

PARTY SYSTEMS AND COUNTRY GOVERNANCE

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PARTY SYSTEMS AND COUNTRY GOVERNANCE

*To my wife, Ann Janda,
who has put up with my computer usage and
political parties research for fifty years*

Preface

This book targets three audiences: students, teachers, and researchers. It informs students how political party systems vary across the world and how these variations affect the performance of political systems in terms of country governance—a problematic concept that the book clarifies. It provides teachers with instructional material for courses on political parties, comparative politics, and research methods. (Appendix C suggests how students can undertake research projects explaining why certain countries perform much better—or much worse—than predicted by our analysis.) It invites researchers to consider more innovative approaches to cross-national analysis of party systems, studying a greater range of countries, considering new measures of party system competition, and suggesting that new measures be not merely proposed and mathematically adjusted through scholastic exchanges in professional journals but actually applied in testing party theory with empirical research. Accordingly, this study tests party system theory using original data on political party systems in 212 countries. These countries correspond to those scored on six Worldwide Governance Indicators, a monumental effort undertaken by researchers at the World Bank.

Writing for three audiences presents the problem of hitting the right level for different readers. Not unlike Goldilocks, some readers will find the text “too complicated,” others “too simple,” and perhaps too few “just right.” Students may find it too complicated because the study, by its very nature, requires elementary statistical analysis. That cannot be avoided in a worldwide study that assesses the effects on country governance of party system traits such as competitiveness, aggregation, and stability.

Having taught elementary statistics to undergraduate students for nearly four decades, I believe that almost all students can learn the statistical concepts and analytical tools in this book. That includes standard deviation, z-scores, correlation analysis, and multiple regression. Each is clearly introduced in the context of research and explained in text boxes that those who already understand the content can skip. At every opportunity, I cater to students by explaining analytical concepts, often using everyday illustrations—for

instance, using logarithms to compare Bill Gates's wealth with that of average wage earners. At one point, in Chapter 4, I warn that the following few pages require close attention, but the going should be smooth afterward. I pray that more readers will find the discussion too simple rather than too complicated.

The idea for this book originated in 2007 with Jin-Young Kwak, then chairperson of the Department of Political Science at Korea's Konkuk University, who proposed spending her 2007–2008 sabbatical year at Northwestern University. Her statement of proposed research exposed me seriously, for the first time, to the role of political parties in the (to me) confusing concept of governance. While working together during her sabbatical, Professor Kwak and I hammered out the idea of studying party systems, instead of individual parties, and using the Worldwide Governance Indicators as measures of country governance. We divided the 212 countries into two halves and began recording the percentages of seats won by the top three parties in two elections in every country. We then reported the results of our data collection in a paper at the 2009 Meeting of the Midwest Political Science Association.¹ After Professor Kwak returned to Konkuk University, we continued discussing the research via e-mail. Although she provided comments on the manuscript from abroad and deserves recognition for her substantial contributions early in the project, she should not be held responsible for the direction and shape of the analysis or its interpretation. This book was written with her invaluable assistance but not coauthored by her. I am accountable for any errors in fact or interpretation.

Julietta Suarez-Cao, while a PhD candidate at Northwestern University, offered her help on the project as reader and critic. At several points, she raised questions about theory and research that resulted in significant revisions in convention papers and the book manuscript. Along with Jin-Young Kwak, Suarez-Cao contributed to papers delivered at the 2010 meetings of the Midwest Political Science Association and the American Political Science Association.² Julius Parod, a sophomore political science major at Knox College, volunteered to read the entire manuscript during the summer of 2010. Having never taken a course in statistics, he was well-qualified to flag points at which the discussion was unclear or he had trouble understanding the methodology or theory. His helpful comments improved the presentation in several places.

My wife, Ann Janda, also read each chapter of the manuscript very carefully. She was professionally suited to this task as a former full-time Russian-language instructor at Loyola University; former bibliographer (unpaid) on my National Science Foundation–funded International Comparative Political Parties Project; former editor of the *SIGCHI Bulletin*, a quarterly publication of the Special Interest Group on Computer & Human Interaction; and for two decades Northwestern University's official representative to the Interuniversity Consortium for Political and Social Research. She

found writing errors of omission and commission, caught gaps in logic and argument, and generally improved the presentation of material. I am very grateful for her scholarly help.

Many years ago I promised to write a textbook on elementary statistics and dedicate it to Ann. I never got around to doing that, so this book will have to serve instead.

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Notes

1. Kenneth Janda and Jin-Young Kwak, "Competition and Volatility in Parliamentary Party Systems for 212 Polities" (paper presented at the annual meeting of the Midwest Political Science Association, Chicago, Illinois, April 2–4, 2009).

2. Kenneth Janda, Jin-Young Kwak, and Julieta Suarez-Cao, "Party System Effects on Country Governance, I" (paper presented at the annual meeting of the Midwest Political Science Association, Chicago, Illinois, April 22–25, 2010); Kenneth Janda, Jin-Young Kwak, and Julieta Suarez-Cao, "Party System Effects on Country Governance, II" (paper presented at the annual meeting of the American Political Science Association, Washington, DC, September 2–5, 2010).

Introduction

Our book is titled *Party Systems and Country Governance*. Readers will have some idea of “party systems,” but they may be unclear about the meaning of “country governance.” Chapter 1 defines country governance as the extent to which a state delivers to its citizens the desired benefits of government at acceptable costs. Does the nature of a country’s political party system (detailed in Chapter 6) affect the quality of its governance? Thomas Carothers, a leading authority on democratization and governance, thinks it does. The governmental role that parties perform, however, is far from clear. Carothers describes “the standard lament” about political parties as follows: They are corrupt and self-interested, do not stand for anything except winning elections, squabble with one another, and are ill prepared for governing.¹ In fact, he calls political parties the “weakest link” in establishing popular control of government in new or struggling democracies.² Nevertheless, Carothers says, “problematic, aggravating, and disappointing though they are, political parties are necessary, even inevitable. No workable form of democratic pluralism has been invented that operates without political parties.”³ Contemporary theorists agree that a modern state cannot practice democracy without competitive political parties.⁴ A United Nations publication says, “In many countries today, political parties are an essential part of the apparatus of governance”:

Parties in a democratic system serve several purposes. They aggregate interests by persuading voters to support various issues, and they lend coherence to voter choices. They may mobilize the masses outside of elections. In conflict situations, they can be crucial in determining whether there is a move forward into recovery or a relapse back into hostilities. Once elected, parties play a major role in shaping public policy, securing resources and orienting the government around certain platforms. Parties also foster future political leaders and monitor elected representatives. An institutionalized party system can hold elected politicians accountable.⁵

Endorsing the importance of political parties in democratic governance, international and nongovernmental organizations have poured millions of dollars into party development under the rubric of democratic assistance.⁶ These expensive party-aid efforts have generated mixed results. According to one scholar, African leaders have “only grudgingly permitted multiparty politics under donor pressure” against “a current of underlying skepticism,” arguing that parties breed conflict, represent urban elites not the grass roots, and are themselves corrupt.⁷ Another scholar sees the same skepticism in Asia: “Ironically, in the eyes of many people, political parties, the hallmark of modern democratic government, have become the biggest obstacles to democratic consolidation and good governance in much of democratic Southeast Asia.”⁸

In truth, people across the world have a love-hate relationship with political parties. Most scholars value them highly for enabling popular control of government, but many leaders and citizens mistrust them.⁹ As two experts write, “The widespread perception that parties are procedurally necessary for the effective functioning of democracy does not translate into their being widely supported or respected.”¹⁰ Ambivalent judgments about the role of parties in government appear in these conflicting statements by other party scholars. One praises their contributions to democratic theory—

In representative democracies, political parties perform a variety of functions that maintain and foster democratic governance. Perhaps the most important role they play is that of a linkage between the governed and the governors.¹¹

—but another thinks that parties have not delivered on their promised contributions:

Some contemporary models of political parties reinforce the fears of early theorists that political parties would intervene between elected governments and the achievement of the public good.¹²

Does any body of research specify how parties affect the popular control of government? Not according to these comparative scholars: “But whilst there is a striking consensus on the importance of the actual or potential contribution parties can make to the democratization process and specifically to democratic consolidation, within the relevant literature there is not in fact any extensive body of writing that explicitly seeks to pin this contribution down.”¹³

This book proposes and tests a theory of party system effects on country governance explicitly designed to “pin down” the contributions of political parties.

Normative or Empirical Theory?

Theories can be described as informed understandings created to explain events or outcomes. Some theories can be shown to be false, but no theory can ever be proven to be true. Throughout history, theories regarded as true have been replaced by others providing more satisfactory explanations of relevant events or outcomes. Political theories, attempting to explain politics, are commonly divided into two categories: normative (dealing with values) and empirical (dealing with facts). Normative political theory attempts to explain (in the sense of justifying values) how people and political institutions should behave. Empirical theory attempts to explain (in the sense of linking facts) how people and political institutions actually do behave.

Most Western comparative scholars, UN officials, and others engaged in promoting democratic government in developing countries are guided by a normative theory: It is good to have political parties competing to control government in open elections. That theory, or value judgment, reflects a modern democratic ideal for nation-states: Political parties that alternate in power should guide governments. In an often-quoted statement published decades ago, E. E. Schattschneider says, “The political parties created democracy and modern democracy is unthinkable save in terms of the parties.”¹⁴

Normative theory asserts what is good—what we should value. Accordingly, it cannot be tested by observation and thus proven right or wrong. A normative theory that values political parties, however, also assumes the existence of an empirical relationship: Countries with competitive party systems perform better than those without them. In practice, this assumption has been accepted as true in the absence of testing to determine whether it is false. That is not too surprising. Theories often rely on empirical assumptions that are not completely true. In making road maps, for example, cartographers assume that the world is flat. The equation for the law of falling bodies assumes that they fall in a vacuum. Economists assume that individuals “act rationally”; they also assume that financial markets are informationally efficient—meaning that securities are priced and traded at their fair value.¹⁵

Sometimes—as in making maps and calculating how swiftly bodies fall—incorrect assumptions pose no real obstacle to producing correct results. At other times—as with the assumption of a rational market—serious consequences can flow from flawed assumptions. By and large, international efforts to promote party politics in developing countries have been guided by normative judgments relying on assumptions that have not been adequately tested through empirical research, if they are tested at all. They often go untested for three major reasons.

One stems from the value commitment to political parties in normative theory. Those who value political parties may think it obvious that countries

are governed better when a reasonable number of stable political parties compete for votes in free elections—compared with countries that hold no elections, that have elections but no parties, or that have only one party. Why document the obvious?

Another reason flows from the difficulty of settling on research rules for acceptable answers. For example, how could one demonstrate that financial markets are informationally efficient? What evidence might show that democratic party systems perform better than nondemocratic systems? What do you mean by performance? How can performance be measured? One might even ask, What do you mean by a competitive party system? How can one identify and measure the characteristics of political party systems?

Yet a third reason has prevented determining whether countries with competitive party systems perform better than those without such systems. Even if scholars could settle on an acceptable research design, difficulties in collecting the necessary data might block the research. One might find adequate party system data on about thirty established democracies and on a like number of developing countries, but what about the more than one hundred remaining countries whose party systems are rarely studied systematically? And where would one find the matching country data on government performance?

The Theory to Be Tested

This study converts the underlying empirical assumption about the performance of political parties into an empirical political theory of party system effects on country governance. Chapter 6 formally presents the full theory, which consists of conditions assumed to be true and propositions to be tested. Here is an informal summary: A popularly elected government is more responsive to public opinion than one not popularly elected. Some governments, even elected governments, do not have political parties. A party government (even a one-party government) is more responsive to public opinion than a nonparty government. Political parties are formed to articulate social and economic interests in government. Political parties that control parliament seek to retain control. To the extent that elections decide control of parliament, governing parties respond to public opinion. Public opinion favors government policies that serve general interests more than policies serving special interests. General interests are served when governments deliver benefits that serve public values. Political parties contest elections to attract votes needed to win government offices. Competing to gain control of government, parties propose government actions designed to appeal to the electorate. The more regularly parties participate in elections, the more

the electorate learns about the parties and their records of achievement. To the extent that stable political parties aggregate social and economic interests in competing for votes in popular elections, government becomes responsive to public opinion, and citizens enjoy the benefits of government.

From a set of seven assumptions in Chapter 6, we deduce four broad empirical propositions about party system effects on country governance:

1. Countries with popularly elected nonpartisan parliaments score higher on governance than those with unelected nonparty parliaments, which score lower on governance than those with parties in parliament.
2. The more competitive the party system, the better the country governance.
3. The more aggregative the party system, the better the country governance.
4. The more stable the party system, the better the country governance

That is the theory. It is an empirical theory with origins in normative theory. Whether the observable facts conform to the theory remains to be determined. That is the task of this book.

The Challenge of Country Governance

People generally recognize that country governments differ in their ability to deliver ordinary goods and services to their citizens. They see that some governments fare much better than others. Most people suspect that public rule is notoriously bad under dictators. For several years, *PARADE* magazine (a popular Sunday supplement to hundreds of U.S. newspapers)¹⁶ has published an annual unscientific list of the world's ten "worst dictators." With brief comments on their countries' political problems, here is *PARADE*'s list of the worst dictators for 2009:

1. *Robert Mugabe, Zimbabwe*: Unemployment and inflation are high.
2. *Omar al-Bashir, Sudan*: Darfur remains a hotbed of violence.
3. *Kim Jong-Il, North Korea*: He runs the world's most repressive regime.
4. *Than Shwe, Myanmar*: He delayed access to aid after devastation.
5. *King Abdullah, Saudi Arabia*: This country has the most oppressed women in the world.
6. *Hu Jintao, China*: He controls all media and represses religion.
7. *Sayyid Ali Khamenei, Iran*: He permits the execution of juveniles.
8. *Isayas Afewerki, Eritrea*: There are no national elections, and he controls the media.

9. *Gurbanguly Berdymuhammedov, Turkmenistan*: He restricts religion and represses the media.
10. *Muammar al-Qaddafi, Libya*: Reports of torture are common.¹⁷

Regardless of whether these really were the world's ten worst dictators, most observers would place them at or near the top of any list of hard leaders.¹⁸ Regardless of how nasty their autocratic regimes might be, however, all these dictators headed governments that kept some degree of order and control over civil life. Some countries, like Somalia, had no dictator but little or no government either.

According to the journal *Foreign Policy*, Somalia in 2009 was "a state governed only by anarchy."¹⁹ For years, Somalia's lack of government allowed Somali pirates to seize with impunity ships sailing off its coast. In 2009, pirates attacked the *Maersk Alabama*, a container ship flying a U.S. flag, and kept its captain hostage for days before U.S. Navy SEAL marksmen shot his three captors and rescued him.²⁰ Somalia qualified as a failed state—one whose central government had little practical control over much of its territory. Scores of states with a billion or more inhabitants have either collapsed, are near collapse, or "are unable to provide even the most basic services for their citizens."²¹ Some observers contended that Pakistan in 2009 also qualified as a failed state for submitting to Taliban insurgents in its Swat district and allowing them to impose their extreme version of religious sharia law instead of secular Pakistani law.²²

In contrast to these examples of dictatorship and failed states, consider the Latin American country of Costa Rica, which abandoned its standing army in 1948 and entered a sustained period of democratic elections. Writing in 2009, *New York Times* columnist Thomas Friedman said, "More than any nation I've ever visited, Costa Rica is insisting that economic growth and environmentalism work together."²³ With more than 25 percent of the country's land in national parks or otherwise protected, Costa Rica's government policies have led to it generating more than 95 percent of its energy from renewable sources—hydroelectric power, wind, and geothermal.

Or consider the tiny land-locked nation of Bhutan, tucked between India and China in the Himalayas. Bhutan had been an absolute monarchy, where kings functioned as dictators, but in 2005 Bhutan's king announced that he would transform his country into a democracy.²⁴ He stimulated the creation of a party system, instructed citizens in voting and elections, and abdicated his throne in favor of his son, who headed a constitutional monarchy after Bhutan's first elections in 2008.²⁵ Bhutan also stood apart from other nations by proclaiming gross national happiness (GNH²⁶) as a governmental goal, whereas other nations pursue gains in gross national product (GNP²⁷).

On the other side of the world lies the island nation of Iceland, which, like Bhutan, is small. With about 300,000 people living on only 100,000 square

kilometers, Iceland is actually twice Bhutan's physical size but has only half the population. Whereas Bhutan had been an absolute monarchy, Iceland claims the world's oldest continuous parliament, a history of multiparty politics, and competent democratic government. Until 2008, Icelanders enjoyed one of the highest incomes per capita in the world (more than twenty-five times that of Bhutan) as well as one of the most egalitarian distributions of wealth. Although priding itself on its "New Viking" aggressive economic policies in the early 2000s, Iceland suffered heavily in the 2008 global financial meltdown. Its currency plunged by about 50 percent in value, and the small country suffered losses estimated at \$30,000 for every man, woman, and child.²⁸ In 2009, Iceland's voters ousted the free market Independence Party that had governed the country for two decades and replaced it with a governing coalition of the Social Democratic Alliance and the Left-Green Movement.²⁹

Finally, consider the enormous country of China, which *PARADE* included in its list of dictatorships. Under one-party dictatorial rule by the Communist Party (led by Hu Jintao, *PARADE*'s number-six dictator), the Chinese government depended on substantial annual growth in GNP to satisfy the material needs of over 1 billion citizens. Confronted with the 2008 collapse in the world economy, its government launched a huge stimulus program in early 2009. China, with its centralized command economy, could coordinate spending and investment to a far higher degree than could the United States, which in February 2009 undertook its own controversial stimulus program. A World Bank economist quoted in the *Wall Street Journal* said, "China is unusual in that it has this incredible capacity to mobilize all its institutions."³⁰

In contrast to China, the U.S. government, which operates under capitalism and a vigorous two-party system, faced more constraints in devising its stimulus plan. Most House Democrats supported President Barack Obama's plan, but Senate Republicans demanded and got spending reductions and forced more tax cuts.³¹ China's Communist leaders encountered no serious opposition from Communist deputies in its one-party national assembly and swiftly launched its more coherent plan of monetary expansion and infrastructure spending. The chief executive officer of the U.S. company Caterpillar, which sells excavator equipment worldwide, said that China could launch construction projects more quickly: "It's something like nine months [in the United States] versus nine weeks in China."³² In fact, the Chinese economy responded much more quickly than did the U.S. economy to their respective stimulus programs. In the summer of 2009, after both programs had operated for six months, the U.S. economy remained flat with rising unemployment, while the Chinese economy grew by nearly 8 percent. That July, a World Bank official said, "China will be among the first countries to lead the global economy out of this recession."³³

Clearly, *PARADE*'s governmental dictatorships differ from the failed governments of Somalia and Pakistan—and both sets of countries differ from

the democratic governments of Costa Rica (which practices conservation) and from the monarchical government of Bhutan (which promotes cultural values). Although Iceland, China, and the United States all pursued economic growth, they did so under very different party systems. Iceland operated under a multiparty system that decisively punished economic failure. China's one-party government could concentrate its resources on economic recovery without fear of losing power. The United States' two-party system forced the government to balance competing interests while trying to craft its economic policy.

Is it possible to meaningfully compare such diverse nations concerning how well they deliver the benefits of government? We think so. In recent years, social scientists have refined the concept of governance to allow such comparisons. This book uses country governance as a criterion for determining the effects of country party systems. Although we identify and explain the effects of two other major factors (country size and country wealth) on selected measures of governance, we do not claim to represent the complex relationships among all the variables that account for all the cross-country variance in governance. Instead, we focus on the independent effects of party systems (after controlling for country size and wealth) on country governance. In the language of research, the traits of party systems are our independent variables, and country governance is our dependent variable.

In effect, country governance serves as an indicator of government performance, a broad concept studied by others. Decades ago, Harry Eckstein identified four dimensions of performance: durability, civil order, legitimacy, and decisional efficacy.³⁴ Later, G. Bingham Powell Jr. used as aspects of political performance "citizen participation, government stability and mass violence."³⁵ More recently, Edeltraud Roller analyzed performance as effectiveness in major domestic policy areas—domestic security policy, economic policy, social policy, and environmental policy.³⁶ Although Powell's study of twenty-eight party systems in twenty-eight democracies uses very different indicators of governance, his comes closest to this study of parliamentary parties in 212 countries.

Overview of Research Design

Studies that compare politics in different countries typically employ either the most-similar- or most-different-systems design. The most-similar-systems design selects countries that are "as similar as possible with respect to as many features as possible."³⁷ By selecting a few countries that share many economic, cultural, and political characteristics, but that differ on one or more key variables, this design attempts to control for many important variables while observing the effects of the variable of interest. For example, research

might focus on (1) Latin American (2) democracies (3) with a presidential form of government and (4) multiparty systems and then compare their citizens' satisfaction with government, depending on whether they have a federal or unitary form, perhaps theorizing that citizens are more satisfied with federal governments. This design has important merits. One problem is that it cannot adequately control for explanatory factors beyond the four selected (1 through 4).

Powell's study of twenty-eight democracies falls roughly into the most-similar-systems category. He selected "all independent nations of over one million persons that seemed to have both competitive elections and enfranchisement of the majority of citizens for a five-year period before and during the late 1960s."³⁸ By studying democratic governments with competitive political parties, Powell ran up against another problem of the most-similar design: It allows for no comparison with units left outside the analysis. Because Powell's study did not include countries with weak party systems or with no party systems, it could not disclose the effects of weak parties or no parties on government performance.

We follow the most-different-systems research design, which consists of comparing a large number of very different countries (ideally, every country) with maximally different party systems—competitive and noncompetitive, fragmented and aggregative, volatile and stable—and even countries without political parties. This design focuses on a common set of dependent variables (measures of country governance) and independent variables (measures of party systems) and ignores most of the countless other variables on which the countries differ.³⁹ Under the logic of this design, if the chosen independent variables have genuine effects on the dependent variables, they should be strong enough to show through the myriad of other differences among the countries—their ethnic and religious differences, their histories, and so on. These differences across many countries would essentially offset one another.

In keeping with this design, we analyze the data on six different indicators of country governance created by scholars at the World Bank for 212 countries in 2007.⁴⁰ We determine whether party system traits have any statistically significant effects on country governance across all countries. Although we draw heavily on quantitative data, we present relatively few tables. Instead, we display data graphically in reporting our findings. Moreover, we explain in simple terms alternative methods for scoring data, the meaning of a correlation coefficient, how to interpret a regression equation, and the gist of statistical significance. We think that our presentation is digestible for undergraduate students, even those who have never taken a course in statistics.

We supplement our quantitative analysis by citing where five countries score in the distribution of a summary measure of country governance, from top to bottom: