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Accounting for Change in Free Vote Outcomes in the House of Commons

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British Journal of Political Science / Volume 27 / Issue 04 / October 1997, pp 619 - 659
DOI: 10.1017/S0007123497230292, Published online: 08 September 2000

Link to this article: http://journals.cambridge.org/abstract_S0007123497230292

How to cite this article:

ANTHONY MUGHAN and ROGER M. SCULLY (1997). Accounting for Change in Free Vote Outcomes in the House of Commons. *British Journal of Political Science*, 27, pp 619-659 doi:10.1017/S0007123497230292

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Notes and Comments

The Political Economy of Election Outcomes in Japan

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The scholarly literature dealing with the effects of economic conditions on government support and election outcomes in advanced industrialized democracies is extensive.¹ Based on the so-called reward–punishment (or responsibility) hypothesis, empirical studies of economic conditions and government support often find that voters punish those incumbents who perform badly and reward those who do a good job.^{2,3} In fact, over the years the notion that governments in democratic polities are in some way or another judged by how they perform at managing the economy has almost taken on the ring of a social scientific fact.

Although the relationship between economic performance and election outcomes has been studied in many countries that hold regular democratic elections, the Japanese case seldom has been among them. Probing the link between economic conditions and

* Kellogg Graduate School of Management, Northwestern University; and Department of Economics, Stanford University, respectively. Anderson would like to thank the participants of the 1994 Summer Institute at the Center for Advanced Studies in the Behavioral Sciences, Stanford University, for ideas and helpful hints. In particular, he is grateful to its organizers Peter Lange and Doug MacAdam. Thanks also to Karl Kaltenthaler, Sherry Quiñones, Frances Rosenbluth, David Sanders, Dan Ward and the anonymous referees for their very useful and insightful comments.

¹ The bulk of this research relates government support and vote choice to objective economic conditions or subjective perceptions of those conditions in order to establish whether and to what extent such a relationship exists. For overviews, see Michael Lewis-Beck, *Economics and Elections: The Major Democracies* (Ann Arbor: University of Michigan Press, 1988); Peter Nannestad and Martin Paldam, 'The VP-Function: A Survey of the Literature on Vote and Popularity Functions After 25 Years', *Public Choice*, 79 (1994), 213–45.

² Lewis-Beck finds a general consensus among scholars that 'when economic conditions are bad, citizens vote against the ruling party' (Michael Lewis-Beck, 'Introduction', in Helmut Norpoth, Michael Lewis-Beck and Jean-Dominique Lafay, eds, *Economics and Politics: The Calculus of Support* (Ann Arbor: University of Michigan Press, 1991), p.2). See also V. O. Key, *The Responsible Electorate* (New York: Vintage Books, 1968); Gerald Kramer, 'Short-Term Fluctuations in US Voting Behavior, 1896–1964', *American Political Science Review*, 65 (1971), 131–43. The reward–punish hypothesis states that the mass public holds the incumbent government accountable for the state of the economy. When the economy performs well, the government can take credit, but when there is a slump, the executive or the governing parties are blamed by the voters. Other hypotheses that have been tested are the issue-priority and the stability hypotheses (see Harold Clarke, Euel Elliott, William Mishler, Marianne Stewart, Paul Whiteley and Gary Zuk, *Controversies in Political Economy: Canada, Great Britain, the United States* (Boulder: Westview Press, 1992)).

³ Although frequently supportive of the general conclusion that the economy affects politics, the evidence for economic effects on government popularity or vote choice is not always conclusive or straightforward. Several authors have explored why economic conditions do not seem to affect popularity or vote choice all the time and under all circumstances. See, for example, Martin Paldam, 'How Robust is the Vote Function? A Study of Seventeen Nations over Four Decades', in Norpoth, Lewis-Beck and Lafay, eds, *Economics and Politics*, pp. 9–31; Christopher J. Anderson, 'The Dynamics of Public Support for Coalition Governments', *Comparative Political Studies*, 28 (1995), 350–83.

⁴ Economic voting research was pioneered in Britain and the United States – countries where the one-on-one relationship between economic conditions and election outcomes based on a simple reward–punishment model

election outcomes in Japan has not been an exercise easily or frequently undertaken by political economists. The few studies that do exist for the Japanese case have found it difficult to demonstrate consistent economic effects.⁴ This may be attributable to the specific characteristics of the country's economy and polity. On one hand, it is typically claimed that Japanese electoral politics is an unusual case among industrialized democracies because of its one-party dominant configuration and its single-nontransferable vote electoral system.⁵ In fact, until 1993, the Liberal Democratic Party (LDP) invariably constituted the government, and election outcomes did not lead to a transfer of power from the government to the opposition. On the other hand, the Japanese economy has performed better than the economies of other industrialized democracies, thus making economic performance much less of a salient political issue among Japanese voters. Moreover, because much of Japan's post-war prosperity was fuelled by success in international trade and developments in the international marketplace, Japanese voters may not directly link domestic economic conditions to incumbent performance.⁶

Because of the particular characteristics of the Japanese case and a dearth of scholarship on the subject, this Note examines the effects of macroeconomic performance, economic openness, electoral mobilization and political scandals on election results for the governing LDP and the main opposition party, the Japan Socialist Party (JSP). Given that the empirical results from the few studies of the nexus between politics and economics in Japan have not been overly consistent, the basic question considered here is whether there is any relationship at all between economic conditions and election outcomes in the Japanese case.⁷ At different points in time and with different

(F^o note continued)

was easier to investigate. The intricacies and complications of Japan's single non-transferable vote electoral system and the characteristics of a parliamentary democracy with two directly elected chambers may have made such research efforts more complex. In fact, all authors working in this area acknowledge the problem posed by the electoral system in the economy–election outcomes relationship (cf. Steven Reed and Gregory Brunk, 'A Test of Two Theories of Economically Motivated Voting: The Case of Japan', *Comparative Politics*, 17 (1984), 55–66). Moreover, Japan has relatively loosely organized political parties, where much ideological conflict during the post-war period took place within the Liberal Democratic Party (LDP) between the different factions vying for power (Gary W. Cox and Frances Rosenbluth, 'The Electoral Fortunes of Legislative Factions in Japan', *American Political Science Review*, 87 (1993), 577–89). An additional problem arises because Japanese electoral politics is heavily person- or candidate-centred (cf. Hans Baerwald, *Party Politics in Japan* (Winchester, Mass.: Allen & Unwin, 1986); Steven Reed, 'Democracy and the Personal Vote: A Cautionary Tale from Japan', *Electoral Studies*, 13 (1994), 17–28), thus further complicating voters' alternatives. In addition, for a long time there was no viable alternative to the LDP. Electorally speaking, there were no credible challengers as a consequence of weak party competition. The main opposition party, the Japan Socialist Party (JSP), was seldom close to the LDP in terms of votes or seats gained.

⁵ Cf. Ronald Hrebennar, ed., *The Japanese Party System* (Boulder, Colo.: Westview Press, 1992); T. J. Pempel, *Uncommon Democracies: The One-Party Dominant Regimes* (Ithaca, NY: Cornell University Press, 1990).

⁶ Shinsaku Kohei, Ichirō Miyake and Jōji Watanuki, 'Issues and Voting Behavior', in Scott C. Flanagan *et al.*, *The Japanese Voter* (New Haven, Conn.: Yale University Press, 1991), pp. 267–96; Takashi Inoguchi, 'Economic Conditions and Mass Support in Japan, 1960–1976', in Paul Whiteley, ed., *Models of Political Economy* (Beverly Hills, Calif.: Sage, 1980), pp. 121–51.

⁷ Inoguchi, 'Economic Conditions and Mass Support in Japan'; Inoguchi finds only weak effects of prices and income on election outcomes. Increases in income and low rates of inflation are both associated with increases in LDP support, albeit not in a statistically significant fashion. The relative non-significance of economic effects is sensible, according to Inoguchi, because 'one might be tempted to anticipate: (1) that people are basically positive in their economic attitudes, and (2) that fluctuations in economic conditions do not affect very much the mass political support for the government and the incumbent party' (p. 124). In a different study, Inoguchi examines the impact of economic conditions and political-contextual variables on election outcomes in Japan for the 1960–80 period (Takashi Inoguchi, 'Explaining and Predicting Japanese General Elections, 1960–1980',

model specifications, (un)employment, inflation and income growth all have been shown to be statistically significant determinants of electoral support for Japanese parties.⁸ However, it would be far-fetched to claim that anything like a consensus on the significance of these results has emerged.

The findings that have been reported in the literature support the general – yet vague – notion that macroeconomic change may indeed be related in some way to election outcomes. Beyond this very basic and still tentative conclusion, the following can be said about the state of the research. First, scholars disagree about the effects of economic performance on support for Japanese parties and governments. Moreover, most models that have examined the impact of economic conditions on political support in Japan have focused exclusively on the LDP. In addition, it is important to note that existing studies have relied on only a small number of elections and thus have to be treated with some scepticism because of the small number of cases.⁹ Finally, these studies have exclusively focused on the importance of domestic economic performance for election outcomes on the basis of the traditional reward-punish hypothesis, although there have been a number of recent suggestions that Japan's domestic political developments are – at least partly – influenced by the country's position in the international political economy and by the government's pursuit of internationally-oriented economic policy options.

ELECTORAL POLITICS AND EXPOSURE TO TRADE

Although there is a large and growing literature investigating the effects of internationalization and trade interdependence on policy making and the formation of domestic political coalitions in democratic societies,¹⁰ exposure to trade has not been examined previously in the context of economic voting models. The literature dealing

(Footnote continued)

Journal of Japanese Studies 7 (1981), 285–318.) He again finds that 'compared to the US, the UK, and the Federal Republic of Germany, political support for government in Japan seems less variable with macroeconomic factors because of a lack of change in the governing party for a long period, the overall good economic performance during the period covered, and the importance of clientelistic microeconomic policy in electoral politics. Nevertheless, macroeconomics does matter' (p. 297).

⁸ In a study similar to the ones conducted by Inoguchi, but which reaches notably different conclusions, Reed and Brunk examine the impact of economic conditions on support for the LDP between 1956 and 1980 (Reed and Brunk, 'A Test of Two Theories of Economically Motivated Voting'). Analysing the pre-oil embargo period and all years combined, Reed and Brunk conclude that there is only an effect of economic conditions on the popular vote share of the LDP after 1975, thus suggesting that the reward-punishment model is indeed applicable to the Japanese case after the mid-1970s. Higher inflation and unemployment are negatively associated with LDP support, and higher incomes are positively associated with LDP vote shares: 'Our fundamental conclusion is that economic factors did not influence electoral outcomes before the 1975 recession but have been important in determining voting since that initial major shock to one of the world's best run economies' (p. 62). However, the Reed and Brunk study is problematic as the coefficients change signs when the pre-oil embargo and all years are compared. In fact, the coefficients for the pre-1973 period are statistically and substantively significant, but this is not acknowledged in the text.

⁹ A typical example is the study by Reed and Brunk, 'A Test of Two Theories of Economically Motivated Voting: The Case of Japan'. The results they present are a somewhat suspect analysis as the universe of elections analysed consists of eight (pre-1975) and fourteen (entire period) data points.

¹⁰ See, among others, Ronald Rogowski, *Commerce and Coalitions: How Trade Affects Domestic Political Alignments* (Princeton, NJ: Princeton University Press, 1989); Alexander Gerschenkron, *Economic Backwardness in Historical Perspective* (Cambridge, Mass.: Harvard University Press, 1962); Jeffrey Frieden, 'Invested Interests: The Politics of National Economic Policies in a World of Global Finance', *International Organization*, 45 (1991), 425–51; Jeffrey Frieden and Ronald Rogowski, 'The Impact of the International Economy on National Policies: An Analytical Approach', in Robert Keohane and Helen Milner, eds, *Internationalization and Domestic Politics* (New York: Cambridge University Press, 1996); Geoffrey Garrett and Peter Lange, 'Internationalization, Institutions, and Political Change', *International Organization*, 49 (1995), 627–55; Peter Gourevitch, 'The Second

with the connection between international economy and domestic politics shows that different constellations in a country's trading relationships lead to different domestic political coalitions and affect the political strategies of incumbent governments. When important domestic groups lose because of particular trade policies, governments frequently pursue remedies intended to compensate the losers from changes in trade – in particular, if these groups are actual or potential supporters of the government.¹¹

Given the changes that have taken place in Japan's trading relationships with the rest of the world over the past decades, these findings suggest that exposure to trade may play an important role in elections involving winners and losers from international trade.¹² Specifically, changes in Japan's exposure to trade are relevant for models of electoral support for the Liberal Democrats; first, because the LDP was the governing party during the entire period examined here; secondly, because the party initiated policies aimed at increasing trade; and thirdly, because the party consists of a number of competing factions that are differently affected by changes in Japan's trading relationships.¹³

Several important constituencies of the LDP have come under economic pressure both because of the gradual opening of the Japanese market to the world economy and because of an increased dependence on foreign markets under the leadership of successive LDP governments. These constituencies include, most notably, farmers, rural areas generally and small business owners. Given that these groups constitute a significant share of the LDP's support, any changes that affect them negatively should also affect the LDP's chances of electoral success.

Farmers and small businesses have been particularly affected by the increasing importance of Japan's international trade because the LDP decided to compensate large export-oriented firms for the increased uncertainty brought about by competition in the international marketplace. As such firms developed important markets abroad and international pressures to open Japan's domestic markets grew, LDP-initiated policy shifts lessened the protection of the agricultural sector and generally reduced subsidies and regulatory privileges for small businesses in favour of promoting the competitiveness of export-oriented manufacturers and service firms.¹⁴ When, in addition, the LDP

(Footnote continued)

Image Reversed: The International Sources of Domestic Politics', *International Organization*, 32 (1978), 881–911; Peter Katzenstein, *Small States in World Markets* (Ithaca, NY: Cornell University Press, 1985). In general, researchers have argued that increased trade has systematic effects on domestic political and economic actors both as a result of changes in relative prices, and because some actors' assets are more mobile than those of others.

¹¹ Remedies include, for example, compensatory mechanisms in the form of welfare state payments, subsidies, tariffs or non-tariff trade barriers. Cf. David Cameron, 'The Expansion of the Public Economy', *American Political Science Review*, 72 (1978), 1243–61; Frieden and Rogowski, *The Impact of the International Economy on National Policies: An Analytical Approach*; Katzenstein, *Small States in World Markets*.

¹² Mark Ramseyer and Frances Rosenbluth, *Japan's Political Marketplace* (Cambridge, Mass.: Harvard University Press, 1993).

¹³ Bradley Richardson *et al.*, 'The Japanese Voter: Comparing the Explanatory Variables in Electoral Decisions', in Scott C. Flanagan *et al.*, *The Japanese Voter* (New Haven, Conn.: Yale University Press, 1991), pp. 369–430; see also Baerwald, *Party Politics in Japan*; Gerald Curtis, *Election Campaigning Japanese Style* (New York: Columbia University Press, 1971); Mark Ramseyer and Frances Rosenbluth, *Japan's Political Marketplace* (Cambridge, Mass.: Harvard University Press, 1993); Takashi Inoguchi, 'Seisaku kettei e no ishiki kōzō o miru', *Ekonomisuto*, 3 (1989), 84–91

¹⁴ Ramseyer and Rosenbluth, *Japan's Political Marketplace*, chap.10. In addition, urban white-collar voters have become more important for the LDP's electoral strategies over the years because the number of rural electoral districts was substantially reduced as a result of demographic shifts in Japanese society. Thus, the percentage of rural districts has been reduced from 80 per cent in 1960s to only 35 per cent in the mid-1970s (Yoshiaki Kobayashi,

focused its attention on winning urban areas and white-collar constituencies in order to maintain its hold on power, farmers and voters associated with small businesses deserted the LDP.¹⁵

In essence, the opening of the Japanese market and Japan's success abroad has affected farmers because it exposes them to increased competition and because the LDP has turned away from rural areas in favour of urban ones. Moreover, policies traditionally employed to assist the small business sector have been utilized to a much lesser extent because the LDP has chosen to placate voters in powerful business constituencies who are trying to compete abroad. In the context of economic voting in Japan, it is expected that Japan's increased exposure to trade is negatively associated with support for the LDP as both farmers and rural middle-class voters are less likely to support the party. We also expect openness to have positive effects on support for the JSP because it constitutes the LDP's main political competitor and the biggest opposition party during the period investigated here.

A MODEL OF ECONOMICS, POLITICS, AND ELECTION OUTCOMES IN JAPAN

This Note seeks to address shortcomings of the existing literature on Japanese economic voting by, first, examining a more complete set of election results than previous studies in order to overcome problems associated with a small N . Secondly, in order to guard against the criticism that the models are biased towards finding economic effects by only including economic variables, we investigate the effects of both economic *and* political variables on election outcomes for the ruling LDP and the main opposition party, the JSP. Thirdly, this study employs the economic variables most consistently used in studies of economic conditions and government support in Western democracies, namely the rates of unemployment, inflation and economic growth. Fourthly, this Note will examine the effects of international economic developments by estimating the impact of exposure to trade on election outcomes.

The data employed to test our models cover every election since the formation of the LDP, i.e., the 1958–92 period. This means that we are able to test for the effects of economics and politics on electoral support for the LDP and the JSP for a very comprehensive sample of elections. The domestic economic variables are the average annual unemployment, inflation and growth rates, which were taken from the Organization for Economic Cooperation and Development's Main Economic Indicators. The growth rate of the gross domestic product (GDP) is standardized for 1985.¹⁶

(Footnote continued)

Gendai nihon no sekyo (Tokyo: University of Tokyo Press, 1990). Losing rural voters, however, meant an increase in the number of LDP voters who were more likely to 'vote as consumers than as producers' (Ramseyer and Rosenbluth, *Japan's Political Marketplace*, p. 192). In other words, white-collar urban voters, whose numbers have increased over the years, were less directly tied to the income of their firms – mostly large export-oriented companies. See also Jōji Watanuki, Ichirō Miyake, Takashi Inoguchi and Ikuo Kabashima, *Nihonjin no senkyo kōdō* (Tokyo: University of Tokyo Press, 1986).

¹⁵ This was particularly problematic because rural districts – where such groups were primarily located – have a disproportionate influence over the allocation of seats under Japan's single non-transferable vote (SNTV) electoral system. It is noteworthy that the LDP's electoral strategy which relied heavily on the 'personal vote' is more expensive and less effective in urban and suburban areas (Rosenbluth, *Internationalization and Electoral Politics in Japan*, p. 19; see also Reed, 'Democracy and the Personal Vote: A Cautionary Tale from Japan'). These developments were coupled with a general trend toward dealignment in the Japanese electorate (see Flanagan *et al.*, *The Japanese Voter*).

¹⁶ The models shown below were also tested with other variable operationalizations, such as lags, or change scores for the independent variables. These results are not shown here but can be obtained from the first author.

The openness of the economy is measured as the percentage of GDP that is derived from world trade by inserting data for imports and exports in the formula

$$\frac{\frac{1}{2}\Sigma(x + m)}{\text{GDP}} \times 100, \quad (1)$$

where x stands for exports and m for imports. GDP is again standardized for 1985.¹⁷

Two political variables are included in the models of electoral support for LDP and JSP: a scandal variable for those election years when there was a major scandal involving the government and/or its ministers. The most significant three political scandals that have rocked the Japanese political landscape during this period are coded for the purposes of this study: the Black Mist scandal of 1967, the 1976 Lockheed scandal and the 1989 Recruit scandal. The scandal variable was coded as a dummy (0,1), with 1 indicating an election year that was overshadowed by a scandal, and 0 otherwise.

Another variable was included to account for differential turnout in Japanese elections. It is generally assumed that a high turnout helps the Liberal Democrats.¹⁸ This was, for example, the case on the two occasions when a so-called double-election was held. Double-elections take place when the election for the upper and the lower house are held on the same day.¹⁹ To examine the role of turnout more generally and beyond specific elections, the overall rate of turnout is included in the model.²⁰

To account for the differences in election outcomes in House of Representatives and House of Councillors elections, the model also includes a dummy variable that is scored 1 when the election is a House of Representatives election (and 0 otherwise), since the LDP usually does better in House of Representatives elections.

The full model that is tested below for both the LDP and the JSP thus looks as follows:²¹

$$\begin{aligned} \text{Party Support} = & \beta_1 + \beta_2 * \text{Unemployment} + \beta_3 * \text{Inflation} + \beta_4 * \text{Economic Growth} \quad (2) \\ & + \beta_5 * \text{Exposure to Trade} \\ & + \beta_6 * \text{Scandal} + \beta_7 * \text{Turnout} \\ & + \beta_8 * \text{Chamber Dummy} + \varepsilon \end{aligned}$$

The electoral data come from the 1993–94 edition of the *Japan Statistical Yearbook*. The total number of observations is twenty-five: twelve House of Representatives elections and thirteen House of Councillors elections. This number spans all Diet elections since the birth of the LDP. The dependent variables are the percentage of House

¹⁷ It is sensible to include both exports and imports in the openness variables because there is no *a priori* reason to believe that imports would affect constituencies differently than exports. Moreover, the results are unlikely to be different with variables that only measure exports or imports as they are correlated with the combined measure in excess of 0.95.

¹⁸ Inoguchi, 'Explaining and Predicting Japanese General Elections'.

¹⁹ Takashi Inoguchi, 'The Japanese Double Election of 6 July 1986', *Electoral Studies*, 6 (1987), 63–9.

²⁰ Inoguchi argues that 'the marked Liberal rise on that occasion in the mobilization of voting strength in electorates that were conservatively inclined but normally politically apathetic was widely thought to be the result of holding the two elections on the same day' (Inoguchi, 'The Japanese Double Election' p. 63).

²¹ Several different model formulations were tested (results not shown here.) We included, for example, a variable that accounted for the two double-elections (in 1980 and 1986) and ran the models with change scores as dependent variables. We also estimated the models with the help of lagged endogenous variables. None of these efforts yielded results that contradict the ones reported here.

TABLE 1 *Description of the Variables*

| Variable | Description | Minimum | Maximum | Mean |
|--------------------------------|--|---------|---------|-------|
| Percentage of the vote for LDP | % of popular vote won by LDP in elections to House of Representatives and House of Councillors (1958-92) | 29.34 | 57.80 | 44.96 |
| Percentage of the vote for JSP | % of popular vote won by JSP in elections to House of Representatives and House of Councillors (1958-92) | 14.86 | 33.80 | 23.56 |
| Scandal | Dummy variable coded 0, 1 0 = no scandal 1 = scandal | 0.00 | 1.00 | 0.12 |
| Turnout | Voting turnout of eligible voters (in %) | 50.70 | 76.99 | 68.11 |
| Unemployment | National rate of unemployment (in %) during election years | 1.13 | 2.80 | 1.89 |
| Inflation | % change in the consumer price index from the previous year during election years | -0.43 | 23.15 | 5.11 |
| GDP growth | % change in GDP standardized at 1985 prices during election years | -0.76 | 15.46 | 6.20 |
| Exposure to trade | Sum of exports and imports divided by 2 as a % of GDP during election years | 6.76 | 18.31 | 12.09 |

of Representatives and House of Councillors votes for LDP and JSP.²² Table 1 shows descriptive statistics for the variables included in the estimations.

ESTIMATION AND RESULTS

To estimate the effects of politics and economics on support for the LDP and the JSP, several model specifications are estimated in order to ensure that the effects are not an artefact of specification errors: Model I examines the impact of the scandal and turnout variables separately (pure political model), Model II examines the effects of the domestic economic factors inflation, unemployment and GDP growth separately (pure domestic economic model), and Model III tests for the effects of the openness of the Japanese economy on party support (pure international economic model). Finally, Models IV and V examine the impact of economic and political factors together, where Model V includes the openness variable whereas Model IV does not.²³

We estimate the effects of the variables on election support with a generalized least squares (GLS) procedure. This approach is useful in order to overcome problems of heteroscedasticity frequently present in data of the kind used here. The GLS procedure used here (Prais–Winsten) adjusts the parameter estimates for any heteroscedasticity bias in the data.²⁴ Tables 2 and 3 show for each party the results of the estimation that includes both sets of political and economic variables.

Liberal Democratic Party

The results for LDP vote shares are consistent across the different model formulations (see Table 2). The scandal variable is highly significant and *negative* (by itself and in conjunction with other variables; Models I, IV, V), while turnout has a significant *positive* effect on electoral support for the LDP, both by itself and in combination with economic variables (Models I, IV, V). Although the signs are in the right direction, none of the variables measuring domestic economic performance is statistically significant in any of the model formulations. However, increased exposure to trade is significantly and *negatively* associated with electoral success of the LDP. Model V examines the

²² The approach followed here is the one used by Inoguchi, whose dependent variable includes both upper and lower house election results. An alternative approach is that taken by Reed and Brunk, whose dependent variables are two separate time series of upper and lower house election results that are not chronologically combined in total, but chronologically listed by chamber. We ran the models both ways and no significant differences were found.

²³ All models include the chamber dummy to control for the differential effects across houses of parliament.

²⁴ Technically, our data set constitutes a pooled cross-section, not a time-series, although it includes election results over a fairly long period of time. This means that GLS is an appropriate estimation technique (Nathaniel Beck and Jonathan N. Katz, 'What To Do (And Not To Do) With Time-Series Cross-Section Data', *American Political Science Review*, 89 (1995), 634–47). We should point out that the time periods in our dataset occur at irregular and variable intervals. Such an uneven spacing of time points combined with the cross-sectional nature of the data makes familiar tests for serial correlation, such as Durbin–Watson's *d* or *h*, or tests for other properties associated with true time-series data, such as ARCH, Lagrange Multiplier and Dickey–Fuller tests, inappropriate. Following the argument made by Beck and Katz ('What To Do') and Powell and Whitten in their cross-national study of economic voting (G. Bingham Powell and Guy Whitten, 'A Cross-National Analysis of Economic Voting: Taking Account of the Political Context', *American Journal of Political Science*, 37 (1993), 391–414; see esp. p. 411), we contend that concerns over serial correlation are unfounded and therefore less significant than concerns over heteroscedasticity in the present context. (For an analysis of Japanese elections similar in statistical approach to the one employed here, see Gary W. Cox and Frances Rosenbluth, 'The Electoral Fortunes of Legislative Factions in Japan', *American Political Science Review*, 87 (1993), 577–89.)

TABLE 2 GLS Estimates of Models of Public Support for the LDP

| Independent variable | Model I | Model II | Model III | Model IV | Model V |
|--------------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| Intercept | 27.725*** (7.053) | 48.654*** (7.312) | 54.236*** (2.668) | 29.922*** (5.978) | 49.916*** (6.702) |
| Scandal | -8.422*** (2.786) | | | -8.642*** (2.150) | -6.444*** (1.262) |
| Turnout | 0.231** (0.109) | | | 0.324*** (0.111) | 0.102* (0.051) |
| Unemployment rate | | -3.307 (2.265) | | -3.626 (2.256) | -0.831 (2.175) |
| Inflation | | -0.259 (0.304) | | -0.427 (0.289) | -0.172 (0.207) |
| GDP growth | | 0.206 (0.329) | | 0.184 (0.236) | -0.100 (0.315) |
| Exposure to trade | | | -1.024*** (0.222) | | -0.922*** (0.259) |
| Chamber dummy | 5.950*** (1.642) | 6.137*** (1.697) | 5.719*** (1.262) | 4.630*** (1.329) | 5.873*** (0.974) |
| <i>N</i> | 25 | 25 | 25 | 25 | 25 |
| Adjusted <i>R</i> ² | 0.508 | 0.362 | 0.666 | 0.651 | 0.770 |
| Breusch-Pagan statistic (d.f.) | 1.473 (3) | 1.288 (4) | 3.409 (2) | 1.702 (6) | 6.176 (7) |

Notes: The dependent variable is the percentage of votes. The standard errors of each value are given in parentheses. ***Significant at the 0.01 level, two-tailed. **Significant at the 0.05 level, two-tailed. *Significant at the 0.10 level, two-tailed.

effects of all political and economic variables together. The simple inference that can be made on the basis of the full model is that the conclusions are stable.

Thus, scandals hurt the electoral chances of the LDP significantly, leading to a 6–8 per cent decrease in the percentage of the vote in scandal election years. Generally speaking, the results confirm the long-standing wisdom that the LDP does better in House of Representatives elections. The most important conclusions, however, seem to be that the performance of the domestic economy does *not* affect electoral support for the LDP, while LDP support is significantly related to Japan's trading relationships with the rest of the world. The more open the Japanese economy and the more dependent Japan is on the world economy, the worse the LDP does in national elections. A 1 per cent increase in the share of the GDP that is derived from imports and exports is associated with a concomitant 1 per cent loss of support for the LDP (everything else held constant).

The overall explanatory value of the different model formulations – expressed in the adjusted R^2 – is highest for the full model (V, 0.770), followed by the openness model (III, 0.666), the combined political/domestic economic model (IV, 0.651), with the pure political model (I) still explaining a respectable 50 per cent of the variance. The insignificance of domestic economic factors for LDP election results is once again shown by the weaker performance of the pure domestic economic model III, which explains only about a third of the variance in the dependent variable ($R^2 = 0.362$).

Japan Socialist Party

The results of the regression analysis with JSP vote as the dependent variable lead to conclusions that are somewhat different from the analysis of the LDP vote shares. Yet they also do not support the hypothesis that JSP support is affected by economic conditions (see Table 3). The only variable that is significant across different model formulations is the scandal variable. The positive coefficient indicates that scandals involving the LDP and its politicians help the JSP. Its size is about half that of the LDP scandal coefficient. The JSP thus benefits from the *faux pas* of the governing party, but it does not gain as much as the LDP itself loses because of this. This is not surprising since the JSP is not the sole beneficiary of such LDP losses, given that the other parties in the system are likely to profit as well.

None of the other political or economic variables proves significant in the analysis of JSP election results.²⁵ Moreover, their signs would indicate that the JSP loses support when economic conditions worsen. Taken together, these results mean that Japan's main opposition party neither gains nor loses from increased turnout, nor does it gain in votes when economic conditions are bad. Overall, we thus find that the governing LDP was not negatively affected by bad economic times, while the main opposition party did not gain in support.²⁶

Japan's relative exposure to trade is a significant determinant of JSP election results in the pure international economic model formulation (model III). The negative coefficient indicates that increased economic openness has hurt the JSP's electoral

²⁵ See also Kohei, Miyake and Watanuki, 'Issues and Voting Behavior', p. 295.

²⁶ One might suspect that these results would look different if the percentage of seats instead of votes were used as the dependent variable because of the distinct nature of the electoral system in Japan during this period. However, the results shown here hold when the percentage of seats is investigated as the dependent variable.

TABLE 3 GLS Estimates of Models of Public Support for the JSP

| Independent variable | Model I | Model II | Model III | Model IV | Model V |
|--------------------------------|---------------------|----------------------|----------------------|---------------------|----------------------|
| Intercept | 20.020** (9.364) | 31.532*** (8.805) | 32.046*** (3.377) | 18.680* (10.241) | 30.779** (12.745) |
| Scandal | 2.516 (2.412) | | | 2.202** (1.023) | 4.033* (2.333) |
| Turnout | 0.065 (0.244) | | | 0.200 (0.228) | 0.049 (0.168) |
| Unemployment rate | | -3.255 (2.551) | | -3.499 (2.482) | -3.443 (2.042) |
| Inflation | | -0.395 (0.331) | | -0.513 (0.343) | -0.250 (0.178) |
| GDP growth | | 0.405 (0.375) | | 0.372 (0.343) | 0.116 (0.286) |
| Exposure to trade | | | -0.724** (0.320) | | -0.314 (0.477) |
| Chamber dummy | -1.734 (2.107) | -2.023 (1.649) | -1.115 (1.444) | -3.622* (1.962) | -2.041 (1.597) |
| <i>N</i> | 25 | 25 | 25 | 25 | 25 |
| Adjusted <i>R</i> ² | 0.093 | 0.245 | 0.242 | 0.240 | 0.343 |
| Breusch-Pagan statistic (d.f.) | 0.535 (3) | 4.720 (4) | 10.626 (2) | 3.654 (6) | 8.482 (7) |

Notes: The dependent variable is the percentage of votes. The standard errors of each value are given in parentheses. ***Significant at the 0.01 level, two-tailed. **Significant at the 0.05 level, two-tailed. *Significant at the 0.10 level, two-tailed.

success. However, the coefficient becomes insignificant in the full model (V), indicating that the effects are small once other political and economic factors are accounted for.

The overall explanatory power of the models for the JSP are less significant than those for the LDP. While the full model (V) explains about a third of the variance in the dependent variable ($R^2 = 0.343$), Models II, III and IV have R^2 s of about 0.25. The pure political model (I) has the lowest R^2 with about 10 per cent variance explained. These figures stand in marked contrast to the results obtained for the LDP.

CONCLUSIONS

This Note has investigated the effects of domestic economic performance (unemployment, inflation, growth) and international economic factors (exposure to trade) on electoral results in Japan from 1958 to 1992 for the governing Liberal Democratic Party and the main opposition party, the Japan Socialist Party. Aside from domestic economic conditions and economic openness, the models examined in this note specified political scandals and turnout as political factors that were expected to affect popular support for political parties.

The results indicate that domestic economic conditions do not have a systematic impact on the electoral performance of either the LDP or the JSP. This indicates that Japanese voters – in the aggregate – do not evaluate the performance of the governing and opposition parties based on domestic macroeconomic performance. In fact, the consistent significance of the political factors – especially the scandal variable – demonstrates that mobilization efforts and political events pertaining to individuals matter more in the Japanese case than any other factor. Japanese voters do not seem to desert the ruling LDP for bad economic performance, and they do not reward the JSP when times are hard, although they have in the past punished the LDP for scandals and rewarded the JSP at the same time.

The results of the analysis that included the levels of exposure to trade of the Japanese economy, however, were in line with expectations – at least for the LDP. Voters have deserted the Liberal Democrats in significant numbers as the LDP pursued policies that opened the Japanese market to imports, and as LDP-led governments made efforts to help large firms compete abroad. Increases in Japan's dependence on trade have thus hurt the LDP but not significantly benefited the JSP. In fact, exposure to trade is negatively associated with JSP support as well. This indicates that hard economic times may be better captured in the Japanese case by variables that focus on the effects Japan's international political economy has on particular domestic constituencies, and not simply on traditional measures of domestic economic performance such as unemployment or inflation.

The findings presented here point to the need to revise our expectations that domestic economic conditions necessarily affect governments and parties, and that they do so regardless of the political, institutional and international economic context.²⁷ Given the particular set-up of the Japanese system and its economic development, the results suggest that future studies of government support need to go beyond the domestic political economy and systematically incorporate a country's international economic environment when examining the electoral consequences of economic outcomes.

²⁷ Cf. Powell and Whitten, 'A Cross-National Analysis of Economic Voting': see also Christopher Anderson, *Blaming the Government: Citizens and the Economy in Five European Democracies* (Armonk, NY: M. E. Sharpe, 1995).

Who Voted for the Bharatiya Janata Party?

PRADEEP CHHIBBER*

The electoral success of the Bharatiya Janata Party (BJP), a right-wing religious party, in India's 1991 national elections has often been attributed to the rise of Hindu religious sentiments.¹ There is little in the way of substantive evidence, however, that Hindus have either become more religious or that they were willing to express their religiosity more politically only in the 1990s. This Note claims that the BJP was electorally successful on account of its ability to forge a coalition between religious groups and the middle classes. The BJP, an advocate of a mixed economy in the 1970s and Gandhian socialism in the early 1980s, emerged in the 1990s as an ardent critic of state intervention. It was this programmatic shift which enabled the BJP to garner the support of the middle classes, who were 'mobilizable' because of their growing disaffection with the political and economic policies pursued by the Congress party. The electoral success of the BJP hence lay not in mobilizing only the 'religious' but in its ability to put together a viable coalition between religious Hindus and those disaffected by excessive political intervention in the economy.

Congress, the dominant party since independence in India, was the chief architect of the developmental state. Congress limited access to the state to its supporters – large landlords, capitalists and the political-bureaucratic combine.² Over time, the distinction between the party and the state also became less meaningful in India. The BJP, by questioning the excessive 'power of the state' and a willingness to 'get the state out of the economy', in 1991 drew the support of the middle classes whose interests were no longer represented within the Congress party–state. This note will provide evidence that not only do religious and economic issues lie on distinct dimensions for local political elites of the BJP but that middle-class support for the BJP is a recent phenomenon.³

ECONOMIC AND RELIGIOUS ATTITUDES OF PARTY ACTIVISTS

To assess the relative importance of both economic and religious considerations for BJP activists data from a 1993 study of local elites was analysed.⁴ Local political elites from

* Department of Political Science, University of Michigan, Ann Arbor. An earlier version of this note was presented at the junior faculty colloquium at the University of Michigan. I would like to thank Al Badr SS Abu-Baker, Doug Dion, Frieda Fuchs and Daniel Levine for helpful suggestions. Anonymous referees and the Editor's suggestions helped make this a better paper. All remaining errors are still mine. The research was made possible by a grant from the American Philosophical Society.

¹ After the 1991 elections the BJP emerged as the second largest party in Parliament and captured almost a fifth of the votes cast.

² This point is made most forcefully in Pranab Bardhan. *The Political Economy of Development in India* (Oxford: Basil Blackwell, 1984).

³ It is important to distinguish this argument from observations that the Jana Sangh drew its support from the urban trading classes (B. D. Graham, *Hindu Nationalism and Indian Politics: The Origins and Development of the Bharatiya Jana Sangh* (Cambridge: Cambridge University Press, 1990)). The urban trading classes supported the Jana Sangh for religious not economic or political reasons. Contemporary middle-class support for the BJP, this Note claims, is rooted in political and economic considerations not religious ones.

⁴ The 1993 local elite study was conducted by the author in conjunction with the OASES (Organization for Applied Socio-Economic Systems) and the University of Michigan.

the major parties were identified and interviewed in seven states: Andhra Pradesh, Bihar, Kerala, Maharashtra, Madhya Pradesh, Uttar Pradesh and West Bengal. Respondents were asked a wide range of questions on the role of the state in various areas: specifically, questions as to whether the government should take more or less action (1) in controlling trade and industry; (2) in expanding the private sector and denationalizing industry; (3) in regulating personal laws, religious matters and caste activities; and (4) in distributing food, providing law and order and in controlling corruption. Answers to whether they thought the state ought to play a larger or smaller role in economic matters alone (less role in controlling trade and industry and a greater role in expanding the private sector and denationalization) were combined to obtain a scale that measured the extent of liberalization favoured by respondents. Forty-one per cent of BJP party activists were in favour of less state intervention, whereas 27 and 24 per cent of Congress and other party activists respectively favoured less state intervention; 37 and 44 per cent of Congress and other party activists favoured greater state control while less than a fifth (18 per cent) of the BJP activists advocated greater state control.

This difference in attitudes towards economic issues between political parties persists even when controlling for the religious orientations of the respondents. The ten items dealing with the role of the state were standardized and added to yield four principal categories: an economic orientation which was a combination of responses to questions on state control over trade and industry; a social variable that consolidated responses to questions on regulating religious matters, personal law and caste activities. Responses to denationalization and the encouragement of privatization were merged into one category while the variables on corruption and law and order provided a final category.

Table 1 indicates there are significant differences between the parties on some of these four categories. BJP activists are more likely to be in favour of less state intervention in trade and of a more active role for the state in denationalizing and privatizing industry. BJP activists also favoured lessening a role of the state in regulating personal laws, religious matters and caste activities. Those associated with Congress appear in the centre of the political spectrum on all issues. Other party activists take positions to the left of the centrist Congress.

Additionally, BJP activists differed from Congress and other party activists in terms of their religiosity and perceptions of other religions. Fifty-nine per cent of BJP activists were likely to pray, go to temple or attend religious meetings on a more or less regular basis, but only 20 per cent of the Congress and other party activists were similarly inclined. This sharp contrast persists when respondents were asked if their religion was different from other religions. Among Hindu respondents, party elites associated with the BJP were most likely to see their religion as distinct from other religions (a majority

TABLE 1 *Mean Scores of Party Activists on the Extent of State Intervention in Some Issue Areas**

| Party | Issue area | | | |
|-------------|------------|----------|----------------|----------|
| | Economic | Social | Liberalization | Other |
| Congress | - 0.1619 | 0.1773 | - 0.0139 | - 0.0280 |
| BJP | 0.5225 | - 0.3389 | 0.3196 | 0.0538 |
| Other party | - 0.3398 | 0.1641 | - 0.2706 | - 0.0052 |

*Data taken from the 1993 Elite Survey; $N = 456$.

of them thought so). In contrast, only 9 per cent of Hindu Congress party activists thought of Hinduism as different from other religions.

To determine whether economic considerations influence the attitudes of the BJP independently of religious and social considerations, a logistic regression model was estimated. The variables included not only respondent attitudes on the role of the state but also their perception of how different their religion was from other religions and respondent religiosity. Since the BJP is considered an upper caste party, the caste of the respondents was included as a control.⁵ The results reported in Table 2 indicate quite clearly that even when controlling for religious orientations, religiosity and caste, attitudes towards the economy still distinguish BJP activists from those of other parties.

Economic and religious concerns, central to discriminating BJP activists from those of other political parties, also form independent underlying dimensions of elite attitudes. A factor plot (Figure 1) reveals that economic matters lie on a dimension that is clearly different from the religious concerns of the BJP. This factor plot was derived from a factor analysis of six variables (Appendix 1). The variables that form the religious dimension are: the religiosity of the respondent (*reltype*); whether religion and politics go together (*relpolit*); and whether a respondent's religion (Hinduism) was different from other religions (*reldiff*). The economic dimension was composed of three variables: the extent of state control over trade (*trade*); the degree of state control over industry (*industry*); and whether the respondent favoured greater encouragement to the private sector and denationalization of the nationalized industries (*laissez*). Figure 1 suggests quite clearly that attitudes towards the economy and the religious orientation of the BJP activists lie on different dimensions, and, hence, that economic issues cannot be treated as belonging to the same issue dimension as the religious orientation of the local BJP elites.

From the data it appears that the BJP has a definite position on the role of the state in the economy and that this position, moreover, is not reducible to its religious orientation. The advocacy of less state intervention (Table 1) by the BJP gives the party an identity on economic matters different from that of other political parties. This distinct

TABLE 2 *Religion, Economics and BJP Activists**

| Variable | Coefficient | Standard Error | Significance |
|--------------------|-------------|----------------|--------------|
| Economic | 0.3053 | 0.0762 | 0.0001 |
| Social | -0.0711 | 0.0593 | 0.2301 |
| Liberalization | -0.1877 | 0.0859 | 0.0288 |
| Religion different | 0.7644 | 0.1555 | 0.0000 |
| Religiosity | -1.5091 | 0.2283 | 0.0000 |
| Upper caste or not | -0.0122 | 0.2617 | 0.9628 |
| Other | 0.0023 | 0.0790 | 0.9763 |
| Constant | 0.3806 | 0.5095 | 0.4550 |

*Logistic regression to distinguish BJP activists' attitudes from those of other party activists (-2 log likelihood, 506.83801; percentage correctly predicted, 78.62 per cent; number of cases, 407).

⁵ Paul Brass, 'Caste, Class, and Community in the Ninth General Elections for the Lok Sabha in Uttar Pradesh' and 'The Rise of the BJP and the Future of Party Politics in Uttar Pradesh', in Harold A. Gould and Sumit Ganguly, eds, *India Votes: Alliance Politics and Minority Governments in the Ninth and Tenth General Elections* (Boulder, Colo.: Westview Press, 1993).

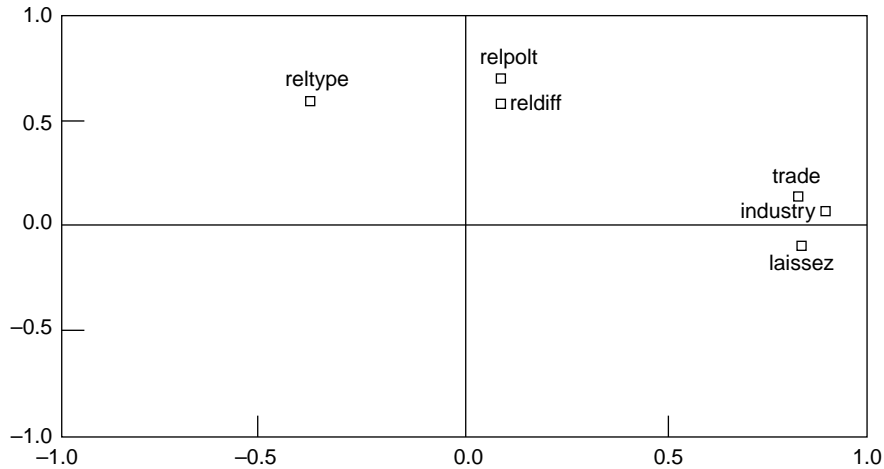


Fig. 1. Economic and religious attitudes of BJP activists

economic position is new to the BJP because the party did not have a clear and distinct position on economic matters in the four decades following independence. The BJP's platform was centred more on providing religious groups with a voice in opposition to the secular policies of the developmental state.

SECULARISM AND THE EMERGENCE OF THE BJP

The Jana Sangh was formed in response to the secular politics of the Congress. At independence, the governing regime in India believed religion to be a force that would thwart the process of nation-building. Religion was seen by Congress elites as standing in the way of citizens developing a primary identification with the nation-state. Nehru 'had no inclination to give institutional shape to what he saw as a vestige of tradition destined to obliteration through the operation of the inexorable laws of history.'⁶

A segment of the Congress party at independence was, however, willing to accommodate the social policy agenda of Hindu religious groups. The creation of a legal code which would govern social policy sparked off a debate between Hindu traditionalists and secularists in the ruling Congress party.⁷ Conflict emerged over the Hindu Code Bill which intended to provide 'for a unified system of law governing Hindu marriage' in an attempt 'to give women rights that they had not previously enjoyed. Many orthodox Hindus, some within the Congress, were opposed to the measure and its passage through the Constituent Assembly was continually delayed.'⁸ In the end the bill passed, but it signalled to religious groups that the secular position had prevailed.

⁶ Subrata Kumar Mitra, 'Desecularising the State: Religion and Politics in India after Independence', *Comparative Studies in Society and History*, 33 (1993), 755–71, at p. 756.

⁷ Graham, *Hindu Nationalism and Indian Politics*.

⁸ Graham, *Hindu Nationalism and Indian Politics*, p. 19.

Evidence for the unwillingness of Congress to accommodate Hindu religious groups within its fold also comes from the efforts of the Rashtriya Swayamsevak Sangh (RSS), an openly Hindu organization, to align with Congress at the local level.⁹ Despite initial sympathy to the RSS's overtures, Congress reversed its position and would not allow its members to hold joint membership with the RSS. The division between the Hindu traditionalists and liberal secularists within the Congress was most clearly highlighted in the election for party president in 1951 – an election between the more 'traditional' Purshottamdas Tandon and the more 'secular' J. B. Kripilani. Nehru's open support of J. B. Kripilani and his forcing of Purshottamdas Tandon to resign once Kripilani had been elected president, was a clear indication of the dominance of the secularist faction within the Congress party. This intra-party division led to the formation of a political party that promoted itself as the protector of the interests of the Hindus – the Jana Sangh, precursor to the Bharatiya Janata Party (BJP). Its main architects were former Congress activists who rejected Congress's secular policy preferences.¹⁰ The 'issues which occupied the attention and interests of the members of [the Jana Sangh] ... were essentially not economic.'¹¹ Jana Sangh activists were more concerned with cultural questions, such as 'opposition to the Hindu Code Bill, and their charge of favoritism toward Muslims by the government – these were the key issues ... not land reform and other economic questions.'¹²

ECONOMIC POLICY OF THE JANA SANGH AND THE BJP: 1951–91

For much of the period since its inception the economic policy of the BJP (Jana Sangh) was not distinguishable from that of the Congress. In 1951 the party supported land reforms and asked for an abolition of Jagirdari and Zamindari 'without compensation.'¹³ In the industrial sector the party stood for 'public ownership of industries especially catering to the essential defence needs of the country.'¹⁴ In 1957, a year after Congress's adoption of a socialist vision of society, the Jana Sangh repeated its stance that there was a need to avoid 'individualistic capitalism as well as State capitalism'.¹⁵ In 1967, the Bharatiya Jana Sangh continued to believe in a 'mixed economy... [and that] the controversy going on at present between the public sector and the private sector is meaningless'.¹⁶ The party also supported the nationalization of industries as long as a nationalization decision was 'taken not on a political basis but on the basis of recommendations by a judicial commission to be appointed for this purpose'.¹⁷ Like Congress, the Jana Sangh in 1971 declared a national war on poverty. It advocated full employment, nationalization of foreign banks, a desire to make the public sector more profitable and an independent central monetary authority. The unwillingness of the Jana Sangh to adopt a more *laissez-faire* economic programme in this period was most apparent in the reluctance of the party to form a pre-electoral coalition with the

⁹ This discussion draws heavily on Graham, *Hindu Nationalism and Indian Politics*.

¹⁰ This point is made in Paul Brass, *Factional Politics in an Indian State: The Congress Party in Uttar Pradesh* (Berkeley: University of California Press, 1965); and Graham, *Hindu Nationalism and Indian Politics*.

¹¹ Myron Weiner, *Party Politics in India* (Princeton, NJ: Princeton University Press, 1957), p. 212.

¹² Weiner, *Party Politics in India*, p. 213.

¹³ Bharatiya Jana Sangh, *Party Documents: Volume 1* (New Delhi: Bharatiya Jana Sangh, 1973), p. 51.

¹⁴ BJS, *Party Documents*, p. 52.

¹⁵ BJS, *Party Documents*, p. 85.

¹⁶ BJS, *Party Documents*, p. 166.

¹⁷ BJS, *Party Documents*, p. 166.

economically conservative party – the Swatantra – because the ‘Jana Sangh leaders had reservations about the unabashed economic conservatism of Swatantra’.¹⁸ The Jana Sangh continued its support for an interventionist economic policy through the early 1980s, with the party – by then renamed the BJP – deciding to adopt Gandhian–socialism in 1980.¹⁹ It was only in 1991 that the party repositioned itself as a fierce critic of state intervention in the economy.

For the 1991 elections the BJP made a clear declaration that ‘we will ... debureaucratise the economy to maximise production’;²⁰ and upon election it would ‘liberate the economy from the clutches of bureaucratic control’.²¹ The BJP wanted the state to ‘retreat from commercial activities and instead, concentrate on basic functions such as [maintaining] law and order, justice, [a] welfare programme, [the] infrastructure, etc.’²² The party also promised ‘a healthy investment environment so that entrepreneurs find [the] domestic market more attractive and challenging’ and pledged to ‘debureaucratise ... industry, cut down the plethora of controls which have mushroomed over the years and which breed corruption and dampen enterprise’ and to ‘clear projects promptly and quickly’.²³

The BJP’s attack on the developmental state found support within a segment of the population in 1991 because the economic and political policies adopted by the Congress party following the fiscal and political crisis of the 1980s had isolated their interests.

CRISIS IN THE DEVELOPMENTAL STATE

Congress, the prime promoter of the developmental state, dominated the electoral landscape uninterrupted from 1947 to 1967. The party’s provision of transfer payments, notably subsidies to various sectors, and generation of employment through an expansive state sector allowed it to draw support from most social groups. This control over the state, especially in the context of soft budget constraints, made it possible for Congress to build catch-all coalitions. Congress policies, however, also gave rise to conditions which would eventually make it difficult for the party to keep this coalition together. The large coalition that Congress had built first began to come apart in the mid-1960s because of a fiscal crisis caused by a series of bad harvests and by a political crisis associated with succession struggles within the Congress.

The Jana Sangh was unable to capitalize on the crisis in the mid and late 1960s for a couple of reasons. First, the economic position of the Jana Sangh was not very different from that of the Congress. This did not give the party a distinct identity on economic matters. Secondly, Congress used state resources to keep together the large multi-class coalition which had supported it.²⁴ This use of state subsidies helped to ensure support

¹⁸ Hampton Davey, ‘Polarization and Consensus in Indian Party Politics’, *Asian Survey* 12, (1972), 701–16, at p.707.

¹⁹ Sussane H. Rudolph and Lloyd I. Rudolph, ‘The Centrist Future of Indian Politics’, *Asian Survey*, 20 (1980), 575–94. This move to the centre alienated the party’s supporters and the party’s political base also narrowed (see Harold Gould, ‘Elections in India’s Hindi-Belt’, *Asian Survey*, 20 (1980), 595–66.

²⁰ M. L. Ahuja and Sharda Paul, *1989–1991 General Elections in India* (New Delhi: Associated Publishing House, 1992), p. 177.

²¹ Ahuja and Paul, *1989–1991 General Elections*, p. 182.

²² Ahuja and Paul, *1989–1991 General Elections*, p. 181.

²³ Ahuja and Paul, *1989–1991 General Elections*, p. 183.

²⁴ Pradeep Chhibber, ‘Political Parties, Electoral Competition, Government Expenditures and Economic Reform in India’, *Journal of Development Studies*, 1 (1995), 74–96.

for Congress through the mid-1980s, but had raised the government of India's average budgetary deficit. The deficit as a proportion of gross national product in the years following the fiscal crisis (1970–87) was more than double the average deficit in the years preceding the crisis (1960–70). By 1990–91, this government expenditure was the main reason why the fiscal deficit of the Indian government stood at over 8 per cent of gross domestic product.²⁵

Under Indira Gandhi (1971–77 and 1980–84) the Congress party also increased its political control over the instruments of state. The bureaucracy and the judiciary gradually lost their independence.²⁶ Dominant groups in this developmental party–state were the large landlords, capitalists and the political-bureaucratic combine all of whom appropriated state resources for themselves.²⁷ Opposition to this state came from the middle-classes, especially small business men and farmers, who did not have access to the political and economic resources provided by the Congress-governed state.

The middle classes were mobilized by the BJP, who tapped into their discontent by advocating a reduced role for the state in the economy.²⁸ The BJP's *laissez-faire* programme allowed it to capture the political and economic right of the political spectrum. Unlike 1967, when there was a party on the economic right – the Swatantra – the BJP was the sole occupant of that position in 1991.

SOCIAL BASIS OF SUPPORT FOR THE BJP: 1967 AND 1991²⁹

By advocating less state intervention in the economy, the BJP was able to attract the support of the middle classes. As Table 3 indicates, in 1967, the vote for the erstwhile Jana Sangh was not influenced by the occupation of the respondents (occupation was coded as a dummy variable with traders, the self-employed, low-level government employees and those in middle and low-level positions in the private sector coded as 1 and those in other occupations as 0) when controlling for other factors.³⁰ The variables that were most likely to influence vote for the Jana Sangh in 1967 were the caste of the respondent – with those of the upper caste more likely to vote for the Jana Sangh. In addition, those belonging to the pre-independence generation were more likely to vote for the Jana Sangh. The state a respondent lived in exercised an independent and significant influence on support for the Jana Sangh. None of the other variables, such as urban or rural residence, educational level or occupation helped discriminate Jana Sangh voters from voters of the other parties.

At the time of the 1991 election study, the picture had changed.³¹ For the 1991 post-election study, more directed questions were asked of respondents about their

²⁵ *Economic Times*, 28 February 1993.

²⁶ Lloyd I. Rudolph and Sussane H. Rudolph, *In Pursuit of Lakshmi: The Political Economy of the Indian State* (Chicago: The University of Chicago Press, 1987).

²⁷ Bardhan, *The Political Economy of Development in India*.

²⁸ The economic liberalization introduced by Rajiv Gandhi did not change this relationship in any significant way. See Atul Kohli, 'Politics of Economic Liberalization in India', *World Development*, 3 (1989), 305–28.

²⁹ The 1967 and 1991 elections are comparable on some indicators. The 1967 election was preceded by a period of infighting in Congress, a war with Pakistan in 1965, a series of bad harvests, and a fiscal crisis which had led to a devaluation of the rupee. The 1991 national elections followed a period of disarray in the Congress organization and perhaps the most serious fiscal crisis faced by the government of India.

³⁰ The 1967 post-election survey was carried out by the Centre for the Study of Developing Societies, New Delhi.

³¹ The 1991 post-election study was carried out by the author in conjunction with the Organization for Applied Socio Economic Systems.

TABLE 3 *Social Basis of Support of Jana Sangh in 1967**

| Variable | Coefficient | Standard Error | Significance |
|-------------------------|-------------|----------------|--------------|
| Caste | -0.2752 | 0.1178 | 0.0195 |
| Education level | -0.1910 | 0.3252 | 0.5570 |
| Economic status | -0.4392 | 0.2962 | 0.1381 |
| Age | 0.0472 | 0.0894 | 0.5975 |
| Pre-independence cohort | -1.1631 | 0.5382 | 0.0307 |
| Rural/urban | 0.6761 | 0.4235 | 0.1103 |
| Hindi heartland | -3.0206 | 0.6577 | 0.0000 |
| Occupation | 0.5556 | 0.6251 | 0.3741 |
| Constant | 4.5710 | 1.4949 | 0.0022 |

*Logistic regression estimates. Number of cases included in the analysis, 457; -2 log likelihood, 306.28167; percentage correctly predicted, 87.99 per cent.

TABLE 4 *Social Basis of Support of BJP in 1991**

| Variable | Coefficient | Standard Error | Significance |
|----------------------------------|-------------|----------------|--------------|
| Caste | -0.3128 | 0.0480 | 0.0000 |
| Education level | -0.0076 | 0.1040 | 0.9418 |
| Economic status | 0.0642 | 0.0610 | 0.2924 |
| Age | -0.4434 | 0.1317 | 0.0008 |
| Religiosity | -0.0930 | 0.0654 | 0.1562 |
| Know people from other religions | 0.2251 | 0.0888 | 0.0040 |
| Hindi heartland | 0.2484 | 0.1242 | 0.0455 |
| Rural/urban | 0.1336 | 0.0641 | 0.0371 |
| Occupation | 0.4946 | 0.1763 | 0.0055 |
| Constant | -0.7032 | 0.3582 | 0.0496 |

*Logistic regression estimates. Number of cases included in the analysis, 1,425; -2 log likelihood, 1,799.093; percentage correctly predicted, 64.84 per cent.

religious practices and attitudes. Respondents were queried on whether they had friends, acquaintances or relatives of other religions. The assumption was that if an individual had such contacts that individual would be less likely to be communal: i.e., against other religions. Respondent religiosity was determined by asking them how often they prayed, went to temple and attended religious meetings. As the results presented in Table 4 suggest, occupation is significant in determining whether an individual votes for the BJP. The religiosity of a voter did not have a significant impact on the vote for the BJP.³² Individuals who knew someone from another religion were less likely to vote for the BJP. Caste was still important with upper caste voters more likely to vote for the BJP. There were two other important shifts from 1967. First, the residence of the respondent was more critical, with urban respondents more likely to vote for the BJP in 1991 than 1967. More importantly, though, unlike in 1967, respondents in what may be considered

³² Religiosity, however, did distinguish BJP activists from those of other parties. The difference between the elite and masses on this score is consonant with the observation that elites often take positions more extreme than those of the voters. For the 'extreme' nature of elite attitudes, see Torben Iversen, 'The Logics of Electoral Politics: Spatial, Directional, and Mobilizational Effects', *Comparative Political Studies*, 2 (1994), 155-89.

to be middle-class occupations, were more likely to support the BJP. It is the support that the BJP derived from these groups (which have also grown in size as the country has become more urban and industrial) that explains why the BJP has become more electorally competitive in India over the past few years.

CONCLUDING DISCUSSION

This Note has suggested that the electoral success of the religious party in India can be understood only in the context of the policies of the developmental state. This may be especially valid as there is little, if any, evidence to suggest that Indians (especially Hindus) are becoming more religious. Since there is little evidence that Hindus are becoming more religious, an explanation for the rise of the BJP as a powerful electoral force cannot rest solely on the assertion that the BJP mobilizes only the religious. The success of the party can, instead, be attributed to the ability of the party to forge a coalition between religious groups and the economic interests of the middle classes. This alliance was made possible because of the politics of the developmental state. State policy formulated by the developmental state – secularism and economic intervention – provided the political opportunity structure for religious parties to build coalitions between religious groups and the middle classes. Policy responses by the developmental state to fiscal and political crises provided the catalyst for elites of religious parties to cement together coalition of religious groups and more *laissez-faire* economic interests. Not surprisingly, BJP activists were complaining during the 1996 election campaign that the Congress, by liberalizing the economy, had stolen their issue.

APPENDIX: FACTOR ANALYSIS STATISTICS

Kaiser–Meyer–Olkin Measure of Sampling Adequacy = 0.69809
 Bartlett Test of Sphericity = 195.66573, Significance = 0.00000

VARIMAX rotation 1 for extraction 1 in analysis 1–Kaiser Normalization

VARIMAX converged in three iterations.

Rotated Factor Matrix:

Factor Transformation Matrix:

| | Factor 1 | Factor 2 |
|----------------|-----------|-----------|
| <i>Laissez</i> | 0.84066 | – 0.09281 |
| <i>Relpolt</i> | 0.09695 | 0.68860 |
| <i>Reldiff</i> | 0.10486 | 0.56741 |
| <i>Reltype</i> | – 0.37922 | 0.59042 |
| <i>Trade</i> | 0.85283 | 0.13455 |
| <i>Indst</i> | 0.90241 | 0.06225 |

| | Factor 1 | Factor 2 |
|----------|----------|-----------|
| Factor 1 | 0.99999 | – 0.00383 |
| Factor 2 | 0.00383 | 0.99999 |

Accounting for Change in Free Vote Outcomes in the House of Commons

ANTHONY MUGHAN AND ROGER M. SCULLY

Parliamentary decision making is a growth area in the study of the British House of Commons. This is a facet of the behaviour of Members of Parliament (MPs) that tended to be ignored as long as the Commons was seen as a legislature that, cravenly subject to party discipline, simply rubber-stamped policy decisions made by the party leadership. By the 1960s, cohesive party voting had reached the point where 'it was so close to 100 per cent that there was no longer any point in measuring it'.¹ But more recently, this image of the Commons and its members has worn at the edges. While party loyalty remains very much the norm, MPs have shown themselves more willing than in the past to assert themselves against their party's leadership in order to exercise greater policy influence. One prominent example is the select committee system set up in 1979 to improve parliamentary scrutiny of the executive.² Another is the higher incidence of backbench rebellion and dissent in the division lobbies after the mid-1960s.³

A third area of decision making, and of research, is the 'free vote'.⁴ These are parliamentary divisions in which party discipline is relaxed and the MP permitted to vote as (s)he chooses on issues that do not threaten the government's larger legislative programme. While relatively infrequent, these votes can be important because their outcomes have often been of considerable consequence. Richards, for example, observes: 'It is difficult not to feel that many (free votes) made a greater impact on the daily lives of men and women than many Government measures.'⁵ Interestingly, though, the suspension of the whip on such votes does not diminish the primacy of party in structuring their outcome. 'The overall pattern is clear ... Only one variable, party, is a key factor in explaining all the (free) votes we have considered.'⁶

This latter observation is pertinent because it points to strengths and weaknesses of

* Department of Political Science, The Ohio State University. The authors would like to thank the *Journal's* referees for useful and constructive comments on an earlier draft of this Note.

¹ Samuel H. Beer, *Modern British Politics* (London: Faber, 1965), p. 350.

² Gavin Drewry, ed., *The New Select Committees*, rev. edn (Oxford: Oxford University Press, 1989); Michael Jogerst, *Reform in the House of Commons* (Lexington: University of Kentucky Press, 1993).

³ Philip Norton, *Dissension in the House of Commons 1945-74* (London: Macmillan, 1975); Philip Norton, *Dissension in the House of Commons 1974-79* (Oxford: Oxford University Press, 1980); Anthony Mughan, 'Midterm Popularity and Governing Party Dissension in the British House of Commons, 1959-1979', *Legislative Studies Quarterly*, 15 (1990), 341-56; and Charles Pattie, Edward Fieldhouse and R. J. Johnston, 'The Price of Conscience: The Electoral Correlates and Consequences of Free Votes and Rebellion in the British House of Commons, 1987-92', *British Journal of Political Science*, 24 (1994), 359-80.

⁴ The data on which this free vote analysis is based are deposited at the ESRC Data Archive at the University of Essex. They are also available from the authors on request.

⁵ Peter G. Richards, *The Backbenchers* (London: Faber, 1972), p. 149.

⁶ See David Marsh and Melvyn Read, *Private Members' Bills* (Cambridge: Cambridge University Press, 1988), p. 98; David Marsh and Joanna Chambers, *Abortion Politics* (London: Junction Books, 1981); John R. Hibbing and David Marsh, 'Accounting for the Voting Patterns of British MPs on Free Votes', *Legislative Studies Quarterly*, 12 (1987), 275-97; and Melvyn Read, David Marsh and David Richards, 'Why Did They Do It? Voting on Homosexuality and Capital Punishment in the House of Commons', *Parliamentary Affairs*, 47 (1994), 374-86.

existing analyses of free votes. A strength is their indication that it is shared attitudes and ideologies more than leadership-imposed discipline that is responsible for party voting in Parliament. A weakness is their limited ability to explain changing vote outcomes when the distribution of seats between the parties remains much the same from one division to the next. If this distribution is more or less a constant, how do we explain significant change in the outcome of free votes taken on the same subject but at different points in time?

This analysis investigates the dynamics of free vote reversals on the issues of capital punishment and the televising of the proceedings of the House of Commons.⁷ Both are examples of a decision taken on one vote going the other way on a second vote held only shortly afterwards. Reversals of this kind are shown not to be explicable by change in the predictive power of party from one division to the next. They are better understood, we argue, through a framework based on the change mechanisms of 'conversion' and 'replacement' among MPs. Moreover, conversion is shown to contribute less than replacement to the overall pattern of change. The specification of the relative contributions to change of conversion or replacement is also helpful for the light it throws on the importance of the mobilization of support for bringing the Commons to change its collective mind on controversial issues, like capital punishment and parliamentary television.

PARLIAMENTARY CHANGE

Change is a complex phenomenon and its conceptualization and measurement is always problematic. The literature on the realignment of party systems, however, is helpful in establishing a framework for understanding parliamentary change in the form of contrasting vote outcomes on the same issue but at different points in time. With the distribution of party identification in the electorate as its focus, this literature asks why one party replaces another as the majority party in the short space of one or more elections. It identifies two mechanisms of change – 'conversion' and 'replacement'.⁸ Conversion straightforwardly involves partisans of one party switching their loyalties permanently to another, whereas replacement involves new voters entering the electorate or abstainers disproportionately favouring one party over the other.

Our argument is that an analagous process drives the dynamics of changing free vote outcomes in legislatures. The issues of capital punishment and parliamentary television were chosen for a number of reasons. First, touching on very different underlying subjects – public morality versus institutional reform – and separated by three decades, they emphasize this framework's wide applicability in understanding parliamentary change of this kind. Secondly, they constitute a rigorous test of the conditions under which the Commons changes its collective mind. On the one hand, the issues under

⁷ Two general observations need to be made about this type of decisional change. First, it is not specific to the British House of Commons, but should be relatively common in legislatures where disciplined voting is not always the norm. Secondly, change does not necessarily entail reversal of the decision taken at the first point in time. It can just as easily take the form of a different balance of negative and positive votes at the later time point. In the US Senate, for example, a March 1994 vote on a balanced budget amendment was carried by 56 to 33. Just a year later, the matching figures were 65 to 35. Defeat was not turned into victory, but the change was highly significant in that it gave the Republican majority close to the two-thirds majority it required to pass a constitutional amendment. See also fn. 16 below.

⁸ See Kristi Andersen, *The Creation of a Democratic Majority 1928–1936* (Chicago: University of Chicago Press, 1979).

discussion seemed to be important to MPs. Despite the absence of a whip, fully 73.6 and 88.1 per cent of all members voted in the capital punishment divisions and 82.5 and 89.5 per cent in the television ones.⁹ On the other hand, unlike the majority of private members' bills, neither was consensual. Indeed, the votes on them were always close. The first capital punishment division took place in February 1955 when MPs, by a 245–214 majority, rejected an amendment to suspend the death penalty. Just one year later, an amendment to abolish capital punishment was carried by a similarly close margin of 293 to 262 votes. In the case of television, the Commons refused to grant the cameras entry by a vote of 275 to 263 in November 1985. It then reversed this decision in February 1988 by a 318–264 margin.¹⁰ Thirdly, the reversal in neither outcome can be attributed to a sharp redistribution of parliamentary seats as a result of the general election that took place between the first and second divisions. Both pairs of votes in fact took place under Conservative governments elected with majorities of similar size (17 and 58 after the 1951 and 1955 general elections and 144 and 102 after the 1983 and 1987 ones).

The stark puzzle, therefore, is why outcomes change when party is the principal determinant of individual free vote outcomes and its distribution among MPs remains largely invariant across different votes. It is a particularly perplexing puzzle in the case of capital punishment. Conservatives MPs were generally more favourable to the retention of the death penalty, yet their party's majority was actually larger when the amendment to abolish it was carried in 1956 than it had been when the opposite motion won the day in 1955. The simple explanation to suggest itself immediately is that the predictive importance of party weakens from one division to the next.

This possibility is explored in Table 1, which presents the findings of separate logistic regression equations on all four votes; the parentheses contain the standard errors of the individual variables. In the case of capital punishment, the pro-hanging position is scored '0' on both votes, and the abolitionist position '1'. For continuity's sake, we follow previous free vote analyses and use the explanatory variables of MPs' party affiliation, age, education, gender, region, and constituency marginality. To these we add two political variables that could well influence their reaction to the proposal to televise parliamentary proceedings in particular. The first is months in the Commons. The longer individuals remain there, the more socially and institutionally conservative they could be expected to become. Especially resistant to television in particular might be junior and senior front-benchers from both the Conservative and Labour parties who have made a good career and enjoyed the exercise of disproportionate policy influence in a chamber not exposed to the public gaze.¹¹

Two conclusions emerge from the table, one minor and the other major. The minor finding concerns the greater readiness of women to vote for institutional reform in the form of parliamentary television. Their relative radicalism may reflect generally more progressive attitudes that incline them to favour reforms changing institutional norms

⁹ There was a total 625 and 630 MPs respectively for the capital punishment votes and 650 of them for the television votes.

¹⁰ For a description of the circumstances surrounding the capital punishment votes, see James B. Christoph, *Capital Punishment and British Politics* (Chicago: University of Chicago Press, 1962), pp. 109–68. For television, see Bob Franklin, ed., *Televising Democracies* (London: Routledge, 1992).

¹¹ Treated as a dummy variable, front-bench experience comprises junior and senior office in both government and opposition. Information was obtained from various editions of *Dod's Parliamentary Companion*, various issues of *Who's Who?* and David and Gareth Butler's *British Political Facts 1900–1994* (London: Macmillan, 1994), pp. 1–125. The measure does not discriminate between current and past front-bench experience.

TABLE 1 *Predictors of Support for Abolition of Capital Punishment and for Parliamentary Television (Conservative and Labour Parties Only)*

| | Capital punishment | | Television | |
|-----------------------|--------------------|--------------------|--------------------|-------------------|
| | 1955 | 1956 | 1985 | 1988 |
| Labour | 7.89*** (0.86) | 6.24*** (0.54) | 0.95*** (0.23) | 2.62*** (0.28) |
| Female | -0.10 (1.69) | 1.46 (0.87) | 1.11* (0.52) | 1.18* (0.48) |
| Age | -0.10** (0.04) | -0.09*** (0.02) | -0.05*** (0.02) | -0.04* (0.02) |
| University | 0.33 (0.52) | 0.31 (0.33) | -0.19 (0.22) | 0.31 (0.23) |
| North | -0.01 (0.55) | -0.12 (0.37) | -0.32 (0.25) | -0.30 (0.29) |
| Scotland | -0.43 (0.93) | -0.35 (0.59) | 0.45 (0.35) | 0.17 (0.44) |
| Wales | 1.70 (1.29) | 2.41* (1.01) | 0.34 (0.33) | -0.58 (0.51) |
| Months as MP | 0.00 (0.00) | 0.00 (0.00) | 0.00* (0.00) | 0.00 (0.00) |
| Marginality | 0.00 (0.00) | 0.01 (0.01) | 0.00 (0.00) | 0.00 (0.00) |
| Frontbench experience | -0.98 (0.71) | -0.91* (0.43) | 0.19 (0.22) | -0.27 (0.24) |
| Log likelihood | 145.79 | 292.90 | 648.27 | 588.86 |
| Chi-square | 477.57 | 455.08 | 50.15 | 168.96 |
| N of cases | 451 | 541 | 505 | 548 |

* $p < 0.05$; ** $p < 0.01$; *** $p < 0.001$.

Note: Standard errors in parentheses.

that evolved in heavily male-dominated chambers.¹² Career considerations are another possible explanation. It may be that women favour making themselves known to a wider audience as an alternative means of advancing parliamentary careers that have generally not prospered under prevailing institutional arrangements.

But the more pertinent conclusion to be drawn from Table 1 is that support for both the moral and institutional status quo is largely a function of being a member of the Conservative party and of being relatively old, but especially the former. Thus, the primacy of party in determining free vote outcomes is confirmed; Labour MPs tend to favour reform and Conservatives to resist it. The problem, though, is that there is no consistent relationship between the behaviour of the party variable and change in

¹² There is evidence of this mindset among US female legislators. See Sue Thomas, *How Women Legislate* (Oxford: Oxford University Press, 1994), pp. 63–5 and pp. 106–12. It is also suggested by the House of Commons' long-standing reputation as 'the best gentleman's club in Europe'.

TABLE 2 *Contributions of Conversion and Replacement to Changing Free Vote Outcomes*

| | Capital punishment | Television |
|---|-----------------------|------------|
| Net swing in number of votes($t_1 - t_2$) | 30.5* | 32 |
| <i>Components of swing</i> | | |
| Conversion | 11 | 11 |
| Replacement: | | |
| Change in seat distribution | - 4 | 3 |
| Newly elected MPs | 12 | 12 |
| Abstainers | 11.5 | 6 |

*Fractions reflect the fact that the majority went from an odd number against (29) to an even number in favour (32).

outcome between the first and second votes. For capital punishment, the impact of party is much the same in the two divisions, but it is substantially greater on the second one in the case of television. In other words, the explanation of changing outcomes is not to be found simply in terms of change in the importance of party for individual vote outcomes.¹³

An alternative explanatory approach is to chart patterns of conversion and replacement among MPs between the two votes on each issue. Conversion is the more straightforward of these change mechanisms; it entails simply that an individual who voted in both divisions on the issue changed her/his vote from one to the other. Some indeed did. In regard to capital punishment, eleven out of 366 MPs changed their vote and all went from supporting hanging to voting for its abolition. Television voting patterns are a little more complex. Forty-seven out of 393 MPs changed their vote between the two divisions, with eighteen going from support to opposition and twenty-nine moving in the opposite direction. The net shifts are summarized in Table 2, but they are clearly not sufficient to account fully for the size of the pro-reform swing on either issue. The two-party anti-abolition majority was twenty-nine in 1955. The conversion of eleven MPs would have reduced this majority, but it would not on its own have eliminated it, never mind brought about the thirty-two vote pro-abolition majority in 1956. The television vote is a little closer. The eleven vote net swing in favour would not have been sufficient to overcome the thirty vote majority against amongst Conservative and Labour MPs in 1985, let alone account for the thirty-two vote pro-television majority in 1988.

Personnel replacement thus comes into play and it can make its effect felt in three ways. Most straightforwardly, members of one party (Conservative) inclined to oppose change can be replaced in an election by people from another party (Labour) more inclined to favour it. Given that the Conservative majority fell from 144 seats in 1983 to 102 in 1987, this might seem a plausible explanation of change in the outcome of the television vote in 1988. But as pointed out earlier, the Conservative party's majority actually increased between the 1955 and 1956 capital punishment votes, which, on a

¹³ This cross-sectional focus is a weakness of existing longitudinal analyses of outcomes of free votes on the same issue. See, for example, Marsh and Read, *Private Members' Bills*, pp. 84–107.

simple turnover principle, should have made the anti-abolition vote stronger and not weaker. Simple change in the inter-party distribution of seats, therefore, cannot itself explain the reversal in vote outcomes. Under the heading 'Change in Seat Distribution', Table 2 indicates that the influx of Labour MPs after the 1987 election in fact added three votes to the pro-television camp, while the influx of Tories in 1955 actually added four votes to the anti-abolition camp.¹⁴

If changing outcomes are not just a function of conversion and aggregate patterns of party replacement, the behaviour of members not voting on both ballots must play some role. These MPs fall into two groups. The first comprises those freshly elected to Parliament in the preceding general election. Thus, for example, the May 1955 election, held between the two capital punishment divisions, introduced sixty-nine newcomers into the Commons and the matching number for the 1987 election was 130. The second group includes those who were members of the institution at the time of both divisions, but who abstained on one or other ballot. Again, Table 2 summarizes the contributions of these two replacement groups to the overall pattern of swing in votes on the two issues.¹⁵ Both groups were a substantial net asset to the pro-abolition and pro-television causes.

Looking at Table 2 overall, conversion can be seen to have been worth a net gain of eleven votes, or just about a third of the total swing, for the reformist cause on each issue. Replacement accounts for the remaining two-thirds of the change, showing that it was first-term MPs and previous abstainers, and especially the former, who were responsible for the lion's share of the change due to personnel replacement.¹⁶ But counter-intuitively, it was not Labour members falling into these two replacement groups who swung the reform vote on both issues. While they may have been largely responsible for the television cameras being allowed into the House of Commons, it was new Conservatives who were the decisive force in passing the 1956 pro-abolition amendment.¹⁷

¹⁴ The basis of this calculation is how the vote would have turned out on the second vote had each party voted in the proportions they had done on the first. Take the television vote as the example. In 1985 329 Conservative and 179 Labour members voted. The comparable figures in 1988 were 341 and 209 respectively. If the two main parties had split their votes in 1988 as they had in 1985, the 1988 two-party vote split would have been 287–263 *against* television, compared to 269–239 in 1985.

¹⁵ The replacement group figures are calculated separately. For newly elected MPs, their proportional voting patterns are compared with the returning MPs from their own party. The net vote swing is the difference between how the new MPs actually voted and how they would have voted had they divided in the same proportions as their more established counterparts. The vote swing among previous abstainers then becomes the difference between the total swing in the number of seats and the sum of the change due to conversion and the other two replacement categories.

¹⁶ In the absence of new members, it stands to reason that abstainers will be the decisive swing force in bringing the Commons to change its collective mind. A good example is homosexual law reform, an issue on which there were two free votes within the life of the same 1964–66 Parliament. The first vote, held on 26 May 1965, saw a bill to reform the law on homosexual conduct defeated by 178 votes to 159. A second vote, on 11 February 1966, saw homosexual law reform supported by 164 votes to 107. The shift from an anti-reform majority of nineteen votes to a pro-reform one of fifty-seven votes was due almost entirely to movement in and out of abstention on the part of a large number of MPs. Conversion contributed only one net vote to it, with only three MPs who voted in both divisions changing to a pre-reform position on the second ballot. The pro-reform group won on the second ballot because abstention patterns benefited it in two ways. First, it lost fewer of its first-ballot supporters in the 1966 division (sixty MPs who supported homosexual law reform in 1965 abstained in 1966, whereas ninety-eight who opposed it did so). Second, sixty-six MPs who abstained in 1965 voted for reform in 1966, whereas only twenty-eight previous abstainers voted against it.

¹⁷ The forty-nine newly elected Tories split 18–31 against abolition. Their opposition, however, would have been 6–43 against had they divided in the same proportions as their returning party colleagues. This means that Conservatives were responsible for the full twelve-vote swing in favour of reform recorded in Table 2.

CONCLUSION

How does the House of Commons change its collective mind on free votes and pass controversial measures it had rejected only a short time before? The answer to this question has been shown to be found in the change mechanisms of conversion and replacement in the voting body. Both contribute to the dynamics of change in vote outcomes, but, confirming the findings of mass behaviour research, it is replacement that is the more important of the two. Like voters, MPs would not appear to change their mind easily, so that unpredictability in outcomes results more from freshly elected MPs and previous abstainers throwing their weight disproportionately behind the cause for reform.

Different from the question of how outcomes change, however, is why they do. Why does one group of MPs behave sufficiently differently from another to allow the passage of controversial measures that could not previously command majority support on the floor of the Commons? It may be that, as free vote logic dictates, new MPs and previous abstainers were simply voting their conscience and supporting ideas, like the end of capital punishment and parliamentary television, whose time had 'come'. But while this explanation may have some validity for freshly elected MPs, it is not clear why those who had abstained previously should be any more pro-reform than contemporaries who had also been in the Commons at the time of the first division and had also voted in it. Moreover, why should even newly elected MPs have been seized by these ideas when the public at large was not? In the case of capital punishment, the overwhelming majority of parliamentary anti-abolitionists in 1955 remained opposed in 1956 (see Table 2). Furthermore, the majority of the British public continued to favour hanging right up to the time of the 1956 vote. 'Public opinion polls taken during this period (1949 to December 1955), for instance, showed continued majority support for the retention of capital punishment, despite perceptible movement away from *overwhelming* acceptance of it.'¹⁸

More plausible, if also more mundane, is an explanation of change rooted in the lobbying activities of interested parties. In the case of capital punishment, the Howard League for Penal Reform had long sought to persuade Parliament to abolish the death penalty. After the 1955 defeat, however, its efforts were joined by the National Campaign for the Abolition of Capital Punishment (NCACP), a 'new, single-purpose, publicity-conscious band of impassioned crusaders'.¹⁹ At first, the NCACP concentrated its attention on influencing public opinion, but then in the six months before the February 1956 vote, it turned 'its attention to ... mobilizing its resources for bringing pressure to bear on the House of Commons'.²⁰ More precisely, it targeted Conservative MPs since 97.5 per cent of Labour members voting in 1955 had supported the suspension of capital punishment. It is probably no coincidence that eleven returning Tories switched in 1956 to an abolitionist position embraced as well by just about a third of their colleagues voting for the first time in 1956 (see Table 2). Indeed, it may well have been pressure-group activity that brought pro-abolitionists into the division lobbies in 1956 after having abstained in 1955.

Pressure also appears to have played some role in shaping the outcome of the 1988 television vote, but this time it came not from external sources but from party leaders.

¹⁸ See Christoph, *Capital Punishment*, p. 109.

¹⁹ See Christoph, *Capital Punishment*, pp. 113–14.

²⁰ See Christoph, *Capital Punishment*, p. 130.

In 1985 neither the Conservative nor Labour party leaderships had taken a public stance on the television issue. In 1988, by contrast, Margaret Thatcher made her strong, personal opposition to the backbench initiative crystal clear. Her public denunciation encouraged the Labour leadership to take an equally public stance in favour of television in the hope of visiting a rare defeat on a prime minister who, less than a year previously, had emerged triumphant from her third consecutive election victory. Indeed, 'opposition leaders were cock-a-hoop at the victory for the pro-TV lobby after the Prime Minister had invested her authority so heavily in the attempt to resist the introduction of the cameras'.²¹ Despite having no direct empirical evidence, it is hard to believe that Labour leadership pressure was not instrumental in fifty-nine of the party's sixty new MPs voting for the television cameras.

In sum, the importance of party for voting patterns on them notwithstanding, the outcome of free votes is not preordained by the partisan distribution of parliamentary seats. The House of Commons is a political institution and, especially when the whips are off, success would seem to be a matter of successful coalition building in which a variety of political actors, some of them internal to Parliament and some external, can involve themselves. Analysis of patterns of conversion and replacement can help us understand exactly how change takes place.

²⁸ Robin Oakley and Richard Ford, 'Majority of 54 despite Thatcher's opposition,' *The Times*, 10 February 1988, p. 1.

Party Policy: Decision Rule or Chance? A Note on Budge's New Spatial Theory of Party Competition

GORDON BURT*

Increasingly in political science, models are developed and tested against datasets which have quite complicated structures. Sometimes it happens that the standard statistical tests are not directly applicable. Furthermore one's intuition as to what counts as strong evidence in favour of a particular model can be misleading. In such circumstances it may be necessary to think more formally about the situation in order to establish valid interpretations of the evidence. This Note seeks to illustrate the value of such formal thinking by reanalysing the evidence in Budge's recent article on parties' policy positions.¹

The theory proposed by Budge is an important attempt to develop models of party competition which do not imply policy convergence and which also incorporate uncertainty. He considers how parties can decide on policy when there is no reliable information about the effect of these decisions on voting. He proposes that each party occupies a particular area within policy space. Within their area of policy space, 'parties

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¹ I. Budge, 'A New Spatial Theory of Party Competition: Uncertainty, Ideology and Policy Equilibria Viewed Comparatively and Temporally', *British Journal of Political Science*, 24 (1994), 443-67. This draws on H-D. Klingemann, R. I. Hofferbert and I. Budge, *Parties, Policies and Democracy* (Boulder, Colo.: Westview Press, 1994).

are ... likely to be guided by invariant rules in deciding on [policy movements]'.² He postulates five different decision rules and incorporates these decision rules into models of how parties might select a policy position along a single left–right dimension. The models are then tested against data on actual left–right movements of post-war parties in twenty democracies. Budge concludes that the ‘predictions derived from these models well anticipate the actual decisions made by post-war parties’,³ and observes:

What is really remarkable in the table is the degree of fit between the uncertainty models developed *a priori* and the actual adjustments made by parties to their electoral programmes ... Six out of seventy parties are not well fitted by any model, if we take a 0.60 success rate as a cut-off point. But this is a very small number out of the total, and it must be said that these cases all have a success rate of between 0.50 and 0.60, indicating that the models are not entirely irrelevant to them.⁴

Budge refers to ‘the impressive proportion of successes’, the ‘success rate’ for all models combined being 0.68, and concludes that ‘this cannot but be taken as highly significant in both a substantive and statistical sense’.⁵

Statistical significance is indeed what is at stake here. The empirical results show that a certain percentage of the results conform with the predictions of the models. But what accounts for these ‘successes’? Are the results due to the mechanisms proposed in the models or are the results merely what one would expect by chance? In short, the models need to be tested against a null hypothesis. If the results are simply what would be expected by chance, then parsimony recommends that the null hypothesis be accepted rather than the model.⁶

Because Budge does not propose any null hypothesis in his article, there is a need to develop a null hypothesis here. First note that Budge represents the policy position of a party by a number corresponding to a position along a one-dimensional policy continuum. How does the party select its position? Budge’s answer to this question is to offer five alternative decision rules. My answer here is to propose a null hypothesis whereby each party has its own probability distribution of policy positions (see Figure 1). The selection of the party’s position is then randomly generated from this probability distribution. Moreover, each successive party position is generated in the same way from the same distribution, with successive positions generated *independently* of one another. This null hypothesis of ours will now be used to deduce, for each of Budge’s models, the probability that an application of Budge’s model will yield a successful prediction purely by chance.

First, consider the Alternation Model (A). This model ‘applies most widely’ – it is the best model in 57 per cent of the cases – and is one of the two models which ‘do most of the work’.⁷ Budge describes the Alternation Model as follows:

² Budge, ‘A New Spatial Theory of Party Competition’, p. 446.

³ Budge, ‘A New Spatial Theory of Party Competition’, p. 443.

⁴ Budge, ‘A New Spatial Theory of Party Competition’, p. 464.

⁵ Budge, ‘A New Spatial Theory of Party Competition’, p. 464–5.

⁶ Budge, ‘A New Spatial Theory of Party Competition’, p. 464, and also Klingemann *et al.*, *Parties, Policies and Democracy*, pp. 280–6, especially p. 285, appear to express reservations about certain approaches to significance testing in this situation. Klingemann refers to the exchange in G. King *et al.*, ‘Party Platforms, Mandates and Government Spending’, *American Political Science Review*, 87 (1993), 744–50. This is a controversial area. The present author’s viewpoint is well represented by R. F. Winch and D. T. Campbell, ‘Proof? No. Evidence? Yes. The Significance of Tests of Significance’, in D. E. Morrison and R. E. Henkel, eds, *The Significance Test Controversy* (London: Butterworths, 1970), pp. 199–206.

⁷ Budge, ‘A New Spatial Theory of Party Competition’, p. 465.

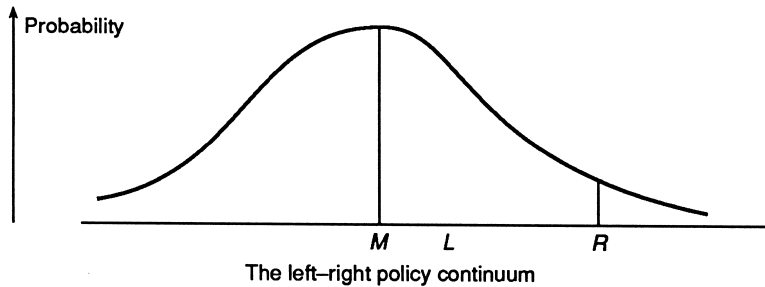


Fig. 1. The probability distribution of policy positions of a party

A simple *a priori* rule is to move in the opposite direction to last time – to alternate policies ... Parties alter priorities in different directions between each election. Operationally, we expect this to give rise to a zigzag pattern as a leftward shift succeeds a rightward shift and vice versa, in response to internal and external pressures on the leadership.⁸

Note that this model proposes a causal dependence. Each policy position depends on the two previous policy positions. If there is a move to the right from the first position to the second position, then the rule decrees that the third position would necessarily involve a move to the left, that is the third position would be to the left of the second position (for example, a move from *M* to *R* followed by a move from *R* to *L* as shown in Figure 1). Budge's evidence shows that alternation does indeed occur. It occurs in 68 per cent of cases (more precisely in 68 per cent of those cases where the Alternation Model is the best model). But is 68 per cent a high figure or a low figure? Let us now turn from Budge's model to our own null hypothesis. Could the figure of 68 per cent have occurred by chance? Consider now the probability of a sequence of three numbers exhibiting an alternation. Kendall dispatches the problem easily: for any given set of three numbers, there are six possible arrangements and four of these provide alternations:⁹

| | | | | |
|------------------|-----|-----|-----|-----|
| Alternations | 132 | 231 | 312 | 213 |
| Non-alternations | | 123 | 321 | |

So the probability of an alternation occurring by chance is two-thirds. This figure of two-thirds predicted by our null hypothesis is extremely close to the figure of 0.68 reported by Budge.

⁸ Budge, 'A New Spatial Theory of Party Competition', pp. 453, 461.

⁹ Kendall uses this result as a test of the randomness of a series: 'perhaps the easiest test to apply ... is to count the number of peaks or troughs which [the series] exhibits' (M. G. Kendall, *Time-series* (London: Griffin, 1973), p. 22). This is a well-accepted result. However, it does depend on the probability distribution being continuous (as implied in Figure 1). For then the probability of non-movement of position is zero. (In the figures given in Budge, p. 459, only in two out of about fifty cases does it look as if there is non-movement. Remember that Budge's measured party position is the result of counting lots of words and adding up and taking averages, so that unless exactly the same manifesto was used then exactly the same position is indeed unlikely). An alternative framing of this problem, which more directly follows from our null hypothesis, is considered in a mathematical appendix available from the author on request. In this exercise, I prove Kendall's result using standard calculus techniques.

The next most successful model to the Alternation Model is the Past Results Model (P). According to this model, parties use the following decision rule: if the party gains votes from one election to the next then it continues moving in the same direction or at least stays in the same policy position. If the party loses votes from one election to the next then it moves in the direction opposite to that in which it was previously moving. Suppose that Budge's Model P is false and that the following assumptions are true: (i) policy positions occur at random as postulated in our null hypothesis; (ii) the choice of policy position is independent of the gain or loss of votes in the preceding election; (iii) our null hypothesis for alternations obtains; and (iv) a gain and a loss are equally likely. Consider the probability of obtaining a result which appears to support Model P:

$$p(\text{result consistent with model P}) = p(\text{vote gain and keeping going}) + p(\text{vote loss and changing direction}) = p(\text{keeping going/gain}) * p(\text{gain}) + p(\text{changing direction/loss}) * p(\text{loss}).$$

Assuming independence of the two events, this becomes:

$$p(\text{keeping going}) * p(\text{gain}) + p(\text{changing direction}) * p(\text{loss}).$$

Assuming the null hypothesis for alternations, this becomes:

$$(1/3) p(\text{gain}) + (2/3) p(\text{loss}).$$

Assuming a gain and a loss are equally likely, this becomes:

$$\begin{aligned} &= 1/3 \times 1/2 + 2/3 \times 1/2 \\ &= 1/2. \end{aligned}$$

So the probability of obtaining a result which appears to support Model P is 0.5.

The Rational Expectations Model (E) is the next most successful model: together with the previous two models, between them they provide the best model on 96 per cent of the occasions. According to the decision rule specified by the Rational Expectations Model, if a party expects the next election to be competitive, then it moves to the centre. If the party expects the next election not to be competitive, then it moves to the right or left, towards its own extreme. Suppose that Budge's Model E is false and that the following assumptions are true: (i) policy positions occur at random as postulated in our null hypothesis; (ii) the choice of policy position is independent of the expectation of competition or non-competition in the next election; and (iii) a move to the centre of the continuum and a move to an extreme of the continuum are equally likely (an intuitive feel for assumption (iii) can be obtained again using Figure 1. At point *M* there is an equal likelihood of moving right to the centre or of moving left to the extreme left. The same is true for all pairs of points symmetrically positioned either side of *M*). Consider the probability of obtaining a result which appears to support Model E:

$$\begin{aligned} p(\text{result consistent with Model E}) &= p(\text{competitive and move to centre}) + p(\text{not competitive and move to extreme}) \\ &= p(\text{competitive}) * p(\text{move to centre/ competitive}) + p(\text{not competitive}) * p(\text{move to extreme/non-competitive}). \end{aligned}$$

Assuming independence of the two events, this becomes:

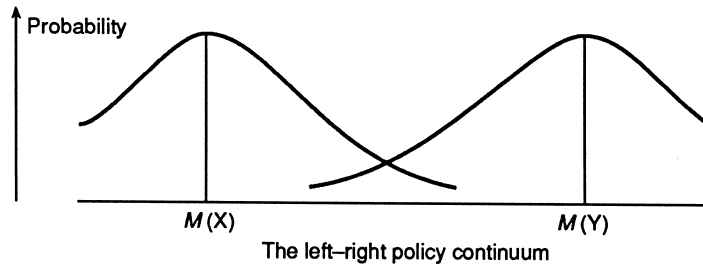


Fig. 2. The probability distributions for two parties, X, and Y

= p (competitive) * p (move to centre) + p (not competitive) * p (move to extreme).

Assuming a move to the centre and a move to the extreme are equally likely, this becomes:

= p (competitive) \times $1/2$ + p (not competitive) \times $1/2$ = $1/2$.

So the probability of obtaining a result which appears to support Model E is 0.5.

Now consider the null hypothesis for the Marker Party Model (M). According to the decision rule for this model, a party positions itself so that it maintains its distinctiveness from some other 'marker' party. We might well expect this model to be 100 per cent successful – surely in Britain the Conservatives are always to the right of the Labour party? Suppose though that Budge's Model M is false and that policy positions occur at random as postulated in our null hypothesis. Suppose the policy positions of two parties X and Y are both normally distributed with the mean position of Y, $M(Y)$, greater than the mean position of X, $M(X)$ – see Figure 2. Thus the *mean* of a party X is to the left of the *mean* of party Y. Although this is the relative position of the two means, it can still happen by chance that X might sometimes position itself to the right of Y. Also by chance the other alternative may happen, that X is to the left of Y – which we take to be consistent with the Marker Party Model. What is the probability of obtaining by chance a result which appears to support Model M? Consider the difference, $Y - X$, between the positions of the parties. The distribution of $Y - X$ will also be normally distributed with the mean difference being $M(Y) - M(X)$. This mean difference is positive and, because the median equals the mean, the median is positive also. So, roughly speaking, more than half the distribution is positive. So the probability of the difference being positive, that is the probability that the position of Y is larger than (to the right of) the position of X, is at least 0.5. So the probability of obtaining a result which appears to support Model M is at least 0.5. Roughly speaking the more separate the distributions of X and Y are, the closer the probability will approach to unity.

Finally, consider the null hypothesis for the Stay Put Model (S). According to the decision rule for this model, 'parties endorse more or less the same priorities from election to election ... parties move over only a few out of the potential range of positions open to them'.¹⁰ Suppose that Budge's Model S is false and that movements in policy occur at random as postulated in our null hypothesis. What is the probability of obtaining

¹⁰ Budge, 'A New Spatial Theory of Party Competition', p. 461.

a result which appears to support Model S? The probability here depends on how broadly or narrowly 'staying put' is defined. For example, if the distribution is normal and if 'staying put' is defined as lying within 0.7 of a standard deviation either side of the mean position, then the probability of obtaining a result which appears to support Model S is 0.5.

To summarize the argument so far, if our null hypothesis is correct, then the probability of the data appearing to support each of Budge's models by chance on any one occasion is 0.67 for the Alternation Model and 0.5 for each of the other models (assuming in addition the other assumptions noted in the above discussion). The 'success rates' reported by Budge are 0.68, 0.70, 0.65, 0.81 and 0.70 respectively.¹¹ Thus it would appear that our null hypothesis predicts Budge's data quite well in the case of the Alternation Model, but in the case of the other models our null hypothesis predictions fall short of Budge's data, thus appearing to imply the validity of Budge's other models.

However, this conclusion would be quite erroneous. For we are not comparing like with like. The problem is that Budge's 'success rates' are not what I would like to think of as the *true* success rates. For example, to me a *true* success rate of 0.68 for Rule A would mean that, looking at *all* the situations where Rule A can be applied, Rule A is followed in 68 per cent of these situations. However, Budge does *not* look at all the situations – only at those situations where the results for Rule A are the best.¹² This procedure of Budge's inflates the success rates and gives the impression that the models are performing better than is actually the case. Because Budge's rates are specially derived rates, we too need to make some further derivations from our null hypothesis in order to test the Budge models in an appropriate fashion.

First let us see how Budge's procedure inflates success rates. Consider the following imaginary results for two models, A and B. The success rates for the two models in the case of five parties are given in Table 1. The obvious way to calculate mean success rates is to use the full set of figures. When this is done Model A has a mean success rate of 54 per cent and Model B has a mean success rate of 30 per cent. These are what I would call the true success rates. However, what Budge does is to look at the results for each of the five parties in turn. For each party's results he conducts a 'race' between the two models to find 'the winner', that is the most successful model, the model which has the largest genuine success rate *when looking solely at that party's results*. I shall refer to this as the 'winning success rate' in the case of that party. Here, in the results for Party 1, the race is won by Model B with a winning success rate of 74 per cent, defeating Model A, which has a success rate of only 1 per cent. In the results for Party 2, the race is won by Model A with a winning success rate of 52 per cent, defeating Model B which has a success rate of only 6 per cent. Model A is also the winner in the races for the other three parties.

Budge then calculates what I shall call a 'mean winning success rate' for each model. He does this by identifying those parties for which the model is the winner. Here Model A is the winner in the case of Parties 2 to 5, and Model B is the winner in the case of Party 1. Budge then finds the mean of these winning success rates – the mean winning success rate. Here Model A has a mean winning success rate of 67.75 per cent (that is, its four winning success rates 52 + 69 + 80 + 70 divided by 4) and Model B has a mean winning success rate of 74 (its single winning score of 74) – see Table 1.

¹¹ Budge, 'A New Spatial Theory of Party Competition', Table 3, p. 465.

¹² Budge, 'A New Spatial Theory of Party Competition', p. 464.

TABLE 1 *Imaginary Results for Two Models: Success Rates and Derived Mean Success Rates and Mean Winning Success Rates*

| | Party 1 | Party 2 | Party 3 | Party 4 | Party 5 | Mean success |
|---------------------------|------------|------------|------------|------------|------------|-----------------|
| Model A success rates | 01 | 52 | 69 | 80 | 70 | 54 |
| Model B success rates | 74 | 06 | 35 | 04 | 30 | 30 |
| Winner | B | A | A | A | A | |
| A's winning success rates | | 52 | 69 | 80 | 70 | 67.75 |
| B's winning success rate | 74 | | | | | 74 |

Notice that Budge's procedure effectively discards half the data, namely the data for situations where a model is not the winner. Note, too, how the use of winning scores has exaggerated the mean success rate of Model A by 13.75 and the mean success rate of Model B by 44. Notice that the score of the better performing Model A is exaggerated less than is the score of the worse performing Model B. A further point is that the mean winning success rate would be inflated still more if we included a third Model C in the race. To see this, suppose that Model C wins the race for the results for Party 2 and that Model A still is the winner for the final three parties. The mean winning success rate for Model A is now boosted to 73 per cent (that is its three winning success rates, $69 + 80 + 70$ divided by 3). So this example has illustrated that applying Budge's procedure to data will inflate the success rates and that the more models there are in the race the greater the inflation of the success rates.

It will perhaps come as a surprise to learn that the mean of the five winning success rates, namely 69.2, is very close to the number which statistical theory would predict! Let me explain this. The imaginary data are in fact drawn from a table of random numbers.¹³ What we have in effect been doing is to race two rows of random numbers against one another (more technically we have been racing two identical uniform distributions over the interval $[0,100]$ against each other). The expected results in this situation have been worked out in a branch of statistical theory referred to as 'order statistics'. This theory shows that the mean for the random number which wins is 67. This is very close to our observed number of 69.2. This is of interest to us because there is an analogy between racing two sets of random numbers and racing two of Budge's models. Of course, Budge races five models at a time against each other. Using the same analogy, what does statistical theory predict here? When three models are raced, then the mean winning number is 75 ... with four models this becomes 80 and with five models 83.¹⁴ So the more models competing, the larger the winning success rate. One way of understanding this theoretical result is to note that the mean for any one number is 50 (the mid-point of the interval $[0,100]$). So for a second number to win over another number we might well expect that on average the winning number has to be more than 50. For a third number to win over the other two it has to be higher still. And so on.

¹³ A. Francis, *Advanced Level Statistics*, 2nd edn (Cheltenham, Glos.: Stanley Thornes, 1988), Table 10, row 1, p. 707.

¹⁴ N. L. Johnson, S. Kotz and N. Balakrishnan, *Continuous Univariate Distributions*, 2nd edn (New York: Wiley, 1994), Vol. 2, p. 280.

In essence what the statistical theory does here is to start with a null hypothesis, namely the postulate that the sets of numbers are random, and then to make some further derivations about the expected winning numbers. This is precisely what we need in order to test the Budge models in an appropriate fashion. Let us be explicit about the main steps in the derivation. In the earlier part of this Note, we assumed a null hypothesis for each model and deduced the probability that an observed event would be the event predicted by that particular model. Although I did not explicitly say so, it follows that this same probability (expressed as a percentage) is the percentage our null hypothesis ‘expects’ for the percentage of successful predictions of the particular model over a set of events. For example, the probability of an alternation is 0.67 and we ‘expect’ 67 per cent of events to exhibit alternation. There is another deduction which we can make from the probability. We can deduce the sampling distribution – that is, not just the ‘expected’ percentage but also the sort of variation we might expect in the percentage. So our null hypothesis implies a certain sampling distribution for the percentage of successes. Once we know the sampling distributions of the models being raced, then we can deduce the expected number of wins and the mean winning success rate.

What sampling distributions does our null hypothesis imply for Models A and P? For the Alternation Model the ‘expected’ percentage is 67 per cent. Moreover, given the sample sizes of the Budge dataset, it is virtually certain that the percentage will lie somewhere in the range 67 per cent plus or minus 30 per cent, that is in [0.37, 0.97].¹⁵ In what follows, for ease of calculation, I approximate this by [0.4, 1.0]. At present, again for ease of calculation, we shall make the further assumption that the sampling distribution for the Alternation Model is uniform over [0.4, 1.0].¹⁶ In a similar way, for the Past Results Model the expected percentage is 50 per cent. Again, it is virtually certain that the observed percentage will lie somewhere in the range 50 per cent, plus or minus 30 per cent, that is in [0.2, 0.8]. Again we shall make the simplifying assumption that the sampling distribution is uniform over [0.2, 0.8].

Now that we know the sampling distributions of the two models we can deduce the expected number of wins and the mean winning success rates. The detailed calculations are given in the Appendix, and Table 2 summarizes the results. Our null hypothesis gives a fair prediction of Budge’s results. However, Budge’s data exhibit fewer wins for Model A than expected from the null hypothesis, and exhibit more wins for Model P than expected.

We now wish to test the complete set of Budge’s results. First we need to postulate the sampling distributions for all five models. We want to postulate distributions which keep the calculations simple but which are less crude than the uniform distributions considered in the previous example.¹⁷ If the probabilities derived in the first part of this Note are independent then the correct sampling distribution is the binomial – and even

¹⁵ The range of 0.6 roughly corresponds to the range containing most of the relevant binomial distribution in the case $n = 11$; this is around the average number of time points for the seventy parties reported by Budge, ‘A New Spatial Theory of Party Competition’, Table 2, pp. 462–3. For the binomial distribution, see Francis, *Advanced Level Statistics*, Table 1, pp. 694–6.

¹⁶ The uniform distribution has been suggested as a replacement for the normal, although it is noted that the approximation is very crude (Johnson *et al.*, *Continuous Univariate Distributions*, Vol. 1, p. 112).

¹⁷ The rationale for these particular distributions is that they are rough approximations to the binomial distributions for 0.5 and 0.7 respectively, with a sample size of $n = 11$; as noted earlier this is around the average number of time points reported by Budge, ‘A New Spatial Theory of Party Competition’, Table 2, pp. 462–3. For the binomial distribution, see Francis, *Advanced Level Statistics*, Table 1, pp. 694–6.

TABLE 2 *Percentage Wins and Mean Winning Success Rates for the Alternation Model and Past Results Model: Comparison of Budge Data with Null Hypothesis Predictions Based on Uniform Sampling Distributions*

| | Models | |
|---|-------------|--------------|
| | Alternation | Past Results |
| Percentage wins for each model | | |
| Budge data* | 0.68 | 0.32 |
| By chance | 0.78 | 0.22 |
| Mean winning success rates for each model | | |
| Budge data† | 0.73 | 0.72 |
| By chance | 0.75 | 0.67 |

*Derived from Budge, 'A New Spatial Theory of Party Competition', Table 3, p. 465. Here $n = 58$.
 †Derived from Budge, 'A New Spatial Theory of Party Competition', Table 2, pp. 462–3. Here $n = 39.5$ and 19.5.

TABLE 3 *Approximations to the Sampling Distributions for Success Rates for Each of the Five Models*

| Probability of observed events being in each specific range | Models | Model |
|---|------------|-------|
| | P, E, M, S | A |
| 0.20–0.30 | 1/12 | |
| 0.30–0.40 | 2/12 | |
| 0.40–0.50 | 3/12 | 1/12 |
| 0.50–0.60 | 3/12 | 2/12 |
| 0.60–0.70 | 2/12 | 3/12 |
| 0.70–0.80 | 1/12 | 3/12 |
| 0.80–0.90 | | 2/12 |
| 0.90–1.00 | | 1/12 |

if not, we still for simplicity assume that the binomial is a good enough approximation. We next approximate the binomial by a distribution in the range [0.4, 1.0] for the Alternation Model and by a similar distribution in the range [0.2, 0.8] for the remaining four models. (The four models have the same sampling distribution since they are all derived from the same probability of success, namely 0.5.) The rationale for the approximation used is the same as that given in the previous example. The approximations to the two sampling distributions are displayed in Table 3.

TABLE 4 *Percentage Wins and Mean Winning Success Rates for All Five Models: Comparison of Budge Data with Null Hypothesis Predictions Based on Approximations to Binomial Sampling Distributions*

| | Models* | | | | |
|---|---------|------|------|------|------|
| | A | P | E | M | S |
| Percentage wins for each model | | | | | |
| Budge data ($n = 70$)† | 0.56 | 0.26 | 0.13 | 0.03 | 0.01 |
| By chance | 0.53 | 0.12 | 0.12 | 0.12 | 0.12 |
| Success rates for each model, when model is best: | | | | | |
| Budge data‡ | 0.73 | 0.72 | 0.68 | 0.82 | 0.70 |
| By chance | 0.83 | 0.71 | 0.71 | 0.71 | 0.71 |
| No. of wins for each model | 39.5 | 18.5 | 9 | 2 | 1 |

*A = Alternation; P = Past Results; E = Rational Expectations; M = Marker Party; S = Stay Put.

†Derived from Budge, 'A New Spatial Theory of Party Competition', Table 3, p. 465.

‡Derived from Budge, 'A New Spatial Theory of Party Competition', Table 2, pp. 462–3.

Now that we know the sampling distributions of the five models we can as before deduce the expected number of wins and the mean winning success rates. The detailed calculations are similar to those in the previous example. Table 4 summarizes the results. It 'looks' as if the chance model gives a moderate fit to the Budge data. However, there would appear to be four major discrepancies between the true probabilities and the probabilities predicted by our null hypothesis:¹⁸

- (i) In the Past Results Model (P) the higher than expected number of wins would appear to indicate that the true probability of conforming to Model P is greater than 0.5. This may mean that Model P has some validity. Alternatively a higher probability could be explained if a loss of votes was more common than a gain of votes (see the equations in the earlier discussion of Model P). This could occur either when new parties enter the arena causing vote losses for existing parties, or when a third party draws votes from two main parties. Moreover, if a loss is more likely than a gain, then the probabilities of success for Models A and P are no longer independent, and this can affect the expected success rates.
- (ii) There are fewer than expected wins for the Marker Party Model (M). This suggests that the true probability of conforming to Model M is less than 0.5. It is difficult

¹⁸ Significance tests show that discrepancies (i) to (iii) are highly significant and that (iv) is moderately significant. A chi-squared test establishes that the likelihood of the results for percentage wins occurring by chance is less than 1 per cent (chi-squared, 4 d.f. $0.99 = 13.28$; the data gives 24.18). In particular, the higher than expected percentage of wins for Model P is significant: assuming the binomial distribution with $n = 70$, two standard deviations gives 0.08 whereas the difference between observed and expected is 0.14. The lower than expected percentage of wins for Models M and S is also statistically significant, with the observed–expected difference being 0.09 and 0.11 respectively. The lower than expected success rate for Model A falls just short of significance at the 5 per cent level: assuming the binomial distribution with $n = 39$, two standard deviations gives 0.12, whereas the difference between observed and expected is 0.10 (Francis, *Advanced Level Statistics*, Table 4, pp. 700–1, 586–8).

to see how the probability of following the model can be less than 0.5 – unless leapfrogging of neighbours occurs more frequently than one might expect by chance. A careful reading of Budge's discussion of the Marker Party Model suggests that he is using some contextual criterion in his definitions here, but what this criterion is, is not specified.¹⁹

- (iii) There are fewer than expected wins for the Stay Put Model (S). This suggests that the true probability of conforming to Model S is less than 0.5. This is not surprising: the assumption made in this Note that the probability of staying put is 0.5 was somewhat arbitrary and it seems quite plausible that it is too high (this depends on Budge's definition of staying put).
- (iv) The success rate for the Alternation Model (A) is less than expected. This suggests that the true probability of conforming to Model A is less than 0.67. This in turn implies a tendency for parties to continue moving in the same direction. Note that this conclusion is opposite to the conclusion drawn by Budge. Alternatively, this discrepancy may be an indirect effect of (i) above.

Towards the beginning of this Note, it was proposed that parties' policy positions occur by chance, generated from a probability distribution which is characteristic for each party according to the party's mean position along the policy continuum. Taking this as a null hypothesis, the theoretical probability of events conforming to each particular model have been deduced. It has been shown that Budge's use of winning statistics exaggerates the success of the models. Making certain simplifying assumptions, theoretical winning statistics have been calculated under the assumption of the null hypothesis and these statistics have been compared with the Budge data. In view of the simplifying assumptions made in the calculations, only tentative conclusions can be drawn. These are that events conform to the Past Results Model more than would be expected by chance, thus suggesting the validity of the model. However, events conform to the Alternation Model less often than would be expected by chance, thus suggesting that there may be a slight tendency for continuation of policy movements rather than alternation. Also, events conform to the Marker Party Model less often than would be expected by chance, thus suggesting that there may be a degree of leapfrogging between adjacent parties – as opposed to the maintenance of the party's distinctiveness. These suggestions can be checked by studying the overall performance statistics, and also the frequencies associated with related events such as vote losses and gains and competition or non-competition.

In conclusion, the consideration of the null hypothesis has led to a reinterpretation of a variety of features discussed by Budge. The analysis has illustrated how the null hypothesis can offer a useful benchmark model against which to test whether non-random events are having an influence. Although the analysis casts doubt on certain aspects of Budge's new spatial theory of party competition, a number of Budge's arguments are still extremely relevant. Thus the Alternation Model, the Past Results Model and the Marker Party Model would appear to be still 'in play', albeit with weaker effect and, indeed, in the case of the Alternation Model and the Marker Model, with the effect reversed. Moreover, the central thesis that 'uncertainty is a pervasive feature of

¹⁹ Budge, 'A New Spatial Theory of Party Competition', 458–61, 463, 465.

political activity'²⁰ is strengthened. In the face of uncertainty, it is not at all surprising that policy positions are generated at random (albeit governed by a particular probability distribution). The point that the evidence contradicts Downs's notion of party policy convergence is also well made.²¹

APPENDIX: DERIVATION OF THE RESULTS REPORTED IN TABLE 2

The probability distributions for the success rates of the two models are assumed to be uniform: over [0.4, 1.0] in the case of A, and over [0.2, 0.8] in the case of P. The range is 0.6 in each case. Let the probability densities of A and P be $u(A)$ and $u(P)$ respectively. Due to uniformity for both distributions, the probability density is a constant $1/0.6$, that is (total probability/range), within their respective intervals and zero outside. The two intervals divide up the overall interval [0.2, 1.0] into three separate zones, L , M and N :

$L = [0.2, 0.4]$ from lowest point of P range to lowest point of A range, where only Model P has a non-zero probability;
 $u(A)$ is zero, but $u(P)$ is not;

$M = [0.4, 0.8]$ where both models have a non-zero probability;
 $u(A)$ and $u(P)$ are both non-zero;

$N = [0.8, 1.0]$ from highest point of P range to highest point of A range; where only Model A has a non-zero probability;
 $u(A)$ is non-zero, but $u(P)$ is zero.

- (i) The probability of P being in L is $1/3$ (because from 0.2 to 0.4 is a third of P 's total range of 0.2 to 0.8)*. In this case A can be anywhere in [0.4, 1.0] and will always win with an expected success rate of 0.7, the midpoint of the interval.
- (ii) The probability of P being in M is $2/3$ (similar to *). The probability of A being in N , [0.8, 1.0] is $1/3$ (similar to *). In this case A will always win with an expected success rate of 0.9, the midpoint of [0.8, 1.0].
- (iii) The probability of P being in M is $2/3$ (similar to *). The probability of A also being in M is $2/3$ (similar to *). When both are in M , each has a $1/2$ chance of winning. For both, the expected success rate is 0.67 (applying the above results for racing uniform distributions).

The probability of P winning is $2/9$, for it only wins in the third case. The expected success rate for P is 0.67. The probability of A winning is $1/3 + 2/9 + 2/9 = 7/9$. The expected success rate for A is:

$$\frac{1/3 \times 0.7 + 2/3 \times 1/3 \times 0.9 + 2/3 \times 2/3 \times 1/2 \times 0.67}{7/9} = \frac{5.23}{7} = 0.75.$$

²⁰ Budge, 'A New Spatial Theory of Party Competition', p. 443.

²¹ What I am concerned with here is whether the behaviour of parties exhibits policy convergence. The results discussed in this Note do not offer any conclusions as to how party behaviour might relate to party success.

Comment on Burt's 'Note' on the 'New Spatial Theory of Party Competition'

IAN BUDGE*

Any author would welcome such an informed and constructive comment as Burt makes on my 'New Spatial Theory of Party Competition'. I have just one minor qualification, and a suggested extension to his remarks.

The qualification regards his uncharacteristically reproachful remark about the absence of 'true success rates' (p. 652) – the fact that in the original article I did not test each model over all the data. This criticism really derives not from the inappropriateness of my statistics but from the fact that my purposes were not his purposes. I was not concerned to see how well one model would perform over all the data but rather to sort out which model would apply best to which set of parties. As my starting point was the idea that different parties *would* adopt different decision rules under uncertainty, this procedure was one which suited my purposes, though not his.

My suggested extension concerns the demonstration that parties actually alternate less than might be expected by chance, 'suggesting that there may be a slight tendency for continuation of policy movements' (p. 657). Clearly this casts doubt on the validity of the original decision rule, which postulated that (under uncertainty) parties reversed previous policy at each election.

One alternative to this is to accept that the process is quite random, discounting the tendency to continuation, since the fit to the null hypothesis is still quite good. (As Burt notes, this still undermines the Downsian convergence hypothesis.) It is, however, a bit hard to accept that party leaders behave randomly, even in aggregate, in making such important policy decisions. An alternative would be to regard the probability distribution of party policy positions postulated by Burt in Figure 1 as the distribution of *activist* positions within the party. Activists are better placed to make their views felt by leaders than electors are. If the party started at position *R*, the leadership would encounter overwhelming internal objections to their policy from those at the other extreme and in the middle – a strong majority. To avert internal trouble or rebellions, they placate party opposition by moving Left. Bad judgement or replacement by rivals might then land the leadership at the other tail of the distribution. The volume of new objections would then force them to move back to the previous position, producing the zigzag policy movement which predominates.

Greater than chance continuance might, however, be allowed for inside this model by the leaders landing (by luck or good judgement) at the median (*m*). They would then have a majority on their side and be able to continue with this stand. Alternatively, a stubborn or timid leader might move but not far enough (say to *L* in the figure). (S)he would then have to continue moving in the same direction, again introducing more continuance into the process than might be expected by chance.

While such a model would meet the patterns of movement observed up to date, it would require further validation, of course. The main thrust of the original article, however, is supported rather than undermined by Burt's interesting analysis. Party policy movement is limited and what there is of it seems explicable independently of the positions that electors take up on the policy continuum.