of the winset?

Veto Player Theory

Figure: The Number of Veto Players and the Size of the Winset

Note: A, B, C = veto players; SQ = the status quo policy; the shaded area = the winset, assuming decisions are made by unanimity rule.
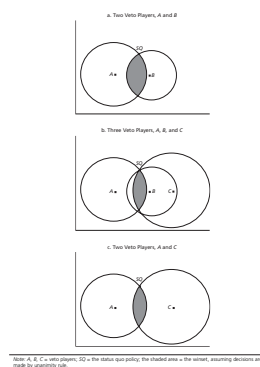
Veto Player Theory

In Figure b, increasing the number of veto players reduces the size of the winset.

In Figure c, increasing the number of veto players does not change the size of the winset.

The bottom line is that increasing the number of veto players decreases the size of the winset or leaves it the same; it never increases the size of the winset.

Veto Player Theory

Figure: The Ideological Distance between Veto Players and the Size of the Winset

a. Similar Ideological Positions

b. Dissimilar Ideological Positions

Note: A, B = veto players; SQ = the status quo policy; the shaded area = the winset, assuming decisions are made by unanimity rule.
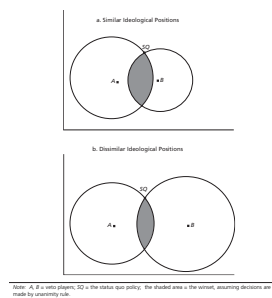
Increasing the ideological distance between veto players always decreases the size of the winset.

Veto Player Theory

The size of the winset in any particular situation is determined jointly by the number of veto players and the ideological distance between these veto players.

In general, we can expect the size of the winset to shrink as we increase the number of veto players or the ideological distance between them or both.

Veto Player Theory

Recall that federalism, bicameralism, and constitutionalism can all be reconceptualized as institutional veto players.

Countries characterized by these institutions will be characterized by:

1. greater policy stability
2. smaller shifts in policy
3. less variation in the size of policy shifts
4. weaker agenda-setter powers.

These characteristics are likely to be particularly prevalent if the institutional veto players have dissimilar policy preferences.

Policy change will be less likely and less radical during periods of divided government etc.

Veto Player Theory: Government and Regime Stability

Imagine that a government comes to power with the promise to shake up some policy area.

The government will appear ineffective and immobilized if the configuration of veto players produces a small winset.

If we are in a parliamentary democracy, political and social actors who want to resolve the crisis will likely push a vote of no confidence in the government.

The result is that veto player theory predicts a connection between policy stability and the likelihood of **government instability** in parliamentary democracies.

Veto Player Theory: Government and Regime Stability

Imagine that a government comes to power with the promise to shake up some policy area.

The government will appear ineffective and immobilized if the configuration of veto players produces a small winset.

In a presidential democracy, there is no vote of no confidence. This may lead political and social actors to look to extra-constitutional means – a coup – to resolve the crisis.

The result is that veto player predicts a connection between policy stability and the likelihood of **regime instability** in presidential democracies.

Veto Player Theory: Judicial and Bureaucratic Activism

Veto player theory suggests that policy stability leads to judicial and bureaucratic activism.

Judges and bureaucrats often have the ability to make policy by interpreting statutes or by implementing policy.

If the legislators do not like what the judges and bureaucrats did, they can try to write new legislation that overrules the judiciary and bureaucracy.

When policy is stable because there are many legislators with dissimilar policy preferences, judges and bureaucrats can make policy close to their ideal points safe in the knowledge that the legislature will not be able to reach an agreement on overriding them.

Thus, we should observe more judicial and bureaucratic activism in federal and bicameral countries than in unicameral and unitary ones.

Veto Player Theory: Unanimity Core

In addition to the winset, an important concept in veto player theory is the unanimity core.

The winset is the set of policy alternatives that can defeat the status quo in a pair-wise contest under unanimity rule.

The **unanimity core** is the set of policy alternatives that cannot be defeated in a pair-wise contest under unanimity rule.

If policy ever gets into the unanimity core, it cannot be moved.

Whatever makes the winset smaller, makes the unanimity core larger, and vice versa.

For example, policy stability is associated with a small winset, but a large unanimity core.

Veto Player Theory: Unanimity Core

Figure: Illustrating the Unanimity Core

Note: A, B, C = veto players; the triangle outlines the unanimity core.
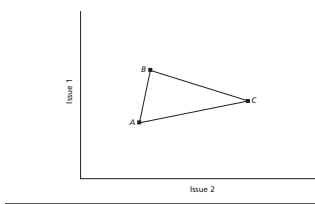
To find the unanimity core imagine that the ideal points of the veto players are pins sticking out of a board.

If you were to wrap a piece of string around the outside of these pins, you would have located the unanimity core.

Parliamentary Government Formation

A **parliamentary democracy** is one in which the government depends only on a legislative majority to exist.

The **government** comprises a prime minister and the cabinet.

The **prime minister** is the political chief executive and head of the government.

The **cabinet** is composed of ministers whose job it is to be in the cabinet and head the various government departments.

In a parliamentary democracy, the **executive** branch and the government are the same thing.

In a parliamentary democracy, the **head of state** is a president or a monarch. This person is *not* part of the government.

Parliamentary Government Formation

Figure: British Government 2005

Minister	Department	Minister	Department
Tony Blair	Prime Minister	Jacqui Smith	Chief Whip
John Prescott	Deputy Prime Minister	Alan Johnson	Education
Gordon Brown	Chancellor of the Exchequer	Stephen Timms	Treasury
Margaret Beckett	Foreign Affairs	Hazel Blears	Without Portfolio
John Reid	Home Department	Baroness Amos	House of Lords
David Miliband	Environment	Lord Falconer	Constitution
Douglas Alexander	Transport/Scotland	Hilary Benn	Development
Patricia Hewitt	Health	Des Brown	Defence
Peter Hain	Northern Ireland/Wales	Tessa Jowell	Culture/Sport
John Hutton	Work and Pensions	Ruth Kelly	Local Government
Alistair Darling	Trade & Industry	Jack Straw	House of Commons leader/
Hilary Armstrong	Social Exclusion/		Lords Reform
	Duchy of Lancaster		

Parliamentary Government Formation

The head of state presides over the government formation process and officially invests any new government.

The extent to which the head of state plays an active role varies from country to country.

- In some countries, the head of state is limited to simply swearing in the government.
- In other countries, the head of state chooses a particular politician (formateur) to initiate the government formation process.
- In other countries, the head of state chooses a particular politician (informateur) who picks a formateur to form the government.

Parliamentary Government Formation

A **formateur** is the person designated to form the government; the formateur is often the PM designate.

An **informateur** is a person designated to pick a formateur to form the government.

The leader from the party winning the most seats normally acts as formateur.

Once the formateur is chosen, he needs to put a government together that is acceptable to a legislative majority.

Parliamentary Government Formation

The ability to nominate cabinet members is one of the most important powers held by the prime minister (formateur).

In single-party governments, the PM has enormous discretion.

In coalition governments, the PM is obviously more constrained.

Parliamentary Government Formation

Once the cabinet has been nominated, the support of a legislative majority may or may not have to be demonstrated in an investiture vote.

An **investiture vote** is a formal vote in the legislature to determine whether a proposed government can take office.

If the investiture vote fails, the bargaining process starts again; there may or may not be elections beforehand.

If the investiture vote is successful (or there is no vote), then the head of state simply appoints the cabinet to office.

Parliamentary Government Formation

The government is free to rule until (a) there is an election or (b) it loses a vote of no confidence.

A **vote of no confidence** is initiated by the legislature; if the government does not obtain a legislative majority in this vote, it must resign.

If the government is defeated in a vote of no confidence or a new election is called, then the incumbent government remains in office and runs the country as a **caretaker government**.

The caretaker government remains in office until the next government formation process is completed.

In most countries, there is a strong norm that caretaker governments will not make important policy changes.

Notes

Parliamentary Government Formation

Figure: Government Formation Process
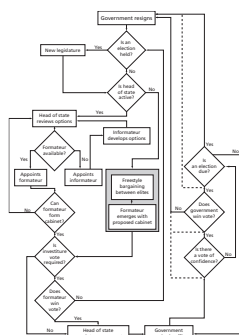
Notes

Parliamentary Government Formation

Figure: Delays in Government Formation

Country	Minimum	Maximum	Average	N
Austria	23	129	52.1	15
Belgium	2	148	59.7	17
Denmark	0	35	9.5	21
Finland	25	80	54.7	14
France (5th Republic)	1	11	3.5	11
Germany	23	73	36.4	14
Iceland	1	76	30.6	16
Ireland	7	48	18.7	16
Italy	11	126	47.3	14
Luxembourg	19	52	32.0	9
Netherlands	31	208	85.7	16
Norway	0	16	2.50	13
Portugal	1	45	24.0	7
Spain	2	58	28.6	7
Sweden	0	25	5.7	17
United Kingdom	1	18	7.8	14
All	0	208	31.8	221

Source: Data are from the Constitutional Change and Parliamentary Democracies project. (Müller and Strøm 2000; Strøm, Müller, and Bergman 2003).
Note: Bargaining duration measures the number of days between the election and the day on which the new government is officially inaugurated.

Belgium had an election in June 2010. Over 500 days later, it still does not have a government!

Notes

Government Formation

A **single-party majority government** comprises a single party that controls a majority of the legislative seats.

A **minimal winning coalition** (MWC) is one in which there are no parties that are not required to control a legislative majority.

A **single party minority government** comprises a single party that does not command a majority of the legislative seats.

A **minority coalition government** comprises multiple governmental parties that do not together command a majority of the legislative seats.

A **surplus majority government** comprises more parties than are strictly necessary to control a majority of the legislative seats.

Parliamentary Government Formation

Figure: Laver-Shepsle Model of Government Formation

Suppose we have three legislative parties, A, B, and C, and that any two can control a legislative majority.

Parliamentary Government Formation

Figure: Laver-Shepsle Model of Government Formation
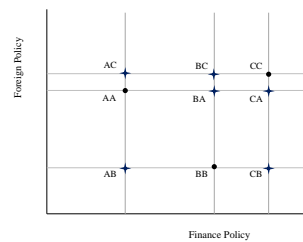
The intersections of the lattice show all the possible governments that could form given the assumptions in the model.

The party controlling the first dimension (finance) is always shown first.

Government Formation

Why can governments only form at the intersections of the lattice?

The L-S model assumes that each minister is autonomous when it comes to making policy in his ministry.

Thus, if you give the finance ministry to Party B, then Party B will implement finance policy at B's ideal point.

B's promise to do anything different during the negotiations over government formation process are not credible.

The same goes for all of the other parties.

Parliamentary Government Formation

Figure: Incumbent BA Government
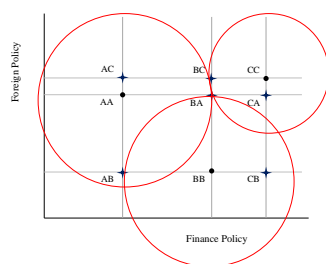
Let's assume that we have an incumbent BA coalition.

Government Formation

If this were a normal legislative game where any policy position could be proposed, then it is easy to see that BA could be defeated by numerous policy proposals (see winsets).

But BA is not a policy proposal – it is a government coalition.

There are only a finite (8) set of cabinet alternatives to the BA government.

Can any of the alternative governments defeat the incumbent BA?

Government Formation

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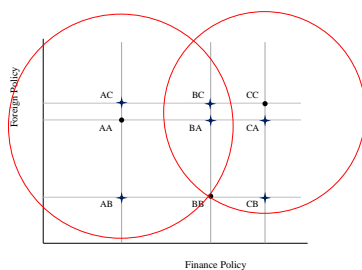
No, none of the alternative governments are in the winsets.

What if B proposes to form a minority government on its own?

Parliamentary Government Formation

Figure: Minority BB Government

Two alternative coalitions, BA and BC, are preferred by a majority of the parties to a BB minority government.

Parliamentary Government Formation

Two alternative coalitions, BA and BC, are preferred by a majority of the parties to a BB minority government.

But note that B is a member of each of these alternative governments.

What does this mean?

Parliamentary Government Formation

Two alternative coalitions, BA and BC, are preferred by a majority of the parties to a BB minority government.

But note that B is a member of each of these alternative governments.

What does this mean?

It means that B would have to be willing to form these alternative cabinets. BUT why would B want to move to BC or BA rather than stay at BB?

BB is therefore a veto proof equilibrium.

Parliamentary Government Formation

What does this tell us?

Parliamentary Government Formation

What does this tell us?

It tells us that once a minority government is in place, it may be very hard to dislodge.

From this, we can develop the notion of a strong party.

A Party S is called a **strong party** if it participates in every cabinet preferred by a majority to the cabinet in which Party S takes all the portfolios.

Parliamentary Government Formation

There are two types of strong party.

A **Very Strong Party** (VSP) exists if there are no cabinet alternatives to it preferred by a legislative majority.

This occurs if the party is the median party on all issue dimensions.

The winset of the VSP is empty.

Parliamentary Government Formation

Figure: B is a Very Strong Party
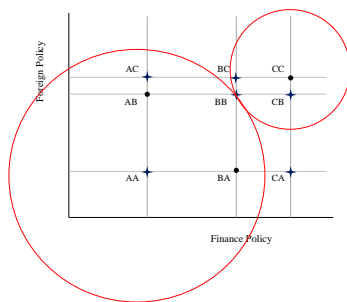
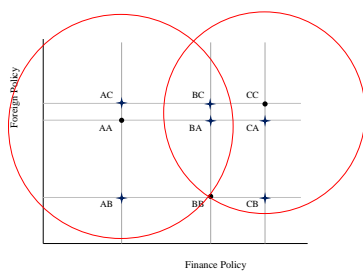## Parliamentary Government Formation

There are two types of strong party.

A **Merely Strong Party** (MSP) exists if it participates in (and can therefore veto) any alternative cabinet that is preferred by a legislative majority.

The winset of the MSP is non-empty, but all alternative cabinets in the winset include the MSP.

Parliamentary Government Formation

Figure: Minority BB Government

In this example, B is a merely strong party since its winset is non-empty, but the only alternatives preferred to it by a majority, BA and BC, both include B.

Parliamentary Government Formation

Do strong parties always get their own way?

Parliamentary Government Formation

Do strong parties always get their own way?

Very strong parties always have the ability to form minority governments.

Merely strong parties do have alternative cabinets in their winset. As a result, they may be forced to form a coalition cabinet. It depends on the outcome of standoffs.

Parliamentary Government Formation: Some Conclusions

There can at most be one strong party.

When a strong party exists, it is a member of every equilibrium cabinet.

This means that it is a focal player in the government formation process.

The presence of strong parties may explain the emergence and survival of minority governments.

Parliamentary Government Formation: Some Conclusions

Party systems without a strong party are likely to produce more unstable cabinets than party systems with strong parties.

Many European elections tend to produce strong parties. Thus, governments may not be as unstable as one might think.

Strong parties tend to be located at the center of the policy space, suggesting that coalition and minority governments will produce moderate policy.

Notes

Parliamentary Government Formation: An Example

Let's look at a typical German election in which you have the Christian Democrats (CDU), the Free Democrats (FDP), the Social Democrats (SPD) and the Greens (G).

Given their typical legislative sizes, the possible majority coalitions are CDU-SPD, CDU-FDP, CDU-G, and SPD-FDP-G.
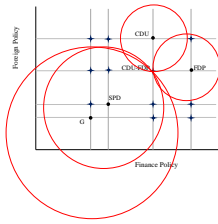
Notes

Figure: Is the CDU-FDP Coalition an Equilibrium?

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Parliamentary Government Formation: Example

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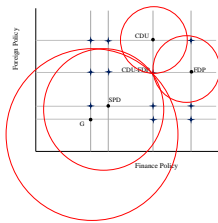
There are policy proposals that would be preferred by a majority to the CDU-FDP policy position, but no cabinet alternatives.
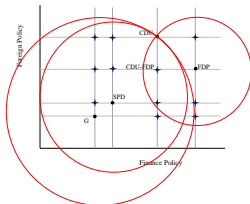
Thus, the CDU-FDP cabinet is an equilibrium.

Notes

Parliamentary Government Formation: Example

Figure: Is a CDU Minority Government an Equilibrium?

Notes

Parliamentary Government Formation: Example

Figure: Is a CDU Minority Government an Equilibrium?
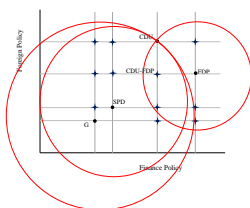
There are two alternatives preferred by a legislative majority to a minority CDU government: CDU-FDP and CDU-SPD.

BUT the CDU minority government is a veto-proof equilibrium given that the CDU is an MSP.

Parliamentary Government Formation: An Example

Notes

How would you have got the CDU minority government in the first place?

Parliamentary Government Formation: An Example

Notes

How would you have got the CDU minority government in the first place?

Well, imagine that the CDU government did have a legislative majority at one point in time.

Imagine now that it becomes more unpopular and loses its majority.

The diagram shows that a minority CDU government can stay in power because there are no alternative cabinets that can beat it without CDU approval.