Constitutional Rules and Party Goals in Coalition Formation

An Analysis of Winning Minority Governments in Sweden

Torbjörn Bergman
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AKADEMISK AVHANDLING

Som med vederbörligt tillstånd av rektorsämbetet vid Umeå universitet för vinnande av filosofie doktorsexamen framlägges till offentlig granskning vid statsvetenskapliga institutionen
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Torbjörn Bergman
Fil kand
Abstract

This study starts with two theoretical puzzles within the rational choice oriented literature on government formation in parliamentary democracies: the relative importance of constitutional rules and the existence of multiple party goals. From these puzzles stem the research questions that guide the study: First, what is the theoretical and empirical link between constitutional arrangements (including rules) and party goals? Second, what are the goals of political parties and how can these be studied? Third, relative to the goals of political parties and other constitutional arrangements, what is the importance of government formation rules for the empirical record of minority and majority governments?

Coalition theory provides the theoretical starting point from which the research questions stem. The historical-institutional strand of new institutionalism is used to guide the general understanding of the importance of institutional context. The rational choice oriented strand is used for a detailed study of the design of the Swedish government formation rules and an analysis of how the formation rules affect the goal seeking (micro-logic) of actors.

Based on both cross-national data and an in-depth study of Swedish coalition and government formation, the analysis shows that the answer to research question number one is that the link between constitutional arrangements and party goals is one of co-determination. The answer to research question number two is that party leaders pursue four main goals and that this should be an explicit model assumption. The answer to research question number three is that the government formation rules help determine the parties' bargaining positions and for that reason they are of significant importance for the formation of minority and majority governments.

Key words: Coalition theory, government formation, winning minority governments, support party, parliamentary democracy, constitutional rules, constitutional design, new institutionalism, multiple party goals, expected utility model, bargaining position.
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Acknowledgements

Much of the enjoyment I got from working on this study came from the intellectual puzzles that guided my work. First I was struck by the peculiar voting rule assumed in coalition theory. Later I realized the usefulness of trying to model multiple party goals. Since then my work has been about trying to study rules and party goals from the perspective of "new institutionalism".

By now, I owe a lot of thanks to a lot of people. Let me mention at least a few. At the Department of Political Science in Umeå, where the dissertation was finally completed, a small advising group composed of Svante Ersson, Bertil Hanson and Kjell Lundmark suggested significant improvements in the manuscript. I also got numerous helpful suggestions from Johan Eriksson, Rolf Hugoson, Anders Lidström, Sten Markgren, Håkan Myrlund, Lars Ricknell, Per Viklund and other participants of the department's weekly seminars. A special thanks to Professor Gunnel Gustafsson who during the completion of the manuscript proved the value of an advisor who is both critical and constructive at the same time. Stina Lindström guided me through technical matters concerning the final manuscript with both skill and friendliness.

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Chapter 4 is to some extent based on earlier work I conducted with Kaare Strom (“Sweden: Social Democratic Dominance in One Dimension”, in Michael J. Laver and Ian Budge, eds. Party Policy and Government Coalitions, 1992. London: MacMillan). I want to stress that Professor Strom is in no way responsible for Chapter 4. I have independently updated, altered and favorably re-evaluated our earlier work.

Let me end by mentioning four people in particular. One of these is Professor Kaare Strom who was my mentor for years and is now a friend. Anders Östholm has been a constant source of inspiration for more than a decade. The third person is my brilliant wife, CK. Towards the end of the process of writing the dissertation, Jonathan made laughing easy. Thank you.

Umeå, Februari 1995

Torbjörn Bergman
Constitutional Rules and Party Goals

Introduction

The formation of a new government is one of the most prominent recurring events of parliamentary democracy. Within political science it is common to study government formation from the perspective of rational choice based coalition theory. This is a sub-field in which it is reasonable to speak about cumulative progress. Early studies had little concern for rules and institutions and conceptualized political parties as pursuing mainly one goal (office seeking). Today the leading literature incorporates both constitutional arrangements and multiple party goals (Budge and Laver 1986; Budge and Keman 1990; Laver and Schofield 1990, Laver and Budge 1992; Strom 1990b; Strom et al. 1994). Nonetheless, it is still the case that coalition theorists “have paid too little attention to the constitutional link between legislature and executive in European parliamentary systems” (Budge and Laver 1986, 488). In particular, this remains true with respect to existing rules for when a coalition is winning, i.e. when a new government can form.

In formal coalition theory, following Riker (1962), a winning coalition has traditionally been defined as one which “contains over half of the membership or votes or weight in the decision-making system” (Riker 1962, 256). When they apply coalition theory to government formation in parliamentary democracies, Axelrod (1970, 170–83), Browne (1971, 394), De Swaan (1973, 130), Dodd (1974, 1105), Franklin and Mackie (1984, 673) and Robertson (1986, 537, 542–3) as well as Taylor and Laver (1973, 206–7) use Riker’s (1962) definition of the size of a winning coalition. They define a winning coalition as one that contains an absolute majority (or more) of the members of parliament. Note, however, that this voting
rule does not emerge from formal coalition theory, but was imposed on it by Riker (1962) as an universal institutional constraint.

The assumed voting rule has two parts. First, it holds that a winning coalition must "contain" members (in this case parties) who together control votes at or above a certain threshold. Second, it sets the minimum threshold at more than half of all members of the decision-making body. This is an absolute majority requirement. The institutional assumption (a winning coalition must contain an absolute majority) is so restrictive that it excludes minority governments. Thus, winning minority governments have been anomalies in studies of government formation based on coalition theory (see the review articles by Browne and Franklin 1986; Laver 1986; Luebbert 1983). However, in cross-national comparisons of parliamentary democracies, about one-third of all governments turn out to be minority governments (Strom 1990b, 8). It is because of the assumed voting rule that winning minority governments have been anomalies.

Leading coalition theorists have learned to appreciate the flaws of the "must contain an absolute majority" criterion (Budge and Laver 1986; Budge and Keman 1990; Laver and Schofield 1990, Laver and Budge 1992; Strom 1990b; Strom et al. 1994). However, the continued lack of interest in existing government formation rules is quite remarkable. In my analysis, government formation rules are central. Yet unless one wants to argue that rules simply determine the outcome of government formation, which I do not, it is necessary to study how rules impact on the actors choices. To do so, an explicit model of party goals (i.e. the micro logic of the actors) is useful. But which goal is it that political parties pursue? They have been depicted as being predominately vote seekers (Downs 1957), office seekers (Riker 1962), and policy seekers (De Swaan 1973). Any of these goals, and perhaps even others, can quite plausibly be thought of as a major goal of political parties.

My Research Questions

From this discussion I draw the following research questions: First, what is the theoretical and empirical link between constitutional arrangements (including rules) and party goals? Second, what are the goals of political parties and how can these be studied? Third, relative to the goals of political parties and other constitutional arrangements, what is the
importance of government formation rules for the empirical record of minority and majority governments? The purpose of this study is to answer these questions. This is a huge undertaking for any one investigation. My intention is therefore to provide well-grounded but tentative answers. They are well-grounded in the sense that I draw my conclusions from a series of analyses which all point strongly in the same direction. They are tentative in the sense that I do not claim to have “proven” that my answers are undisputable, only that there are good reasons to believe that they will hold true in further comparative investigation of government formation in parliamentary democracies.

I study party goals and the impact of constitutional arrangements within the general context of coalition and government formation. For reasons explained above, I find it particularly interesting to focus on the formation of minority governments. The topic of constitutional rules and party goals is relevant to other areas of study as well, but a discussion of this is left until the last chapter when I bring up the question of a future research agenda.

The outline of this chapter is as follows. In the next section I review the theoretical context from which I have drawn my research questions. This section also illustrates the logic of major theories of coalition formation. In section three I explain how my approach is different from the work of other scholars in the sub-field. In the fourth and final section I outline coming chapters.

Party Goals and Rules in Coalition Theory

Classical coalition theorists, such as Riker (1962), Axelrod (1970) and De Swaan (1973), explain coalition formation in terms of a rational choice of goal seeking actors. Primarily, political actors are assumed to be driven by one goal. In contrast to Downs’s (1957) suggestion that political parties seek to maximize electoral returns (i.e. they are vote seekers), Riker (1962) proposed that an office seeking party does not have an incentive to maximize its share of the votes once it has reached a winning size. An office seeking party should not want to increase a coalition more than absolutely necessary. A larger coalition would only mean that each member gets a smaller share of the perks of winning. Because of this, Riker argued, we should expect rational actors to form only minimum winning coalitions.
A minimum winning coalition is one which is no longer winning if it loses one of its members (Riker 1962, 40).\footnote{11}

Riker (1962, 256) himself realized that his criterion that a winning coalition must contain an absolute majority was an auxiliary assumption.\footnote{12} This criterion is really only appropriate if parties are pure office seekers.\footnote{13} However, some coalition theorists have continued to use the “must contain an absolute majority” criterion even after most scholars relaxed the office seeking assumption and began to allow for a policy seeking goal (see, for example, Van Roozendaal 1993, 38; Van Deemen 1991, 143; Rasch 1993, 58). Schofield (1993, 17) states that, theoretically, other voting rules could be used, but he too uses the standard criterion of when a coalition is winning.

In a move probably driven by the recognition of the empirical frequency of minority governments, a second body of literature has begun to define winning in terms of the ability to get supporting votes from more than half of the members of parliament (rather than having to contain more than half of the members). For example, when discussing coalitions in parliamentary government formation, Austen-Smith and Banks (1990), Baron (1991; Baron 1993) and Ordeshook (1992, 303) discuss winning in these terms. That is, they allow for a minority coalition to be winning if it can get support from one or more parties outside of the coalition and thereby reach the absolute majority threshold. The assumed threshold still is an absolute majority, but because a (implicit) distinction is made between containing an absolute majority and having the support of an absolute majority, minority governments are no longer such a remarkable puzzle in coalition theory.

A third body of literature argues against the use of an absolute majority criterion in the first place. This literature has shown that formation rules in many countries do not require a winning coalition to have the votes of an absolute majority (Budge and Laver 1986; Laver 1986; Laver and Schofield 1990; Laver and Shepsle 1990a; Strom 1990b). This represents an important development in coalition theory.

In place of the absolute majority criterion, Budge and Laver have suggested a viability criterion,

A proto-coalition V will form a government if there is no alternative coalition A which is supported by parties controlling more legislative votes than does supporting V and which all supporters of A prefer to form rather than V (Budge and Laver 1986, 488).
What this means is that a coalition does not have to be actively supported by an absolute majority to form a government. Instead it can be sufficient if it can get a plurality of the votes in parliament, i.e. more votes than any other alternative. The viability criterion also implies that the spatial position of parties (i.e. policy seeking) should be taken into account when coalition formation is studied.

Axelrod (1970) and De Swaan (1973) were early proponents of the argument that not only winning office, but also policy seeking matters for coalition formation. De Swaan’s argument is that an actor wants to join the winning coalition that is as close as possible to its own preferred policy position. Axelrod predicts that connected coalitions will form. Such a coalition is defined as one that “consists of adjacent members” in policy space (Axelrod 1970, 170). The introduction of a policy constraint challenges an assumption in early coalition theory. This is the assumption that all combinations of parties are feasible coalitions (Laver 1986, 34).

A Hypothetical Example

At this point an example can be helpful. Assume a five party system in which all five parties have an equal share of the seats in the parliament and name these parties from A to E. This is certainly an unrealistic example, but it is nonetheless a useful exercise. In a five party system, thirty-two ($2^5$) combinations of parties are arithmetically possible (Axelrod, 1970, 166; Riker, 1962, 36). This set of thirty-two possible combinations includes one without any member. Excluding the empty coalition, but including those with only one member as well as the coalition made up of all five parties, any one of thirty-one different governments can hypothetically form. Table 1.1 presents all possible combinations of parties and the coalitions predicted by the different theories.

Remember that a minimum winning coalition is one which is no longer winning if it loses one of its members (Riker 1962, 40). At any one time, a number of coalitions can meet this criteria. Nonetheless, Riker’s assumption of what constitutes a winning majority effectively limits the number of coalitions that are predicted. In this hypothetical example about one-third of all possible government combinations are predicted, i.e. they are in the prediction set. Almost half (fifteen) of the thirty-one possible combinations are excluded on the grounds that they do not contain parties which hold an absolute majority. Another six coalitions are excluded from
the prediction set on the grounds that they include one or more parties not necessary for the coalition to be of minimum winning size (i.e. they are oversized).\textsuperscript{16}

Table 1.1  Prediction Set with Different Assumptions, a Hypothetical Example.

<table>
<thead>
<tr>
<th>Government Composition</th>
<th>Size %</th>
<th>Prediction</th>
<th>Riker</th>
<th>Axelrod</th>
<th>Viability</th>
<th>Median L.</th>
</tr>
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<td>1 A</td>
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<tr>
<td>3 C</td>
<td>20</td>
<td>* *</td>
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<td></td>
</tr>
<tr>
<td>4 D</td>
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<td>5 E</td>
<td>20</td>
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<td>6 A,B</td>
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<td>8 A,D</td>
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<td>9 A,E</td>
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<td>16 A,B,C</td>
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<td>17 A,B,D</td>
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<tr>
<td>25 E,A,C</td>
<td>60</td>
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<td>26 A,B,C,D</td>
<td>80</td>
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<tr>
<td>27 A,B,C,E</td>
<td>80</td>
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<td>30 D,E,A,B</td>
<td>80</td>
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<tr>
<td>31 A,B,C,D,E</td>
<td>100</td>
<td>*</td>
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</tr>
</tbody>
</table>

Predicted coalitions: 10 3 12 6

Note: The assumptions are explained in the text. The column based on the concept of the median legislator party is a subset of the column based on the viability criterion.

The middle column in Table 1.1 illustrates the result if we add Axelrod’s
criterion that only coalitions between parties adjacent in policy space should form. Here it is assumed that the parties are aligned on one dimension from left to right in the order of A to E. The prediction set includes only three winning coalitions (A+B+C, B+C+D, C+D+E). With the traditional assumption that a winning coalition must contain an absolute majority, no minority governments are expected.

Let us now look at the viability criterion. Note that when the criterion that a winning coalition must contain an absolute majority is dropped, the prediction set becomes very large (i.e. it includes a large number of coalitions). Even with a rule that specifies that a coalition must have the support of an absolute majority, it is possible that a coalition which by itself holds only a relative small fraction of the seats in parliament can form a government. If parties B and C manage to agree to form a coalition based on 40 percent of the seats in the parliament, and another party (party A) votes in favor of the coalition, perhaps in order to block a coalition of parties D and E, the coalition of B and C is winning. It is also possible that parties A and B vote for party C in order to block parties D and E. Thus, when the traditional criterion of winning size is dropped, even very small minority governments are hypothetically possible.

In its original formulation, the viability criterion assumed that a new government must have at least plurality support in the parliament. With colleagues, Budge and Laver (Laver and Schofield 1990, 66; Budge and Keman 1990, 34) have more recently reformulated the viability criterion from being able to win the votes of a plurality to one of being able to survive a vote of confidence (or no confidence) in the parliament. As I shall show in the next chapter, in many countries this is a more accurate institutional assumption. What the (new) viability criterion does, in effect, is to drop the “must contain an absolute majority” assumption while keeping the assumptions that (1) unless there are exogenous constraints on the process of coalition formation (such as a situation of national emergency), we should not expect oversized coalitions, and that (2) we should expect parties who are adjacent in policy space to form coalitions. As the third column from the left in Table 1.1 illustrates, with the viability criterion the new prediction set consists of twelve coalitions. Recall that under the traditional definition of a winning size and with a policy constraint (Axelrod), the prediction set included only three coalitions. Thus, with a viability criterion, a much larger number of all possible alternatives end up being predicted. Any one of twelve coalitions is expected to form.
The fourth column illustrates a way to narrow the viability prediction set. The idea is that if parties form coalitions only among parties who are adjacent in policy space, party C will be decisive for the outcome of the government formation process. This is because party C is in control of the median legislator. The concept of a median legislator combines the size of the parties with their position on one dimension.\(^{18}\) The number of seats that each party controls are added from Left to Right (or in the reverse order) until the party in control of the median legislator is found.

The fourth column in Table 1.1 illustrates the prediction set when it is expected that the party in control of the median legislator will be included in the government.\(^{19}\) By opposing, abstaining or by voting in favor of some government alternative, party C will decide which combination of parties that forms the government. Because of this, only coalitions that include party C are likely to form. With these modification of early coalition theory, a prediction set which is likely to be both successful and efficient (i.e. relatively few of all possible combinations are predicted) is generated. In the example given in Table 1.1, the combination of the viability criterion and the median legislator expectation predicts that there are a group of six coalitions out of which one is likely to form a new government. This out of 31 hypothetical combinations.

The hypothetical example presented above schematically illustrates the logic of major theories in the coalition formation literature. It also shows that when the requirement that a winning coalition must contain an absolute majority is dropped, and replaced with a concern for viability and the median legislator, coalition theory can be both realistic and efficient. Empirically, it is also true that almost all governments include the median legislator party (Budge and Laver 1993).\(^{20}\)

The empirical fact that almost all governments include the median legislator party leaves open the question of why it is that political parties sometime form minority governments and not majority governments. This is where the work of Strom (1984; 1985; 1986; 1990b) comes in. In what is probably the most authoritative work on minority governments, Kaare Strom (1990b) explain minority governments from the perspective of the multiple goals of political parties and the constitutional context of government formation. Political parties are assumed to have three goals, they are simultaneous office, policy and vote seekers. If a party has reason to believe that its voters are going to disapprove of a particular coalition, and also believes it can influence policy from its position in the parliament,
this decreases the party’s desire to get into government. This can lead to coalition “avoidance”. In such a case, a party might rather avoid joining a government coalition than entering one that it expects its voters to disapprove of.

Strom (1990b, 237–44) concludes that we should expect coalition avoidance in countries where elections are competitive and decisive for government formation and where the parliamentary opposition can be influential. In particular, it is the anticipation of future elections that is important when party leaders opt for minority governments and support parties avoid government coalitions. This challenges a prevailing notion in formal coalition theory that each coalition formation is an isolated event in which past history and expectations about the future has no place. Much of the key to the explanation of minority governments lies with the parties’ expectations of future electoral fortunes and the extent to which the parties outside of the government can influence policy in the parliament.

In sum, my work draws upon earlier work on coalition theory and minority governments. Rather than an attempt to disprove this literature, the study constitutes an attempt to make a contribution to the sub-field’s further development. My approach is explained in the next section.

My Approach

In this section I explain how I intend to answer the research questions posed above. I begin the study from a theoretical and comparative perspective. Empirically, I will also discuss the formation of minority governments in a comparative perspective. However, the empirical study is predominately focused on one country, Sweden. There are good reasons to study the case of Sweden.

A careful case study can serve the purpose of “theory building” (Eckstein 1975). By studying one case in detail, it is possible to discover nuances and relationships that could be lost, for example, in a cross-national statistical analysis. Zimmerman (1988) and Grofman (1989) have convincingly shown that within-country variation can be distinctively different from between-country variation. Because of this, for heuristic reasons it is useful to combine comparative knowledge with a focus on individual cases. Or in other words, to quote Zimmerman, one should also look within countries “if one cares for historical and theoretical substance” (Zimmerman 1988,
A good reason to focus on Sweden is that it has a high frequency of minority governments. This highlights the issue of when it is that a political party or a coalition is “winning”. As mentioned above, in traditional coalition theory, minority governments were not seen as “winning” coalitions because of the institutional assumption of what constituted a winning size.

The most important reason for studying Sweden is that it provides an unusual opportunity to study the relationship between constitutional rules and party goals in a context in which constitutional rules were endogenous to the process of political decision-making. A new constitution was adopted in Sweden in the mid-1970s. Sweden thus provides a rare example of an encompassing constitutional revision in a stable representative democracy. Constitutional revisions have also occurred in Denmark and Norway, two other countries with a high frequency of minority government, but these have not been as comprehensive as the adoption of a new Swedish constitution.

As a concrete case of constitutional design, I focus on what in Sweden is known as the Torekov Compromise (Torekovskompromissen). It was in Torekov, a small town in southern Sweden, that representatives of the Swedish parties agreed in August 1971 on the present design of the constitutional rules for government formation. In the analysis of the compromise in Torekov I show that the actors expected the government formation rules to have an impact on their own behavior and that their behavior has been consistent with these expectations.

The reasons behind the constitutional design and the bargaining position that it creates for the parties are striking examples of how constitutional rules and the goals of political parties are intertwined in coalition and government formation. I will argue that by facilitating tolerance for minority governments from parties outside the government, the Swedish government formation rules contribute to the high frequency of minority governments.

New Institutionalism

As mentioned above, most researchers studying coalition formation work from a rational choice perspective. With my concern for constitutional arrangements, I place myself within the research tradition of new
institutionalism. In the first part of the study I work within an analytical strand of new institutionalism that can be labelled “historical” institutionalism. In the latter part of the study I shift analytical perspective and work from a “rational choice” oriented strand. Below I explain why I have chosen to do so.

On a general level, the school of thought known as new institutionalism argues that we should search for explanations of political behavior in rules and institutions. In its most generic form the school represents a reaction against the 1950s and 1960s “behavioral revolution”. At that time, behavioralists argued that scholars could not understand political behavior by studying formal rules such as those found in constitutions. They argued that there often is a large discrepancy between the power relations and functions described in constitutions and other organizational schemes and those that really exist and matter in political life. Their alternative was to study the behavior of groups and individuals rather than institutions. To the behavioral revolution the discipline owes rational choice, electoral studies, survey analysis and sophisticated quantitative analysis (for a discussion of these developments see, for example, Apter 1991; March and Olsen 1989; Olsen 1992; Putnam 1993).

When scholarly interest returned to institutions it was in an attempt to synthesize the behavioral tradition with the study of institutions. Institutionalist scholars such as March and Olsen (1984) do not deny that there can be a discrepancy between formal rules and political behavior. This, they argue, does not mean that organizational rules and the institutions of political life are unimportant. On the contrary, political behavior is shaped by both the formal and the informal institutions in which it exists. Putnam (1993, 8) points out that all strands of new institutionalism view institutions as “sticky”, i.e. rules and other institutions are robust over time and costly to change. Once a particular set of institutional rules is chosen, this tends to determine future choices of institutional arrangements. Putnam speaks about this in terms of “path dependence”, i.e. what comes before conditions what comes later. In this respect, earlier institutional arrangements provide a context which has an impact on present day choices. Beyond these similarities, however, there exist at least three main strands of new institutionalism. The three are sociological, (macro) historical and rational choice oriented.

The sociological strand, represented foremost by March and Olsen (1989), argues that (1) institutions are the most important entities of social life, (2)
social behavior is largely routine and originates from socialization, (3) by creating social roles institutions generate the actors understandings of themselves and (4) politics is as much about symbols and ways of understanding the world as it about making choices and decisions (see also Olsen 1985; Olsen 1992).^{23}

While the sociological strand of new institutionalism is an interesting and challenging perspective, for the purpose of bringing constitutional rules into coalition theory it is less appropriate. I work on a different level of analysis. My questions about party goals and rules deal with individual (actor) choice in specified situations concerning specific decisions. A broader sociological approach to the study of government formation is beyond the scope of this study.^{24}

The other two strands are more directly applicable. One of these is the historical (or Neo-Weberian) strand. Relative to the other strands, this represents the mainstream research tradition on institutions. It tends to emphasize the importance of the state and other institutional arrangements as something of an independent variable or as an actor (Skowronek 1982; Evans et al. 1985; Ikenberry et al. 1988; Steinmo et al. 1992). The analyses are often cast in terms of large-scale social processes such as social revolutions (Skocpol 1979) or the origins of neocorporatist arrangements (Rothstein 1992). For present purposes, with my focus on rules and other institutions, this strand guides attention towards the study of the impact of the broad constitutional arrangements on coalition and government formation.

The third strand of new institutionalism is the most applicable for bringing government formation rules into the analysis of coalition formation. The rational choice oriented strand is cast at a level of analysis that is appropriate for answering my empirical question. The “pure” rational choice tradition holds that one should understand social processes and outcomes in terms of the preferences and choices of actors, i.e. it is based on methodological individualism (see, for example, Buchanan and Tullock 1962, vi–vii; Van Roozendaal 1992, 3). The rational choice oriented strand of new institutionalism is placed firmly in the ontological and epistemological tradition of methodological individualism. The choices of actors are always the basis for explanation. Because of its focus on goal oriented actors, the third strand might perhaps be seen as a new version of rational choice theory.

There are reasons for why I nonetheless prefer to speak about new
institutionalism. One reason is that this leads to an explicit and immediate recognition of the importance of rules and other institutions. The difference between a rational choice model in which attention is given to rules and the third strand of new institutionalism is foremost a difference of emphasis, but an important one. In the former case, rules and institutions have the character of an afterthought, in the latter case they are a starting point. In contrast to pure rational choice theory, the rational choice strand of new institutionalism searches for the explanation of behavior in the relation between actors' goals and institutions. For scholars working in this tradition, rules constrain the range of possible behavior and they favor certain outcomes over other (Przeworski 1988; Riker 1980; Shepsle 1986; Shepsle 1989; Tsebelis 1990).

I also prefer to speak about new institutionalism because one of the most fascinating characteristics of all three strands is that authors in this tradition ask questions about the origins of institutions. And at least within the historical and the rational choice oriented strands, scholars tend to emphasize that rules and institutions should be seen as designed rather than self-evident or evolutionary (Knight 1992; Shepsle 1989; Mershon 1994). The impact of institutions might not always be those expected, but the starting point is that a better understanding of the importance of institutional design is necessary for an improved understanding of political life.

In the remainder of this chapter I present the outline of coming chapters.

The Outline of the Study

The use of two distinct analytical perspectives is reflected in the presentation of the study. The study consists of two main parts. In Chapters 3 and 4 I combine the historical strand of new institutionalism with coalition theory in a study of the empirical record of coalition and government formation. In this part of the study, party goals and existing constitutional rules are taken as given, i.e. their origins are not discussed.

In the second part (Chapters 5 through 8), in an attempt to move beyond the argument presented in earlier chapters, I shift to the analytical perspective of the rational choice oriented strand of new institutionalism. I combine an explicit model of multiple goals and arenas with a perspective in which constitutional rules are endogenous to the process of decision-making. First I present a multiple goals model. Later I show how the model
can be used to study constitutional design, i.e. the process of the creation of new constitutional rules. In the final empirical chapter, I reverse the relationship under consideration and explain how the resulting constitutional rules help determine the parties' bargaining positions. One consequence of this research design is that I discuss theory not only in this chapter but also in Chapter 5 (and later). Together the two parts of the study provide the basis for the answers to my research questions. They also provide a basis for an outline of a future research agenda.\textsuperscript{25}

In terms of individual chapters, the study is organized as follows. In Chapter 2 I discuss definitions of concepts and terms. I discuss methods and sources and I explain a number of choices that I have made when designing the study. It is also here that I discuss complementary approaches and the possible pitfalls of working from the approach that I have chosen.

From a comparative perspective, in Chapter 3 I show that minority governments, and in particular small minority governments, are more frequent in countries that share a particular kind of government formation rule. In these countries, the formation process is, on average, also much shorter. These findings are not accounted for by current coalition theory.

In Chapter 4 I present the empirical record of Swedish coalition and government formation in the post-war era. Chapter 4 also provides an initial explanation of this historical record. Constitutional rules, voter alignment and party positions determine much of coalition and government formation. This provides a necessary background for the more direct answers to my research questions.

In Chapter 5 I develop, explain and defend the multiple goals model. Theoretically, I connect each of the goals to a major arena for party behavior. I use this model, in Chapters 6 and 7, to study the party goals behind the constitutional design of the present Swedish government formation rules. In Chapter 6 I provide an example of how, when an issue is (potentially) electorally salient, both the reasoning and the behavior of party leaders is consistent with the existence of multiple goals in multiple arenas. The concrete issue deals with the almost complete elimination of the Swedish Head of State’s (the King’s) formal powers in the early 1970s. This particular example gives the context in which the present Swedish formation rules were chosen.

In Chapter 7 I explain why the present Swedish constitution requires the Riksdag to vote on a new government. I will also show that the actors involved in the design of the government formation rules expected the rules
to have consequences for the outcome of the government formation process. By not creating a minimum threshold for the election of a new government, the formation rules were supposed to facilitate a short formation process and the formation of minority governments. The outcome of the government formation process has been consistent with those expectations. Theoretically, another main point of this chapter is that it provides an illustration of the limits of the goal seeking model. The analysis of constitutional design suggests that a goal seeking explanation is of great use for the study of some kinds of decisions, but of limited use for the study of others.

In Chapter 8 I focus on the link between the formation rules and the empirical record of government formation. Here I explain why minority governments are frequent, why very small minority governments can form, and why the formation process is short in the context of a particular constitutional design of government formation rules. I use the model to show how the design of the government formation rules help determine the parties’ bargaining positions.

Chapter 8 is more speculative than other chapters. This is because it involves a significant amount of counter-factual reasoning. I ask questions about what would have happened if the rules had been different. This is an unusual approach in political science. To establish a more solid link between formation rules and party goals in terms of the micro-logic of the actors, one must conduct comparative studies. This would make possible an empirical study of the impact of very different formation rules. However, in order to usefully conduct such comparative studies it is necessary to have a theoretical foundation from which to start. Chapter 8 should be seen in this light. It constitutes an attempt at theory building for the purpose of establishing a guide for future research on the topic.

In Chapter 9 I summarize the answers to my research questions and I draw out the theoretical and empirical implications of these answers. I also address the issue of how to study the link between constitutional rules and party goals in further research.
1. A parliamentary democracy is a representative democracy in which the government (the executive) must be supported, or at least tolerated, by the parliament (Bogdanor 1984, Brusewitz 1929). In keeping with much of the literature I have chosen to use the term government rather than cabinet to denote the executive in a parliamentary democracy. A presidential system is considered to be the other "pure" form of representative democracy. In a presidential system, the process of forming the executive is institutionally separate from the process of filling seats in the assembly, because both branches are popularly elected. There exist also "mixed" forms of legislature-executive relations (Shugart and Carey 1992, 2). France (Fifth Republic) is an often used example of a mixed system.

2. Of course, government formation is not only interesting from the perspective of coalition theory. Government formation matters both as an important aspect of representative democracy and because of its potential impact on political economy. Minority governments tend to have shorter tenure in office than majority governments. However, while most governments lose votes in subsequent elections, minority governments suffer smaller losses in elections than both majority parties and multiple-party majority coalitions. Multi-party majority coalitions is the government type that tends to suffer the greatest vote losses at election time (Strom 1990b, 113–31). In countries with majoritarian electoral systems, left-wing or right-wing party control of the government has an observable impact on budgetary spending patterns. With proportional elections and minority governments, the ideological position of government parties tend to have a marginal partisan effect on budgetary spending patterns (Blais et al. 1993; Hofferbert and Budge 1992, Jackman 1986; Petry 1991; Klingemann et al. in press). Thus, consistent with the argument in this study, in such systems parties need not necessarily be in government to exercise influence on national policy-making. In cross-national OECD data, there exists some statistical evidence that national budget deficits are negatively correlated with the duration of governments. When government duration increases, the probability of a long-term budget deficit decreases (Persson 1993; Blais et al. 1993, 55; Edin and Ohlsson 1990 on Swedish data). There exists, on the other hand, no evidence that minority governments must have negative effects on budget balances. In fact, in the case of Sweden, Molander (1992, 28) concludes that stable minority governments before the 1970s had a positive effect on the state's budget balance.

3. The rational choice approach to coalition formation constitutes a research program (Lakatos 1970) in political science. In turn, rational choice theory belongs to a major type of explanation, namely one which explains social phenomena on the grounds of purposeful action. Some other forms of explanations are causal (or correlational), functional and dialectic explanations (Elster 1986). In short, causal explanations explain variations in one social variable on the grounds of variation in other variables. Functional explanations explain social phenomena in terms of the role they perform in a larger context (system). Dialectic explanations explain social phenomena in terms of the conflicting forces (material or idea-based) that produce them.
4. A theoretical point often left unclear in the literature is that what it means to be “winning” depends on the goal(s) of the actor (on this point, see also Schlesinger’s 1991, 138). For example, if a party wants to get into national office, being successful in terms of electoral votes can be seen as a “non-win” if the party does not get into government. However, for the purpose of this study, the term winning will be used in only two ways. Either it refers to a party or a coalition of parties forming a government (the national executive) or it refers to a coalition which, in coalition theory, belongs to the prediction set. This narrow use of the concept of winning is motivated by the fact that this is the way it has been used within the coalition formation literature.

5. The size of a party or a coalition is measured by its share of the parliamentary seats.

6. Taylor and Laver (1973, 229) also test coalition theories with other absolute thresholds (49, 48, 45 and 40 percent of the seats). Because some minority governments are now considered to be winning, this improves the success of coalition theory. However, such absolute voting rules do not exist in any parliamentary democracy included in their data.

7. There exists some international disagreement about the meaning of the prefixes associated with the term majority. In Bogdanor’s (1987, 350) political dictionary, absolute majority is defined as a “majority of all votes cast” and relative majority as having “more votes” than any other alternative. This definition does not recognize the distinction between a majority of all members and a majority of all votes cast. From the perspective of coalition theory, this is an important distinction. The former requires a winning coalition to have the support of a specific number of members of parliament. The latter only requires a winning coalition to have the majority among the members who actually do vote. Thus, in this study (as in Riker 1962), an absolute majority is a majority of all the members of parliament. A relative majority is a majority of the members of parliament who actually vote on an issue (i.e. this excludes abstentions and absentees). What Bogdanor (1987) calls a relative majority I consider to be a plurality rule. That is, a proposal is winning when it gets more votes than any other alternative (without having to encompass a relative majority of the votes cast). Note that the assumed voting rules contrasts with the voting rule used for most decisions in most parliaments around the world. A comprehensive survey of parliaments concludes that: “ordinarily, decisions are taken by a majority of the votes cast” (Parliaments of the World 1986, 516). Thus, in parliamentary decision-making the most common voting rule is relative majority.

8. A minority government is a government which holds less than half of the seats in the parliament (Strom 1990b, 6–7).

9. The literature does point to the potential importance of differences in government formation rules. One example is Strom (1990b, 79) who points out that the presence of a constitutional requirement of investiture (i.e. parliamentary approval) can make the formation of minority government more difficult. Conversely, he suggests that less restrictive rules can promote the formation of minority
governments (Strom 1990b, 110). However, as is the case with his colleagues, the
full consequences of government formation rules are beyond the scope of Strom’s
analysis.

10. The political party is the “unit of analysis” which forms or does not form
governments. Scholars such as Downs (1957) and Sartori (1976, 63) hold that the
defining feature of a political party in a representative democracy is the fact that
it participates in elections. Following this, my working definition of a political party
is that it is an assembly of men and women who take part in a general election.
However, as argued in the text, vote seeking is not the only goal of political parties.
Perhaps this marks an important difference between the firm in economics and the
party in political science, the former can more plausibly be said to seek mainly one
goal (profit).

11. Riker’s (1962) theory of minimum winning coalitions is probably the most widely
known of all coalition theories. It reads,

In n-person, zero-sum games, where side-payments are permitted, where players
are rational, and where they have perfect information, only minimum winning
calitions occur (Riker 1962, 32).

Riker rephrased this “size principle” into a “sociological law”,

In social situations similar to n-person, zero-sum games with side-payments,
participants create coalitions just as large as they believe will ensure winning
and no larger (1962, 32-33).

Riker’s (1962) theory of minimum winning coalitions corresponds to a prediction
set—the V-set. In the vocabulary of the rational choice tradition, a minimum
winning coalition is an equilibrium outcome of a cooperative game. Traditional
calition theory is of this kind. In a cooperative game, an equilibrium “corresponds
to an outcome in which no coalition has the incentive or the means for unilaterally
insuring an improvement in the welfare of all its members” (Ordeshook 1982, 26).

12. Riker was also one of the leading scholars in the rational choice sub-field of social
choice. Social choice theory is concerned with the consequences of different voting
rules, some of which are plurality, plurality runoff, approval, Black, Borda, Coombs
and Hare voting procedures (Hermansson 1990; Lane and Berg 1991; Nurmi 1987).
However, to my knowledge Riker never brought the full implications of social
choice theory into coalition theory. In his work on voting rules within social choice,
Riker (1982, 41-64) pointed out that in a binary choice (i.e. in a choice between
two alternatives), the relative majority voting rule is the only voting method which
satisfies the three properties of monotonicity, undifferentiatedness and neutrality.
Monotonicity means that if more voters become in favor of a particular alternative,
the voting rule is such that this alternative has a better chance of winning.
Undifferentiatedness means that all votes are equally important. And, finally,
neutrality means that a voting rule does not favor any alternative (Riker 1982, 56-
9). According to Riker (1982, 57; Riker 1986, 104) an absolute majority rule
violates the neutrality property. With an absolute majority rule, a motion only wins
if it receives a certain number of votes, in all other cases it loses. The voting rule
favors one alternative (in this case the side opposed to the motion) and
discriminates against the motion. Thus, the threshold at which a coalition
traditionally has been assumed to be winning (i.e. must contain an absolute majority) violates the third property of the relative majority rule, i.e. it is not a neutral voting rule. As I will show, the use of non-neutral voting rules impacts on coalition formation.

13. Or, to be more precise, Riker's criterion is only appropriate if (1) political parties are modelled as pure office-seekers and (2) the game is constant-sum (zero-sum). For a discussion of the latter, see Budge and Laver (1986, 487-90). If, as Riker (1962) assumed, it is true that political parties are only (or pure) office seekers, there is no reason to believe that they will tolerate a government in which they are not included (Budge and Keman 1990, 49). There would be no reason to expect minority governments. Unless a coalition contains members in control of an absolute majority, the opposition parties will simply join forces and put themselves in government (Budge and Keman 1990, 11).

14. In practice the "empty" coalition can be said to correspond to a non-partisan government. In the post-war period, such governments have formed in both Finland and Portugal (Strom 1990b, 58).

15. Gamson (1961) narrows the prediction set with the expectation that the coalition which among all winning coalitions is in control of the smallest possible number of seats will win. Leiserson (1970) has suggested that the coalition that can ensure an absolute majority (50%+1) with the fewest number of member parties should be the predicted one. In practice, these alternative definitions can limit the prediction set. However, because the parties in the example are all of equal size, in Gamson's and Leiserson's definitions generate prediction sets that are identical to Riker's.

16. According to Riker's (1962) theory, a coalition that contains more members (parties) than are needed to ensure an absolute majority is an "oversized" coalition. However, Laver argues that oversized coalitions are not much of a theoretical problem,

This situation may arise, among other reasons, because constitutional amendments requiring a qualified majority are on the policy agenda, or because party discipline is poor and solid party votes in the legislature cannot be guaranteed, even on crucial issues. Here we are dealing with the familiar concept of the necessary 'working majority' for a government (Laver 1986, 38).

Budge and Keman (1990) stress that such oversized coalition are likely to occur when the very foundation of representative democracy is threatened. That is, coalition formation in times of significant external pressure is likely to be different from the process of coalition formation in more normal times.

17. As I will show in Chapter 3, the criterion that a new government must have the support of an absolute majority (without having to contain such a majority) is used in a few parliamentary democracies. Of the 15 democracies I study, this includes Israel, Germany and Spain.
18. A corresponding concept is that of the "core" of the bargaining game. If there is only one salient dimension, the median legislator is identical to the core. The core is a position in policy space which cannot be defeated and which can defeat all other. However, in multi-dimensional space the core is often empty, i.e. no coalition of parties has such a position. With three or more dimensions, the core is almost always empty. This is known as the chaos theorem (Laver and Schofield 1990, 121–9). Such results have been conducive to the rational choice version of new institutionalism which explains the discrepancy between the theoretical expectation of instability and the empirical observation of relative stability by emphasizing the stabilization induced by institutional arrangements (Laver and Budge 1992, 2–4). Schofield (1993) has suggested "the heart", a subset of policy space, as another a promising solution concept. However, the sophisticated formal modelling that underlies that concept still relies on the institutional assumption that only a coalition with more than half of the seats is a winning coalition. As Laver and Schofield (1990, 128) suggest, perhaps studying the effects of real-world institutional decision rules can shed light on the relationship between theoretically unstable policy positions and relatively stable real-world government formations. This study attempts to take a small step in that direction.

19. The combination of the viability and the median legislator criteria leads to a prediction set which assumes (1) that a winning government consists of one party or a group of parties that are connected in policy space; (2) includes the median legislator party; (3) has no minimum size requirement but (4) excludes coalitions that consists of a party not needed once an absolute majority threshold is reached.

20. There are some exceptions to this rule. For example, Strøm and Leipart (1993) have shown that five out of 17 Norwegian governments did not include the median legislator party. For four out of these five governments, the median legislator party belonged to an alternative coalition of parties which had just left a failed government. In the fifth case, the median legislator party did not join the government because of an electoral pre-commitment which was not met. The party, in this case the Center Party, had promised to join the Conservatives in government only as part of a larger coalition which failed to materialize. This study is not about the anomaly of a party (or a coalition) who is winning without being in control of the median legislator. While this is an interesting area for further research, for present purposes a theoretical understanding of why median legislator parties usually have a privileged bargaining position is sufficient.

21. Constitutional design continues to be a common theme in the Swedish public debate. One example is a highly publicized report commissioned by the government in 1992. In their 1993 report the members of the commission, five economists and one political scientist, argued that many of the problems in the Swedish economy (budget deficit, a financial system in crisis, rising unemployment, etc.) are rooted in political instability. As one remedy they advocated reforms to increase government authority relative to the Riksdag. To facilitate this they suggested among other things that Sweden combine a German type "constructive vote of no confidence" with a French inspired legislative option that enables the government to pass legislation through the parliament unless a vote of no confidence is passed.
against it (SOU 1993:16, 150–68).

22. The trends discussed in the text are about broad shifts and developments within the social sciences in general and political science in particular. It is in contrast to the relative lack of attention given institutions in the 1960s and 1970s that “new institutionalism” represents a shift of focus within the discipline. Of course, the impact of institutions and the design of institutions has for centuries fascinated political philosophers and scholars. In the context of Swedish constitutional politics, excellent examples of scholars sharing similar concerns without using the label of new institutionalism are Back (1980), Board (1980) and Verney (1957).

23. Putnam (1993, 7) has labelled this the perspective of “organization theorists” within new institutionalism. For a brief introduction to the sociological strand of new institutionalism, see DiMaggio and Powell (1991, 8–11).

24. However, the sociological strand of new institutionalism is close to culture theory and as such it can be said to enter the analysis through the issue of preference formation (see Chapter 5).

25. After all, as Dunleavy has so aptly put it,

We still know so little about the mechanisms and operations of democratic control, government power and state institutions—in a world where the number of liberal democracies is growing rapidly, and the striving for democracy is demonstrably near-universal (Dunleavy 1991, 259).
Introduction

I begin this chapter with a discussion of two fundamental issues about the approach that I use: the existence of goal seeking and the potential for institutional determinism. In the third section I discuss complementary approaches to the study of government formation. From there I move on to a more technical discussion of concepts and terms (Section four) as well as methods and sources (Section five).

Two Fundamental Issues

As explained, my analysis starts from a combination of coalition theory and the historical strand of new institutionalism. From this perspective parties are assumed to have goals and a central task is to look for the importance of rules and institutions. In the second part of the study, from the perspective of the rational choice oriented strand of new institutionalism, party goals and rules are even more in focus. For reasons explained above, I highlight government formation rules. For reasons also explained above, the formation of winning minority governments is of particular interest in the empirical study.

On a fundamental level, one can argue about whether or not political parties seek goals and whether a focus on rules will lead to institutional determinism. The purpose of this section is to explain why I believe that a goal seeking approach has merit and that I do not want to reduce the analysis to institutional determinism.

As Panebianco (1988) points out, political parties are organizations, albeit
more or less well organized, and people in organizational hierarchies often worry more about the survival of the organization and their individual positions than about seeking programmatic goals. I certainly share the view that there is more to political parties than goal seeking. However, as most serious critics of the rational choice approach (see, for example, Dunleavy 1991; Wildawsky 1994), Panebianco nonetheless acknowledges that goal seeking is an aspect of political parties. For instance, Panebianco (1988, 6) views party activity in the electoral arena as a characteristic of political parties which separates them from other organizations, i.e. goal seeking is one aspect of political parties (Panebianco 1988, 9).

It is only if party leaders do not care about the consequences of their actions that my chosen approach should be fruitless. For example, if party leaders believe that they can remain in government for all foreseeable future regardless of how they ignore policy promises, cheat coalition partners and activists and perform in the next election campaign, then a perspective in which political parties pursue goals is hardly useful. In contrast, if party leaders believe that their behavior will have consequences for their future, they are likely to worry about how to achieve goals. If party leaders try to achieve goals, it should be possible to analyze the goal seeking aspect of political parties.

In sum, judging from the literature on party goals, I find good reasons to believe that goal seeking is an important aspect of party behavior. However, I leave open for empirical investigation precisely how important that aspect is. I also leave open, and want to investigate empirically, the limits of an analysis based on the assumption of parties as goal seekers. Thus, in the latter part of the study, I will ask questions about the strengths and the weaknesses of a goal seeking approach.

The second fundamental issue concerns the potential disadvantages of starting from the perspective of the historical and rational choice oriented strands of new institutionalism. It is possible to identify at least three potential problems. On a general level, these problems are shared by most social science studies. The three potential problems are: (1) that conclusions could stem directly from assumptions, (2) that the analysis could be either structure (in this case institutionally) or actor centered, and (3) that the choice of a particular perspective could lead one to overlook alternative explanations.

The first of these issues refers to the possibility that by choosing a particular perspective, I have in some sense already answered the question
about the importance of formation rules. For example, if I did not believe that rules are important, I would not have chosen to work from the perspective of new institutionalism. It is because of this potential problem that I deliberately ask questions about the relative importance of government formation rules.

Another potential problem stems from a temptation to reduce the analysis to either an institutional or a rational choice type of analysis. In important respects this is a parallel to the agent-structure problem in social science (Wendt 1987; Rothstein 1988). This discussion concerns both the importance and the problem of how to analyze both actors and social structures without giving preference to one or the other. In terms of the agent-structure debate, one could say that my scholarly background is such that I would be more likely to err in favor of the structural side of the analysis. It is in an attempt to move beyond the dichotomy of institutional analysis versus rational choice that I explicitly require that my institutionally focused explanation also take into account the goals (micro-logic) of the actors.

A third potential weakness is inherent in all studies that take a stand and argue that one view of society is more appropriate for answering a particular question than another. This is that any choice of perspective directs attention away from alternative explanations. In an effort to come to terms with this, I take two steps. First, it is because of this potential problem that I explicitly discuss alternative approaches in the next section. Second, in the latter part of this study I modify the mainstream rational choice approach to take into account the existence of multiple goals and the study of preference formation. I use critical voices from culture theory to guide this attempt. (More about this in Chapter 5.)

**Complementary Approaches**

A focus on party goals and constitutional arrangements, in particular the government formation rules, is not the only possible starting point for a study of government formation. Below I briefly discuss five explanations as to why minority governments form. Rather than being wrong or mutually exclusive, they direct attention to complementary explanations of minority governments. With one exception, they also have in common that they largely overlook the importance of constitutional arrangements.
Instead of assuming that minority governments are a result of an intentional choice, one alternative is to argue that they are a result of uncertainty and a lack of information (this would be in line with the argument in Riker 1962; Dodd 1974). To some extent, there is an element of uncertainty about the preferences and bargaining strategy of other actors involved in coalition formation. However, coalition formation and government formation in a parliamentary democracy commonly includes relatively few actors. It is the party leaders who bargain. With few and presumably highly informed actors, the problems of uncertainty and a lack of information should be smaller than with almost any other application of rational choice theory to empirical data (Laver 1986, 34; Luebbert 1983, 242). Moreover, the work of Strom (1984, 1985, 1986, 1990b) has convincingly shown that minority government formation is plausibly conceptualized as involving both informed and purposeful actors.

Another way to explain the high frequency of minority governments in countries such as Sweden is to argue that they form because the electoral system is proportional and no party has a majority of its own. This is of course a constitutional rule argument, but it is also one of limited applicability. Of the 22 democracies studied by Lijphart (1984, 152) only six have something other than a proportional electoral system. Among the remaining 16 countries, there is considerable variation in the frequency of minority governments. Thus, by itself, the very existence of a proportional electoral system does not provide a very good explanation for why minority governments form more often in some countries than in other.

The discrepancy between traditional coalition theory and the empirical record of minority governments has also been linked to political culture. For example, Luebbert (1986) stresses the consensual nature of politics in Denmark, Norway and Sweden. In his view, the relatively peaceful transition to democratic rule in these countries became the foundation for a tradition of cooperation and for the resolution of conflict by compromise. When the resulting party systems were mixed with corporatist institutions, the result was a consensual and consultative form of democracy. In such a culture, the party leaders have little reason to compromise their followers’ policy preferences for the sake of getting into government. They need not form majority governments to enjoy influence over policy. They are able to influence national decision-making from outside the government anyway.

The consensus culture explanation does not provide much of an explanation for why countries such as Finland and Italy have also
experienced a relatively high frequency of minority governments. Neither country had a smooth transition to liberal democracy nor have they had a long-standing tradition of domestic consensus and cooperation that comes near that of Denmark, Norway and Sweden (Berglund and Lindström 1978; Pesonen and Thomas 1983; Strom 1990b). To explain the existence of minority governments in these countries, Luebbert (1986) speaks about conflictual systems in which polarization and the absence of institutions for cooperation prohibit the formation of majority governments. In sum, Luebbert’s argument was that in consensus cultures minority governments form because majority governments are not needed and in conflictual cultures minority governments form when actors fail to form majority governments.

I see no reason to disregard a political culture explanation. In the Swedish case, the traditional consensus in Swedish politics has been stressed by many scholars (Jerneck et al. 1988; Ruin 1983; Sannerstedt 1987; Sjölin 1987).² It is probable that the consensus culture has had an impact on the record of government formation. However, Luebbert (1983, 1986) saw political culture as one but not the only influence on government formation. In addition, from the perspective of new institutionalism, rather than something that explains behavior (an ‘independent’ variable), consensus is something to be explained (a ‘dependent’ variable). As I will show in Chapter 4, at least partly the consensus culture can be understood as a consequence of the favorable bargaining position and dominance of the Social Democratic Party in government. Thus, while political culture is important, it is not the only relevant explanation for government formation.³ I will return to this point in the latter part of this study.

A fourth alternative is to stress that the a high frequency of minority governments can have something to do with characteristics of the party system. Political cleavages represented in the party system are likely to have an impact on coalition bargaining (Budge and Laver 1993). To be more specific, perhaps minority governments form when the party system is highly fractionalized, i.e. when there are a high number of smaller parties, because this complicates the bargaining process (Sartori 1976). A related explanation is that minority governments form because the party system is polarized, e.g. because it contains one or more anti-system parties. In such a case minority governments can arise because the parties are too split to agree on a majority government (Dodd 1976). In an analysis based on cross-national data, Strom (1990b, 62–89) has shown that while there is no
cross-national statistical evidence that fractionalization increases the chance for a minority government, it is possible that a high degree of polarization makes minority governments more likely. However, this does not provide an explanation for why it is that minority governments continue to be frequent in Sweden today when the anti-system party, the Communist Party, began its transition from an anti-system party to a more moderate party on the left in the mid-1960s. While important in a cross-national perspective (see, for example, Laver and Schofield 1990, 114–6, 134–7), polarization provides little explanation for the formation of minority governments in Sweden.

A fifth way to explain the puzzle of minority governments points to the existence of support parties. In the context of Danish government formation, Damgaard (1969) found that if parties involved in more or less permanent cooperation with governing parties were counted as a part of government’s parliamentary basis this removed the discrepancy between the theory and empirical practice in many cases of minority governments. This idea has attracted some attention among coalition theorists and is known as the ‘majority government in disguise’ argument (Sjölin 1993, 84; see also Strom 1990b, 19–21). The existence of support parties is of obvious importance. However, few minority governments rely on formal agreements with parties that remain outside of the government (Strom 1990b). And the question still remains, why do parties outside of the government give either explicit or tacit support for another party or group of parties so that they can form a government? Thus, while this explanation identifies the existence of support parties as an important reason behind the formation of minority governments, it does not provide a good understanding of the motives behind the behavior of either the parties (or party) in government or the support party (or parties).

In sum, the approach outlined in Chapter 1 is not the only possible starting point for an investigation of winning minority governments. I agree that there is an element of uncertainty in the bargaining process. Relative to electoral systems that tend to produce majority governments, a proportional electoral system has consequences for the pattern of government formation. Together with a consensus culture, party system characteristics are a part of the explanation of why minority governments form. However, my explanation is closest to the one suggested by Damgaard. However, in contrast to Damgaard, I view the identification of the existence of support parties as only a first step in an explanation of
winning minority governments. More fundamental are the party goals and the constitutional rules that lead a party to assume the role of a support party. In the final analysis, minority governments form and support parties behave a certain way because the parties make decisions about how to act.

Definitions of Concepts and Terms

In this section, central concepts and terms are defined. This means that in this section (and in the next) the presentation is of a technical character.

First I would like to explain my choice of time periods. In the discussion of the Swedish case, I present data for the 1944–1994 period. The focus, however, is on the period 1970–1994. Ideally, since the parliamentary democracy was firmly established in 1917, the analysis of Sweden should encompass most of this century. In particular, a series of small minority governments in the 1920s and early 1930s, and the transition to stable Social Democratic dominance in the 1930s, is worthy of detailed study. However, for practical purposes, and since this is a study in which Sweden is used as a case for theory-building rather than a study of Swedish politics as such, I have limited the analysis to the post World War II era. The focus on the post-1970 developments is motivated by (1) the constitutional revisions that were made at that time, and (2) the increased reliability of the data after 1970. (This is explained in more detail below.)

The cross-national data used in Chapter 3 covers the time period 1945–1987. Ideally, the cross-national data should cover a longer period. Nonetheless, the data allows me to describe a few systematic relationships over a period of more than forty years. The result of this analysis is used as a point of departure for subsequent theoretical and empirical investigation rather than as a final result. Thus, again as a practical matter, the current data is sufficient for present purposes. Having said this, let me turn to the task of defining coalitions, institutions and related concepts and terms.

A Coalition and Related Terms

A coalition is the end result of a process of forming a group (Riker 1962, 12). In principle, this group can encompass all parties (a grand coalition) or it can consist of only two members of parliament. Thus, strictly speaking, a political party can be said to be a coalition in itself. However,
to avoid confusion with everyday language, I shall speak of a coalition only when two or more political parties form a group. Also note that the concept of a coalition refers to an end result, the outcome of a process. Pre-existing configurations of parties that might become a coalition are called proto-coalitions (Riker 1962, 103–4).

Another important distinction is between coalition formation and government formation. Government formation is seen as one kind of coalition formation. In this respect, Laver and Schofield (1990, 62–70) make a useful distinction between a legislative and an executive coalition. When I speak about coalition formation in general I speak about legislative coalitions. When I speak about government coalitions I mean only executive coalitions. A legislative coalition is one which decides on policy matters in the parliament. This legislative coalition can be identical to the executive coalition, but it might also be larger than the executive coalition. In fact, if the executive coalition is a minority government, the executive coalition might at times be excluded from the winning legislative coalition.

A couple of related terms are those of formal and informal coalitions. A government (a one party government or an executive coalition) is formally constituted, i.e. it cannot be an informal coalition. If a government consists of two or more parties, it can be said to be a formal coalition. A legislative coalition is an informal coalition; it can exist for one specific policy vote only and then dissolve. This study involves the analysis of both formal and informal coalitions. This is in contrast to the traditional coalition formation literature which tends to focus only on formal coalitions.

Another distinction to be made is the one between formal and substantive minority governments. Formal minority governments rely on (1) negotiated agreements of support with other parties to reach the absolute majority threshold of the seats in the parliament. These agreements are (2) both comprehensive and explicit and (3) they are long-term binding. Substantive minority governments lack such agreements. In this context, it is also important to define a support party.

A support party is a party which by its behavior directly contributes to the existence of a minority government, whether this behavior is to vote in favor or abstain in favor of a government. A support party can exist regardless of whether a minority government is formal or substantive in kind. It is likely that the support party will belong to the same legislative coalition as the executive coalition, but this is not necessarily always the case. A support party can by its behavior facilitate the existence of a
minority government which in turn can choose an alternative legislative coalition for policy-decisions.

Institutions and Related Terms

A broad definition of institutions is that they 'are collections of interrelated rules and routines that define appropriate actions in terms of relations between roles and situations' (March and Olsen 1989, 160). In contrast, in rational choice theories, institutions 'are simply rules about behavior, especially about making decisions' (Riker 1980, 432). The former use of the concept can include both formal-legal aspects of social life as well as regularities in social behavior. The latter definition equates institutions with rules. My use of the concept is more narrow than the former and makes a distinction which is lacking from the latter.

When I speak about an institution I refer to the formal-legal aspects of that concept. I also make a distinction between institutions (a general term) and rules (which is one form of an institution). Thus, my use of the concept of an institution refers to a formal organization, e.g. a parliament, or a rule that governs some aspect of political life, i.e. the government formation process. A rule constrains the options available to the actors. Such a rule can be but is not necessarily codified (i.e. it does not have to exist in written form). My use of the concept is one which focuses on either written rules or on practices that have the same effect as a written rule. The last qualification is essential.

There exists a grey area of informal rules between formal-legal written rules on the one hand and regularities in social behavior on the other. An informal rule is one which has not been written in a constitution or some other written prescription for allowed behavior. Informal rules can arise when it is seen as costly and difficult to change formal rules. Informal rules are something more than just behavioral regularities. Informal rules—like formal rules—constrain the options available to the actors (Mershon 1994). For example, before a new constitution was enacted in Sweden in 1975, the Swedish representative democracy was governed by informal rules. According to the written rule, the King governed Sweden, but according to the informal and important rules his powers were symbolic and of little practical importance. Rules can thus be informal but still important. As for rules, I make a distinction between formation and voting rules. A voting rule is one type of formation rule. A voting rule is a method

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according to which decisions are made. Thus, I use the term voting rule to encompass such rules as an absolute majority, relative majority, etc. This can involve a show of hands, a division, or some other means of counting votes. There are also other formation rules. One such rule concerns the role of the Head of State in the process of government formation. Another is the parliamentary rule for the removal of a government. This is perhaps somewhat counter-intuitive, but as Laver and Schofield (1990, 62–88) point out, such rules are important even in the formation process because if a coalition believes that it will immediately be removed from power, it is not likely to form a government in the first place.

Instead of institutional arrangements, I often speak of constitutional arrangements. The term (constitutional) arrangements refers to the entire configuration of rules and institutions of a polity. The government formation rules are one kind of such rules. The electoral system is another. The structure and procedures of the parliament belong here, etc. A significant aspect of the constitutional arrangements discussed in this study is that they concern the behavior of the political parties. In a broader sense, the term constitution also includes rules for the relationship between the individual and the state. In this study, when I speak about constitutional arrangements, I speak only about the rules that apply to the national political actors themselves.

The above definition of rules means that the term constitutional arrangements can refer to both formal and informal rules. In some cases, the rules are also formally a part of a constitutional document. In other cases, the rules are written in an ordinary law or are practice (an unwritten rule). These distinctions are admittedly vague. However, this is not likely to cause much of an empirical problem. Most rules that apply to the behavior of political parties are readily identifiable.

Finally, when I speak in general terms about whether actions are regarded as proper or not I consider these prescriptions to be social norms (Coleman 1990, 37). Or, in terms of the rational choice vocabulary, a norm is a preference about proper behavior shared by all relevant actors.

**Methods and Sources**

In Chapter 3 I present an analysis of cross-national data which I have primarily generated from the data-set built by Strom (1990b; *Comparative*
Government Formation, Data-set). I use simple descriptive statistics to explore these data.

The sources that I use in Chapter 4 require some discussion. Current coalition theory is concerned with both the relative weight (votes) and the policy position of each party in one or more analytical policy dimensions. To determine each party’s share of the seats in the Riksdag is not difficult. More problematic is how to translate the parties’ policy positions on some analytical policy dimension to some measurable policy scale. I use several alternative scales (measurements) to capture the same analytical dimension.

In Sweden, one reliable source on policy positions is the national election surveys which have been conducted since the 1950s. These will be used to determine how the voters place themselves and the parties in policy space. Thus, in Chapter 4 the sources are mostly secondary (i.e. written by other scholars) but I also have a primary source of information, election manifestos.

Together with their colleagues in the so called Manifesto Research Group, Budge et al. (1987) and Laver and Budge (1992) have made data available on party positions in electoral campaign. They have shown that data from quantitative content analyses of election manifestos can be used to map the policy positions of parties. This includes not only the spatial ordering of the parties but also the approximate distances between the parties. The data also provides information on the salience of specific policy areas in national elections. The underlying idea is that political parties compete for votes on issues that they consider to be ‘their own’. Thus, rather than using their manifestos to address issues brought up by other parties, they use their manifestos to stress the issues that they want to become salient in the election campaign. For example, while a party on the left might speak about the need for increased spending on social security, a party on the right is not likely not to speak against this issue as such. Instead it is more likely to stress the need for fiscal conservatism and lower taxes. Since manifestos are limited in length, a party has to make priorities both among the number of topics that it can cover and the relative size of the space allowed for each topic. By studying these priorities, it is possible to identify and quantify each party’s approximate position in policy space (Budge et al. 1987; Laver and Budge 1992; see also Budge and Laver 1993, 504).

The approach has also been used to construct a cross-national left-right scale with the hypothetical bounds of -100 to 100. Issues such as a favorable attitude towards state intervention in the economy and a favorable

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attitude towards welfare expansion are counted as being issues on the left, and issues such as free enterprise and incentives (market economy) are counted as being on the right. However, the scale not only captures the economics of left and right. It also includes such issues as international peace (and cooperation) and democracy as issues stressed by the left and issues such as social conservatism, freedom and domestic human rights as issues emphasized by the right (further detail is available in Appendix I).

Hypothetically, a score of $-100$ would be obtained if the entire manifesto stressed issues on the left and a score of $100$ would be obtained if the manifesto only stressed issues identified as being on the right (Laver and Budge 1992). In practice, however, the range is more narrow, from about $-50$ to about $60$ in the Swedish case.

The coding-scheme is based on 54 categories of policy content and it provides a comprehensive mapping of election manifestos for all major parties in most western democracies in the post-war period. As the Swedish representative in the manifesto network, I helped collect and analyze this data for Sweden for the 1944–1988 period (Strom and Bergman 1992). Details on the data are available in the sources listed above. Appendix I contains additional details about the Swedish manifesto data. The data set now includes all national and direct electoral campaigns between 1944 and 1994. Through 1982, most of the manifestos were coded by Holmstedt (Holmstedt and Schou 1987). I have coded the manifesto data since 1985. Two cases were missing in Holmstedt’s data, namely the Center Party manifestos from 1944 and 1964. I have collected and coded these documents.

It is necessary to stress some problems with the data before 1970. Before 1970, the parties did not regularly issue specific manifestos. This meant that Holmstedt had to rely on manifesto-type statements in newspapers and brochures instead of on election manifestos per se. This seems to have been most problematic with regard to the Liberal Party in 1964 and 1968. In both of these years, the data puts the Liberal Party in an extreme left-wing position. The mundane explanation is that for these two elections Holmstedt had to rely on a magazine for young voters for 1964 and a shorter campaign leaflet for 1968 (Holmstedt and Schou 1987). It is probable that the contents of these publications varied systematically from party manifestos. Because of the problems with the data before 1970, the early data should be interpreted with great care. After 1970, the parties have published election manifestos and the data collection has been
As for the general reliability of the data, the placement of statements into categories is not always clear-cut. Obviously, there is an element of subjectivity even in quantitative content analyses. Holsti’s (1969, 11) call for complementary content analyses based on more qualitative assessments still rings true. However, it is noteworthy that in comparison with the period until 1982 (coded by Holmstedt), the results from the later manifesto data which I coded do not suggest any systematic flaws on the grounds of different interpretations or coding error.

There are of course other ways to conduct quantitative content analyses. For example, in a study of Swedish election campaigns in the 1960-1966 period, Isberg et al. (1974) conducted interviews and analyzed election manifestos and other brochures as well as statements made in broadcasting media. They considered both the number of statements and their value content (good, bad, decrease, increase, etc.). This method can probably provide a broader assessment and more nuance than does the Budge et al. (1987) approach.

Another quantitative content analysis of Swedish party positions and priorities is currently being developed at Göteborg University (Brandorf et al. 1994). With more than one hundred basic coding categories they trace the content of party manifestos (and similar documents) and the debate among party leaders that traditionally marks the end of the Swedish election campaigns. Not least because their data covers all elections this century, it will become an interesting and valuable source of complementary information.

However, as it stands today, the Manifesto Group data has three advantages relative to both of these other quantitative approaches. The first two have to do with the cross-national membership of the group. The first advantage is the cross-national origin of the coding categories and the left-right scale that I use. These have been developed through interaction among an international group of scholars. This is a way to avoid the always present tautological temptation to construct categories on the grounds of what I, as an observer of Swedish politics, believe are the issues stressed by the left and the right in Swedish politics. Because of the cross-national origin of the manifesto coding categories, I avoid much of this problem.

The other advantage is that the coding categories have been tested in many different contexts. Thus, not only is the fact that Holmstedt (Holmstedt and Schou 1987) and I get similar results evidence which
supports the reliability of the approach. The same approach has been carried out in a series of countries with good results (Budge et al. 1987; Laver and Budge 1992). The coding procedure and the scales on different dimensions have also been shown to generate valid results in a number of countries (Budge and Laver 1993; Laver and Budge 1992; Schofield 1993). Further evidence on the Swedish case will be presented in Chapter 4.

The third advantage is that the Manifesto Group data includes the policy positions of governments. The election of the members of parliament is only one step in the process of both the formation of the executive and the formulation of national policy. In addition, using formal modelling, Baron (1993) has made a point which I too want to make and which others before me have made (see, for example, Laver and Budge 1992; Schofield 1993). He argues that political parties in electoral campaigns position themselves to attract voters (as Downs 1957 said) but also with an eye on the process of government formation which comes after the election. Thus, I want to know the policy positions of the governments that are formed. The electoral surveys do not include such data, nor do the analyses of party manifestos mentioned above. The data of the manifesto research group does include such information.

I have used the same approach when collecting and coding data on the policy positions of the governments as I used for the manifestos. The data on government policy positions come from the government declaration of policy intent presented in the Riksdag after a new government is formed and when the Riksdag session is opened (see Appendix I for more detail).

There is reason to believe that the party leaders see themselves as being constrained by the commitments that they make in electoral campaigns and in government declarations. In a survey of the ministers and their political secretaries in the nonsocialist majority government formed in 1976 and the Social Democratic government formed in 1982, the view of these political leaders was that the manifestos were moderately important for their actions after an election (Bergström 1987). Especially in the case of the coalition between the three nonsocialist parties in 1976, the election manifestos were de-emphasized by the political leaders. However, the same respondents attributed a great deal of importance to the government declaration that the coalition had issued. Policy positions mentioned in the government declaration were seen as leaving little or no discretion for further bargaining or renegotiations. This difference can be explained by the difference between a one party and a coalition government. For a one party
government, their election manifesto is a general guideline for action after
the election. For a coalition government, the process of forming a
government starts the process of policy formulation over again, and once
agreement is reached the parties are committed to it. ¹¹

In Chapters 6 and 7 I use both primary and secondary sources in my
attempt to study the constitutional design of the government formation
rules. I rely on official documents, published research, archival material
from the parties, journalistic accounts and a series of interviews. The
method is 'reconstructive', i.e. I attempt to describe the choices as the
actors saw them before a decision was made (on this method, see for
example, Lewin 1979, 17; Hadenius 1984).

Within the context of the literature on the goals of party leaders and
political parties, the use of interviews as a source of information can be
controversial. In a pioneering study of party goals and behavior in Swedish
politics, on the issue of public and mandatory pension funds, Molin (1965)
largely refuted interviews of political actors as a source of reliable
information. He found them to be useful only as a complementary source
for capturing the general context of the decision but of little value as a
source of detailed information. In interviews, such information was often
tainted by forgetfulness and reconstruction. Molin therefore preferred to rely
on written sources. In a more recent study of Swedish social policy,
Hinnfors (1992) voices the same concerns and interviews are not used as a
source. In other research on party goals and constitutional design, the lack
of detail and uncertainty of interviews has also been a concern (von Sydow

I share the concerns of these scholars but not their conclusion. When one
is studying actor goals, there is often simply no information available other
than through interviews. Written documents might be silent on the issue or
can equally well be reconstructions after a decision already has been made.
Thus, I believe that interviews should not be excluded as a source of valid
information. In this study, I combine the use of interviews with the analysis
of written documents. To counteract some of the problems with interviews,
as well as with other sources of information, I have taken two precautions.

First, following Hadenius (1984), I have compared and judged the
reliability and validity of information in many sources and then attempted
to give priority to information that (a) is close in time to the events, (b) is
primary rather than secondary and (c) originates with those who actually
participated in the decision. In this respect I can rely not only on eyewitness
accounts of politicians but also on many of the legal experts and political
scientists who were involved in the issues of constitutional design that are
analyzed in Chapter 6 and Chapter 7. Their accounts have been obtained
through articles and letters but also through interviews.

Second, as a further step, I have shared a draft of the relevant chapters
with those I interviewed. By this procedure I have intended to (a) check that
I have not misunderstood the interview, letter, etc., and (b) provoke reaction
from other participants who were involved in the same event. Many of
those I interviewed, on the basis of the draft, agreed to a second,
complementary interview or provided me with written comments.

In Chapter 8 I rely on an already existing literature to provide information
about the empirical examples. What is different is the perspective from
which I view the information in these sources.
Notes

1. Klingemann et al. (in press) also mentions the absence of serious regional, ethnic or religious differences as one explanation for the Swedish record of coalition and government formation.


3. An explanation of Italian minority governments which is more in line with the approach used in this study is that the Christian Democrats had a constant hold on the center position (the median legislator). In this position, they were able to control the process of government formation (on Italy, see Strom 1990b). In Finland, I would argue, an important part of the explanation of the frequency of minority governments is the constitutional design (negative parliamentarism).

4. In a multi-variant model, polarization had a statistically negative impact on the size of the government (i.e. the more polarization the smaller the size of the government). The impact of fractionalization was negligible. In a probability model (logit) which predicts majority governments, the statistical impact of polarization ran strongly in the same (negative) direction while fractionalization had a strong positive impact on the formation of majority governments.

5. The definition of “formal” minority governments is from Strom (1990b, 62, 95). Formal minority governments are relatively rare, but they have occurred in Denmark, Finland, France, Israel and Italy.

6. Note that both formal (i.e. written) and informal (unwritten) rules can be disobeyed. Hypothetically, it is possible that an informal rule exists as a prescription for allowed action but that it is of no consequence. Thus the identification of a rule is only one first step in a study of the impact of rules.

7. A related question is whether the absence of a voting rule is a voting rule in itself? This might seem to be a curious and purely semantic issue, but it is not. If some countries have a voting rule at a certain point in the formation process while other countries do not, for the explanation of cross-national variance the absence of a voting rule can be as important as the existence of one. However, to avoid being too much at odds with everyday language, I shall use the term formation rule when I discuss the importance of the absence of a voting rule.

8. The staff of the Center Party Archive assisted me in finding these two documents, their help is hereby gratefully acknowledged.

9. The one exception is with the New Democracy Party in 1991 and 1994. Having formed only in February of 1991, New Democracy published only a short party program instead of an election manifesto. I have coded this program for the manifesto data. In 1993 the party issued a new party program. However, in 1994 the party disintegrated and the remnants of the party elected a new party leader.
shortly before the 1994 election. She issued a personalized election manifesto which I have used for the 1994 data.

10. In contrast to Baron’s (1993) formal model, I work with what he calls a behavioral model based on institutional and preference-based factors. However, for empirical tests of both kinds of models, it is important to have access to information about how the parties place themselves in an election campaign and the policy position taken by the resulting government.

11. Bergström (1987, 173–76) attributes the primacy of the government declaration over the party manifestos to the importance of coalition formation. In some respects, he argues, forming a coalition government means starting the process of policy formation all over again after an election. The end result of this new process is the government declaration.
3

Government Formation Rules and Minority Governments in a Comparative Perspective

Introduction

The historical strand of new institutionalism tells us to look for an explanation of behavior by examining the impact of rules and other institutions. In this chapter I place the empirical record of Swedish minority government formation in a comparative context. I begin by showing that there exists an empirical correlation between the outcome of the formation process and the type of formation rule used in 15 parliamentary democracies. I end the chapter by summarizing the main findings and by drawing out the theoretical implications.

Thus, in this chapter I focus on one form of constitutional arrangements, namely government formation rules. Many other aspects of constitutional arrangements are important for government formation, for example other size requirements for legislative action or rules for dissolving parliament. In addition, it is possible to consider public and explicit pre-commitments for or against a particular government coalition before an election to be an important constraint on coalition formation after the election (Strøm, Budge and Laver 1994). However, given the lack of interest in formation rules among coalition theorists, it is particularly interesting to see if differences in the design of such rules have an impact on the empirical record of government formation.

The Comparative Empirical Record

A parliamentary democracy is a representative democracy in which the government (the executive) must be supported, or at least tolerated, by the
parliament (Bogdanor 1984; Brusewitz 1929). If an absolute majority actively opposes a government (i.e. is willing to vote to remove it from power), the government has to resign (Laver and Schofield 1990; Budge and Keman 1990). This is true of all fifteen parliamentary democracies discussed in this section. Note that this definition does not require that the government must contain parties representing an absolute majority, nor that a government necessarily has to include parties supported by such a majority.

**Government Formation Rules**

In a comparative perspective, there are two major types of government formation rules. In some countries the rules are formulated in positive terms and in other countries they are formulated in negative terms. Because the former require that a new government have an explicit level of vote support in the parliament, the formation rules can be seen as an expression of "positive" parliamentarism. In contrast, because of the absence of a positive threshold, the other type of formation rules can be seen as an expression of "negative" parliamentarism. While known to students of parliamentary democracy, the two types remain to be incorporated into coalition theory.

The distinction between positive and negative parliamentarism is important because the empirical record of government formation differs between the two categories. Rules formulated in negative terms tend to be associated with (1) a high frequency of minority governments, (2) a high frequency of small minority governments, and (3) a short government formation process. In countries where voting rules are formulated in positive terms, fewer minority governments form. And when they do form, they tend to be of a larger size. In addition, the government formation process tends to be much longer. This, I argue, shows that the way in which winning is defined in existing rules is more important for the outcome of coalition bargaining than even the more recent coalition formation literature has recognized.

A closer look at existing government formation rules is instructive. Table 3.1 illustrates the distribution of fifteen parliamentary democracies according to the distinction between positive and negative formation rules. As I discuss below, the cases of the Netherlands, Portugal and Sweden are more difficult to place than the others.2
Table 3.1  Type of Formation Rule in 15 Parliamentary Democracies.

The government formation rule is:

Positive:

Belgium, Germany, Ireland, Israel, Italy, Netherlands, Spain

Negative:

Canada, Denmark, Finland, Iceland, Norway, Portugal, Sweden, United Kingdom (UK)

Let us first turn to the countries where the government formation rule is formulated in positive terms. This refers to a formation rule which requires a party or a coalition to win a vote of investiture in the parliament before it can form a government.\(^3\) In Germany, for example, a candidate for Chancellor is proposed by the President.\(^4\) In the first round of voting this candidate (and thereby the government he represents) must win a vote by an absolute majority. That is, more than half of all the members of the Bundestag must vote in favor. If this candidate is not approved, the Bundestag may elect a Chancellor within fourteen days by an absolute majority. If no candidate is elected within this period, then the President can either appoint a government (Chancellor) that has the support of a plurality or dissolve the Bundestag. Together with the constructive vote of no confidence these formation rules help create a bargaining environment in which minority governments are an exceptional outcome (Klingemann and Volkens 1992; Müller-Rommel 1988)

The Spanish government formation rule is close to the German one. It is required that a proposed government win an absolute majority in a first vote of investiture. However, it is sufficient for a new government to win by a relative majority in the second round of voting. In Israel, an absolute majority in the Knesset must express its confidence in a new government. To reach this threshold, some governments have reached formal agreements with parties who have remained outside of the government. These are what Strom (1990b, 62) labels formal minority governments (in contrast to substantive minority governments).

Voting rules in some other parliamentary democracies do not require a government to win an absolute majority in a vote of investiture. In Belgium, Ireland, and Italy, a new government must win a vote of investiture in the parliament by a relative majority before it can assume power. This can be
required by constitutional practice (i.e. an informal rule), as in the case of Belgium, or by a written constitutional rule as in Italy.\textsuperscript{5}

In the six countries discussed above, constitutional rules and practices are of a positive form. In these countries, at least a plurality of the members of parliament have to show that they support a new government before it can form. In other parliamentary democracies the constitutional rules are of a negative form. The underlying principle is that a new government need only be tolerated by the parliament. A government is formally appointed by the Head of State and, “instead of requiring a positive vote of confidence from the legislature, can maintain itself in power so long as there is no vote of censure passed against it” (Bogdanor 1984, 55). Of course, the choice made by the Head of State is constrained (and often determined) by the parliament.\textsuperscript{6} Nonetheless, no vote of investiture is required and a government remains in power until the opposition wins a vote of no confidence or the government resigns for some other reason, perhaps because it loses a vote of confidence.\textsuperscript{7}

Thus, in positive parliamentarism there is both a vote of investiture and a vote of no confidence option. In the traditional form of negative parliamentarism, only the latter exists. The specifics of votes of no confidence vary between countries. In western parliamentary democracies, a vote of no confidence commonly requires a relative majority to pass. For example, in Denmark the constitution requires a government (or an individual minister) to resign if a vote of no confidence is passed. Norway has no such formal constitutional rule. However, in both countries it is assumed that a government resigns if it loses a vote of no confidence or a policy issue of major importance (Petrén 1981; Pesonen and Thomas 1983). In Germany the threshold is an absolute majority and a successor to the Prime Minister must be named. Of the 15 countries discussed in this section, only Sweden has a requirement that a motion to unseat a government must be accepted by an absolute majority without such a motion having to name a candidate for Prime Minister (Laver and Schofield 1990, 64).\textsuperscript{8}

For historical reasons, the negative formulation is something of a “default” in parliamentary democracy. That is, if a requirement that a government must win a vote of investiture before it assumes power has not been instituted, the underlying principle is negative. This negative form of rules dates back to when kings rather than parliaments were the power base for Prime Ministers and governments. Today negative formation rules exist in
Canada, Denmark, Finland, Iceland, Norway and the United Kingdom. In these countries, the Head of State—or, in Canada, the Governor General—formally appoints a Prime Minister (and thereby a new government) and no vote of investiture is required. Instead the ultimate power of the parliament rests in its power to unseat the government.

Three of the 15 countries are more difficult to place within the two categories of positive and negative parliamentarism. These three are the Netherlands, Portugal and Sweden. In the Netherlands, there is a strong norm that the preferable outcome of government formation is a majority government. In this respect the Netherlands has something of a mixed system. It is not required that there must be a vote of investiture before a government assumes power. On the other hand, the norm that the government should be supported (and not just tolerated) by the parliament is widely accepted. For this reason, I place the Netherlands with the countries with positive rules.

Portugal combines the negative principle with the requirement that a new government must face a vote in the parliament. In Portugal a government appointed by the Head of State must present the parliament with its policy program within 10 days. Unless this program is rejected by an absolute majority, it is accepted. If it is rejected the government must resign. Because of the lack of a requirement of a minimum level of explicit support, I place Portugal among the countries with negative parliamentarism.

Where should the Swedish formation rules be placed? The Swedish formation rules are in two ways unusual. First, the Head of State (the monarch) is excluded from the government formation process. This is in contrast to the 14 democracies discussed above, where the Head of State is to varying degrees involved in the process of government formation (in Canada the Governor General). However, more important for coalition formation is the voting rule. A candidate for Prime Minister is suggested by the Speaker of the Riksdag. Before a new government can assume power, it must be proven that an absolute majority tolerates the Speaker’s candidate. The candidate can form a government if not more than half of the members of the Riksdag vote against him or her. The fact that a vote must be taken before the government can form has created some confusion about the nature of this rule.

Pesonen and Thomas (1983) make a distinction between the Danish absence of a voting rule and the Swedish requirement of having a vote in
which an absolute majority cannot be opposed to the new government. They argue that the negative formulation in Denmark contrasts with the Swedish voting rule and that the Danish formation rule “has permitted the relatively frequent minority governments which Denmark has experienced” (Pesonen and Thomas 1983, 83). However, beyond saying that the Swedish voting rule requires “a specific vote of confidence for an incoming government” (Pesonen and Thomas 1983, 95), they do not address the issue of how the different rules contrast.

Nyman (1981, 58–9) argues that the Swedish system is one of negative parliamentarism since there is no requirement that a government must have the support of a majority (i.e. win a vote). Ricknell (1975, 116), on the other hand, argues that because there is a vote before the government assumes power, the Swedish system could be seen as one based on the principle of positive parliamentarism. Between these two positions, Holmberg and Stjernquist (1980, 32, 409) and Westerståhl (1976, 10) have expressed the view that the required vote could be seen as a step towards positive parliamentarism. However, Holmberg and Stjernquist (1980, 205–6, 409) also regard the required vote as a vote designed to determine whether the government is tolerated by the Riksdag rather than as a vote intended to show whether it has the support of the Riksdag. More recently, consensus has been growing in favor of the classification of the Swedish system as one of negative parliamentarism. Holmberg (interview, 1990) expresses the view that the Swedish government formation process should be seen as one that is based on negative parliamentarism, albeit with a negative vote before the government assumes power. Johansson (interview, 1990), also views the government formation process as an expression of the principle of negative parliamentarism. In their 1990s textbook on the constitution, Holmberg and Stjernquist (1993, 224) share this view.

As evident from this study, I too share this view. Sweden should be placed in the category of negative parliamentarism. From the perspective of coalition theory at least, the important distinction is whether a new government in the parliament must win the support of at least a plurality or not. If there is no such positive threshold that a new government must pass, I consider the formation rule to be one of negative parliamentarism.

In sum, the voting rule that a winning coalition must contain parties who together control more than half of the votes exists only as an auxiliary assumption in coalition theory. At least, it is not used in any of the 15 parliamentary democracies discussed above. However, among these
democracies, there exist at least five other government formation rules. The five rules are:

1. a rule that requires a new government to win a vote in the parliament by an *absolute* majority (Israel, Spain and the first round of voting in Germany).
2. a rule that requires a new government to win a positive vote in the parliament by a *relative* majority (the other countries with positive votes of investiture).
3. a rule that allows a new government to form if it wins a *plurality* (the third round vote in Germany).
4. a rule that allows a new government to win if it *does not lose* a vote in the parliament *by an absolute majority* (Portugal and Sweden).
5. a rule that *does not* require a new government to win a vote in the parliament (in the other four Nordic countries, Canada and the UK).

Among the five rules listed above, the distinction between voting rules 1–3 on the one hand and voting rules 4–5 on the other hand is the most important. To be able to form under the former rules, a new government must at a minimum be supported by a plurality of the members of parliament. (In most countries with positive parliamentarism the threshold is higher.) The empirical record associated with the distinction between positive and negative parliamentarism is discussed below.

**The Empirical Record**

Table 3.2 illustrates that there is empirical variation in the size of minority governments and the length of the formation process in the 15 parliamentary democracies discussed above.¹¹

On average, about a third of all governments do not control a majority of the seats in parliament.¹² Of the 15 parliamentary democracies, only Denmark has had a significantly higher proportion of minority governments than has Sweden. Norway has had about the same frequency of minority governments as Sweden. Together with Spain, these were the only countries in which more than half of all governments were minority governments in the sampled period.¹³

<table>
<thead>
<tr>
<th>Country (Type of parliamentarism)</th>
<th>Number of Governments</th>
<th>Number of Minority Governments</th>
<th>Number of Govts. with 40% or less of the seats</th>
<th>Average number of days for formation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Belgium (P)</td>
<td>31</td>
<td>4</td>
<td>1</td>
<td>35</td>
</tr>
<tr>
<td>Germany (P)</td>
<td>22</td>
<td>3</td>
<td></td>
<td>22</td>
</tr>
<tr>
<td>Ireland (P)</td>
<td>17</td>
<td>7</td>
<td></td>
<td>4</td>
</tr>
<tr>
<td>Israel (P)</td>
<td>29</td>
<td>3</td>
<td></td>
<td>37</td>
</tr>
<tr>
<td>Italy (P)</td>
<td>48</td>
<td>20</td>
<td>2</td>
<td>30</td>
</tr>
<tr>
<td>Netherlands (P)</td>
<td>19</td>
<td>3</td>
<td></td>
<td>66</td>
</tr>
<tr>
<td>Spain (P)</td>
<td>5</td>
<td>3</td>
<td></td>
<td>23</td>
</tr>
<tr>
<td>Canada (N)</td>
<td>17</td>
<td>8</td>
<td></td>
<td>4</td>
</tr>
<tr>
<td>Denmark (N)</td>
<td>25</td>
<td>22</td>
<td>15</td>
<td>12</td>
</tr>
<tr>
<td>Finland (N)</td>
<td>32</td>
<td>11</td>
<td>10</td>
<td>25</td>
</tr>
<tr>
<td>Iceland (N)</td>
<td>19</td>
<td>4</td>
<td>4</td>
<td>34</td>
</tr>
<tr>
<td>Norway (N)</td>
<td>21</td>
<td>12</td>
<td>4</td>
<td>3</td>
</tr>
<tr>
<td>Portugal (N)</td>
<td>13</td>
<td>2</td>
<td>2</td>
<td>28</td>
</tr>
<tr>
<td>Sweden (N)</td>
<td>21</td>
<td>12</td>
<td>2</td>
<td>6</td>
</tr>
<tr>
<td>UK (N)</td>
<td>18</td>
<td>2</td>
<td></td>
<td>2</td>
</tr>
<tr>
<td>Total</td>
<td>337</td>
<td>116</td>
<td>40</td>
<td>22</td>
</tr>
</tbody>
</table>

Note: P stands for positive parliamentarism. N stands for negative parliamentarism.

Sources: Saalfeld 1990, 5; Strom 1990a, 58, 246–69; Comparative Government Formation, Data-set.

Also note that there is considerable between-country variation in the frequency of minority governments. In general, minority governments are more frequent in countries with negative formation rules. They are especially frequent in the five Nordic countries. In fact, out of 116 minority governments in 15 countries, 61 (53 percent) formed in the five Nordic countries.

Table 3.2 also reports the average length of the formation process for each country. In Denmark, Norway and Sweden, the average length of the formation process was one week (7 days). Finland and Iceland, by comparison, had on the average a longer formation process (about 4 weeks). The same is true for Portugal. If a negative formation rule in general facilitates a short government formation process, there must be other factors present in the three countries which operate in the opposite direction.
Ireland, which has a positive form of parliamentarism, has also not performed according to the general expectation on this indicator. On average, Ireland has had a short formation process. However, in five of eight countries with negative parliamentarism, the government formation process has been shorter than the cross-national average (22 days). Similarly, in six of seven countries with positive parliamentarism, the length of the formation process has been at or above the cross-national average.

The United Kingdom is another country which contradicts part of the general pattern. It has a negative formation rule but a low frequency of minority governments. The explanation is straightforward. The single-member electoral system in the UK tends to produce one-party majority governments. Because of this, the negative formulation of the government formation rule is of less importance. Thus, we should make a distinction between those countries that tend, by virtue of their single-member electoral system, to have a majority party and those that do not. Table 3.3 illustrates the distribution of the 15 countries along the four categories created by dividing countries with either positive or negative rules into those that have a single-member electoral systems and those that do not, taking electoral systems from Lijphart (1984, 160).

Table 3.3 Electoral System and Government Formation Rule in 15 Parliamentary Democracies.

<table>
<thead>
<tr>
<th>The government formation rule is</th>
<th>The electoral system is</th>
</tr>
</thead>
<tbody>
<tr>
<td>Positive</td>
<td>Single-member</td>
</tr>
<tr>
<td>Belgium</td>
<td></td>
</tr>
<tr>
<td>Germany</td>
<td></td>
</tr>
<tr>
<td>Ireland</td>
<td></td>
</tr>
<tr>
<td>Israel</td>
<td></td>
</tr>
<tr>
<td>Italy</td>
<td></td>
</tr>
<tr>
<td>Netherlands</td>
<td></td>
</tr>
<tr>
<td>Spain</td>
<td></td>
</tr>
<tr>
<td>Negative</td>
<td>Proportional</td>
</tr>
<tr>
<td>Canada</td>
<td></td>
</tr>
<tr>
<td>UK</td>
<td></td>
</tr>
<tr>
<td>Denmark</td>
<td></td>
</tr>
<tr>
<td>Finland</td>
<td></td>
</tr>
<tr>
<td>Iceland</td>
<td></td>
</tr>
<tr>
<td>Norway</td>
<td></td>
</tr>
<tr>
<td>Portugal</td>
<td></td>
</tr>
<tr>
<td>Portugal</td>
<td></td>
</tr>
<tr>
<td>Sweden</td>
<td></td>
</tr>
</tbody>
</table>

48
With this sample of 15 parliamentary democracies, one category, that with a single-member electoral system and a positive investiture rule, remains empty. A second category consists of Canada and the UK, the two countries in the sample with negatively formulated government formation rules and a single-member electoral system. The remaining two boxes consists of countries with proportional electoral systems. One consists of countries with negative parliamentarism and the other of countries with positive parliamentarism.

Table 3.4 shows that, of the 35 governments formed in Canada and the UK, only ten (29 percent) were minority governments. Table 3.4 also shows that, among the countries with proportional electoral systems, the frequency of minority governments varies considerably. In those with positive parliamentarism, 43 of the 171 governments (25 percent) were minority governments. These numbers are distinctively different from those for the six countries with negative formation rules. Here there were 131 governments, of which almost half (63) were minority governments.

Table 3.4  Minority Governments, Electoral Systems and Government Formation Rules in 15 Parliamentary Democracies.

<table>
<thead>
<tr>
<th>The government formation rule is</th>
<th>The electoral system is</th>
<th>Proportional</th>
</tr>
</thead>
<tbody>
<tr>
<td>Positive</td>
<td>Single-member</td>
<td>N = 171</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Min. Govts. = 43 (25%)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>≤40% = 3 (2%)</td>
</tr>
<tr>
<td>Negative</td>
<td>Prop.</td>
<td>N = 131</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Min. Govts. = 63 (48%)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>≤40% = 37 (28%)</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: Table 3.2

In the United Kingdom, the low frequency of minority governments is, thus, easily explained. The single-member electoral system tends to produce a single majority party. Because of this, the empirical record of government formation is different from that of the Nordic countries. Electoral competition in Canada, on the other hand, has produced fewer single party majorities. Because of this, Canada's record of minority governments is more in line with the other countries with negative parliamentarism. Portugal too tends to be a deviant case. It has had fewer minority
governments than we would expect because of the negatively formulated formation rule. However, Portugal has only been democratic for a part of the sampled period, and a closer analysis of it is not possible within the context of this study. This leaves the Nordic democracies, Denmark, Finland, Iceland, Norway and Sweden, as a set of countries with similar (negative) formation rules. As shown above, they are also the countries with the highest frequency of minority governments.

There are also some differences in the size of the minority governments (Table 3.2 and Table 3.4). When governments formed in Finland and Iceland, they were often in control of less than 40 percent of the seats in the parliament. Denmark has had a similar record. In Norway and Sweden, on the other hand, governments in control of less than 40 percent of the parliamentary vote have been more rare. Yet, small minority governments occurred more frequently in these five countries than in other parliamentary democracies. In fact, of all governments who held 40 percent or less of the parliamentary votes in the 15 countries, 35 of 40 formed in the Nordic countries. If we include Portugal in this group, 37 of the 40 governments formed in countries with negative parliamentarism.

Of the 40 governments, one half formed immediate after an election, the other half is almost evenly split between those that formed before an election and those that did not form or resigned in connection with an election (Comparative Government Formation, Data-set). As for the tenure of these 40 governments, the only small government (40 percent or less in size) in Belgium did not even last a month. On average, in Finland, Iceland and Italy, the tenure of these small minority governments was between three and nine months (Comparative Government Formation, Data-set). In Denmark, Norway, Portugal and Sweden, these small governments lasted for longer periods of time (on average 14–19 months). While it is probably often the case that such small governments tend to be transitional solutions, their almost exclusive occurrence in countries with negative parliamentarism is of interest. Moreover, considering the cross-national fact that on average governments only last about 21 months, the empirical record does not indicate that the small minority governments have been uniquely unstable.

Table 3.5 summarizes the differences between countries with negative and positive parliamentarism on the four indicators discussed above. On one indicator, the average tenure in months, there is not much difference. On the other three indicators, there exist some important differences. Minority
governments are considerably more common in countries with negative parliamentarism. Very small minority governments form almost exclusively in these countries. As for the length of the formation process, in the eight countries with negative parliamentarism, the average length of the formation process was two weeks. In the seven countries with positive parliamentarism, the average length of the formation process was about twice as long.

Table 3.5 The Empirical Record of Positive and Negative Parliamentarism, 1945–1987.

<table>
<thead>
<tr>
<th></th>
<th>Type of Parliamentarism</th>
<th>All Countries</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Positive N = 7</td>
<td>Negative N = 8</td>
</tr>
<tr>
<td>Number of governments</td>
<td>171</td>
<td>166</td>
</tr>
<tr>
<td>Number of minority govt.</td>
<td>43</td>
<td>73</td>
</tr>
<tr>
<td>Percent</td>
<td>25</td>
<td>44</td>
</tr>
<tr>
<td>Min. govt. with 40% or less</td>
<td>3</td>
<td>37</td>
</tr>
<tr>
<td>Percent</td>
<td>2</td>
<td>22</td>
</tr>
<tr>
<td>Tenure in months</td>
<td>20</td>
<td>22</td>
</tr>
<tr>
<td>(Averages)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Formation process in days</td>
<td>31</td>
<td>14</td>
</tr>
<tr>
<td>(Averages)</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Sources: Table 3.2; Comparative Government Formation, Data-set

Conclusion

This chapter has shown empirically that the traditional institutional assumption in coalition theory is flawed in the context of parliamentary democracies. Such a government formation rule (that a winning coalition must contain an absolute majority) does not exist in any of the 15 parliamentary democracies studied above.

This chapter has also shown that there is a cross-national variation in the length of the formation process, as well as in the frequency and size of minority governments. This co-varies with differences in the government formation rules. There are deviant cases on each of the three indicators.
However, the overall picture is clear enough. In countries that adhere to positive parliamentarism, minority governments are relatively rare, when they form they tend to be close to or above absolute majority size and the government formation process tends to be rather long. Negative parliamentarism is associated with a shorter formation process, a higher frequency of minority governments and minority governments that are more often based on a smaller proportion of the parliamentary seats.

These findings are not accounted for by current coalition theory. This empirical chapter gives reason to believe that government formation rules can have a significant impact on the empirical record. The next step is to investigate how and to what extent this is the case. The next chapter, which is a study of Sweden from the perspective of a combination of coalition theory and the historical strand of new institutionalism, provides the background for the subsequent investigation of the relative importance of government formation rules.
Notes

1. Size is measured as the share of the seats held by a party, or a coalition of parties, in the parliament.

2. The 15 parliamentary democracies have been chosen on the basis of three criteria. First, they are countries that are commonly used in tests of coalition theory. Second, the two groups of positive and negative parliamentarism are about equal size. Third, they are parliamentary democracies at the present time. In the sample, 14 countries are from Strom (1990b) and Comparative Government Formation, Data-set. Because I have chosen to focus on existing parliamentary democracies, I have excluded the French IV Republic from his data-set. Instead I have added the case of Germany.

3. Because the meaning of terms such as “confidence” and “majority” tends to vary between authors, I have cross-checked data from a number of sources. Data are from Blautstein and Flanz (1982), Blondel and Müller-Rommel (1988), Bogdanor (1984), Browne and Dreijmanis (1982), Halvarson (1991), Laver and Schofield, (1990), Parliaments of the World, (1986), Facts about Israel (1992), and the Basic Law for the Federal Republic of Germany (1991).

4. Perhaps one can raise doubts about the “parliamentary” status of the German democracy. For example, Strom (1990b) excludes Germany largely because of the (ambiguous) relation between the cabinet and the indirectly elected Bundesrat. However, Germany is commonly included in cross-national empirical tests of coalition theory.

5. In Belgium, a constitutional requirement of a two-third majority to enact constitutional changes has provided an incentive for oversized majority governments (Rudd 1986).

6. The Heads of State are more involved in the government formation process in some countries than in other. Laver and Schofield (1990, 64–5) point out that the Head of State often plays an active role in government formation in countries such as Finland, Israel, Italy, the Netherlands, Portugal and Spain. Thus, Heads of State can be substantially involved in the government formation process in both positive and negative parliamentarism. For a comparative study of the relation between the Heads of State and the political parties in government formation, see Hermerén (1975).

7. A vote of no confidence (or censure) is a vote in which it is determined whether or not a government already in power is tolerated by the parliament. Another term often used in this context is a vote of confidence. This refers to a case in which a government already in power asks the parliament for a show of support.

8. In Western Europe, only France (Fifth Republic) and Sweden require such absolute majority thresholds without the simultaneous requirement that the opposition also must name a new Prime Minister (Laver and Schofield 1990, 64).
9. The Finnish president has a strong position and has been known to have a direct impact on the process of government formation. In Finland, more clearly than in France, it is considered necessary that the government is responsible to the parliament (Anckar 1990; Duverger 1992). For this reason, Finland but not France (Fifth Republic) is included in this sample. This is also common in empirical tests of coalition theory.

10. When discussing the case of Belgium (above) I referred to its vote of investiture as a constitutional practice. By this I mean an informal (i.e. unwritten) voting rule which is accepted by the participants in the process. As I explained in Chapter 2, a “norm” is a broader and more ambiguous concept. I use it to denote a preference shared by all the main actors. For more detail on the case of the Netherlands, see, for example, De Jong and Pijnenburg (1986) and Andeweg and Irwin (1993).

11. Not all countries have been parliamentary democracies throughout the entire period. Details on this are found in Strom (1990b).

12. In this context it is appropriate to address the question of how to know a new government when you see one. As is common in empirical tests of coalition theory, in Table 3.2 a new government has been recorded at (1) every general and direct election, at (2) every change of prime minister, at (3) every change in party composition and at (4) any by-election resulting in a shift from majority to minority status, or vice versa (Strom 1990b, 57). Non-partisan governments have been excluded. In Sweden it is common to think of a new government only when the partisan composition changes, i.e. when a new party leaves or enters the government, and when a new Prime Minister is elected (Lewin 1992, 427–28; Hadenius et al. 1993, 379). In a discussion of Danish government formation, Damgaard (1994) argues that the third criteria (party composition) is the only appropriate one, in particular in a study of coalition termination. However, for a study of government formation from the perspective of coalition theory, a direct and general election changes the relative weight of the parties. Because of this, a new government is recorded at every election even if the partisan composition or the individual members of the government remain the same. Note that in my study of Sweden, I will (in the next chapter) also record a new government when a formation vote has been taken in the Riksdag.

13. Spain has only been democratic for a part of the period and the impact of the transition to democracy on its record of government formation falls outside of the scope of this study. One reason to include Spain is the interesting constitutional design of its government formation rules (absolute majority).

14. On some other constitutional rules, there are significant differences among these five countries. The constitutionally powerful Finnish presidency is one obvious example. In the period studied in this chapter, another important Finnish rule was that a minority of one-third of the parliament could postpone a legislative bill, until 1987 over the next election and after that to the next parliamentary session. This often helped create an incentive for oversized governments (Isaksson 1994). However, this rule was abolished in 1992 (Nordisk kontakt 1992).
15. The threshold of 40 percent has been chosen because it is one standard deviation from (less than) the cross-national mean in Strom's (1990b) sample of countries. Note that my sample includes Germany, which Strom's sample does not.

16. Of the 40 governments, only two, both in Finland (Sukselainen in 1959 and Miettunen in 1961), relied on an explicit agreement with parties outside of the government to reach an absolute majority threshold. While these two governments were minority governments only in a formal sense, the other 38 were minority governments in the substantive meaning of the word (Strom 1990b, 61–2; Comparative Government Formation, Data-set).
Constitutional Arrangements and Coalition Theory: The Case of Sweden

Introduction

In this chapter I provide a broad explanation for the empirical record of coalition and government formation in Sweden. The chapter is organized as follows. In the next section I briefly review the history of coalition and government formation in the post-war era. In the third section I argue that constitutional arrangements shape the empirical record of government formation. In the fourth section I note that organized interests outside the Riksdag have also had an impact on coalition formation. Following this, in section five I discuss the voters. I review the electoral support they have given the different parties and their alignment on the most important dimension(s). In section six I focus on how the parties have positioned themselves on the most important policy dimension. I also show how their positions have differed from the policy positions of the governments that they have formed. Finally, I end the chapter by summarizing the main argument as to why Swedish governments are so often of minority size.

The History of Coalition and Government Formation

An examination of the empirical record reveals that with the exception of a period of Social Democratic-Center Party coalitions in the 1950s, the Swedish parties have formed either socialist or nonsocialist governments. As shown in Table 4.1, the Social Democratic Party has had a strong hold on the government.
Table 4.1 Swedish Governments 1945–1994.

<table>
<thead>
<tr>
<th>Government</th>
<th>Duration</th>
<th>Parties</th>
<th>Seats (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Hansson</td>
<td>July 1945 – Oct. 1946</td>
<td>S</td>
<td>50.0</td>
</tr>
<tr>
<td>2. Erlander I</td>
<td>Oct. 1946 – Sept. 1948</td>
<td>S</td>
<td>50.0</td>
</tr>
</tbody>
</table>

Note: The percentage of parliamentary seats refers to the directly elected Second (Lower) Chamber up to 1970. From the 1970 election the percentages refer to the one chamber Riksdag. A new government has been recorded (1) when the formation vote has been used, (2) at every general and direct election, (3) every change of prime minister, and (4) at every change in party composition.

Legends:
S = The Social Democratic Party
M = The Conservative Party
C = The Center Party
K = The Christian Democratic Party
F = The Liberal Party


Note that only two Social Democratic governments (Erlander X and Palme I), collectively accounting for no more than two years, have had an unambiguous parliamentary majority. Since the predominance of the Social Democratic Party in government has not been built on their control...
of an absolute majority in the Riksdag, the Social Democrats have had to rely on other parties for ad hoc legislative coalition formation. The Social Democrats have frequently sought the support of at least one nonsocialist party to get their proposal through the Riksdag. Thus, the two-bloc character of Swedish politics has not prohibited all cooperation between parties in different blocs. There does exist a significant amount of inter-bloc cooperation and consensus in the day to day work in the Riksdag (Arter 1984; Särlvik 1983). The existence of a strong left-right voting pattern has not, as evident in roll call analyses, ruled out inter-bloc voting in the Riksdag (Arter 1984; Berglund and Lindström 1978). Ultimately, however, Social Democratic governments have trusted the Communist Party to keep them in power against the opposition of the nonsocialist parties (Berglund and Lindström 1978; Hadenius et al. 1993; Särlvik 1983). It was not until the 1980s that the Communist Party began to demand concessions from the Social Democrats in return for this support.

The Social Democratic and Center Party coalition governments in the 1950s contradict the general pattern of the split into two distinct blocs. According to one observer, the rationale behind the coalitions was that the Social Democrats wanted to secure a stable base for continued reform policies while the Center Party saw this as a way to ensure the economic conditions for their key voting group, small and middle-sized farmers. The Center Party also wanted to emphasize the party’s position in the political mid-field (center) of Swedish politics (Hadenius 1990, 74). The coalition is considered to have been relatively stable, and its tenure marked a period of consensus in Swedish politics (Hadenius 1990). In 1957 the coalition broke up over a Social Democratic proposal to create public and mandatory pension funds, an issue that segmented the Swedish party system into two distinct blocs.

Before I turn to the explanation of these coalition and government formations, it is be of interest to take a closer look at the portfolio distribution within the government coalitions.

The History of Portfolio Allocation

When the parties have formed government coalitions, they have allocated portfolios to each party in proportion to the party’s seats in the Riksdag. This is consistent with a robust cross-national correlation between the distribution of government seats and each party’s numerical basis in the
parliament – the so called parity norm (Gamson 1961; Browne and Franklin 1973; Browne and Franklin 1973, 1986; Bueno de Mesquita 1979; Schofield and Laver 1985; Budge and Keman 1990). Two examples are illustrative. In the first post-war coalition government, the Social Democrats, with 79 percent of the coalition’s 142 seats in the Second Chamber, got 75 percent (i.e., 12) of the government portfolios. The Center Party got the remaining four, including the ministry of Agriculture and the portfolio of Minister of the Interior (Hadenius et al. 1993, 190, 373–4).

When the three nonsocialist parties gained a Riksdag majority in 1976 they collectively controlled 180 of 349 parliamentary seats. The Center Party held approximately 48 percent, the Conservatives 31 percent, and the Liberal Party 22 percent of the seats within the bloc. During the process of coalition bargaining, the Conservatives took the position that each party should receive a proportional share of the portfolios. The Liberal Party, on the other hand, wanted a clear emphasis on centrist cooperation (i.e., to dominate the coalition together with the Center Party) and advocated an allocation of the government seats which would give them one seat more than the Conservatives. In the end it was the largest party, the Center Party, that had to settle for one seat less than a strictly proportional allocation would have yielded. The bargaining solution was to count the Prime Minister post as two “ordinary” portfolios, a solution that was also used in the case of the next three party coalition formed in 1979 (Bergström 1987, 216). Thus, the Center Party captured eight (40 percent) of the twenty government portfolios, including Foreign Affairs, Social Welfare, and Agriculture. The Conservatives held six government portfolios (30 percent) and the Liberal Party five (25 percent). A nonpartisan judge was appointed Minister of Justice. The smallest party, the Liberal Party, was awarded the portfolios of Budget, Education, and Labor. It also got the title of Deputy Prime Minister for its party leader. The Conservative Party got its proportional share of the portfolios and, among others, the ministries of Defense, Finance, and Trade (Hadenius et al. 1993, 290–91; Pesonen and Thomas 1983, 91–2).

Portfolio allocation also tends to follow each party’s electoral profile. Table 4.2 illustrates the topics emphasized by each party in election campaigns in the 1944–1994 and 1970–1994 periods.
Table 4.2  Party Emphases in Election Manifestos.

<table>
<thead>
<tr>
<th></th>
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<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Rank</td>
<td>N</td>
<td>Rank</td>
<td>N</td>
</tr>
<tr>
<td>V</td>
<td>1. Social Service Exp.</td>
<td>17</td>
<td>1. Environment</td>
<td>9</td>
</tr>
<tr>
<td></td>
<td>3. Environment</td>
<td></td>
<td>3. Regulate Capitalism</td>
<td></td>
</tr>
<tr>
<td>S</td>
<td>1. Social Service Exp.</td>
<td>17</td>
<td>1. Social Service Exp.</td>
<td>9</td>
</tr>
<tr>
<td></td>
<td>3. Economic Goals</td>
<td></td>
<td>3. Environment</td>
<td></td>
</tr>
<tr>
<td>C</td>
<td>1. Agriculture and Farm.</td>
<td>17</td>
<td>1. Environment</td>
<td>9</td>
</tr>
<tr>
<td></td>
<td>2. Social Service Exp.</td>
<td></td>
<td>2. Social Service Exp.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>3. Environment</td>
<td></td>
<td>3. Decentralization</td>
<td></td>
</tr>
<tr>
<td>F</td>
<td>1. Social Service Exp.</td>
<td>17</td>
<td>1. Social Justi</td>
<td>9</td>
</tr>
<tr>
<td></td>
<td>3. Freedom</td>
<td></td>
<td>3. Environment</td>
<td></td>
</tr>
<tr>
<td>M</td>
<td>1. Economic Orthodoxy</td>
<td>17</td>
<td>1. Enterprise</td>
<td>9</td>
</tr>
<tr>
<td></td>
<td>2. Enterprise</td>
<td></td>
<td>2. Economic Orthodoxy</td>
<td></td>
</tr>
<tr>
<td></td>
<td>3. Freedom</td>
<td></td>
<td>3. Incentives</td>
<td></td>
</tr>
<tr>
<td>G</td>
<td>1</td>
<td></td>
<td>1. Environment</td>
<td>3</td>
</tr>
<tr>
<td></td>
<td>2</td>
<td></td>
<td>2. Social Service Exp.</td>
<td></td>
</tr>
<tr>
<td>K</td>
<td>1</td>
<td></td>
<td>1. Social Justice</td>
<td>2</td>
</tr>
<tr>
<td></td>
<td>2</td>
<td></td>
<td>2. Environment</td>
<td></td>
</tr>
<tr>
<td></td>
<td>3</td>
<td></td>
<td>3. Social Service Exp.</td>
<td></td>
</tr>
<tr>
<td>N</td>
<td>1</td>
<td></td>
<td>1. Economic Orthodoxy</td>
<td>2</td>
</tr>
<tr>
<td></td>
<td>2</td>
<td></td>
<td>2. Social Justice</td>
<td></td>
</tr>
<tr>
<td></td>
<td>3</td>
<td></td>
<td>3. Law and Order</td>
<td></td>
</tr>
</tbody>
</table>

Note: There are a total of 54 coding categories. The table presents the three categories stressed the most by each party in each time period (averages). N is the number of manifestos included in the data.

Legends:
V = The Communist Party  M = The Conservative Party
S = The Social Democratic Party  G = The Green Party
C = The Center Party  K = The Christian Democrats
F = The Liberal Party  N = The New Democracy Party
In the 1944–1994 period, all the established parties except the Conservatives have had the expansion of social services as one of their top three electoral campaign themes. The Liberal Party, the Social Democrats and the Communist Party have ranked social justice as number two. Center Party manifestos have included many favorable statements about agriculture. The party, which has been a member of all Swedish coalition governments in the examined period, invariably got the Department of Agriculture portfolio. Similarly, the Conservative Party manifestos emphasis on economic orthodoxy and enterprise is reflected in the party holding portfolios in economic affairs in coalitions in which it participates.

In sum, the history of Swedish government formation indicates that the parity norm applies. We can also conclude that the parties tend to pursue ministerial portfolios in a way that is consistent with their policy priorities. This too is consistent with cross-national findings (Budge and Keman 1990). To begin to explain the empirical record, I now turn to the institutional arrangements in which the governments have formed.

**Constitutional Arrangements**

In this section I show how the constitutional arrangements help explain the empirical record discussed above. Important parts of these arrangements are (1) parliamentary procedures, (2) electoral laws, and (3) administrative institutions. I do not discuss the importance of the voting rule used at government formation. The preliminary importance of this rule has already been established in Chapter 3.

**Parliamentary Procedures**

One important reason for the Social Democratic dominance until 1970 lay in the structure of the two chamber Riksdag, and with its First Chamber in particular. The members of the First Chamber were elected indirectly on the basis of results in local elections. Since only one-eight of the First Chamber was elected at one time (every year), this produced a time lag between changes in electoral support and the distribution of seats in the First Chamber.

The Social Democratic Party held a majority of the seats in the First Chamber until it was abolished with the election in 1970. Even though the
parliamentary basis for the governments was considered to be the directly elected Second Chamber, a government without support in the First Chamber would have found it difficult to survive. While a majority in the Second Chamber and in joint votes (i.e. sum of the votes in both Chambers) was sufficient for budget resolutions, governments needed a majority in each chamber to enact legislation (Andrén 1968b, 101–2; Halvarson 1980, 6–8). The importance of the two chamber system and the parliamentary voting procedure is illustrated in Table 4.3.

Table 4.3 Social Democratic Dependence on Communist Party Support, 1944–1969.

<table>
<thead>
<tr>
<th>Election</th>
<th>Second Chamber: Social Democratic Position if Communist Party Votes,</th>
<th>Both Chambers (Budgetary matters): Social Democratic Position if Communist Party Votes,</th>
</tr>
</thead>
<tbody>
<tr>
<td>1944</td>
<td>Loss Against Win Abstain For</td>
<td>1944 Win Against Win Abstain For</td>
</tr>
<tr>
<td>1948</td>
<td>Loss Against Win Abstain For</td>
<td>1948 Win Against Win Abstain For</td>
</tr>
<tr>
<td>1952</td>
<td>Loss Against Loss Abstain For</td>
<td>1952 Loss Against Win Abstain For</td>
</tr>
<tr>
<td>1956</td>
<td>Loss Against Loss Abstain For</td>
<td>1956 Loss Against Win Abstain For</td>
</tr>
<tr>
<td>1958</td>
<td>Loss Against Loss Abstain For</td>
<td>1958 Loss Against Win Abstain For</td>
</tr>
<tr>
<td>1960</td>
<td>Loss Against Win Abstain For</td>
<td>1960 Loss Against Win Abstain For</td>
</tr>
<tr>
<td>1964</td>
<td>Loss Against Win Abstain For</td>
<td>1964 Loss Against Win Abstain For</td>
</tr>
<tr>
<td>1968</td>
<td>Win Against Win Abstain For</td>
<td>1968 Win Against Win Abstain For</td>
</tr>
</tbody>
</table>

Note: It is assumed that all other legislators vote against the Social Democrats. Also note that the Speaker until 1961 did not have the right to vote, nor was a substitute member called to replace him. Thus, the Social Democrats, who held this position in the Second Chamber, actually had one vote less than their official electoral return (Andrén 1968b, 79). This is why a Loss (instead of a Tie) is recorded in 1944 if the Communist would vote against the Social Democrats. This is also why a Loss (instead of a tie) is recorded in 1952 even if the Communist Party votes in favor. It is also the reason for the tie vote with Communist support in 1958 (for an example of the practical importance of this, see the vote on ATP in Lewin 1992, 293).

Source: Appendix II.
Until the one Chamber Riksdag first met in 1971, a nonsocialist coalition could be defeated by the Social Democratic Party in all votes in the First Chamber. In the Second Chamber, Social Democrats could for most of the period rely on Communist Party to keep them in power. In the 1951–1957 period, however, they preferred instead to rely on the votes of the Center Party. Other things being equal, had they not found a nonsocialist partner with which to cooperate, they would have lost their majority in the Second Chamber. As for joint votes, with the support of the Communist Party the Social Democrats could win all joint votes in the entire period. Moreover, only in the 1956–1958 period would the Social Democrats have lost joint votes if the Communist Party abstained. In sum, without Communist Party support, a nonsocialist coalition could neither have enacted legislation or won a vote on the state budget. This is true even when the nonsocialist parties held a majority of the seats in the Second Chamber.

After the abolition of the bicameral Riksdag in 1970, other features of the Riksdag continue to influence the process of government formation. First of all, note that the Riksdag alone can decide on legislation and on the state budget. The role of the government is primarily to prepare and implement Riksdag decisions. In this role, the government enjoys considerable discretion, but constitutionally the Riksdag is the arena in which all major policies are decided.

To varying degrees, depending mostly on whether the government controls an absolute majority or not, the opposition parties are able to influence policy decisions via the committee system. The Riksdag has 16 standing committees, all authorized to take legislative initiatives of their own and with full time staffs to provide administrative assistance (Arter 1985). The standing committees are specialized in areas that roughly correspond to the jurisdictions of the governmental ministries, and committee chairs are distributed roughly proportionally among the parties in the legislature. Internal parliamentary structures thus provide opportunities for the opposition to exercise policy influence, thereby reducing the incentives to participate in government. Parties represented in the Riksdag but not in the government are not necessarily without influence over national policy-making. This contributes to a high frequency of minority governments because even parties outside of the government can have a say in national policy-making (Strom 1986; Strom 1990b, 70–3).

A constitutional reform introduced with the 1970 election was an explicit vote for a declaration of no confidence against the government. In such a
vote, an absolute parliamentary majority is needed to bring down the government. Attempts at using this procedure have not been successful. Both attempts failed, in 1980 and in 1985 (Holmberg and Stjernquist 1993, 225). The consequence of the design of this voting rule is that government stability is promoted. Even relatively small minority governments can be stable because abstentions are counted as support for the incumbents.  

Electoral Laws

The impact of electoral laws on government formation can be substantial, albeit indirect. One effect stems from the exclusion of parties that fail to get either four percent of the vote nationally or 12 percent in one constituency. For example, in some elections this threshold has endangered the parliamentary representation of the Communist Party. If the Communist Party were to fall below the 4 percent threshold, this would not only change the set of actors in the parliamentary arena, but also severely challenge the predominance of the Social Democratic Party.

Electoral laws are important in shaping the context of government formation in at least one additional way. Elections must be held every three years, regardless of whether an early election has been held during that legislative term. This constitutional provision effectively decreases the likelihood of premature (or extra) elections. In 1973, 1978 and 1981 extra elections were discussed as possible solutions to governmental crises, but in the end this option was ruled out. In each case, one of the main reasons was that a regular election would follow after only a relatively short period of time (Hadenius et al. 1993, 263–81; Särlvik 1983, 130–32). This informal restriction on the government’s ability to call an election whenever it wants can promote a governmental solution that might otherwise have been avoided, such as the Liberal minority government in 1978.

By itself, however, the disincentive to call an extra election does not explain the high frequency of minority governments. It is true that, because the Storting cannot be dissolved, there are no extra elections in Norway and minority governments are frequent. However, in both Denmark and Finland elections can and have been used to solve parliamentary deadlocks. In these two countries an election marks the beginning of a new tenure period for the new parliament (Halvarson 1991; Isberg 1986). In spite of this, as I showed in Chapter 3, the frequency of minority governments is even higher in Denmark than in Norway and Sweden. Small minority governments have
also been frequent in Finland. Thus, a high frequency of minority
governments is not simply a consequence of a disincentive to hold
premature elections.

Administrative Institutions

A final point concerning constitutional arrangements is that the Swedish
constitution formally rejects the idea of direct ministerial control of state
agencies when these implement law or exercise state authority over
individuals. Moreover, administrative state agencies fall under the authority
of the government as a collective and not under individual ministers. With
minor exceptions, such as internal departmental matters, executive decision-
making is supposed to express the views of the government as a whole
(Holmberg and Stjernquist 1993).

This does not imply that department ministers are without means to
enforce their will; they have substantial control over routine matters as well
as over the budgetary process. Besides, they have important agenda control
in preparing collective decisions for the government. Yet, the specific utility
of a ministerial portfolio might be more restricted in Sweden than in
systems where each minister exercises a more formal and direct control over
the implementing agencies. As discussed by Laver (1992, 47–8) in the case
of Ireland, a tradition of collective government responsibility may force
coalition partners and individual ministers to defend coalition policies with
which they disagree. This can create a disincentive to join a coalition unless
there is assurance that its policies will be acceptable.

Extra-Parliamentary Influences

In all societies, there are also extra-parliamentary influences on coalition
and government formation. In Sweden, one such influence stems from
organized interests. The most publicized of the ties between a political party
and an organized interest has been between the Social Democrats and the
national federation of blue-collar unions, the LO. Officially, the Social
Democratic Party has considered itself and the LO to be the two pillars
upon which the workers’ movement rests. In practice this has meant that the
Social Democratic Party has been reluctant to act on major social or
economic issues without consultations and at least tacit support from the
LO. In the period 1989–1990, however, in the face of rising inflation, the consensus relation turned into one of conflict. In his memoirs, the Minister of Finance, Kjell-Olof Feldt (1991), complains that the LO constrained the party from making policy agreements with the nonsocialist parties and from being able to pursue the austerity measures he saw as necessary.

Perhaps the strong link between the Social Democrats and the LO is now in decline. At least one fundamental element in the close relation has recently weakened. This is the link between membership in the LO and the Social Democratic Party. For many of the parties, the close ties between organized interests and political parties has been reflected in party organizations and membership density. The Conservative Party has had close liaisons among organized business and the Center Party among organized farmers. The Liberal Party is known for its support among daily newspaper editors which has not been reflected in its electoral strength (Birgersson and Westerståhl 1992). However, in terms of membership and organization, the link has been the closest between the Social Democratic party and organized labor.

Taken together, the Swedish parties have been mass membership parties. Both in the first election in the 1960s and in the last in the 1980s, more than 20 percent of the voters were members of a political party. In a comparison with nine other West European countries, this put Sweden second only to Austria (Katz et al. 1992, 334). However, the overall result is largely a consequence of extensive collective affiliation through the blue-collar union movement in favor of the Social Democrats. In 1983 the Social Democrats had approximately 1.2 million members (Pierre and Widfeldt 1992, 793). That is to say, almost every other Social Democratic voter and about one in seven of the entire population (children included), were members of the party. The practice of collective affiliation was abandoned by 1990 and by 1992 the party’s membership was down to 259 000 (Bäck and Möller 1992, 100). On a considerably smaller scale, the Conservative and the Center Parties also have extensive membership organizations and high membership densities, whereas the Liberal Party and the Communists have more skeletal organizations (Bäck and Möller 1992; Eliassen and Pedersen 1985).

On the one hand, the decline in double membership in both the LO and the Social Democratic Party can be a drain on the party’s financial situation and on its organization. On the other hand, this might at the same time lessen the influence of the LO over party policy and coalition formation.
With the LO leadership representing fewer of the party’s members, perhaps the party leadership will exercise more discretion in their relation to the LO.

In sum, organized interests outside of the Riksdag do have an impact on coalition formation within the Riksdag. Not the least, these interests are important because of their potential influence on the parties’ electoral support. In the next section I focus on the voters, on their behavior and on how they place the parties in policy space. This constitutes another part of the explanation for the empirical record.

**Electoral Support and Voter Alignment**

Electoral support for the two socialist parties has been relatively stable over the entire post-war period. One exception is a drop in the early 1970s in the “normal” vote for the Social Democratic Party from a level of approximately 46–47 percent to around 43–44 percent. In its worst electoral performance, in 1991, the party reached 37.7 percent of the total vote (election results are presented in Appendix II). On average, however, the party has won well over 40 percent of the popular vote. In fact, in terms of the share of popular vote, the Swedish Social Democratic Party was Western Europe’s most popular party in the 1945–1987 period, narrowly beating the Irish Fianna Fáil to take the first place position (Coakley 1987, 159). Table 4.4 presents the average electoral return for the five parties elected to the Riksdag in all elections in the 1944–1994 and 1970–1990 periods. Table 4.4 also presents the seat distribution (in percent) for the same periods.

In spite of the relatively similar averages in Table 4.4, there have been significant fluctuations among the nonsocialist parties. This is especially true for the Liberal Party. From a post war peak of 24.4 percent of the vote in 1952, the Liberals declined to a meager 5.9 percent in 1982 and rebounded dramatically to 14.2 percent in 1985. In 1994 the party was back down to 7.2 percent. The two other nonsocialist parties have also experienced surges and declines, with the Center Party reaching its peak in the 1970s, and the Conservative Party in the 1980s and 1990s. Thus, each one of the three parties has at times been the leading party within the bloc. The Liberal Party was in this position in the 1950s, the Center Party in the 1970s. The Conservative Party has more recently been the largest of the three.
Table 4.4 Mean Share of Seats and Votes (Percent)

1944–1994

<table>
<thead>
<tr>
<th>Party</th>
<th>Votes</th>
<th>Seats</th>
</tr>
</thead>
<tbody>
<tr>
<td>V</td>
<td>5.3</td>
<td>4.3</td>
</tr>
<tr>
<td>S</td>
<td>45.1</td>
<td>46.7</td>
</tr>
<tr>
<td>C</td>
<td>14.4</td>
<td>15.0</td>
</tr>
<tr>
<td>F</td>
<td>14.5</td>
<td>14.8</td>
</tr>
<tr>
<td>M</td>
<td>17.1</td>
<td>17.5</td>
</tr>
</tbody>
</table>

1970–1994

<table>
<thead>
<tr>
<th>Party</th>
<th>Votes</th>
<th>Seats</th>
</tr>
</thead>
<tbody>
<tr>
<td>V</td>
<td>5.3</td>
<td>5.4</td>
</tr>
<tr>
<td>S</td>
<td>43.5</td>
<td>44.7</td>
</tr>
<tr>
<td>C</td>
<td>15.8</td>
<td>16.3</td>
</tr>
<tr>
<td>F</td>
<td>10.7</td>
<td>10.9</td>
</tr>
<tr>
<td>M</td>
<td>18.8</td>
<td>19.4</td>
</tr>
</tbody>
</table>

Note: The numbers are averages for the five parties that have won enough votes to get into the Riksdag at every election. The table only refers to direct and general elections to the Riksdag.

Legends:
V = The Communist Party
S = The Social Democratic Party
C = The Center Party
F = The Liberal Party
M = The Conservative Party

Source: Appendix II

Swedish voters have been known for their class-voting pattern, for their stability and for a high degree of identification with a particular party. This has changed in recent years. Traditionally, most voter shifts have occurred between the parties in the nonsocialist bloc. In 1970, 7.9 percent switched to a new party in the nonsocialist bloc. In the same election, 5.9 percent switched to a party in another bloc. In 1991 6.2 percent switched to another party in the nonsocialist bloc while (again) 5.9 percent switched between the blocs. In the 1991 election, however, a new pattern of voter movement was even more salient. The largest category of party switchers (15.2 percent) was those who switched their vote to or from one of the three new parties: the Green, Christian Democratic and New Democracy Parties (Holmberg 1981, 36–44; Gilljam and Holmberg 1993, 70–81).

A comparison of the results of the election surveys for the 1970 and 1991
Riksdag elections is also illustrative. In 1970, 26 percent of the voters made up their mind about which party to vote for in the last weeks of the election campaign. In 1991 the corresponding number was 51 percent. In 1970 six (6) percent of the voters voted for a different party in the local elections. In 1991 22 percent voted for a different party in the local elections. In 1970, 64 percent of the voters stated that they considered themselves to be a supporter of a particular party. In 1991 the number was down to 48 percent.

Class voting has also diminished in importance. This is particularly true in a comparison with the period before 1970. In the 1950s and 1960s, working class voters tended to vote for one of the socialist parties, even if they held views that were more in line with the nonsocialist ones. Since about 1970, voters have become more inclined to vote according to their views (Gilljam and Holmberg 1993; Oskarson 1994). Thus, over time the voting patterns have become less stable. The voters are more unsure about which party to choose and they make up their mind later in the election campaign. However, position on the left-right dimension is still the most important determinant of the voters party choice (Gilljam and Holmberg 1993, 123–32, 235, Oskarson 1994).

The Policy Dimension(s)

Cross-cutting cleavages based on language, religion, or region have been less significant in Sweden than in many other countries (Berglund and Lindström 1978; Holmberg 1981). On the dominant left-right dimension, the traditional ordering of the five parties has been: the Communist Party, the Social Democratic Party, the Center Party, the Liberal Party and the Conservative Party (Berglund and Lindström 1978, 160). This party alignment has remained stable over the entire period. The one exception is that according to election surveys, the Liberal Party was seen by most voters as being slightly to the left of the Center Party in the four elections from 1973 through 1982. From 1985 through 1991, the voters again placed the Center Party to the left of the Liberals. Overall, however, there have been small differences in how the voters view the left-right positions of these two parties (Gilljam and Holmberg 1993, 40–42; Holmberg 1981, 196–202; Petersson 1977, 138–48).

Among the newcomers in the Riksdag, the voters place the Green Party furthest to the left. Both in 1988 and 1991, it was placed between the Social
Democrats and the Center Party. In 1991, the Christian Party was placed between the Center and the Liberal Parties. In 1988, when it did not win any seats, it was placed to the left of the Center Party. The New Democracy Party, which formed in 1991, was in the corresponding election survey by the voters placed to the right of the Liberal Party but to the left of the Conservative Party. This placement was the one that caused the most disagreement among the surveyed voters (Gilljam and Holmberg 1993, 40–42).

To the extent that there exists one alternative dimension, its opposite poles can probably be labelled economic growth versus ecology. Its roots go back to an urban-agrarian dimension in the 1950s, when the agrarian interests were represented by the Center Party (at that time known as the Agrarian Party). In the 1960s and 1970s, this dimension broadened to become a more general center-periphery dimension and to include issues such as decentralization (Back and Berglund 1978, 132). The alternative dimension also began to incorporate a growing concern for green or environmental values. The most salient issue has been the opposition to the Swedish nuclear power program. Typically, both the Communist Party and the Center Party are depicted as representatives of the ecology position in Swedish politics (Bäck and Möller 1992, 35–6; Vedung 1979, 170). The alternative dimension was manifest in the election of the Green Party to the Riksdag in 1988 (Bennulf 1994). It also separates the Liberal Party and the Center Parties in a way that the left-right dimension does not. However, research reveals that green value positions are not independent of the left-right dimension (Bennulf 1992). An increasing affinity between left position and green values has been observed (Gilljam and Holmberg 1993, 235). In the eyes of the voters, the green dimension still is of less importance than the left-right dimension (Bennulf 1994). The same is true of other alternative dimensions such as gender and morality (Gilljam and Holmberg 1993, 234–42).

Also of interest for coalition formation is that about one (1) percent of the voters usually vote in favor of a different party other than the one that they state they prefer. There is a well known tendency among some Social Democratic voters to vote strategically in favor of the Communist Party. Since 1970, about 10 percent of their voters have held a Social Democratic preference but voted for the Communist Party to prevent it from loosing its representation in the Riksdag. In the 1991 election, the Green Party got a similar support, chiefly from Liberal and Social Democratic voters.
However, the party did not reach the four percent threshold needed to enter the Riksdag because some of its own supporters believed that the party would not make the threshold and voted for some other party. The Christian Democrats got votes from supporters of other nonsocialist parties and the New Democracy Party got votes from a number of voters who actually preferred the Conservative Party (Gilljam and Holmberg 1993, 109–113).

In sum, electoral support sets the stage for post-electoral bargaining. In recent years voters have become more volatile and they tend to make up their mind about who to vote for later in the election campaign. However, at election time at least, the voters continue to be primarily aligned into two blocs on the left-right dimension. In the next section I shall show how the parties position themselves on this dimension. In so doing, I will compare election surveys with election manifestos and government declarations.

Party and Government Positions

As shown above, in the eyes of the voters, political parties primarily align themselves on the left-right dimension. The same pattern exists in election manifestos. As explained in Chapter 2, because of a concern about data validity before 1970, I have chosen to focus on the period from 1970 onwards. There are two other good reasons for this decision. First, constitutional reforms that were introduced with the election of 1970 altered the pre-conditions of coalition formation. Another reason is that it was about 1970 that many of the old patterns of voter behavior began to change dramatically. Together, these three reasons motivate a focus on the post-1970 period. However, let me also point out that this does not exclude the possibility that useful comparisons can be made with the earlier period where this is appropriate.

In the election manifestos covering the 1944–1994 period, the Conservative Party has stressed the left-right dimension more than other parties. On average 64 percent of its manifesto space has been devoted to such categories. Except for the Green Party, all the other parties have allocated more than half of their manifestos to issues on the left-right dimension. The Green Party only devoted on average 29 percent of its manifesto space to such issues. On average, the parties allocated 52 percent of their election manifestos to issues on the left-right scale.

The party alignments based on manifesto data are presented in Table 4.5.
For comparison, the left-right alignments found in the national election surveys have been included.\textsuperscript{15}

Table 4.5  Left-Right Alignment and Median Legislator in Manifesto Data and Election Surveys.

<table>
<thead>
<tr>
<th>Manifesto Data</th>
<th>Election Surveys</th>
</tr>
</thead>
<tbody>
<tr>
<td>1970 V/S F C M</td>
<td>V S C F M</td>
</tr>
<tr>
<td>1973 V C F S M</td>
<td>V S C F M</td>
</tr>
<tr>
<td>1976 V C S F M</td>
<td>V S F C M</td>
</tr>
<tr>
<td>1979 V S/F C M</td>
<td>V S F C M</td>
</tr>
<tr>
<td>1982 V S C F M</td>
<td>V S C F M</td>
</tr>
<tr>
<td>1985 V S C F M</td>
<td>V S C F M</td>
</tr>
<tr>
<td>1988 V S G F C M</td>
<td>V S G C F M</td>
</tr>
<tr>
<td>1991 V S K F C N M</td>
<td>V S C K F N M</td>
</tr>
<tr>
<td>1994 V G K F C S M</td>
<td>. . . . . .</td>
</tr>
</tbody>
</table>

Note: Bold typeface indicates a party controlling the median legislator. In one-dimensional space, the median legislator belongs to the party which holds the seat that creates an absolute majority. For example, with 349 seats, legislator number 175, counting the seats of each party from the left (or the right), is the median legislator. Occasionally there are two median legislators. For example, in the case of 350 seats, legislators number 175 and 176 are the median legislators. When two parties hold the same policy position they can both be said hold the median legislator.

Legends:
V = The Communist Party  
S = The Social Democratic Party  
F = The Liberal Party  
G = The Green Party  
K = The Christian Democratic Party  
C = The Center Party  
N = The New Democracy Party


Consistent with coalition theory, the party which the voters place in such a way that it becomes the median legislator party has always been in government. According to the manifesto data, the Social Democrats controlled the median legislator in 1976. In 1979 the Social Democrats and the Liberal Party had identical positions and thus shared the hold on the median legislator. These Social Democratic positions did not translate into government portfolios.

A plausible interpretation is that an election manifesto represents an election campaign position more than the exact policy position of a party. That is, election manifestos should be analyzed against the background of the left-right ordering of the parties in other sources (in, for example,
election surveys). As such, election manifestos are more a complementary source of information than an alternative to other sources on party positions. However, election manifestos do give approximate information about the left-right positions of political parties. Moreover, an analysis of election manifestos not only provides information about the ordering of the parties, but also about the distance between the parties.

Table 4.6 presents the party positions on the left-right scale based on manifesto data. The top row shows the averages for the period before 1970. During this time, the Center and Liberal Parties positioned themselves close to each other. The other parties are also found in their expected positions.

Table 4.6  Left-Right Position of Parties and Governments.

<table>
<thead>
<tr>
<th>Govt. Year</th>
<th>V</th>
<th>S</th>
<th>C</th>
<th>F</th>
<th>M</th>
<th>G</th>
<th>K</th>
<th>N</th>
<th>Government</th>
</tr>
</thead>
<tbody>
<tr>
<td>#</td>
<td></td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>14. 1973</td>
<td>-43</td>
<td>-8</td>
<td>-24</td>
<td>-11</td>
<td>20</td>
<td></td>
<td></td>
<td></td>
<td>-41 S</td>
</tr>
<tr>
<td>16. 1978</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>-1 F</td>
</tr>
<tr>
<td>17. 1979</td>
<td>-47</td>
<td>-15</td>
<td>-8</td>
<td>-15</td>
<td>23</td>
<td></td>
<td></td>
<td></td>
<td>4 C, F, M</td>
</tr>
<tr>
<td>18. 1981</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>16 C, F</td>
</tr>
<tr>
<td>19. 1982</td>
<td>-40</td>
<td>-18</td>
<td>-14</td>
<td>5</td>
<td>25</td>
<td></td>
<td></td>
<td></td>
<td>-10 S</td>
</tr>
<tr>
<td>20. 1985</td>
<td>-37</td>
<td>-21</td>
<td>-1</td>
<td>13</td>
<td>60</td>
<td></td>
<td></td>
<td></td>
<td>-11 S</td>
</tr>
<tr>
<td>21. 1986</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>-13 S</td>
</tr>
<tr>
<td>23. 1990</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>-8 S</td>
</tr>
<tr>
<td>25. 1994</td>
<td>-27</td>
<td>24</td>
<td>22</td>
<td>20</td>
<td>40</td>
<td>-6</td>
<td>14</td>
<td>50</td>
<td>0 S</td>
</tr>
</tbody>
</table>

Note: Negative scores indicate a left-wing position and positive scores indicate a right-wing position. Hypothetical bounds are -100 to 100. The scores in the top row are an average for each party and for the governments in the period before 1969. Because of the measurement problems before 1970 that are discussed in the text, I have not included the most left-wing and the most right-wing position of each party in the calculation of these averages. Details on the data before 1970 is found in Strom and Bergman (1992). Except for the latest government, the government position is the combined sum of all policy declarations given during the governments tenure

Legends:
V = The Communist Party
S = The Social Democratic Party
C = The Center Party
F = The Liberal Party
M = The Conservative Party
G = The Green Party
K = The Christian Democratic Party
N = The New Democracy Party

Sources: Election Manifestos, Data-set Sweden; Government Declarations, Data-set Sweden.
The spatial alignment of the Communist and the Conservative Parties is consistent over time. Election manifesto data, as well as election surveys, place these two parties on the extremes. Again, it is the spatial ordering of the two parties in the middle that is the most inconsistent over time. In the 1970, 1976, 1982, 1988 and 1991 election manifestos, the alignment of these two parties was the reverse of the alignment based on the voters’ perception (see Table 4.5).

It is also noticeable that the Conservative Party moved closer to the Center and Liberal Parties in the early 1970s (Table 4.6). One dominant feature of inter-party relations during much of the 1960s had been that the Conservative Party was relatively isolated in what was seen by the other two nonsocialist parties as a rather extreme position on the left-right dimension. In contrast, the Liberal Party and the Center Party made attempts to form a common platform. Towards the end of the 1960s, cooperation in the middle (mittensamverkan) was an established feature of Swedish politics (Hadenius et al. 1993, 222–5; Hadenius 1990, 103). Manifesto data indicate that by the election of 1976, the Conservative Party had adopted an electoral position which was almost identical to the Liberal Party’s and close to the Center Party’s.

One of the most important issues in all election campaigns has been which party or bloc will get to form the government (Hadenius et al. 1993). When the nonsocialist parties have seemed to be far apart in their policy positions, this is believed to have helped the Social Democrats electorally (Gilljam and Holmberg 1993, 227, 241). It was first in the 1973 election campaign that the three nonsocialist parties were able to make an unambiguous and explicit commitment in favor of a three party government. The pre-commitment was the same in the election campaign of 1976 (Hadenius et al. 1993, 267; Pesonen and Thomas 1983, 93).

A nonsocialist majority coalition has continued to be a high priority order for the three parties. However, this has not always meant precommitment in favor of a specific composition of the government. The three parties have been open to the formation of nonsocialist governments consisting of one or two nonsocialist parties, especially in inter-election periods. In this context it is illustrative to observe that the distance between, on the one hand, the Center and Liberal Parties and, on the other hand, the Conservative party, grew larger after 1976 until it peaked in 1985. In contrast to the 1960s, despite the Conservatives right-wing election campaign, increasing policy differences within the nonsocialist bloc was not
seen as an obstacle against a three party coalition. After the three parties had formed two government coalitions, the Conservative Party was no longer held to be a party too far to the right to be a readily acceptable member of a joint government coalition.

In 1991, the spatial ordering remained stable. Of interest is that the newcomer that entered the government after the election, the Christian Democratic Party, had chosen to run a campaign based on a left-of-center position. In 1994, in the face of a budgetary crisis, high interest rates and high levels of unemployment, the spatial positions shifted dramatically. The Christian Democratic Party, together with the Liberal and Center Parties moved to the right, towards economic orthodoxy.

As for the Social Democrats, the shifts are quite remarkable. They began the 1970s in a distinct left-wing position. By 1973, however, they had moved dramatically towards the middle. In fact, the party placed itself slightly to the right of both the Center and the Liberal Parties. In 1976, the party placed itself to the right of the Center Party. In 1979, the Social Democrats took the same position as the Liberal Party. These movements can be described as a search for the voters of the middle parties. The Social Democrats suffered electoral set-backs with the left-wing position they took in the 1970 election. Together with the abolition of the First Chamber and changes in the electoral system (in the direction of strict proportionality), this made a change of government more likely. This can perhaps explain the Social Democratic shift of positions. In any case, by 1982 they again took a position to the left of the Center and Liberal Parties. This was also when they formed a government after having been out of office for six years. Since then the Social Democrats stayed in a more moderate left wing position through the election of 1991. In the 1994 election however, the Social Democrats appealed to the voters in the electoral campaign by stressing their ability to achieve economic orthodoxy. Traditional issues of the left, such as social service expansion, were largely absent. With this move, the Social Democrats ended up taking a position close to the Conservative Party. The two parties still have different views on taxation, but both want to both emphasize their ability to balance the state budget.

Two final observations about the general pattern of party positioning along the left-right scale are noteworthy. One is the left-wing placement of most parties through the 1988 election. Except for the Conservative Party, and the Liberal Party in 1982 and 1985, Swedish parties placed themselves to the left of the middle of the scale. Hence, it is evident from the analysis of
manifesto data that most Swedish parties, including the Center Party and the Liberal Party, have preferred in electoral campaigns to talk favorably about the expansion of social service but less about an issue such as economic orthodoxy. Until 1988 there was broad election campaign consensus on the merits of the welfare state. In the last election, however, all parties except for the Communist Party and the Green Party ran on a right-of-center platform.

Another general pattern is that the distance between the Social Democrats and the Conservatives has decreased in recent years. This is consistent with findings in the national election survey of 1991, the last survey for which data are available (Gilljam and Holmberg 1993, 42–4, 233). Data presented in this chapter also show that the distance between the two parties increased from the middle of the 1970s and peaked in the middle of the 1980s. In fact, in the whole post-war period, cyclical variation in party distance is a stronger pattern than is a pattern of gradual and constant decline in distance between the parties.

**Government Positions**

When party positions are compared with the positions of the governments, one observation is that governments also devote more than half of their policy statements to categories on the left-right dimension. Swedish governments have devoted an average 56 percent of government declarations to left-right issues. In general, Swedish governments have emphasized themes that are familiar from the previous analysis of Swedish political parties. One difference is that governments have emphasized international peace more than any of the parties. On average for all governments, international peace has been third after economic orthodoxy and social service expansion. One similarity between parties and governments is that except for the 1979–1982 and 1991–1994 periods, governments have been to the left on the policy scale. This includes three years of nonsocialist governments (1976–1979).

In comparison with the party manifestos, however, governments have tended to be somewhat to the right of the parties that have formed them! The distance between the electoral position of each party and the corresponding government is presented in Table 4.7.
### Table 4.7  Left-Right Distance Between Party and Government Position.

<table>
<thead>
<tr>
<th>Government</th>
<th>Year</th>
<th>V</th>
<th>S</th>
<th>C</th>
<th>F</th>
<th>M</th>
<th>G</th>
<th>K</th>
<th>N</th>
</tr>
</thead>
<tbody>
<tr>
<td>13. Palme II</td>
<td>1970</td>
<td>2</td>
<td>2</td>
<td>-24</td>
<td>-6</td>
<td>-50</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>15. Fälldin I</td>
<td>1976</td>
<td>30</td>
<td>3</td>
<td>10</td>
<td>-6</td>
<td>-10</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>16. Ullsten</td>
<td>1978</td>
<td>37</td>
<td>10</td>
<td>17</td>
<td>1</td>
<td>-3</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>17. Fälldin II</td>
<td>1979</td>
<td>51</td>
<td>19</td>
<td>12</td>
<td>19</td>
<td>-19</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>18. Fälldin III</td>
<td>1981</td>
<td>63</td>
<td>31</td>
<td>24</td>
<td>31</td>
<td>-7</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>20. Palme V</td>
<td>1985</td>
<td>26</td>
<td>10</td>
<td>-10</td>
<td>-24</td>
<td>-71</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>21. Carlsson I</td>
<td>1986</td>
<td>24</td>
<td>8</td>
<td>-12</td>
<td>-26</td>
<td>-73</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>22. Carlsson II</td>
<td>1988</td>
<td>33</td>
<td>20</td>
<td>1</td>
<td>4</td>
<td>-41</td>
<td>14</td>
<td></td>
<td></td>
</tr>
<tr>
<td>23. Carlsson III</td>
<td>1990</td>
<td>29</td>
<td>16</td>
<td>-3</td>
<td>0</td>
<td>-45</td>
<td>10</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Average distance
(Absolute distance)

<table>
<thead>
<tr>
<th>When in Government</th>
<th>15</th>
<th>18</th>
<th>16</th>
<th>15</th>
</tr>
</thead>
<tbody>
<tr>
<td>When in Opposition</td>
<td>33</td>
<td>19</td>
<td>14</td>
<td>16</td>
</tr>
</tbody>
</table>

Note: Negative scores indicates that the government was more left-wing than the party. Positive scores indicates that the government was more right-wing than the party. Bold figures represent parties in government. Each government is compared with the party positions in the preceding election.

Legends:

- **V** = The Communist Party
- **S** = The Social Democratic Party
- **C** = The Center Party
- **F** = The Liberal Party
- **M** = The Conservative Party
- **G** = The Green Party
- **K** = The Christian Democratic Party
- **N** = The New Democracy Party

*Source: Table 4.6*

Of the Social Democratic governments reported in Table 4.7, only two (Palme III and Carlsson IV) took a position to the left of the corresponding party manifesto. Other Social Democratic governments have positioned themselves to the right of their own party’s election manifesto. This pattern is consistent with the party’s search for ad hoc policy coalitions with the opposition parties. In the 1970s, in both three-party coalitions (Fälldin I and II) the government position was almost in the center of the policy range covered by the three coalition partners. In 1978, the small Liberal
government (Ullsten) took a position almost identical to that of the Liberal Party. The first nonsocialist exception to this pattern of closeness occurred in 1981 (Fälldin III) when the Center and Liberal Parties, perhaps in an attempt to ease Conservative discontent, positioned their government closer to the Conservative electoral manifesto than to their own party manifests.\textsuperscript{17} Thus, from Table 4.6 and Table 4.7 it is possible to conclude that government policy position is a consequence not only of election position but also of the dynamics of coalition and government formation.

It is also noticeable how the election of 1976 (Fälldin I) represents a record in terms of centrist positions. In the election campaign that year, the future of the Swedish nuclear power program was a controversial issue. Otherwise the parties sought to place themselves near to the center on the left-right dimension. This is the year in which the aggregate distance between the parties and the government was the least. Although more rightist than the previous Social Democratic government, Fälldin I positioned itself close to the manifesto position of the Social Democratic Party. In addition, the Conservative Party sought to position itself very close to the middle of Swedish politics in the election campaign (see Table 4.6).

The average (absolute) distances presented in Table 4.7 indicate that only for the Conservative Party does being in government, or in opposition, affect how close these are to the government’s official policy position. The Social Democrats and the Liberal Party have, on average, not been much closer to the governments that they have formed than to the ones they have not been members of. Moreover, it is actually the case that the position of the government has been closer to the Center Party when it has been in opposition than when it has been in government. Of course, these are only official policy positions and manifestos data is only a crude measure of policy position. At the same time, these results raise the question of the extent to which being in government matters for the Social Democrats, the Liberals and the Center Party. At least, for these parties, being in opposition has not precluded an influence on the government’s policy position.

As a final note, available data allow me to illustrate left-right placement on a number of levels in party politics in 1985. Figure 4.1 shows the left-right positions of actors at different levels in Swedish politics.\textsuperscript{18}
In 1985, the voters were moderately split on the left-right dimension. Among party members, the distances were significantly higher. The policy disparity was even stronger among the active party members and quite dramatic among those elected to the Riksdag. However, in the electoral campaign, the parties' leaders positioned the parties in more moderate positions, more in line with the positions of the voters. When in government, the Social Democrats outlined their policy program in a way that positioned them even more to the middle, relative to both the election manifestos and their voters.

This data shows a pattern for the 1985 election. It is known that the inter-party placements have not been consistent on all levels over time. In the 1968 election, for example, the members of the Riksdag were consistently to the left of their respective parties (Holmberg and Esaiasson 1988, 95).
Nonetheless, the figure is illustrative of the traditional strength of the left-right dimension. The alignment is consistent on almost all levels. For example, the Communist Party is on the left of the Social Democrats on all levels, the Conservative Party to the right of the other parties on all levels, etc. Again, the only exception is with the parties in the middle, and in this case only on one level, the one for active party members. Here Liberal Party activists are placed somewhat to the left of the Center Party’s active members. With this exception, the overall pattern is strong. The same left-right alignment exists on all levels between voters and party leaders.

Conclusion

The discussion above has pointed to important patterns in Swedish coalition formation. Some of these patterns have become weaker in recent years. For instance, since the early 1970s the policy disparities among the nonsocialist parties have not prevented them from making explicit commitments in favor of joint government coalitions. Another thing that changed during the period was that the Communist party became more reluctant to provide unconditional support for the Social Democrats. A third important change with implications for coalition formation is that new parties have gained representation in the Riksdag. A fourth is that the voters in recent years have become more volatile and make up their mind about how to vote later in the election campaigns. A final important change is that in the last election the Social Democratic Party was second only to the Conservative Party in its willingness to present the voters with an austerity budget program.

In spite of these changes, for the period as a whole as well as for the period since 1970, the following five points provide much of the explanation of the empirical record of government formation. First, inter-party competition has taken place mainly, though not exclusively, on one dimension, the left-right dimension. The positions of both the voters and the parties on this dimension explains much of the pattern of government formation. At least at election time, the voters continue to be split into two main blocs along the left-right dimension. The left-right pattern exists in election manifestos and in government declarations as well as among party members and party activists. The salience of this dimension has also been promoted by the extra-parliamentary influence of organized interests.
Second, together with the dominance of the left-right dimension, the electoral support for the Social Democratic Party has given it an excellent bargaining position. The Social Democratic Party usually has held the median legislator position. Only when one of the nonsocialist parties have captured this position have the Social Democrats ended up outside the government. Third, a related feature of Swedish coalition formation has been that the Social Democratic bargaining position has been strengthened by the distance between the Communist Party and the nonsocialist parties. Rather than considering a coalition with a nonsocialist party, the Communist Party has been willing to provide support for Social Democratic minority governments. Fourth, policy disagreements within the nonsocialist bloc has enabled the Social Democrats to form ad hoc legislative coalitions with one or more of these parties.19

The fifth feature is the constitutional arrangements. Institutional rules and procedures favor policy cohesive coalitions and do not preclude opposition parties from having an impact on government policies. When governments are about to form, the absence of a minimum size threshold facilitates the formation of minority governments. Once in place, a restrictive voting rule for a declaration of no confidence helps maintain the status quo in favor of a minority government.

Taken together these five characteristics provide a good account of why Swedish governments have so often been minority governments. A consequence of the combination of these five features is that not all combinations of parties have represented equally feasible coalitions. Coalitions have formed only among parties that have been adjacent in policy space. In such a bargain environment, control of the median legislator is crucial.

However, a full explanation of the high frequency of minority governments should also take into account the link between party goals and constitutional arrangements in terms of the reasoning of the actors who choose to form minority governments and the support parties who allow them to do so. To this I devote coming chapters. In particular I will search for the relative importance of the government formation rules. First, however, I want to consider the multiple goals of political parties and how these can be studied.
1. As for the names of the Swedish parties, I follow Westholm (1991, 31) who, because of name changes over time and lengthy official names in English, uses names that are more readily accessible to an English speaking audience. I have given an English name to the New Democracy Party (Ny Demokrati) which was elected to the Riksdag in 1991. For practical purposes, I refrain from discussing a locally constituted party-association (Medborgerlig Samling) which in the mid-1960s argued for more extensive nonsocialist cooperation and gained a few seats in the Riksdag. This group was soon subsumed by the traditional parties. I also do not count the 1985 election of the Christian Democratic party leader to the Riksdag as a case of a party gaining representation. His seat was a result of an electoral alliance with the Center Party (Hadenius et al. 1993).

2. In Chapter 3 a new government was recorded at (1) every general and direct election, (2) every change of prime minister, (3) every change in party composition and (4) any by-election resulting in a shift from majority to minority status, or vice versa (Strom 1990b, 57). The fourth criterion does not apply to Sweden. For the purpose of this chapter I have instead recorded a new government when a formal formation vote has been taken in the Riksdag. In practice this only matters in one case, Carlsson III (February 1990) would not have been recorded as a new government with a strict interpretation of the criteria used in Chapter 3.

3. Please note the discussion below, under the heading of “parliamentary procedures”, where I qualify majority versus minority status in the bicameral Riksdag abolished in 1970.

4. Another factor facilitating the formation of this coalition could have been that the two parties had a relatively recent experience of government cooperation. These two parties had formed a coalition immediately before the war and had been partners in a National Coalition during the war (Hadenius et al. 1993).

5. An example of coalition “avoidance” occurred in 1957 when the Center Party left the government coalition. The King invited the parties to consultations in which he gave the Liberal and Conservative leaders the task of trying to form a government. The Center Party declared itself unwilling to join them in a coalition. Ruin (1968, 262–3) argues that the Center Party had three major motives in its refusal to join the coalition. First, there was only weak parliamentary basis for such a government since the socialist parties controlled the First Chamber in the Riksdag. Second, the Center Party perceived a lack of a common policy platform, especially in relation to the Conservative Party. Third, the “lack of decency” that the leadership associated with a sudden shift from one coalition to another. The anticipation that such a behavior would lead to an electoral backlash seems to have prevented the Center Party from pursuing cabinet portfolios on this occasion. This thesis gains supports from the statement by the chairman of the Center Party (Hedlund) that the possibility of a non-socialist coalition would increase after “six months or so”. Thus, the attempt at nonsocialist coalition failed and the Social Democrats subsequently accepted an invitation to form a minority government (Hadenius et al.
1993, 202–14). In particular it was the weak parliamentary position that must have helped the Center Party leadership to decide to avoid a nonsocialist coalition (on this point, see also Andrén 1968a, 302).

6. In fact, with Belgium, France (IV Republic), Iceland, Italy and Portugal, Sweden ranks in the group of countries which scores the second highest on the index of oppositional influence in Strom’s (1990b) sample of 15 parliamentary democracies. Only Norway scores higher. This is because Norway, in contrast to Sweden, has a restriction on the number of committees on which a member of parliament can serve. This encourages specialization which in turn facilitates influence. Overall, Ireland and the UK have the lowest scores on the index.

7. Here government stability should be understood only in a formal sense, i.e. the voting rule makes it difficult to unseat a government already in power. This does not have to mean that any particular government is free from internal conflict or that it necessary has a stable parliamentary base in the Riksdag.

8. Another example of the impact of the electoral system is that the arithmetic formula used to convert votes into parliamentary seats has sometimes indirectly determined the majority in the Riksdag. If, for example, the D’Hondt method instead of a modified Sainte-Laguë method had been used to allocate seats in 1979, the result would have been a one-seat socialist majority (Lanke and Bjurulf 1986, 124–6). In all likelihood, then, a Social Democratic government would have resulted.

9. Following the 1994 election, the period between elections has been changed to four years.

10. Communist voters tend to have the Social Democratic Party as their second preference. If Communist voters shift to a new party, it tends to be the Social Democratic Party. Available data indicate that until 1976, Social Democratic voters had the Center Party as their second preference. In the 1979 through 1988 elections, most of their voters listed the Communist Party as the second-best party. By 1991, however, the Liberal Party was their second-choice. The voters of the traditional nonsocialist parties do not tend to list Social Democratic Party as their second preference. The Green Party is the only nonsocialist party whose voters tend to list the Social Democrats as their second choice (Holmberg 1981, 209; Oscarsson 1994, 150, 155).

11. This is supported by the expert judgements reported by Castles and Mair (1984, 82). According to the experts surveyed, the Liberal Party was to the left of the Center Party in the early 1980s.

12. Of course, there Center and Communist Party positions are quite different on other issues. In a factor-analysis of election manifestos, Holmstedt and Schou (1987, 196–7) detected a center-left dimension reflecting issues such as international peace, democracy, regulation of capitalism and controlled economy at one pole, and decentralization, incentives, education, traditional morality and agriculture at the other. The authors conclude that this dimension distinctively separates the
Communist Party from the Center Party. On this dimension, other parties have positions more in the middle.

13. In an extension of this analysis to twenty dimensions, Strom and I were struck by the congruity between the one-dimensional and a twenty-dimensional analysis (Strom and Bergman 1992). This is probably due to the strong effect of the left-right ordering even in the context of the larger spatial representation of Swedish politics. This contrasts, for example, with neighboring Norway, where cross-cutting dimensions are much more evident.

14. Of the six parties, the Center Party and the Social Democrats have stressed this dimension the least (48 percent each). Of the coding categories that fall outside of the left-right scale, Center Party manifestos tend to have a high proportion of categories such as decentralization and agriculture and farmers. A corresponding category for the Social Democrats is social justice.

15. The 1994 national election survey is not yet available.

16. An attempt to improve nonsocialist cooperation was made in the 1968 electoral campaign. At that time, however, the Center and Liberal Parties declared that a three party coalition was possible only if the Conservative Party accepted that such a coalition would have to be based on the policies of these two parties, the parties "in the middle" of Swedish politics (Möller 1986, 95). In 1973, a Keesing's report reads,

The most important feature of the elections was that, for the first time in post-war history, the center-right opposition parties came out jointly against the ruling Social Democrats. Although they did not go as far as to commit themselves to a joint program, the three parties did stress that there was a large measure of agreement between them on such central issues as unemployment, the economy and industrial policy, and that in the event of their winning a majority they would form a coalition Government (Keesing's Contemporary Archives 1973).

17. A similar event occurred in 1957 when the Social Democratic-Center Party coalition was dissolved (Strom and Bergman 1992). The next Social Democratic government moved the government position to the right. Perhaps these shifts can be understood as concessions to former coalition partners by governments under siege. In both instances the parties remaining in government were heavily under pressure on a specific issue (pension funds in one case and taxes in the other) by the party leaving the government. In response, the parties that stayed on in government were not inclined to emphasize other policies that separated them from their former coalition partners. Instead they tried to find new grounds for parliamentary cooperation with their old (executive) coalition partners.

18. Data for voters, party members, active party members and for the members of parliament are from an index constructed by Holmberg (Holmberg and Esaiasson 1988, 93–102). The index is built on survey answers to a series of questions about issues on the left-right dimension. To facilitate comparison, I have converted the scale used by Holmberg and Esaiasson (which ranges from 1 to 5) to the scale used
for the manifesto data. The conversion was calculated the following way. An index score of 3 corresponds to a Zero in the manifesto data, i.e. the middle position. For positions with an index of less than three, the score reported by Holmberg and Esaiasson was subtracted from 3 (the middle position) and the result then divided by 2. This gives the distance from the middle (in terms of a decimal number). Since positions on the left in the manifesto data are denoted by a negative sign, the score corresponding to an index of 1.14 is -93 (the Communist Members of Parliament in 1985). For index scores higher than 3, the middle position is subtracted from the reported number and the result then divided by two. For example, in 1985 the reported index score for the Conservative members of parliament is 4.60. Subtracting 3 and dividing by two give the score of 0.8. Thus, in terms of the scale used for the manifesto data, the position score is 80. For each party, the scores are the following for Voters through Party, the Communist Party -46, -71, -88, -93, -37; the Social Democratic Party -21, -35, -52, -61, -21; the Center Party 29, 38, 38, 30, -1; the Liberal Party 32, 47, 36, 48, 13; the Conservative Party 50, 62, 65, 80, 60. For the Social Democratic Government the score is -11.

19. The strong position of the Social Democrats, short of controlling an absolute majority, has facilitated inter-election cooperation between them and the Liberal and Center Parties. This is probably one reason for the Swedish tradition of consensus.
A Model for the Study of Multiple Goals in Multiple Arenas

Introduction

This chapter introduces the rational choice oriented analysis that is the subject of the remaining chapters. The main purpose of this chapter is to make explicit, in the form of a model, a plausible conceptualization of which goals political parties pursue and how these are inter-related. Within the literature on coalition formation, such a discussion was first made explicit by Budge and Laver (1986) when they discussed the relation between office and policy seeking goals. In his analysis of minority government formation, Strom (1990b) also includes vote seeking as a main (dynamic) goal of political parties. Strom (1990a) has also outlined the potential fruitfulness of a multiple goals model of political parties. A multiple goals approach has been attempted by among others Harmel and Janda (1994), Grofman and Van Roozendaal (1994) and Isaksson (1994). In an attempt to meet this challenge I propose a model inspired by ideas found in Downs (1957), Riker (1962), Molin (1965), Sjöblom (1968), Axelrod (1970), De Swaan (1973) and Strom (1990a, 1990b). Relative to Strom’s (1990b, Strom 1990a) work, the main difference is the explicit nature of the model and the inclusion of a goal in the intra-party arena, namely the pursuit of internal cohesion (Sjöblom 1968).

The outline of this chapter is as follows: To make clear where I am headed with this discussion, I begin by briefly introducing the full model. In the third section I explain what I mean by a rational choice explanation. In the fourth section I explain how I have reached the conclusion that this particular model should be useful for the study of party goals. Here I discuss and define crucial concepts such as actors, goals and arenas. In the
fourth section I discuss model assumptions of a more technical kind: expected utilities and the fiduciary relationship between voters and party leaders. The next section explains how I intend to use the model. Here I discuss such concepts such as preference formation, decision theory, game theory and strategy. In the sixth and final section I discuss model prerequisites. That is, when should we expect the model to apply and when should we not.

The Model

The specific goals are derived from the literature on party behavior and party goals in parliamentary democracies. Each goal is associated with an arena. In the model I hypothesize that the leadership of a political party estimates the value of a particular government coalition or an important policy decision (e.g. in constitutional design) by taking into account its combined consequences for four goals in four arenas. Figure 5.1 illustrates the range of the estimates for each goal and for the model in toto.

<table>
<thead>
<tr>
<th>GOALS</th>
<th>Intrinsic</th>
<th>Instrumental</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Portfolios</td>
<td>Policy</td>
</tr>
<tr>
<td>Government</td>
<td>-3 to +3</td>
<td></td>
</tr>
<tr>
<td>Parliamentary</td>
<td></td>
<td>-3 to +3</td>
</tr>
<tr>
<td>Electoral</td>
<td></td>
<td>-3 to +3</td>
</tr>
<tr>
<td>Internal</td>
<td></td>
<td>-3 to +3</td>
</tr>
</tbody>
</table>

Combined Expected Utility (range) = -12 to +12

**Figure 5.1** Ordinal Expected Utility Range.

The model assumes that party leaders evaluate the expected utility of a particular choice in terms of an ordinal scale. For each alternative, it is assumed that the actor takes into consideration the consequences that the
party can expect in terms of the combination of four goals in four arenas: What will the consequences be in terms of our ability to get into government (portfolios); in terms of our ability to bring national policy as close as possible to our own preferred policy position; in terms of our standing in the electoral arena; and what will it do for the cohesion within the party? I also start by positing that there is an interaction between the goals, they should not be studied one by one nor lexicographically, i.e. first one and then another, but rather they should be studied simultaneously.

An ordinal utility is estimated for each goal and for the combination of all goals. For each goal the utility ranges from the expectation of significant gains, through insignificant consequences, to significant losses. The ordinal scale is illustrated in Table 5.1.

Table 5.1 The Ordinal Utility Scale.

<table>
<thead>
<tr>
<th>Score</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>+3</td>
<td>Significant gains</td>
</tr>
<tr>
<td>+2</td>
<td>Moderate gains</td>
</tr>
<tr>
<td>+1</td>
<td>Low gains</td>
</tr>
<tr>
<td>±0</td>
<td>Insignificant consequences</td>
</tr>
<tr>
<td>-1</td>
<td>Low loss</td>
</tr>
<tr>
<td>-2</td>
<td>Moderate loss</td>
</tr>
<tr>
<td>-3</td>
<td>Significant loss</td>
</tr>
</tbody>
</table>

The combined ordinal sum is used to establish a ranking among alternatives, i.e. the preferences of the actors. Summing over four arenas the total estimated expected utility ranges between -12 and +12. The actor is expected to choose the alternative with the highest ranking.

A Rational Choice Explanation

Along with the basic idea of explanation in terms of methodological individualism, my rational choice approach starts from only five basic criteria. First, I presume that behavior is goal oriented. Second, I presume the existence of preferences. Note, however, that it is not necessary that these preferences are fixed (i.e. unchanging). To start from the existence of preference also implies that rational actors are able to assign at least ordinal utilities to different outcomes (Zagare 1984, 12). A third assumption is the criterion that the actors ordering of alternatives is transitive. Transitivity means that if an actor prefers outcome A over outcome B and outcome B
over outcome C, he will also prefer outcome A over outcome C. Fourth, a rational actor will choose a better alternative over a worse, i.e. one with a higher expected utility over one with a lower. Fifth, rational actors are satisfiers rather than maximizers.

The five criteria raise the important question of the extent to which I have already determined my findings by making these assumptions. Are political actors always rational? What if a political actor does not seem to choose a better alternative over a worse? Is this because he or she is not rational, or is it because the analyst has not correctly understood the actor’s goals and choices? In the rational choice tradition, analysts tend to consciously err on the side of the rationality assumption (Riker and Ordeshook 1973, 21; Tsebelis 1990, 7). I shall do the same. That is, if there seems to be a contradiction between the alternative chosen by an actor and his expected utilities (in that he chooses a lower ranked alternative over one that is higher ranked), I will first assume that this deviation can be explained within the chosen framework. This is because the literature on party behavior strongly suggests that the rational choice approach does have merit. In my view, an initial reluctance to abandon the rational actor assumption is legitimate.

What is more important is that the model is useful even if actors do not seem to behave rationally. This is because such cases point to interesting research puzzles. If an actor seems to choose an option with a lower utility over one with a higher, or a dominated course of action rather than a dominant one, this deserves study. In the next chapter I will use an apparent contradiction between model estimates and real world choices to identify an empirical puzzle. Tsebelis (1990) is an example of an author that also uses this research strategy.

As for the question of whether actors are maximizers or satisfiers, rational choice theory often portrays the actor as one who seeks to maximize his utility when he chooses among all possible alternatives. Herbert Simon (1957) is perhaps the leading critic of the maximization assumption. Simon persuasively argues that in the real world, actors cannot possibly possess the massive amount of information needed to consider all possible alternatives. Because they cannot possibly know all alternatives, they chose one that they find satisfactory (bounded rationality). However, if one thinks of rationality in terms of choosing a better outcome over a worse within any set of known alternatives, as do Riker and Ordeshook (1973, 21–3), there is actually no difference between the behavior of an actor that is maximizing
and one that is satisficing. Both actors will choose the better outcome over the worse, i.e. the alternative with the higher utility. Thus, one main difference between the maximization and the satisficing perspective lies in the assumption of whether or not the actor has full information about all available alternatives. Since I am not interested in examining all possible alternatives that an actor could have seen, but rather the alternatives that he actually perceived and considered, I prefer to use the notion of a satisficing actor. The satisficing actor does not have all possible information, but he chooses what he thinks is the best given the alternatives of which he is aware.

Why this Particular Model?

My reading of the literature on party behavior and party goals is that it indicates that (1) the analysis should focus on party leaders and party activists rather than on parties as unitary actors, (2) party leaders in parliamentary democracies have four main goals, (3) party leaders consider four main arenas, and, finally, (4) that coalition formation and constitutional design is better studied as one game with multiple aspects than as a series of separate but related (nested) games. Below I explain why I have reached these conclusions.

With respect to the particular model that I design in this chapter, a first question is how one can learn about the goals of actors (e.g. political leaders). Riker and Ordeshook (1973, 14), note that one option, "revealed preferences", is to assume that an empirical study of their behavior will make clear what goals they pursue. That is, we can learn about their goals by observing their behavior. A second option, the one of posited preferences, starts by assuming that an actor has a certain goal (or goals) and then attempts to study the validity of this assumption. I favor the latter option. This forces me, the analyst, to be explicit about the assumptions that I bring to the study. Another important reason is that this allows me to build upon earlier literature in the field of study. An important body of literature on party behavior, not the least on the subject of coalition behavior, has long discussed the goals of political leaders and political parties.

The literature on party goals is largely based on methodological individualism and some of the work is built on the assumption that the
The ultimate goal of social science is prediction. I propose a model based on methodological individualism. This perspective holds that we must understand social processes and outcomes in terms of the preferences and choices of individual actors (see, for example, Buchanan and Tullock 1962, vi–vii; Van Roozendaal 1992, 3). However, I take exception to the mainstream rational choice research tradition on a number of other points.

This study is not about predicting the membership of a particular government. My research ambitions are heuristic and about finding plausible answers. Moreover, in contrast to most of the literature in the rational choice tradition, I do not take the preferences of the actors as given. Nor do I start by positing a particular human nature. I want to avoid what is known as the rational choice or rationalist “two-step” (see Wendt 1994, 384); which is that first goals and preferences are assumed and only then is the resulting game situation studied. I do posit goals. But instead of assuming that the goals of party leaders stem from human nature, I start by deriving the goals from the literature on party behavior. By starting from the main goals and arenas which, according to the literature, are of particular concern for party leaders in parliamentary democracies, I study preference formation on issues such as coalition formation and constitutional design.

One major reason for using a model is that it brings assumptions and estimates out in the open and make these accessible to tests of intersubjective validity and reliability. As all models, mine also serves two other purposes. In part it is a tool which I use to guide my description of empirical reality. In part it is the basis for the explanation of the link between constitutional rules and government formation.

An important body of literature argues that self-interest is a predominant motive when political parties design rules. The thesis is that political actors prefer rules that they believe will further their own positions (see, for example, Buchanan and Tullock 1962; Riker 1986; von Sydow 1989). I do not doubt this thesis. Electoral systems and other fundamental democratic rules and institutions are often designed with this in mind. If electoral systems are shaped by such behavior, it would be surprising if political parties were never tempted to design favorable rules with respect to government formation. After all, in a parliamentary democracy the selection of a government is made in the parliament and not directly by the voters. However, the coalition theory literature indicates that political parties are not necessarily only concerned with one goal at a time.

Where do goals stem from, how many are they and how are they related?
In the rational choice literature, it is common to assume that goals come from a self-interested human nature. However, the true nature of human beings often trouble human beings, and an extensive literature challenges the notion of the prevalence of self-interest. One such example is the policy based coalition theory literature. Axelrod (1970), De Swaan (1973) and others have shown that political parties often behave as if they care about policy much more than the office seeking literatures give them credit for. An alternative assumption based on human nature is one of universal altruism. However, the studies based on the egoism assumption cast considerable doubt on the validity of an assumption of universal altruism.

My alternative starting point is a focus on the multiple roles of a party leader. Here I speak about position roles. "Position roles are associated with positions that require the performance of many specific duties and responsibilities" (Searing 1991, 1249, emphasis in original). Such roles both enable and constrain political actors (Searing 1991, 1252–53). The idea is that with the position of a party leader, or the position of being in the party leadership, comes a concern for the party’s electoral fortune, its power position and its influence on national policy. The literature on party behavior implies that a party leader has multiple position roles and can be expected to be concerned with such goals as office, vote and policy seeking. For example, the requirement that national political leaders must enter electoral competition means that national political leaders are concerned with vote seeking. To win votes they propose policy, because they propose policy they must be concerned with (or at least appear to be concerned with) the implementation of these policies.

It is not only, or even mainly, because they are by nature either office or policy seekers that party leaders seek goals such as office, policy and votes. Even an office seeker will have to be concerned with policy seeking and vote seeking or he might not be elected to any government office. Similarly, a policy seeker has to be concerned with winning votes and getting into office or he might not get any policy results. Thus, rather than identifying goals as stemming from human nature, I argue that goals of political actors are better understood as stemming from the social roles of a party leader.
Who is the Actor?

Empirically, it is true that most of the time, in most parliamentary democracies, political parties involved in coalition formation act as if they are unitary actors. They vote for or against, or they abstain, as if they were one block of votes (Laver and Schofield 1990). The party as an unitary actor is an often used and often convenient assumption in the literature on coalition behavior (see Laver 1986; Laver and Schofield 1990).

However, to conceptualize a political party as an unitary actor with a goal in the internal arena would be to move from a convenient shorthand to reification. In such a perspective, political parties are seen as if they were organisms rather than as assemblies of individuals. Individuals within a party seek goals but unless we ascribe psychological goals to political parties, in themselves political parties cannot reasonably have goals. To be able to work with multiple goals and multiple arenas, it is best to drop the assumption of political parties as unitary actors. Note, however, that it is for analytical reasons that the explanation of party behavior is cast in terms of the actors who act on behalf of the party. I shall not refrain from using the convenient shorthand of a political party as an actor when this can be done without creating confusion, e.g. when party representatives vote as a coherent group.

Another relevant question is whether it matters if the party leader has, for example, the personalities and the values of Margaret Thatcher or Edward Heath? The answer is that the model defines multiple goals for party leaders in general. The individual personality of the party leader matters, but only to a limited extent. The model assumes that anyone elected as a party leader for a party in a parliamentary democracy will be concerned with four goals and arenas. This provides the framework from which all individuals are studied. Nonetheless, because the model is designed to focus on the actor’s subjective estimates, it also lends itself to a discussion of the particular motives of the individual who is making a choice. It is, for example, theoretically possible to find that a party leader is more concerned with one goal than another. Thus, with the model as a starting point, it is possible to bring in the importance of individual personality and motives through careful empirical study. In keeping with some of the best work in the new institutionalism tradition, obviously, “a critical factor is the skill of the players and the knowledge they possess of the game” (North 1990, 74).
Party Goals

In the Scandinavian based literature on party behavior, (in cycles) an explicit challenge over the last thirty years has been the analysis of how political parties combine and weigh their multiple goals (Molin 1965; Sjöblom 1968; Anckar 1974; von Sydow 1978; Hadenius 1979; Gidlund 1983; Lewin 1988; Strom 1990a; Isaksson 1994). Luebbert (1983) was an early proponent of the approach among North American scholars. But only after Strom’s (1990a; Strom 1990b) and Schlesinger’s (1991) work on the topic has the study of political actors with multiple goals begun to draw a wider audience (see for example, Grofman and Van Roozeendaal 1994; Harmel and Janda 1994).

My reasons for choosing the particular goals of office, policy, votes and internal cohesion are the following. In the literature on coalition formation and constitutional design, an assumption of self-interested actors lies behind a traditional focus on office seeking (Riker 1962). However, the policy seeking motive has become the dominant assumption in more recent coalition formation theory (Budge and Keman 1990; Budge and Laver 1993; Strom and Leipart 1993). There is also mounting evidence that both office and policy seeking should be considered simultaneously (Budge and Laver 1986, Strom 1990a, Strom 1990b, Laver and Schofield 1990). As mentioned in Chapter 1, one example of how to proceed is Strom’s (1990b) explanation of minority governments. In this study, office and policy seeking is combined with a vote seeking motive. The inclusion of the third goal, vote seeking, is the basis for a dynamic analysis. For example, it is because party leaders also value future elections (at least the next election) that they sometimes avoid a government coalition.

The inclusion of also a fourth goal is more uncommon. In an early analysis of multiple goals, Sjöblom (1968) suggests that party leaders seek intra-party cohesion. Luebbert (1986), on the other hand, suggested that party leaders seek re-election. In part, the two goals are complementary. A party leader is likely to worry about re-election as a party leader when the party is threatened by internal disunity. In such case, rather than stay in national office, a party leader might resign to be able to stay on as party leader (Luebbert 1986; Maor 1992). Moreover, as both Maor’s (1992) and Strom’s (1994) empirical analyses show, both re-election concerns and internal cohesion concerns can matter when parties make choices.

However, multiple goals in one arena (in this case the internal) is
conceptually and empirically difficult to study, especially since I have already identified three other goals (office, votes and policy) that should be taken into account. I prefer to err in the direction of methodological parsimony, which refers to the ideal of explaining as much as possible with as little complexity as possible, and conceptualize one goal in each arena as the most important. In spite of the merits of the leaders' re-election goal, I shall focus on the goal of internal cohesion. I focus on this goal for the following reason. While both the internal cohesion and the re-election goal come, so to speak, with the territory of being a party leader internal cohesion should be of more constant concern in coalition formation and constitutional design. When making this type of decision, internal cohesion is always a concern. Re-election as a party leader can, at times, be very important, but at other times re-election should be of little immediate concern. The more fluid significance of the re-election goal is why I prefer to focus on the goal of internal cohesion. This a highly intuitive and controversial choice. However, it is precisely because such choices are controversial and have consequences for an empirical study that I use an explicit model. An explicit model is easier to criticize and discuss than a non-model.

**Multiple Arenas**

A related challenge is the study of political parties in the context of not one but multiple arenas. For instance, Tsebelis (1990) focuses on actors involved in what he calls nested games. In his analysis, the outcome of the game played in the arena of most concern to the analyst (the principal arena), is influenced by what goes on in another arena (Tsebelis 1990, 60). The importance of multiple arenas, which has also been established in the international relations literature (Putnam 1988) and in research on the US Congress (Denzau, Riker and Shepsle 1985), is evident. Political actors often do not enjoy the luxury of being able to concern themselves only with one arena at a time.

Judging from the bulk of the rational choice oriented literature on party behavior, three arenas stand out as important: government (or executive), parliament (or legislature) and the electoral arena. As mentioned above, Sjöblom (1968) suggests that party leaders are also concerned with the internal arena. The internal arena has also been considered in some of the more recent literature on coalition formation (Luebbert 1986, 52; Laver and
Shepsle 1990a; Laver and Shepsle 1990b; Maor 1992; Strom 1994). For the purpose of illustration, the four goals and the four arenas are combined in a 4 by 4 typology in Figure 5.2.

<table>
<thead>
<tr>
<th>GOALS</th>
<th>Portfolios</th>
<th>Policy</th>
<th>Votes</th>
<th>Cohesion</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
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<td></td>
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<tr>
<td>Government</td>
<td>Riker</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>AR</td>
<td>Parliamentary</td>
<td>Axelrod</td>
<td></td>
<td>De Swaan</td>
</tr>
<tr>
<td>EN</td>
<td>Electoral</td>
<td>Downs</td>
<td></td>
<td></td>
</tr>
<tr>
<td>SA</td>
<td>Internal</td>
<td>Sjöblom</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Figure 5.2** Four Goals and Four Arenas.

Figure 5.2 represents a simplification of the analytical scope of each author. For example, Down’s (1957) is not exclusively concerned with vote seeking. Instead, he defines a political party as “a team of men seeking to control the governing apparatus by gaining office in a duly constituted election” (Down’s 1957, 25). Vote maximizing is the instrument by which a party achieves its other goal of getting into government. He could therefore be represented in (at least) two of the nine combinations. However, Down’s main contribution lies with his focus on the vote seeking aspect of political parties.

Riker (1962) focuses on politicians within decision-making bodies such as parliaments. As regards party goals, however, his main contribution within coalition theory stems from his focus on the office seeking aspect of political parties.

Similarly, Axelrod (1970) and De Swaan (1973) are concerned with coalition formation in terms of government formation (i.e. the seeking of office), and not simply with policy seeking in the parliamentary arena. From the perspective of coalition theory, however, their main contribution in terms of party goals is to have included policy distances among the parties in parliament as an explanation for why some coalitions are more
likely to form than other.

Sjöblom (1968), finally, dealt with the combination of multiple goals and drew lessons from some of the literature listed above. His main contribution in terms of party goals, though, was to include the goal of cohesion seeking in the internal arena.

Figure 5.2 is useful because it illustrates the multitude of hypothetical combinations of party goals and arenas. It is in theory possible to conceptualize sixteen (four times four) combinations of goals and arenas. Perhaps not all would be realistic, but there are many possible and not unrealistic combinations to consider. I have chosen to focus only on the goals and arenas that have been identified as the main ones in the literature discussed above. Thus, by illustrating the positions of seminal authors, Figure 5.2 illustrates the four most recognized combinations of goals and arenas in the literature on party behavior.

The reason for choosing only four goals and four arenas is that I hold realistic assumptions and parsimony to be two criteria by which a model should be judged. Realistic assumptions are necessary because of the close relationship between assumptions and conclusions (see, for example, Allison 1971). Parsimony facilitates clarity (Tsebelis 1990, 31–47). With four goals in four arenas, the model is designed to be rich enough to incorporate the most important goals and arenas without being so detailed that everything seems equally important, or so vague that it cannot serve as a guide for empirical study. Assuming more than one goal in each arena increases model complexity without contributing much new empirical guidance. Moreover, the assumption that parties have multiple goals and multiple arenas already makes this study more complex than most studies, which commonly consider only one or two goals and arenas to be of real importance.

Judging from the literature on party goals, the two most likely alternative combinations are policy seeking in the governmental arena and leader's re-election in the internal arena. The latter has already been discussed above. As for the former alternative, the literature on coalition formation suggests that it has considerable merit. In an innovative step, Laver and Shepsle have developed a theoretical coalition formation approach based on the assumption that policy seeking in terms of the distribution of government portfolios is a major determinant of both the outcome of coalition bargaining and the policy output of the government (Laver and Shepsle 1990a; Laver and Shepsle 1990b; Laver and Shepsle 1994). For this to be
true, it is necessary that the government is the arena in which most important policy-decisions are taken and implemented (Laver and Shepsle 1994, 132–3). Similarly, Budge and Keman (1990) argue for a perspective in which policy seeking is the main motive behind the efforts to get into government. Empirically, as I showed in Chapter 4, there are strong correlations between the relative size of the member parties and their share of government portfolios (the parity norm), and political parties tend to seek portfolios that match their electoral profiles, i.e. agricultural-based parties seek control of the Ministry of Agriculture, etc. According to Budge and Keman (1990), these empirical patterns exist because parties wish to advance their policy goals.

I do not doubt that both of these arguments have merit. For one thing, as I showed in Chapter 4, both the parity norm and the policy-based tendency to seek control of particular portfolios also applies to Swedish government formation. However, in my view the importance of policy seeking in the governmental arena is lexicographic. Policy seeking in terms of portfolios becomes important only after an initial (or preliminary) decision to join a government coalition has been taken. In such a case, policy is not the main concern in the governmental arena but a secondary one which can serve as a stumbling block on the way to a final agreement. Moreover, for the particular purposes of this study, it should be noted that the main constitutional task given to the Swedish government in national policy-making is to prepare and implement the decisions taken in the Riksdag (see Chapter 4). These tasks provide considerable influence over the Riksdag decisions, but when the government lacks an absolute majority the Riksdag tends to assert itself as the center of national policy-making (Birgersson and Westerståhl 1992; Sannerstedt 1992; Sjölin 1993). In contrast, when the government controls an absolute majority the Riksdag decisions are more of a foregone conclusion.

Thus, it is doubtful if the Budge and Keman emphasis on policy seeking in the governmental arena and the institutional conditions that underlie the Laver and Shepsle approach, apply to the case of Sweden. At least this is questionable when minority governments are formed. In such cases, the legislative-executive balance in national policy-making is tilted towards the Riksdag. This is one reason why I have not assumed that policy seeking is the main goal in the governmental arena.

However, the most important reason for choosing to consider office (portfolios) rather than policy in the governmental arena is that I want to
allow for the possibility that a party actually can have more of an influence on national policy from a position in the parliament than from a position in the government. For example, when the government is a multi-party coalition, a single party within the government can be constrained by this membership in a way that a party outside of the government is not. This is especially likely if the party outside is in control of the median legislator. Thus, to remain true to the discussion of the median legislator party (Chapter 1), it is not necessary that such a party must be in government to control much of national policy-making (perhaps because its leaders believe this to be a favorable electoral position). On this point, see also the discussion in Chapter 4 on the relative (un)importance of being in government for the Social Democratic, the Liberal and the Center Parties.

For studies of other political actors in other circumstances, different combinations of goals and arenas might be more useful. For instance, for a party struggling to get into parliament, office seeking in the parliamentary arena might be of more immediate concern that office seeking in the governmental arena. I, however, study parties that have already been elected to parliament and are involved in government formation and constitutional design. The four goals and the four arenas have been chosen also with this in mind.

Two important issues remain to be discussed in this context. One is the issue of whether party leaders should be understood as being involved in separate but linked (nested) games, or if multiple goals and arenas should be understood as multiple aspects of one and the same game? While Tsebelis (1990) Putnam (1988), Denzau et al. (1985) and Hanson (1994) prefer to discuss goals and arenas in terms of nested games, I prefer the latter approach. This is because I believe that in the process of making important choices on coalition formation and constitutional design, a party leader thinks in terms of the combination of multiple goals in multiple arenas rather than of himself as being involved in multiple games in multiple arenas. He or she is not playing one game in the electoral arena, another in the parliamentary arena, a third in the governmental arena and a fourth in the internal arena. In such instances, a party leader is playing a single game along with the other party leaders, but he evaluates this game in terms of its consequences in terms of multiple goals in multiple arenas.

The other issue is how the inter-relation between the goals should be modelled? Sjöblom (1968, 73) proposes that we understand a party as being motivated by the desire that the “party itself shall make the authoritative
decisions in accordance with its evaluation system”. This tells us that an evaluation of the consequences of a particular choice should involve an estimate in terms of all goals in all arenas. However, Sjöblom only tells us about the ideal position of a party. Presumably, any party would like to have significant gains in all arenas. Sjöblom’s proposition does not provide us with an answer as to how political parties, or for that matter, party leaders, evaluate alternative choices when they cannot simultaneously achieve all of their goals. What if some goals simply cannot be reconciled in a given situation?

In order to be able to estimate the expected consequences for each goal in each arena, as well as the combination of all goals in all arenas, it is necessary to make a number of additional assumptions about the relationship between goals and arenas. This is the topic of the next section.

**Further Model Assumptions**

In this section, I first discuss the model in terms of the relationship between intrinsic an instrumental goals. I then move on to explain and defend other choices I have made when designing the model. I explain what I mean by expected utilities and a rational choice. Finally, I discuss the particular perspective of the relationship between party leaders, activists and voters in which this model has been developed.

**Intrinsic and Instrumental Goals**

As a matter of convenience, in what follows I will present the model in one row instead of in four. Figure 5.3 illustrates a situation in which a party leader, or the party leadership, expects significant gains in all arenas. Instead of focusing on one arena at a time, as if each estimate was independent of the other estimates, the model focuses attention on the simultaneous nature of the expected utility evaluations. That is, rather than being discrete events, the estimate of one utility in one arena is influenced by the estimates in the other arenas. With this interaction effect in mind, the model offers a way to study how political parties rank alternatives. It is assumed that party leaders make these evaluations. Whether or not their preferred choice also becomes the party’s choice is an empirical question.
Intrinsic Instrumental

<table>
<thead>
<tr>
<th>Arena: Goal:</th>
<th>Government Portfolios</th>
<th>Parliamentary Policy Package</th>
<th>Electoral Votes</th>
<th>Internal Cohesion</th>
</tr>
</thead>
<tbody>
<tr>
<td>3</td>
<td>3</td>
<td>3</td>
<td>3</td>
<td>3</td>
</tr>
</tbody>
</table>

Total Expected (Ordinal) Utility = 12

**Figure 5.3** A Hypothetical Example in One Row.

Note: For each goal/arena an ordinal value (utility) ranging from -3 to +3 is estimated. The value of +3 denotes the expectation of a highly significant gain in terms of a goal in a particular arena.

Obviously, any neat analytical distinction between multiple goals is easily blurred in practice (Laver and Schofield 1990, 58). But this is no reason not to try. The analyst’s estimates of the actor’s evaluation is going to be approximate and crude, but this is no difference from most of the literature on politics, whether inspired by the rational choice approach or not.

The model also assumes that the goals are of equal importance for the actors. However, one distinction should be made. It is preferable to start by assuming the existence of two intrinsic and two instrumental goals. Here I return to an assumption about human nature, but only after having begun by identifying four socially constructed goals in four arenas.

In the context of the literature on coalition behavior, the distinction between “intrinsic” and “instrumental” goals was first clearly highlighted and discussed by Budge and Laver (1986; see also Laver and Schofield 1990; Budge and Keman 1990). An intrinsic goal is an end, while an instrumental goal is a means to an end. As Budge and Laver (1986) point out, it is possible to think of office seeking as the end and policy seeking as the means to achieve that end. Hypothetically, the reverse can also be true.

On the issue of which goals are intrinsic and which are instrumental, Sjöblom (1968, 73–93) considered the policy seeking goal to be intrinsic and other goals to be instrumental. However, on the basis of the literature associated with Riker’s (1962) office seeking assumption, and in keeping with a classical Machiavellian tradition in political science, I find it intuitively more reasonable that office seeking is also an intrinsic goal. That is, to influence policy is not the only reason that a politician gets involved in national politics, there is also an element of a striving for
power, status and fame (and perhaps other perks) in this choice of career. This does not have to mean that all politicians are equally concerned with both goals, only that, most of the time, office and policy seeking goals are better understood as ends rather than as means.

Above, I have identified internal cohesion as an important instrumental goal. Vote seeking as an intrinsic goal would mean that politicians get involved in politics in order to win votes (instead of wanting to win votes to be able to implement policy and/or gain office). This is an unusual way to think about politicians and at least for present purposes, both vote seeking and the seeking of internal party cohesion are thought of as a means to achieve ends.

The distinction between intrinsic and instrumental goals allows for the development of hypotheses about the way in which we should expect political parties to behave when they are choosing between alternatives. If the distinction between intrinsic versus instrumental goals is correct and of importance, the following should be true. Party leaders might temporarily trade off (or de-emphasize) one intrinsic goal in favor of an instrumental goal, perhaps in order to achieve the other intrinsic goal. For example, they might resign from government in the hope of getting more votes which in turn will give them a better chance to implement their policy package after the next election. It is even possible that they could, at times, use one intrinsic goal as an instrument in order to achieve gains in terms of the other intrinsic goal. They might also trade off one or both of their instrumental goals to achieve an intrinsic goal. However, there are certain things we should not expect party leaders to do.

Over a period of time, party leaders should not continue to use one intrinsic goal simply as an instrument to reach the other. Moreover, they should never sacrifice (or put less emphasis on) both of their intrinsic goals (office and policy) in favor of one or both of their instrumental goals (votes and internal cohesion)! If an empirical study produced such findings, especially as a long-term aspect of party politics, this would seriously challenge the distinction between intrinsic and instrumental goals.

Searching for Expected Utilities

What, then, is an expected utility? Standard textbooks in economics define utility as the satisfaction someone receives from some goods (Fischer and Dornbusch 1983; Lipsey and Steiner 1969). Translated into politics, this
means that for a vote seeking political party, the higher the share of the electoral vote, the higher the party’s utility. An expected utility, then, is the future satisfaction a political actor expects to get from a particular choice.

The model is based on an ordinal utility scale. In his early attempt to combine multiple goals in multiple arenas, Sjöblom (1968, 88–92) suggested using two categories, positive (+) and negative (−) estimates. He was correct in using a simple scale. The use of too many ordinal categories is hardly meaningful. However, three categories on an ordinal scale, such Low, Moderate and High (or Significant) utility, are also intuitively useful.

Most studies based on expected utilities tend to assume cardinal utilities. In contrast to ordinal utility, a cardinal utility is one which is also meant to reflect distance. It is a numeric measure, often assumed, of how far apart, in some psychological space, the different utilities are (Riker and Ordeshook 1973, 38; Zagare 1984, 12). With cardinal utilities, expected utility functions often take the form of the product of the utility and the probability of the occurrence of a particular outcome. In most political arenas, however, there are no valid empirical measures of the cardinal utilities of political actors. In the absence of a meaningful cardinal scale measurement of satisfaction (such as perhaps money in economics), I doubt the usefulness of cardinal utilities. In game theory, what often matters is how the alternatives are ranked rather than the actual payoffs in terms of the cardinal measure (Lewin 1992, 66). In fact, the most important difference between such games as Prisoners Dilemma, Chicken, Deadlock and Assurance is that the alternatives (cooperate-defect) are ranked differently (Tsebelis 1990, 61–8).

Leaders, Activists and Voters

When applying the model to the empirical cases, I focus attention on (1) the party leader and his closest associates and (2) on party activists. I believe it best to define these two categories in as minimalist a fashion as possible, and leave the details open for empirical investigation. This allows for the possibility that the actual number of members in each category can vary among different parties and different situations. Nonetheless, it is necessary to make explicit a few boundaries between the categories.

The term party leadership (or leaders) always includes the party leader of the party. In some instances, when empirically appropriate, I shall speak only of the party leader (singular). When I use the term leadership (plural),
or leaders, I also include the party leader’s closest associates. The category
is meant to include only a very limited group of individuals within each
party. For example, in general the term leadership does not include other
high ranking members of a party, such as the members of its parliamentary
group or the representatives at the party’s national conference (or congress).
Instead, these are defined as the party activists. Other party members, as
well as organized interests and newspapers affiliated with a party, remain
outside of these two categories.

The definition of activists is unconventionally narrow. The reason for
my narrow definition of party activists has to do with my focus in this
study. Given the focus on coalition formation and constitutional design it
is preferable to include in the conceptualization of the internal arena only
those who take the formal (de jure) decisions for a party, i.e. party leaders
and party activists. These actors certainly do not exist in a vacuum, media,
organized interests, lobbyists, etc. have a decisive (de facto) impact on
many of the choices made by party leaders and party activists. However, the
model is focused on the decision-maker(s) and his or her evaluation of
alternative courses of action. Thus, outside interests and influences are
studied through the perceptions of the actors making the formal decisions
on coalition formation and constitutional design.

If party leaders have four main goals in four arenas, what about the
activists? And what about the voters? Do they have goals? In the context
of this study, it is hardly reasonable to conceptualize voters as office or vote
seekers. Perhaps both activists and voters sometime worry about their
party’s internal cohesion, and activists probably worry about votes. Again
in the name of parsimony, I prefer to make simple assumptions. At least as
a point of departure, activists are assumed to have the same four goals as
the party leaders, albeit perhaps with a different evaluation of available
alternatives. Voters on the other hand are considered to be policy seekers.

It is also possible, as will be shown in the next chapter, to use the model
to study a situation which involves a choice among alternative policies. For
example, in a study of a choice between alternative constitutional designs,
one criterion for evaluation is the consequence a particular design might
have on the possibility of getting the bulk of a party’s policy package
adopted in the parliamentary arena. Following Axelrod (1970) and De
Swaan (1973), policy will be thought of as a package of positions and
proposals which can be conceptualized on some dimension (or scale) in an
analytic space. Thus, in general, when political leaders evaluate their
alternative courses of action in coalition bargaining, they do not only evaluate the value of getting into government. One of their additional concerns is the extent to which they can get the party’s policy package adopted in the parliamentary arena.  

A final concern with regard to leaders, activists and voters is how they relate to one another. As mine is, Riker’s seminal study on coalition formation was based on the notion of position-based roles. Riker (1962) suggested that a fiduciary relationship exists between party leaders and voters. Riker argued that the relationship between the party and its voters is such that the actions of a party leader can be seen as actions undertaken on behalf of someone else. According to Riker (1962, 24–8), this places the party leader in a situation analogous to that of a president who sends the armed forces into a war, or to a corporate manager who maximizes profits for the company’s stockholders. The morality of these men will be judged on grounds different from those used to judge actions of ordinary people. Because of the social positions that they hold, the act of ordering the army to fight, or of maximizing profits at high external (e.g. environmental) cost, is seen as justified. The fiduciary actor has a duty to behave rationally. Riker argues that political parties (i.e. party leaders) are willing to join any coalition, because coalition formation is a process in which they must, “for the sake of winning, come together for common action without much regard for considerations of ideology or previous friendship” (Riker 1962, 21).

However, it does not necessarily follow from a fiduciary relationship that a rational actor is free from seeking policy. On the contrary, if the party leader is a fiduciary agent he also has to deliver “the goods” to his commissioners. And, by this logic, the party leader cannot ignore the policies that his voter have commissioned him to deliver. Riker (1962) has little to say about the voters and the choices they make, but, to my mind, the fiduciary relationship that he uses in order to justify his conceptualization of a rational actor can only mean that his rational actors have to be concerned with policy (or at least must create an impression of being concerned with policy). I believe this to be the proper implication of the fiduciary relation between party leaders and voters. If voters are policy seekers, we should expect party leaders to be concerned with policy too.
How I Intend to Use the Model

In coming chapters, I will use the model to reconstruct the actors ranking of alternatives (i.e. preferences) before a decision was made. I shall then use the expected utility ranking to discuss either the unilateral choice of the actor (decision theory) or the interactive choices of two actors (game theory). Below I explain what I mean by preference formation, decision theory, game theory and strategy.

Preference Formation

One of the major (albeit largely implicit) debates in current political science is the relative importance of institutions versus political culture. In contrast to the position of some scholars working in the tradition of new institutionalism (see, for example, Rothstein 1994), I do not argue that it is the organization of political institutions that shapes cultural patterns and beliefs. My argument is that the relationship is interactive, i.e. it can work both ways. Or, in other words, the relation between culture and institutions is one of co-determination.

Putnam’s (1993) analysis of the relative success of the creation of a new level of elected regional government in Italy shows the close and interactive relation between culture and institutional design. On the one hand, institutional change in both Northern and Southern of Italy gradually affected identities, values, power and strategies (Putnam 1993, 184). On the other hand, Putnam convincingly argues, the new regional governments perform best in a context of civil relations that ensure cooperation and trust.

Another example of the close link between culture and institutions is that the comparative literature on democratic institutions has shown that there exists a high correlation between geographically defined areas and certain political institutions. One such example is that while continental European democracies tend to have parliamentary systems and proportional elections, countries formerly under British domination tend to have parliamentary systems and majoritarian elections, while Latin American democracies tend to have a presidential form of government and proportional elections (Lijphart 1992; Powell 1982).

Why is it that when actors design institutions these patterns occur? The crucial issue that bridges much of the divide between culture theory and new institutionalism is the issue of preference formation. This is also what
Aaron Wildawsky (1994) concluded in his discussion of rational choice theory. From his culture theory perspective, in which human nature is a social construction (i.e. created in interaction with other humans), he criticizes rational choice theory for being blindfolded by the assumption that self-interest in terms of material gains is the only motive behind human action. While it is true that material gains do matter for most people, rational choice theory “should be pluralized from one to several interests flowing from and contributing to maintenance of a preferred way of life. Choice should be expanded beyond alternatives for achieving a single objective to choosing which objectives to achieve” (Wildawsky 1994, 157). This, he believes, would make the results more interesting.

In a suggestive article, Ruth Lane (1992, 362–3) mentions that political culture theory has been used as a conceptual umbrella covering perceptions, beliefs and values concerning everything political. She also argues that the blessings of this ambiguity has been carried far. As an alternative, she maintains that culture theory can proceed beyond ambiguity by “operationalizing detailed models of political cultures and in integrating them with formal decision models” (Lane 1992, 364). Lane goes on to argue that the major shortcoming of the rational choice tradition is that it has failed to incorporate the existence of multiple goals and that rational choice should learn from culture theory that goals are both multiple and contextually defined.

In this chapter I have made an attempt to take seriously these critics of the traditional rational choice approach. I have developed a model which takes into account that (1) actors have multiple goals and that (2) the actors exist in a context into which they have been socialized. Thus, I hold the view that rational choice theory has something to learn from culture theory. However, it should also be remembered that this and coming chapters first and foremost constitute a study within the rational choice oriented tradition of new institutionalism.

*Decision Theory and Game Theory*

An expected utility model entails a radical simplification of the psychological processes that lead to an actor’s choice of action. Nonetheless, expected utility models dominate the academic discipline of Economics and have in recent years constituted a growing sub-field in Political Science. The rational choice approach uses such models as a tool
to understand and predict social reality in both “decision theory” and in “game theory”. Decision theory focuses on the calculations of single individuals who are believed to act to maximize their utility. Here the choice between different courses of action is straightforward: the rational actor chooses the one with the highest expected utility. Within the rational choice approach, however, much attention has in recent years turned from decision theory to game theory. Game theory also uses the notion of utilities, but instead of focusing on a single actor and his choices, game theory illustrates how social outcomes emerge out of the interaction between two or more actors.

An important difference between my approach and that of most game theorists is that the latter tend to take a game which has been theoretically-formally defined and look for real-world situations to which they can apply it. Or, conversely, they take a real-world situation and try to find a known game that applies to it. Analysts then claim that a particular real-world situation looks like a Prisoners Dilemma game, while another situation looks like a Game of Chicken, etc.

In contrast, I start by studying the subjective utilities of the actors in real-world situations. Through studies of concrete historical cases, I try to reconstruct the utilities that the actors expected when they made a particular choice or a series of choices. In sum, while decision theory focuses on a single actor making solitary choices, game theory shows how social interactions shape outcomes. However, game theorists tend to assume preferences rather than undertake empirical studies of preference formation. My approach is to study how actors reach their ranking of alternatives. In so doing, I assume that their expected utilities are constituted in interaction with other actors.

Strategy

Game theory can be used to show that if rational actors maximize their individual utility, they can end up with a lower utility than if they cooperate. This and other such findings explain much of the appeal of game theory (Zagare 1984, 90). A standard game theory illustration is the game known as Prisoners Dilemma (briefly presented in Appendix III). This is a two-person game with binary choices. Eight expected utilities, one for each of four potential outcomes, are assigned to the actors. The utility an actor receives depends upon his choice and the choice of the other actor. Without
communication and trust, game theory analysts claim that the two actors are likely to end up with a worse outcome than they could have achieved through cooperation. But if they choose a lower utility over a higher, are the actors not irrational? I stated above that a rational actor is one who chooses a better alternative over a worse.

The explanation for the apparent paradox is that in the game theory setting, the actors are choosing between two alternative courses of action (preference over action) rather than between specific outcomes (preference over outcome).

In order to avoid confusion, I use the term “course of action” rather than the concept of “strategy”. Riker and Ordeshook (1973, 208) define a strategy as “a set of complete instructions for one player on how to play the game”. The most straightforward definition is probably Brams’s (1985, 9), which is that a strategy involves a choice between the rows and the columns in a game (of normal form). Note also that Ordeshook (1992, 38–48) convincingly argues that in a strategic (or normal, as opposed to an extensive) game, the concept of a strategy is limited to simultaneous choice. This use of the concept of strategy is clear enough but there are many other uses of the word strategy (or strategic).

In his summary of a major project on rational choice explanations and Swedish politics, Lewin (1992, 14) argues that, in a situation in which you cannot get everything, strategic action is based on a willingness to try to get as much as you possibly can without endangering future possibilities. Since the concept of a strategy in a game theory setting is used to denote a course of action, and in other instances has been used with reference to party goals (Sjöblom 1968, 78–87), this use of the concept of strategy is not straightforward. However, the basic notion is the same as the one behind my model. If an actor cannot get everything, we should expect him to opt for as much as he can while taking the future consequences of his behavior into consideration.

In the Prisoner’s Dilemma example, the outcome that both actors confess is a dominant course of action. A dominant course of action exists when, no matter what the other player chooses, a course of action always gives at least equal, and in one case better, payoffs than its alternative (Brams 1985, 13, 114). Thus, in an individual choice situation (decision theory), I expect an actor to chose an expected outcome with a higher utility over one with a lower, and in an interactive social setting (game theory) I expect an actor to chose a dominant course of action over one that is dominated.
Before I demonstrate the usefulness of the model and the game theoretic reasoning, let me stress that the specifics of the model are not intended to apply everywhere and to all decisions. There are a number of model prerequisites.

Model Prerequisites

A first prerequisite is constitutional. If there are no elections, political leaders do not have to be concerned with the electoral arena. If there are free and fair elections which only involves two parties, a distinction between the goal of winning electoral votes and that of getting into government is perhaps not meaningful. In this case, to gain more electoral votes is more directly linked to winning than is gaining electoral votes in a multi-party system where no party can expect a majority of its own. In the latter case, a party’s vote gain or loss does not neatly translate into government position and increase in influence over national policy. Coalition formation will determine who gets into government. Similarly, if the election of the legislature is institutionally separate from that of the executive (i.e. a presidential system), the same set of goals and arenas might not apply. Thus, the model is designed to apply to the parties that are elected to a parliament in a parliamentary democracy.

A second prerequisite is that the issue to be studied is (1) a specific decision taken at a specific moment in time, (2) that the decision is taken in a context that is possible to specify in detail and (3) that the decision is about an issue that is important for the actor. It is my understanding that while some scholars have a hard time seeing any flaws with the rational choice approach, other scholars see nothing by flaws. To me, a much more interesting question is when a rational choice approach is useful and when it is not. In particular, I would like to stress the last of the three points. The choice has to be important to the actor. In his early analysis of multiple goals in multiple arenas, Molin (1965) suggests that the validity of the claim that political parties have multiple goals is most obvious when political parties are faced with issues that are controversial and at least potentially salient in the electoral arena. The difference between an issue that is highly visible and one that is not has been stressed by Sjöblom (1993). Obviously, Sjöblom concludes (1993, 401–2), we should expect issues that are not highly visible to be dealt with in a more routine and
This is in line with what Strom has suggested. Strom (1990a) suggests that future analysis of multiple goals and party behavior should focus on instances in which the goals of political parties are in conflict. Conflicting goals are likely to be particularly important when they are also highly visible. Thus, it is by studies of conflicting goals on visible issues that we can learn more about the motivational foundation of party behavior. *I define an important issue as one which an actor expects will have, at a minimum, a low impact on one of his goals in one of his arenas.* If a choice, however important it might be to some outside observer, is unimportant for all goals in all arenas, the model should be of little use as a guide for empirical study.  

Other decisions can perhaps better be explained from perspectives in which a greater emphasis is given to such matters as routines, traditions and socialization. For example, I shall in Chapters 6 and 7 show that the rules for government formation were designed by actors whose preferences stemmed from both goal seeking and a process of socialization.

In sum, the model has been explicitly designed for use in a study of a particular set of issues in a particular context and this does have implications for its applicability to other issues and contexts. This does not have to mean that good use of the model is limited only to the study of Swedish politics. In contrast, in future studies, the model should be tested in comparative studies. However, for a first test of the model it is important to have an in-depth knowledge of the nuts and bolts of the object of study. This is one reason why, in coming chapters, I conduct an in-depth analysis of the Swedish government formation rules and Swedish support parties. As these chapters show, sometimes the model prerequisites are met, at other times they are not.
Notes

1. By a model I mean a simplified representation which (1) identifies the essential characteristics of the unit of analysis (and perhaps of the context of the unit of analysis), and, (2) which also specifies the relation which is expected to exist between these characteristics. In contrast, an ideal type satisfies only the first of these two conditions. A theory consists of one or more statements which are intended to explain the existence and/or the variation in the object of study. Thus, the model is only a part of what can become a theory coalition formation.

2. The model is a behavioural model as opposed to a formal or a psychological model. The distinction is the following. A formal model is based on mathematical language and logic. In contrast to a formal model, my behavioural model is described and explained in an ordinary and possibly less precise language. A psychological model starts from the psychological processes of individuals and how they reach their choices. In contrast to psychological models, behavioural models are not based on studies of how individuals process information (as is, for example, Rahn et al. 1994) or on the relation between depth psychology and politics (as is, for example, Samules 1993). Instead behavioural models start with the goals of the actors. The goals are assumed to be shared by all relevant actors, not necessarily to the same extent, but at least similarly enough not to make the discussions of individual variation the main focus of the study.

3. I use the range of \(-3\) to \(3\) for each combination of goals and arenas because the corresponding categories (Low, Moderate, High) are intuitively appealing and easy to interpret. These numbers could be replaced with \(-50\) to \(+50\), or \(-1,000\) and \(+1,000\), and they would include the same information. Thus, the scale ranging from \(-12\) to \(+12\) tells us only that \(+12\) and \(+7\) is more than \(+1\), but not much about the distance between \(+1\) and \(+7\). If one outcome is associated with the total expected utility of \(+10\), another with \(+3\) and a third with \(+1\) and a fourth with \(-12\), the four outcomes are still only ranked in relation to each other. I could also rank the outcomes as \(4, 3, 2\) and \(1\).

4. According to Dunleavy (1991, 2–3) public choice theorists such as Mancur Olson, Anthony Downs and William Niskanen assume that political actors are rational in the sense of adhering to the following four assumptions: (1) The actors have a set of well-formed preferences which they can perceive, rank and compare; (2) these preference orderings are logically consistent (transitive) so that if anyone prefers alternative A over alternative B, and alternative B over alternative C, she will also prefer alternative A over alternative C; (3) the actors try to maximize benefits and minimize costs; (4) the actors are egoistic, they act on the basis of what they perceive to be the best for themselves (in a narrow sense). It is the fourth assumption, that rational actors are pure egoists, that is the defining characteristic of public choice. I do not use this assumption.

5. For further discussion of these assumptions, see for example Riker and Ordeshook (1973, 16) and Zagare (1984, 12). Social intransitivity is Arrow’s well known finding which has given rise to Social Choice Theory (Riker and Ordeshook 1973).
6. This is not the only distinction that could be made between the maximizing and the satisficing perspectives. Other analysts stress that in a maximizing perspective, consistency is very important. That is, a true maximizer is one who, put in the same situation, chooses exactly the same course of action every time (Downs 1957, 6; Harsanyi 1977, 17). I identify the social role of a party leader as one that involves a constant set of multiple goals, but I do not assume that individual variation is unimportant. This is another reason why I prefer the notion of a satisficing actor.


8. As I explained in Chapter 2, by rules I mean formalized rules such as a majority voting rule, or the constitutional provisions that specify the procedures of the government formation process. It is noteworthy that scholars in the game theory tradition (e.g. Zagare 1984, 15) use the term the "rules of the game" to mean the structure of an extended game in terms of (1) the set of possible outcomes, (2) the choices available to the players and, (3) the information available to the player about where he is situated in the sequence of moves. (Brams (1985) labels this the "rules of play"). Brams (1985) and Zagare (1984) use the term "decision rule" the way I use the term voting rule, i.e. a rule which specifies the number of votes needed to take collective action.


10. In particular this is true with regard to the internal arena, one of the four arenas which are identified as the most important in this chapter.

11. A goal can be thought of as "an actors image of a future desired condition" (Sjöblom 1968, 71). Thus, a goal is what an actor wants to accomplish. As I explain below, in four important arenas this translates into the want for office, votes, policy and internal cohesion.

12. Further evidence for the fact that vote seeking is an important aspect of political parties is found in the work of such scholars as Downs (1957) and Sartori (1976, 63), who argue that the defining feature of a political party in a western democracy is precisely the fact that it participates in elections.

13. There exists also other alternatives. For example, Laver and Shepsle (1994) suggest that different leaders within a party represent different policy emphases. However, this assumption is used in the context of a study about government portfolio allocation, and policy seeking in the internal arena is not considered as a goal in its own right. In contrast, the two alternatives I discuss in the text focus specifically on a goal in the internal arena. Still another alternative is "intraparty democracy maximization" (Harmel and Janda 1994, 269–71). My reasons for focusing on internal cohesion are explained in the text.
Arenas are "institutionalized decision-structures with certain participants, certain procedural rules, certain decisional competence, etc." (Sjöblom 1993, 400). They can also be understood as fields of activity in which an actor seeks to achieve a goal (or goals). Thus, in order to have a goal in the governmental arena it is not actually necessary to be in government. It is sufficient to have the goal to get into government. Similarly, an election does not have to be underway for a party to seek a goal in the electoral arena.

Alternatively, it would be possible to assume that one or more of the goals and arenas is more important than the others. As with other issues of weighting goals and/or arenas, this is beyond the scope of this study. However, the issue of weighting is one of the interesting issues to study in more detail in further research.

In the Swedish context, others that have reached this conclusion include Ruin (1968, 25) and von Sydow (1989, 322–3).

In decision theory, Bueno De Mesquita's (1981) study of the war trap is a well known representative of this tradition. In game theory, one example is Brams (1985, 78), who suggests a model in which the expected utility of a policy proposal is the product of the utility to activists (which ensures cohesion) multiplied by the probability that the proposal will provide a victory in the electoral arena. As for probabilities, multiplication involving ordinal utility scales is conceptually confusing and that is why I do not use such an approach here. At the same time, however, if an actor associates a particular choice with a high utility, but thinks the likelihood that the other actor will choose the alternative is low, then this ought to have an impact on the actor's choice between alternative courses of action. Rather than trying to impose some measurement of probability, I prefer to keep the issue open for future empirical study.

For example, this definition does not make the distinction between active members and other members of a party that was used in Chapter 4. Furthermore, as Gidlund (1983, 218–21) points out, in a country such as Sweden it can be reasonable to also consider strong organized interests and newspapers to be party activists, i.e. important actors in the internal party arena. The neocorporatist behavior for which Sweden has been famous (see, for example, Katzenstein 1985 and Schmitter 1981), and the close link between newspapers and political parties (Birgersson and Westerståhl 1992), is strong and important. However, for reasons explained in the text, for the purpose of the present study a narrow definition is more appropriate.

In terms of the model, a third concern is the reaction that can be expected from the voters in the electoral arena. A fourth is the effects on internal cohesion that might follow from membership in a coalition government.

As it is used here, a fiduciary relationship is similar to the more common concept of a principal-agent relation. In a principal-agent relation, party leaders can be thought of as agents, while activists and voters are their principals (Strom 1994, 113). One reason that I have chosen to use the former concept is that Riker (1962) used it in his initial discussion of the position role of leaders in coalition formation. Another reason is that one can interpret a nuanced difference in the two concepts.
To borrow from the research on policy implementation, the concept of a fiduciary relationship implies more of a bottom-up perspective while the principal-agent idea is more of a top-down perspective. That is, a fiduciary relation implies more of a moral obligation and less formal control than does the concept of a principal-agent relation. For a discussion of the party leader and voter relationship in terms of the principal-agent debate, see Lane and Nyen (1992, 369–70).

21. Riker has no difficulty imagining instances where policy constraints will effectively limit the number of possible coalitions. He acknowledges that in West European parliaments, Communist parties usually have been excluded from government coalitions (Riker 1962, 38).

22. See the review article by Ostrom (1991) for further examples of why the divisions between rational choice, new institutionalism and culture theory are a problem rather than a necessary fact of political science.

23. In other words, game theory involves “mutually interdependent reciprocal expectations”, while individual decision theory does not (Harsanyi 1977, 10).

24. The essential difference between the two games is that alternatives are ranked differently. In a Prisoners Dilemma each players ranks the alternatives, from best to worst, as (4) I do not cooperate, but he does, (3) We both cooperate, (2) Neither of us cooperate, and, (1) I cooperate, but he does not. In a Game of Chicken, the ranking is: (4) I do not cooperate, but he does, (3) We both cooperate, (2) I cooperate, but he does not, and, (1) Neither of us cooperate.

25. A closely related term is that of “tactics”. In the rational choice tradition, Schelling’s (1963, 21–52) early discussion of tactics makes an important point. If strategy (read course of action) is defined in game theory terms, what is left out is how the actors manoeuvre to get others to choose a particular course of action. Schelling (1963) points to two kinds of tactics in particular, one is to bluff, i.e. to deceive your opponent about the facts. Another is to try to convince your opponent that he is solely responsible for the outcome. This is known as “binding” oneself. One example of the relevance of this is that we know from the previous discussion that political parties sometimes make electoral pre-commitments in favour of a particular government after the election. This is one form of binding that can influence the government formation process. Having said this, note that in the following chapters I use game theory reasoning primarily to study party choice concerning “courses of action”. In contrast, the discussion of party tactics is descriptive. I report the events as I understand them as well as the tactics used by the actors, but I do not analyze the choice of tactics in any detail. Again, I have made this choice because the following chapters constitute a first test of the model. This test involves game theory reasoning as well as in-depth case study. A more detailed study of how tactics are related to an actor’s course of action is beyond the scope of this study.

26. The outcome (confess, confess) is also an equilibrium, or, more specifically, a Nash equilibrium. A Nash equilibrium exists when none of the actors involved can make themselves immediately better off by choosing an alternative course of action. Or,
in other words, once an outcome has been chosen, it is a Nash equilibrium if either player's unilateral deviation from the chosen strategy would give him a worse outcome (Brams 1985, 14).

27. If there exists no dominant course of action, other courses of action can be considered. Two of these are maximax and minimax. The term "maximax" (maximize your maximum gain) refers to choosing the course of action that might lead to the highest possible gains. The term minimax (minimize your maximum loss) refers to the course of action that includes the outcome that leads to least losses (Riker and Ordeshook 1973, 208–15; Zagare 1984, 24; for an empirical example, see Lewin 1992, 153–4).

28. For example, a technical change in an regulation for beekeepers or in a matter of public administration law, however important to a particular observer, is seldom something that will be considered important in terms of the model. Such matter are not likely to have an effect on the party leaders multiple goals in multiple arenas.

29. The concept of socialization refers to how historical and contextual influences shape the values and behavior of the members of society. For political scientists this has usually meant the study of how value and attitude formation have an impact on enduring orientations towards politics (Sears 1975; Merelman 1986).
Multiple Goals and Multiple Arenas in Constitutional Design: Why the Speaker Proposes the New Prime Minister

Introduction

In Chapter 3 I showed that Swedish constitutional rules for government formation are in important respects different from those found in other parliamentary democracies. For one thing, the Head of State (the monarch) does not take part in the process of government formation. Rather, it is the Speaker of the Riksdag who appoints a candidate for Prime Minister. Another unusual rule is that this candidate is approved unless more than half of all members of parliament (i.e. an absolute majority) vote against him. These rules were decided upon in the early 1970s. In this chapter I explain why the Swedish parties eliminated the monarch’s role in the the process of government formation and, for that matter, eliminated most of his other formal functions and powers as well. In the next chapter, I explain why the Swedish parties chose the unusual design of the voting rule.

At the heart of the explanation of why the Speaker rather than the Head of State proposes a new Prime Minister lie choices based on the pursuit of multiple goals in multiple arenas. The most interesting choices were made by the Social Democratic and Conservative Parties. The Social Democratic Party program called for an elected Head of State (a republic), while the Conservatives were more in favor of the status quo.

In early August 1971, the expected utilities held by the Social Democratic leadership and the Conservative party leader were those shown in Figure 6.1. The figure illustrates the expected utilities on the issue of a republic versus a modified monarchy. The Social Democrats could follow their party program and propose a republic, or they could opt for a modified monarchy in which the formal powers of the monarch were radically curtailed. Figure 6.1 explains how the expected utilities varied depending on the response
chosen by the Conservative Party. The top row identifies the utilities that the Social Democrats and the Conservatives could expect in the highly unlikely event that the Social Democrats would propose a republic. The top right-hand box illustrates that the worst outcome for the Social Democrats (the left hand utility in that box) was proposing a republic that the Conservatives opposed. In terms of their multiple goals in multiple arenas, the Social Democrats could expect dire consequences. If they chose such a course of action, they could expect significant losses in terms of votes, portfolios, internal cohesion and their ability to influence national policy decisions (-12).

![Figure 6.1](image)

If the Conservative Party opposed a Social Democratic proposal for a republic, they could expect significant gains in terms of votes (+3) and internal cohesion (+3). In terms of office seeking and policy influence, however, the gains could be expected to be more moderate. The other two nonsocialist parties, the Center and Liberal parties had many members in favor of a republic and an electoral struggle over a republic would probably not work exclusively in favor of nonsocialist cooperation. Because nonsocialist cooperation was essential for office and policy gains, it is reasonable to suggest that the Conservative Party could have expected only moderate gains in terms of its office (+2) and policy (+2) seeking goals. Nonetheless, they had good reasons to oppose a republic (+10, the right hand utility in the top right hand box).

If the Conservative Party accepted a republic, this would not provide
much utility for the Social Democratic leadership. With the possible exception of moderate gains in terms of internal cohesion (+2), since the internal debate on the issue could then be put to rest, they could not expect much gain in terms of their other goals. For one thing, the issue would not be highly visible in the next election. In addition, those critical of such a move by the Conservatives would not be likely to support the Social Democrats instead. However, because of the significant negative consequences that the Conservative Party leadership could expect in all arenas (−12), they were not about to accept a proposal for a republic.

The Social Democrats opted for a modified form of monarchy. By choosing this option they ensured that regardless of the response from the Conservative Party, they would end up with a higher utility than with the alternative (i.e. proposing a republic). In game theory terms, the Social Democrats had a dominant course of action which they followed. The Conservatives too had a dominant course of action. Regardless of the Social Democratic choice (a republic or a modified monarchy), they would always be better off to oppose any Social Democratic proposal to change the powers of the Head of State. Or in other words, the Conservatives’ expected utilities in the right hand column are always higher than those in the left hand column. Opposition against a modified monarchy was also what the Conservative party leader preferred. However, the Conservative Party did not follow what appears to have been its dominant course of action! Why? The reasons behind this choice are explained below.

My focus is on the parties’ evaluations of available choices. I discuss only briefly the Social Democrats’ decision not to propose a republic. More interesting is the Social Democrats’ decision to propose a modified form of monarchy. Or, in a more technical language, the discussion of the top row will be much more cursory than the discussion of the bottom row in Figure 6.1. I also briefly present the utilities of the other two parties involved in the constitutional bargaining, the Center and Liberal Parties. Of most interest, however, is the Conservatives’ decision to accept a modified form of monarchy. This decision will be given particular attention.

The outline of this chapter is as follows. In the next section I present the context in which the four parties reached a compromise on the powers of the king. Following that I present the content of the compromise and the events surrounding the compromise. In section four I explain in more detail why the Social Democrats proposed a modified form of monarchy and not a republic, and in section five I discuss the utility estimates of the Center
and Liberal Parties. I then turn to the choice made by the Conservative Party. In the final section I summarize and discuss the findings.

**Political and Institutional Background**

In order to explain how and why the compromise was reached, it is helpful to consider the context in which the trade-offs were decided. Important features of this context include ongoing constitutional reforms, new party leaders, new inter-party relations, the Swedish political-administrative culture and the dominant trends and ideas of the era in which the compromise was reached. These features help explain why a compromise could be reached at this particular moment in time.

The Swedish parliamentary democracy had first been firmly established in the aftermath of World War I. In its “formative moment” (Rothstein 1992), it was born out of a victory for those who wanted to secure popular supremacy over those who favored continued power-sharing between the King and the Riksdag. The King’s readiness to accommodate the new system of government helped reduce the likelihood of a more revolutionary development (Lewin 1992). Since then, a stable parliamentary democracy had been developed without corresponding changes being written into the constitution. This discrepancy between the written constitution and constitutional practice helped put the issue of constitutional reforms on the political agenda (Holmberg 1972).

Another reason behind the push for constitutional reforms was that the opposition parties, chiefly the Liberal Party, wanted to alter the constitution to make it easier to unseat the Social Democrats. Not surprisingly, the Social Democrats were less interested in such constitutional changes (von Sydow 1989).

In 1954 the four parties agreed to form a commission on constitutional reforms. The commission was formally appointed by the government. In this commission, *Författningsutredningen* (FU), representatives of the four parties deliberated for nine years without reaching an agreement acceptable to all parties. Many of the commission’s proposals were controversial and in 1966 the government appointed another four party commission to work out a compromise. The second commission, *Grundlagheredningen* (GLB), worked out the details of an agreement between the four parties.

With the 1970 elections, the two-chamber Riksdag was replaced by a one-
chamber Riksdag. The partial constitutional reforms also included a change in the electoral system to ensure stricter proportionality and a national threshold of four percent for representation in the Riksdag. The old constitution had helped facilitate stable control of the government by the largest party (the Social Democratic Party) (von Sydow 1989). These changes made a change of government more likely (Holmberg 1976; Johansson, interview, 1990; Stjernquist 1978). The commission’s expert study on comparative government formation was also published in 1970 (SOU 1970:16). Both of these events probably gave the parties further incentive to settle the issue of the powers of the king and in particular the rules of government formation (Hermerén, interview, 1991).

Inter-party relations is another important part of the context in which the compromise was reached. In 1971, the Social Democrats (with 163 Riksdag seats) had to rely on the consent of the Communist Party (17 seats) to remain in power. With a combined total of 170 seats, the three nonsocialist parties were, as a group, larger than the Social Democrats. As mentioned in Chapter 4, these three parties had a recent history of salient disagreement. Nonetheless, in November of 1971, shortly after the constitutional compromise had been reached, the three presented, for the first time, a joint program on economic affairs. This program, designed to combat unemployment, was presented by the leaders of the three parties at a joint press conference.

This new found unity had been helped along by the fact that all three parties changed leaders between 1969 and 1971. The election of new party leaders is important for two reasons. For one thing, the new party leaders made determined efforts to increase intra-bloc cooperation (Hadenius 1990, 132; Hylén 1991, 178). The new Conservative Party leader, Gösta Bohman, was one of the architects behind this new-found unity. He believed that the removal of the Social Democrats from power, and the Conservative Party’s hopes of gaining influence over national policies, rested on the nonsocialist parties’ ability to cooperate (Möller 1986, 98–120).

As I shall show below, another reason that the election of new leaders was important was in terms of intra-party politics. None of the new nonsocialist party leaders had been directly involved in the discussions on constitutional design. In all three parties, the party’s representative in the commission on constitutional reforms therefore enjoyed considerable discretion in relation to the new party leader.

Another contextual factor which helped encourage a compromise was the
Swedish political-administrative culture at the time (late 1960s, early 1970s). During this period the Swedish method of decision-making was famous for its emphasis on deliberation and for the thorough and lengthy treatment of political issues in government appointed commissions. The Swedish political-administrative culture was also known for its emphasis on compromise and consensus (Sannerstedt 1987; Sannerstedt 1989; von Sydow 1989). In the words of Anton, 

No image of modern Swedish politics is more widely celebrated than that of the rational, pragmatic Swede, studying problems carefully, consulting widely, and devising solutions that reflect centuries of practice at the art of compromise (Anton 1980, 158).

The way in which the constitutional issues were dealt with closely follows this standard description of the Swedish decision-making process. From the beginning, the parties held opposing positions on many issues including the monarchy, the electoral system and the structure of the Riksdag. But there was also consensus that a new constitution ought to be based on an agreement between all four major parties and that it ought to be able to win broad acceptance (Johansson, interview, 1990; Johansson, letter, 1991; Ruin 1983; Ruin 1988; Stjernquist 1978; Stjernquist, interview, 1990). If anything, this attitude grew stronger over time (Hermerén 1987; Johansson 1976). The norm was probably strengthened by the commission’s conferences in which the members worked in secluded and relaxing environments. This helped facilitate an almost ecumenical relationship between the members of the commission. It is also likely that the advanced age of many of the members might have helped produce a compromise. They wanted to get the job finished (Holmberg 1976; Gadd, interview, 1991a).

A final, but also very important feature of the context was the dominant ideas of the era in which the constitutional debate took place. On the one hand, the aging King was a very popular person which made “attacks” on the monarchy as a whole quite difficult. On the other hand, there was a sentiment of leftist radicalism in the late 1960s and early 1970s which helped facilitate a large scale constitutional reform that curtailed the formal powers of the monarchy. Among others, Gunnar Myrdal (1982, 107–11) has argued that the new constitution is a product of an era in which large-scale political reform was seen as the natural way to make policy (see also Sterzel 1983).
The Compromise in Torekov

In this section I present the content of the compromise and the events surrounding the compromise. Beginning with the Social Democrats, I then go on to explain how the parties reached their particular decisions.

The new rules are a part of the Swedish constitution which went into effect on 1 January, 1975. The former constitution from 1809 gave the king the formal power to appoint the government. The king also formally presided over government decision-making, appointed high civil servants and could dissolve the Riksdag. In his position as the Head of State he was the supreme commander of the military. The new constitution stripped him of these formal powers. While still the Head of State, the new constitution only allows the monarch to open new sessions of the Riksdag, have occasional symbolic meetings with the government and chair an advisory board for foreign affairs.\(^7\)

The new rules were first agreed upon by representatives of the four major parties in August 1971 when the second commission (GLB) and its assistants and experts met in Torekov, a small town in Southern Sweden. One of four Social Democrats was Georg Pettersson, the chairman of the Riksdag’s Committee on the Constitution (Konstitutionsutskottet). Two other were one of Pettersson’s successors as chairman of the Riksdag Committee, Hilding Johansson, and Arne Gadd. Gadd was the youngest and the most outspoken republican of the three. The fourth Social Democrat, the chair of the commission, Valter Åman, had previously been a Social Democratic member of the Riksdag. However, Åman acted, for the most part, as an independent chairman. He perceived his job as one of getting the parties to agree on a compromise.\(^8\)

The nonsocialist parties were represented by Birger Lundström from the Liberal Party, Allan Hernelius from the Conservative Party and Sten Wahlund from the Center Party. Wahlund had also been a member of the first commission (FU) and had by now spent almost two decades deliberating on constitutional reforms.

At a meeting in the spring of 1971 the Center Party representative, Wahlund, had proposed a compromise according to which the Speaker would propose candidates for Prime Minister. The king would only have ceremonial functions. The two functions Wahlund mentioned were that the king would chair the government meetings at which high civil servants were appointed and that he would chair the advisory board for foreign affairs. At
Initially, very little progress was made at Torekov. Then, in a matter of two days, the commission members agreed on a compromise. According to Mr. Gadd (interview, 1991a), the chairman first agreed with the representative for the Center Party that the king should chair government meetings at which high civil servants were appointed. When Åman presented this to his party colleagues they simply refused. Twenty years later Mr. Gadd recollects being surprised at his older colleagues’ firm stand. They would simply not allow the king to chair any meeting at which the government made decisions. Thus, Åman had to go back to Wahlund and explain that the deal was off. After further deliberation, Åman came back to the Social Democratic group and said that the Center Party representative had decided to accept that the king be removed from all involvement in government decision-making. The representative from the Liberal Party went along with the proposal shortly thereafter.

Three parties had now agreed and it was up to the Conservatives to oppose or accept the proposal. Hernelius from the Conservative Party accepted on the condition that the king be kept informed by the Prime Minister on government affairs (Gadd, interview, 1991a). Thus, the members of the commission had reached a compromise. But why did the Social Democrats agree to keep the monarchy? And why did the Conservative Party agree to remove the monarch from important symbolic functions in government formation and government decision-making? The expected utilities behind the compromise are explained below.

The Social Democratic Proposal

By the early 1970s, the Social Democratic Party had officially been in favor of replacing the monarchy with an elected Head of State (a republic) for 60 years (since 1911). Since the party was by far the largest and had been in government for the entire post-World War II period, the continued existence of the monarchy was a source of some embarrassment for the party leadership.

Within the Social Democratic leadership almost everyone was, in principle, in favor of a republican form of government. However, there was little sincere interest in the issue of a monarchy versus a republic (Erlander
1982; Ruin 1986; Stjernquist 1971; Westerståhl 1976). After all, the powers of the monarch were largely symbolic and inconsequential. It was because of its potential as an electorally salient issue that it was seen as important. The Social Democratic leadership knew, as did the leaders of all parties, that Swedish voters were overwhelmingly in favor of the monarchy.

Tage Erlander, the Social Democratic leader from 1946–1969, took the position that the only way the party could bring up the issue of a republic was with a clear argument about why this would make representative democracy stronger and more effective. Without such an argument, he did not want to bring up the issue, particularly not when, he argued, polls showed that about 80 percent of Swedish youth favored the monarchy. The issue would obscure all others and unless the Social Democrats wanted to lose the next election, it was an impossible proposal (SAP-PS, 1966; SAP-PS, 1969).1

At the same time, activists within the party kept reminding the leadership about the official party position, i.e. a republic (Eriksson 1985, 168–85). Thus, the Social Democratic leadership was faced with a dilemma, proposing a republican constitution was out of the question but doing nothing about the king’s powers could lead to internal protests and disunity. Above all the leadership wanted to prevent the loss of internal cohesion. The Social Democratic party leaders during the years of constitutional deliberation, Erlander and Palme, both held internal cohesion to be one of the main (if not the main) responsibility of a party leader. To them, intra-party cohesion was a prerequisite for success in terms of other goals (see, for example, Elmbrant 1989; Erlander 1982; Ruin 1986).

The Social Democratic leadership also faced criticism from outside of the party. Even if a majority of Swedes supported the monarchy, a number of influential intellectuals did not. One of the most influential critics was Herbert Tingsten, a liberal political science professor and former editor of Sweden’s largest morning paper (Dagens Nyheter). Tingsten criticized the first commission (FU) on the grounds that it proposed that the king should appoint government ministers, have the authority to refuse to submit government proposals to the Riksdag and be able to refuse government requests to dissolve the Riksdag. According to the Commission, this would ensure the king a position in which he could help strengthen parliamentary democracy (SOU 1963:17; see also Nyman 1981 and Tingsten 1964).

Tingsten (1964) criticized the idea that the king could strengthen representative democracy. On the issue of government formation, he argued
that it was possible to simply let the parliament elect a Prime Minister. Or, if this was found to be unsuitable because of an obvious risk for tactical voting, the right to appoint the Prime Minister could be given to someone else. Tingsten (1964, 34) suggested that the responsibility for government formation should be given to someone elected to his office—the Speaker. Tingsten’s ideas were highly influential (Ruin 1990; Sterzel 1983; Stjernquist 1971).  

Other intellectuals joined in. For example, Professor Pär-Erik Back and Gunnar Fredriksson (1966), political editor for the largest Social Democratic newspaper (Aftonbladet), proposed that the constitution be reformed in two steps. In the first the king would be stripped of all his political power. In the second the monarchy would be replaced by a republic. The Prime Minister would at first be appointed by the Speaker and later this responsibility would be transferred to a President. This was also in line with ideas proposed in 1963 by three young and influential Social Democrats (Andersson et al. 1963).

In 1969, at the party congress at which he resigned, Erlander articulated the specifics of the Social Democratic solution. He wanted the commission (GLB) to create rules that gave primacy to parliamentary democracy, regardless of whether the Head of State was a king or a president. Two issues were, he argued, particularly important. The first was that the king be formally removed from government decision-making. The second was that he be removed from the process of government formation. This constitutional design would ensure a constitution that could work equally well under a monarch or a president. Erlander also stated that he believed it possible to come to an agreement with the other parties about giving the Speaker the right to appoint the Prime Minister. This way, he argued, the Social Democrats would not have to jeopardize the upcoming (1970) election. The Congress accepted the Erlander proposal (SAP-Congress 1969, 335–44).

The Social Democratic estimate behind this course of action is presented in Figure 6.2. The combined estimate corresponds to the utility for the Social Democrats in the lower right-hand box in Figure 6.1.
### Figure 6.2 The Social Democrats Expected Utility If the Conservative Party Opposes the Modified Monarchy.

Note: For each goal/arena an ordinal value ranging from -3 to +3 is estimated. The value of -3 denotes an expectation of a highly significant loss in terms of the goal in the particular arena. The value of +3 denotes the expectation of a highly significant gain. The value of 0 denotes the expectation of an insignificant effect in terms of the particular goal.

If the Conservative Party chose to oppose the compromise, the Social Democrats would not have reached consensus on the powers of the Head of State, nor would they have succeeded in removing the issue from the electoral agenda. An election campaign that involved the issue of a modified monarchy would mean that the Social Democrats programmatic stand for a republic would be brought up by the Conservatives. This would probably cause debate within the Social Democratic Party over the unfulfilled promise of a republic. In other respects an electoral campaign for the supremacy of the parliamentary democracy and for a monarchy with curtailed formal powers could serve the party better. By choosing to propose a modified form of monarchy, they would avoid the impression that they did nothing about their official policy goal. Instead they could argue that they were moving forward on the issue and thereby deflect some of the criticism about their passivity on the issue. At the same time, a Conservative rejection of a modified monarchy, a reform which the Center and Liberal Parties agreed to, would perhaps dampen the efforts for improved nonsocialist cooperation. This demonstration of disunity among the nonsocialist parties could help strengthen the Social Democrats electorally. This would mean that a Conservative rejection of a modified monarchy would not by itself worsen the Social Democrats chances of remaining in power or implementing their policy package. In sum, weighing these factors against each other, reasonable estimates are that the Social Democrats could expect a low gain in terms of electoral votes (+1) and a low loss in internal cohesion (-1). In terms of their chances of remaining in government and implementing their policy package, the negative effect

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Total estimate = 0
on internal cohesion could be expected to be balanced by the small increase in vote support. In terms of the office and policy package seeking goals these effects would cancel themselves out (±0; ±0, respectively).

In contrast, if the Conservatives came out in favor of the modified monarchy, the Social Democrats could expect gains. Figure 6.3 illustrates the Social Democratic utilities in the event that the Conservatives chose this course of action. (The combined estimate corresponds to the utility for the Social Democrats in the lower left-hand box in Figure 6.1.)

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Total estimate = 5

**Figure 6.3** The Social Democrats Expected Utility if the Conservative Party Accepts the Modified Monarchy.

The estimates in Figure 6.3 are based on the following analysis. In contrast to the alternative choice (i.e. oppose) of the Conservative Party, the Social Democrats could expect moderate gains in terms of internal cohesion (+2). The Social Democrats could use the argument that they had been able to reach an agreement with the opposition parties on a new and progressive constitution in their electoral campaign. This would serve the goal of internal cohesion well. However, outside of the party an agreement was not likely to stir up much enthusiasm. Rather, the Social Democrats could expect low gains in terms of votes and that this would have a low favorable impact on their ability to stay in government. Thus, if the Conservatives agreed to the compromise, the Social Democrats could at best expect the pursuit of a modified form of monarchy to facilitate low gains in terms of vote seeking (+1), office seeking (+1) and in terms of their ability to implement other parts of their general policy package (+1).

The Social Democratic acceptance of the compromise met little opposition within the party. Radical activists could see it as a step towards a republic (see, for example, Nancy Eriksson in Riksdagens protokoll 1973, Nr 111, 186). Others could see it as a more permanent solution. One who held the latter view was the Chair of the commission (GLB). At a press briefing
immediately after the compromise at Torekov, Åman began by declaring that the issue of republic and monarchy now was solved: Sweden was going to continue to be a monarchy (SDS, 21 August, 1971). The other Social Democrats insisted that the issue of a republic or a monarchy had not really been dealt with. What they had done was to establish the proper powers of the Head of State. In their view, the new constitution would work regardless of whether the Head of State was a king or a president.

The most important critique came from the closely affiliated blue-collar trade union association (the LO). With reference to the compromise in Torekov, the Congress of the LO argued in favor of abolishing the monarchy (LO-Congress 1971, 1122–27). However, the normally very influential LO was basically ignored (Gadd, interview, 1991b). In the late fall of 1971, the Social Democratic members of the commission presented the compromise to the Advisory Council (Förtroenderådet) of the party’s parliamentary group. No one challenged the compromise. Only minor issues outside of the compromise were discussed (SAP-RGF, 1971). The next Social Democratic Congress also accepted the compromise at the party leader’s (Palme) recommendation (SAP-Congress 1972, 989–1013). In the end, the Social Democratic government stated, in its proposal to the Riksdag, that the continued existence of the monarchy was necessary if the new constitution was to gain sufficient support in the parliament and among the general public (Prop. 1973:90, 171–2).

In sum, the Social Democrats had not been able to fulfil the promise of their party program. However, in spite of the unfulfilled promise of a republic, the Social Democratic leadership was rather pleased. They had been able to frame the constitutional reforms as a codification of parliamentary democracy and as a move in the right direction. This way they could satisfy proponents of a republic without having to fight for a republic in the next electoral campaign (see also Ruin 1986, 253).

The Center and Liberal Parties

The Center and Liberal Parties accepted the commission’s proposal without much debate. The decision was not particularly difficult for either of them. Figure 6.4 summarizes their approximate evaluation of the situation.
In 1968 the Center Party and the Liberal Party jointly declared that the king should not have power to influence government formation or Swedish politics (*Mittensamverkan 68*, 1968). This can be seen as an attempt by these parties to remain uncommitted on the issue of the powers of the king (Dahlén, interview, 1992). Evidently, the two parties were aware that on this issue they were in a pivotal position between the two major opponents (Hermerén, interview, 1991; Brändström, interview, 1991).

It was important that both the Center and Liberal Parties had supporters in favor of a republic as well as ones who favored the status quo (Fiskesjö 1973, 42). There was strong sentiment in favor of a republic in the youth wings of both parties. Bohman (1984, 51), the Conservative Party leader in the early 1970s, argues that this gave the two parties an incentive to try to keep the issue off the political agenda. Thus, the seeking of internal cohesion was perhaps the most important motive behind their willingness to reach a compromise. In terms of their other goals, they did not expect a compromise on the issue of a modified monarchy to have much consequence.

The compromise probably went a bit further than some of the party members wanted. They would have preferred for the Head of State to retain more of his symbolic functions. However, within the Center Party, the party's representatives on the commission never received any critique for the compromise (Fiskesjö, interview, 1992). The Center Party has a congress every year. There was not a single motion on the powers of the monarch during the period 1970 to 1974 (C-Congresses 1970–1974). The Liberal Party’s parliamentary group debated constitutional issues such as the organization of the Riksdag and a Bill of Rights but not the powers of the monarch (FP-RG, 3 March 1970; FP–RG, 12 April 1973). The party viewed the removal of the monarch from political decision-making to be correct in

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Total estimate = 2

**Figure 6.4** The Expected Utility of Agreeing to the Modified Monarchy: The Center and Liberal Parties.
principle (Molin, interview, 1991). There had also been broad and lengthy consultations on constitutional issues within the party. These consultations involved not only the party leadership but also liberal political scientists and political editors. Partly because of these broad consultations, the constitutional issues did not, in contrast to the Conservative Party, cause internal disagreement after the compromise (Dahlén, interview, 1992).

The Conservative Decision

The constitutional design agreed upon in Torekov was not what the Conservative party leader wanted. The Conservative Party fully supported the supremacy of parliamentary democracy. At the same time, however, it seemed natural to most Conservatives that the Swedish monarch (as other Heads of State) participate in the proceedings of representative democracy. This would, the Conservatives believed, ensure his position as a symbol of national unity. Party leader Bohman’s estimated evaluation of the utility of opposing the modified monarchy is presented in Figure 6.5. (The combined estimate corresponds to the utility for the Conservatives in the lower right-hand box in Figure 6.1.)

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Total estimate = 8

**Figure 6.5** The Conservative Leader’s Expected Utility of Opposing the Modified Monarchy.

Fighting a proposal for a modified monarchy would not provide the same significant gains as would a fight against a proposed republic. Instead, in terms of all goals, the Conservative Party’s gains could be expected to be moderate. The Conservative Party could hope to benefit electorally (+2) from a campaign (in 1973) in which they fought a Social Democratic “attack” against the monarchy. This would separate the Conservative party from the other two nonsocialist parties on the issue, but not so much as to
preclude a nonsocialist government. And with moderate vote gains, opposing the compromise would moderately increase their possibility to get into government (+2) and to influence other important policies (+2). While some members could be expected to argue that the party should accept the compromise to ensure the continued existence of the monarchy, most Conservatives would probably have welcomed an electoral struggle with the Social Democrats on this issue. Thus, internal cohesion (+2) would be at least moderately favored by this course of action.

It is unlikely that the Social Democrats would have abandoned the compromise that they had reached with the other two parties if the Conservative Party had rejected it. And without the support of other parties the Social Democrats would also have been reluctant to propose a more restricted monarchy. Seen in this light, the fact that the Conservative Party agreed to the compromise is puzzling. This is because accepting a modified monarchy would provide for lower expected gains than would opposition to the proposal. The expected utility that the leader of the Conservative Party (Bohman) expected if the party accepted the proposal of a modified monarchy are shown in Figure 6.6. (The combined estimate corresponds to the utility estimate for the Conservative Party in the lower left-hand box in Figure 6.1.)

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Total estimate = 5

**Figure 6.6** The Conservative Leader’s Expected Utility of Accepting the Modified Monarchy.

By accepting the compromise, Bohman would remove the issue from his electoral agenda. Since this would mean that all four major parties now had an agreement, he would not be able to use opposition against the Social Democrats on this issue to gain votes in the next electoral campaign (±0). On the other hand, accepting a compromise that the other two nonsocialist parties already had accepted would facilitate intra-bloc cooperation among the nonsocialist parties. The three parties joint position on constitutional
design could be referred to as a show of their ability to cooperate. This could provide the Conservatives with a moderate increase in both their ability to get into government (+2) and to implement other parts of their policy package (+2). Within his own party, however, accepting a compromise that changed the symbolic role of the monarchy could turn out to be a problem. Even presenting the compromise in the name of intra-bloc unity, could at best provide for a low gain (+1) in intra-party cohesion. Thus, in sum, for the party leader (Bohman), accepting the proposal of a modified monarchy was a worse alternative than opposing the proposal.

Immediately after the compromise, Professor Tingsten stressed the pursuit of nonsocialist unity as the motive for the Conservative acceptance of the modified monarchy (GHT, 3 September, 1971). According to Tingsten, the Social Democrats did not want to jeopardize their slim electoral margin by pushing the issue of a republic. The Conservative Party, Tingsten believed, had agreed in order to avoid a controversy with the other nonsocialist parties. Disunity among the three parties on such an electorally salient issue would have decreased their chances of unseating the Social Democrats in the next election. This is certainly a relevant consideration, but what Tingsten did not consider was that this loss of three party unity could have been counteracted by an increase in vote support for the Conservatives as defenders of the monarchy. Even more important for understanding the Conservative Party's choice was the motives of the Conservative representative (Hernelius) in the commission (GLB) and intra-party considerations taken by the party leader (Bohman).

In his memoirs, Gösta Bohman (1984), mentions that in the summer of 1971 Hernelius informed him about the commission's (GLB) deliberations. From this discussion, Bohman concluded that the commission was not going to reach an agreement. His party was going to take the position that the monarch should keep some of his ceremonial powers—especially the right to sign important laws and the right to formally appoint high civil servants. Bohman strongly agreed; he did not want to compromise on these issues. Bohman and Hernelius also agreed to discuss the issue with the Advisory Council (Förtroenderådet) of the party's parliamentary group. This meeting took place in the beginning of August 1971. The party leader did not attend the meeting, but it was reported to him that the Council had agreed with Hernelius' proposals.

Shortly before the commission met in Torekov, Bohman called a press conference and declared that the Conservative Party was ready for a
political fight. The Social Democrats were not going to be able to abolish the monarchy “without anyone noticing” (Bohman 1984, 51; Exp., 4 August, 1971, author’s translation). When, through the news, Bohman found out that Hernelius had agreed to a compromise he claims to have been taken by surprise (Bohman 1984, 50–51). When he asked Hernelius about the compromise, Hernelius answered that he had acted in accordance with the will of the Advisory Council.

There are some puzzling aspects in Bohman’s historical account. First, the Chair of the Advisory Council meeting at which Hernelius reported about the commission’s (GLB) discussions stresses both that there was no decision taken at that meeting and that, when she learned about the extent of the compromise, she most strongly opposed it (Kristensson, interview, 1991). Second, when asked about whether party representatives had contacts with their parties during the meeting in Torekov, the commission’s chief secretary (Erik Holmberg), believes they all had such contacts (Holmberg, interview, 1990; see also Stjernquist 1978, 363). Third, in the summer of 1972, after having been criticized for the compromise, Hernelius wrote an open letter to Per Unckel, the chairman of the Conservative youth wing. In the letter, Hernelius (letter, 1972) refuted a claim that he alone had agreed to the compromise. In 1970 he had informed the Conservative group in the Riksdag. In August of 1971 he had discussed the issue with the group’s Advisory Council. He had informed the party leaders a number of times. In fact, he stated, while in Torekov he had twice talked on the phone with the party leader (Bohman) and got his approval for the compromise.

In the letter Hernelius defended the content of the compromise. He pointed out that the instructions for the commission (GLB) in 1966 had been discussed among the leaders of all four major parties. These instructions called for a constitution in which the Head of State had a symbolic role. Only the Conservative leader, at that time Yngve Holmberg, had raised objections when the Social Democratic government included the issue of a monarchy or a republic as one to be discussed (see also Svensson 1970, 111–12). Hernelius also stressed that with accepting the compromise the Social Democrats had agreed to keep the king as the Head of State and that the Speaker’s candidate for Prime Minister would be approved by the Riksdag.

It is probable that Bohman was more informed and involved than he remembered when he wrote his memoirs ten years after the fact, but it is also likely that he was not fully informed about the extent of the
compromise. Bohman (letter, 1992) insists that Hernelius acted independently of his wishes. The fact that Bohman announced at a press conference just before the meeting in Torekov that his party was ready for a fight on the issue supports his assertion. A general presupposition on his part in favor of opposition against any Social Democratic proposal can perhaps also be counted in support of this conclusion (on this presupposition, see Adelsohn 1987, 263).

Accepting Bohman's claims that he was not fully informed nor had approved the whole compromise in advance, raises the question of why Hernelius agreed. One important reason was probably that Hernelius saw this as a way to secure the monarchy and prevent a republic (a point stressed by Gadd, interview, 1991b; Hermerén, interview, 1990; Kristensson, interview, 1991). He believed that if he did not agree the monarchy would remain under challenge from the Social Democrats. In addition, if he did not agree to the compromise, the other three parties could work out a proposal that from his point of view was even worse than the one he accepted.

It has also been argued that Hernelius had personal reasons for agreeing to a compromise. The argument is that he wanted to settle the issue and be known as one of the men who created the Swedish constitution (Lidbom 1982). This indicates the relevance of the fact (mentioned above) that many commission members were old and had been working on the issue for quite some time. They were determined to get the job done. Another reason for Hernelius' acceptance might have been that the chairman, Åman, had impressive mediating skills (Brändström, interview, 1991; Holmberg 1976). Åman (1982, 177; Åman, interview, 1991) stressed to Hernelius that his party alone had not agreed and that the issue was no longer one of republic or monarchy but concerned a modified form of monarchy. Perhaps this helped convince Hernelius. According to some commentators, the sun and the baths could also have helped forge congeniality (Riksdagens protokoll 1973, Nr 110; Johansson, interview, 1990; Stjernquist, interview, 1990). And, as alluded to above, the strong Swedish norm that it is desirable to have broad agreements on constitutional affairs might have helped create a bargaining environment that facilitated a compromise.

As Hernelius had already agreed, Bohman too decided to accept the compromise. Figure 6.7 illustrates the utility of the alternative to oppose the modified monarchy once Hernelius had agreed to the compromise.
Figure 6.7 The Conservative Leader’s Expected Utility of Opposition After Hernelius had Accepted the Modified Monarchy.

Once Hernelius had accepted the compromise, and this had been made public, the expected gains of opposition changed dramatically (compare with Figure 6.5). Had Bohman now chosen to distance himself from the compromise, he would have caused a split in the party leadership and among the nonsocialist opposition parties. Hernelius had a high status within the party. There had also been consultations within the party on the issue of the compromise. Though Hernelius had gone further than the party leader had wanted, to accuse him of having made a mistake would have led to at least a moderate (-2) loss of internal cohesion. To distance the Conservative Party from the compromise would also have been tantamount to distancing the party from an agreement it had accepted together with the two other nonsocialist parties. As nonsocialist cooperation was essential for the party’s ability to gain government positions and to influence policies, to reject the compromise now could have led to at least a minor (-1, -1) negative effects in terms both of these goals. For the party leader, the potential for a small gain (+1) in terms of votes, did not balance the negative consequences of rejecting the compromise. The Conservative leader chose to support the compromise.

When the compromise was made public, Bohman welcomed it as a bargaining success for the Conservative Party. Bohman declared that, thanks to the Conservatives, the Social Democrats had been forced to give in and keep the monarchy. He also stressed that the king was going to continue to have some ceremonial functions (SvD, 21 August, 1971a). The immediate reaction from other Conservatives was fairly positive. The continued existence of the monarchy was greeted with satisfaction (see, for example, BT, 21 August, 1971; SvD, 21 August, 1971b). In spite of the initially positive reaction, however, the compromise turned out to be a problem for the party leadership. By early 1972 the initial satisfaction within the party
had begun to fade. By the time the commission’s written report was published (SOU 1972:15), there was growing opposition within the party.

In September of 1972 the Conservative Party held a party congress. At the previous party congress Bohman had defeated the former party leader, Yngve Holmberg, in an open struggle for the party leadership. Bohman was now a popular and unchallenged leader of the Conservative Party. The only major debate and challenge to the leadership came on the issue of the Torekov Compromise. In no less than 10 different motions, party activists and sub-national party organizations argued that the Conservative Party should distance itself from the compromise (M-Congress, 1972). Though the debate was intense, the party leader managed to win the issue. A speech by Bohman was especially important. He gave three basic reasons why the Conservative Party should stick with the compromise (DN, 16 September, 1972; Exp., 18 September, 1972; SvD, 17 September, 1972).

1. The compromise at least ensured the continued existence of the monarchy, whereas a renewed debate and political struggle could lead to a worse outcome—a republic.
2. The Social Democrats would campaign against the Conservative Party as being untrustworthy if it backed away from the compromise.
3. A withdrawal from the compromise would hurt the credibility of the party leadership. This could only benefit the Social Democrats.

The party supported Bohman and rejected proposals to withdraw from the compromise. However, the Congress also charged the party leadership with the task of advancing the Conservative position within the framework of the compromise. And in spite of the decision of the Congress, the debate within the party continued until the new constitution was passed by the Riksdag (Bohman 1984). One of the Conservatives most critical to the compromise recalls that one important argument used by the party leader in the internal debate was that an agreement had been reached and that breaking it would publicly embarrass both Hernelius and Yngve Holmberg, the former party leader. After all, the argument went, Yngve Holmberg was the one who had agreed to the commission’s instructions in the first place (Strindberg, interview, 1991).

After the compromise, six meetings were held among the party leaders to discuss the proposal (Broomé and Eklundh 1976). In these the Conservative Party won some concessions. For instance, the monarch would continue to
enjoy immunity from prosecution and he was given the highest military rank, but no formal power (Bohman 1984; Broomé and Eklundh 1976; Orrhede, interview, 1993; Prop. 1973:90, 113, 174–5). However, among other party leaders there was a strong will to finally settle the issue and the Conservative Party leader was unable to radically alter the compromise (Dahlén, interview, 1992). The debate within the Conservative Party and growing public opinion against the new constitution had very little effect on the rules agreed to in Torekov (Johansson 1976).

In the final Riksdag vote, one conservative voted against the new constitution and two abstained. The rest of the Conservatives voted in favor (DN, 28 February, 1974; Riksdagens protokoll 1974, Nr 30, 139).

Conclusion

The compromise on the powers of the Swedish Head of State was reached in a particular context. One important feature of this context was an era of leftist ideas and large scale political reforms. Another important feature was that the four Swedish parties all embraced the norm that broad consensus was desirable on constitutional affairs. By creating favorable conditions, the context facilitated a compromise at this particular point in time. However, by itself the context does not explain why the compromise was reached nor the specific content of the compromise. To explain this, it is necessary to consider the parties multiple goals in multiple arenas.

The analysis of multiple goals and arenas shows that starting from the multiple roles of party leaders provides for nuance and allows for detailed distinctions. The party leaders’ reasoning and behavior confirms the validity and importance of the four goals and the four arenas. The Social Democratic and Conservative Parties had to make important choices. For the Social Democratic leadership, their evaluation of the consequences of pursuing their official policy goal of making Sweden a republic was highly negative. Electoral competition was fierce and a republic was considered to be a purely symbolic issue. With the electorate heavily in favor of a monarchy, the party could expect to lose votes. Because the Social Democrats had only a slim electoral margin, the loss of these votes would probably also have meant losing government portfolios. A loss of government positions would, in turn, reduce the Party’s ability to implement other policies of more value to the party. This is why the party leadership
chose not to propose a republic.

One possible alternative would have been to simply codify existing constitutional practice. However, doing nothing about the formal powers of the monarch would open the party leadership to criticism from more radical members. This could result in a loss of intra-party cohesion and thereby a potential loss of votes. Doing nothing could also result in criticism from outside the party, from the Communists as well as from other supporters of a republic. This too could have caused a loss of votes.

In promoting the removal of the monarch’s formal powers, the leadership sought to prevent the loss of internal cohesion and the risk of vote losses. Stripping the king of his powers had the great advantage of satisfying critics within the party without risking a loss of electoral support. It was also easier to defend against criticism from radical voices from outside of the party. This was the basis for the Social Democrats’ tough attitude in the bargaining with other parties.

For the two parties in the middle, accepting the compromise did not constitute much of a problem. The compromise probably went a bit further than they wanted. They would have preferred that the Head of State had retained more of his symbolic functions. At the same time, however, their policy position on the issue was close to the Social Democrats. In keeping with its history of cooperation across the political blocs, it was the Center Party that first broke the deadlock and sided with the Social Democrats. With the continuation of the monarchy and with the removal of the king from the proceedings of representative democracy, the leadership of the Center Party could satisfy both the probable majority in the party who favored the monarchy and the more radical, often younger members who favored a republic. When the Center Party agreed to the compromise, the Liberal Party had to choose between siding with the Center Party or with the Conservatives. At the time, with the recent history of disunity with the Conservative Party, the choice was easy. By siding with the Center Party, the Liberal Party avoided the internal discord and quite possibly the loss of votes that siding with the Conservatives could have meant.

For the Conservative Party, the trade-off situation was much more difficult. Activists did not want the monarch to be removed from the proceedings of representative democracy. Moreover, the party leader expected that an electoral campaign in which the party defended the status of the monarchy would increase the party’s share of the electoral vote. Thus, by accepting the compromise the Conservative leader accepted a
constitutional design that he did not want and gave up one that he believed would win the party votes. In game theory terms, the party leader departed from what was a dominant course of action.

One reason for accepting the compromise was that this ensured the continued existence of the monarchy. This was probably of particular importance for the party's representative, Hernelius. However, given that the Conservatives knew that the electorate was heavily in favor of the monarchy, this was hardly the most important reason why the Conservative Party accepted the compromise. With the possible exception of Hernelius, very few Conservatives expected the Social Democrats to actually propose a republican constitution. In fact, had Hernelius not chosen to agree to the compromise, the Conservative Party leader would have opposed the compromise.

The pursuit of nonsocialist unity was one reason behind the Conservative decision to accept the compromise. The Conservatives did not want to jeopardize nonsocialist cooperation and the possibility of a joint three party majority in the 1973 election. By agreeing to the compromise, the party avoided giving the impression that the three parties could not agree on an issue as fundamental as the Swedish constitution.

Another reason that the Conservative Party chose to accept the compromise was that to withdraw from the compromise would, in effect, be tantamount to saying that the party leadership had been wrong in accepting the compromise in the first place. This would not look good for a party which just had recovered from an internal struggle over the party leadership. It would also be an embarrassment for both Hernelius and Bohman. When it was first made public, Bohman had greeted the compromise as a bargaining success for his party. The credibility of the party leadership was saved when the party accepted the compromise.

Having chosen not to give priority to its preferred policy (important symbolic powers for the monarch) nor to vote-maximize on this issue, the Conservative Party sought changes within the framework of the compromise. In so doing, the party was successful on issues such as the king's immunity and military rank. This enabled the party leadership to reduce some of the criticism from party activists.

In this case of constitutional compromise, there are some important similarities in the way that the parties reached their decisions. One such similarity is that when it was not possible for the party leaders to simultaneously satisfy all of their goals, both the Social Democrats and the
Conservatives discounted an official policy position in favor of the pursuit of government positions. This implies that both the Social Democratic and the Conservative Parties gave priority to office seeking. However, another reasonable interpretation is that the leaders of both parties traded off a particular policy issue in favor of potential gains in their ability to influence other policies. For the Social Democrats, the official policy issue (a republic) was of little or no value to the party leadership and the trade-off was readily made. For the Conservatives, accepting the compromise was at least to some extent against their sincere position on the issue. However, because the compromise at least ensured the continued existence of the monarchy, they too traded off the particular policy issue for a potential gain in their ability to achieve a larger policy package. Thus, both office seeking and policy seeking concerns were important when the parties reached their decisions.

Another similarity was that when a policy was (at least potentially) salient on the electoral agenda, the parties worried a great deal about the reactions of the electorate. Most important was to avoid losing votes on the issue. This, rather than an aspiration to win votes, was the bottom line for the parties when they faced tough trade-offs.

Further similarities were found in intra-party considerations. For the leaders of both the Social Democratic and the Conservative Parties, intra-party considerations were important determinants of party behavior. For the Social Democrats, internal cohesion was an important motive behind their firm stand in the bargaining process. They were determined to get policy concessions from the other parties in order to compensate for their initial trade-off. Similarly, once the compromise in Torekov was made public, the desire to avoid a split within the leadership was a very important motive behind the behavior of the Conservative Party.

The most important findings of a general character can now be summed up: When the parties faced hard choices among their multiple goals, (1) their positions on a particular issue were traded off for both office and policy (package) seeking reasons, i.e in favor of their intrinsic goals, (2) they worried more about not losing votes than about winning votes, (3) intra-party considerations in the form of internal cohesion was an important motive behind (external) party behavior, and, (4) the Conservative Party, in particular, included inter-party considerations (nonsocialist cooperation) in the evaluation of different alternatives.

Theoretically, the analysis has also supported the argument that a goal
seeking perspective is useful when the decision to be made is important for the actor(s). When party leaders were faced with hard choices on an issue that they believed could have an impact on their goals, their choices were based on goal seeking aspirations. When the issue of the powers of the king was on the agenda, there is little evidence that the choices were shaped by such factors as, for example, party organization and political culture.

A final and theoretically important finding is that the multiple goals and arenas model outlined in Chapter 5 is both a realistic and a fruitful guide for the study of party behavior. In a multi-party system, where party competition is fierce and an issue electorally salient, party leaders have to consider more than one goal and one arena at a time. Because of this, they might actually end up choosing a seemingly unexpected course of action. Such considerations lie at the heart of the explanation for why the Speaker and not the Head of State proposes a new candidate for Prime Minister.

In Chapter 8, I shall apply the multiple goals model to Swedish government formation. But first, in Chapter 7, I explain the origins of the voting rule used at government formation. One major difference between the issue of the powers of the monarch and the issue of the voting rule was that the latter was not seen as having the potential to become important (in terms of the multiple goals of the party leaders). The theoretical implications of this difference is one of the topics discussed in the next chapter.
Notes

1. In translation, the relevant Article (6:2) of the constitution (Instrument of Government) reads,

   When a Prime Minister is to be appointed, the Speaker shall summon for consultation one or more representatives from each party group in the Riksdag. The Speaker shall confer with the Deputy Speakers and shall then submit a proposal to the Riksdag.

   The Riksdag shall proceed to vote on the proposal, no later than the fourth day thereafter, without preparation in committee. If more than half of the members of the Riksdag vote against the proposal, it is rejected. In all other circumstances it is approved (*Constitutional Documents of Sweden* 1990, 47).

   Formally, the Prime Minister appoints the other government ministers.

2. A fifth party, the Communist Party, was represented in the Riksdag but not invited to take part in the deliberations on the new constitution.

3. Leading Swedish scholars such as Lewin (1992) and von Sydow (1989) argue the parties pursued their self-interest in these constitutional reforms. The parties’ motives had to do with finding the best way to translate each party’s electoral support into the institutional arrangement that was the most advantageous for the party’s ability to reach its office seeking objective. In terms of the multiple goals in multiple arenas model, it is likely that the parties’ office seeking goal was a critical consideration but that the consequences in terms of their other goals was of concern too. In this case, however, the existence of multiple goals is hidden by the fact that the goals were not in conflict with one another. On the issue of the powers of the king, the existence of multiple goals is more readily observable because the Social Democratic and the Conservative Parties had to make trade-offs between their multiple goals.

4. See Sannerstedt (1989, 311), for an analogy to constitutional compromises in other countries.

5. Note that neither the King (who died in 1973) or the Crown Prince are reported to have been involved with the issue of constitutional design in the late 1960s and early 1970s. The constitutional design was a matter decided by the four parties. However, this does not completely preclude informal contacts on a personal level before or after the compromise. For example, when in 1966 the issue of a republic was both on the parliamentary and the electoral agenda, according to one of his ministers, the Social Democratic party leader (Erlander) sought to comfort the King on the issue of a republic (Lindström 1970, 297).

6. The importance of this *Zeitgeist*, could be complemented with Kingdon’s (1984) concept of policy-windows. Albeit also vague, this concept captures something of the opportunity for action on the issue that existed in the late 1960s and early 1970s.
7. Until 1980 the monarch had to be male. From 1980 females of the royal family can also inherit the throne.

8. In his memoirs Åman states that he was not in favor of a republic. In fact, he goes as far as to argue that this was one reason that the Social Democratic party leader, Erlander, wanted him to chair the commission (Åman 1982, 172).

9. In short, the minutes report the final compromise (GLB, 20 August, 1971), as,

1. The King is the Head of State.
2. The Head of State is to be kept informed by the Prime Minister.
3. The Speaker appoints a candidate for Prime Minister. Unless a majority of the members vote against the proposal, the candidate is approved. If the Speaker’s proposal is rejected four times, the Riksdag is to be dissolved and an extra election called.
4. The Head of State chairs the meetings of the Foreign Affairs Advisory Council (unless it is about to make decisions, in which case the Speaker chairs the meeting).
5. The government is the chief commander of the military.
6. The Head of State is supposed to attend the opening of the Riksdag and declare it opened (if the king is unable to do so, the Speaker can declare the session opened).

10. The chief secretary (Holmberg, interview, 1991) and the chairman (Åman, interview, 1991) have not disputed Gadd’s account of the events.

11. The leadership’s dual position (public versus internal) on the issue is further exemplified by the fact that in 1968, Erlander stated that one of tasks of the commission was to consider whether Sweden ought to be a republic or a monarchy (Riksdagens protokoll 1968 II, Nr 34).

12. The chief secretary (Erik Holmberg) agrees that Tingsten’s views were influential. It is interesting to note that after the compromise, members of the commission wanted to know Tingsten’s reaction to their proposal. Upon their request, the secretary distributed Tingsten’s article among the members (GLB, BIV 114, 1971). According to the secretary, it was not the case that the members of the commission explicitly discussed or followed Tingsten’s proposals. Rather, the secretary remembers reading Tingsten and believes that most of the other involved actors were familiar with Tingsten’s argument (Holmberg, interview, 1991). The influence was, thus, indirect.

13. As I stressed when I designed the model, the use of a model do not make the researcher’s understanding of the situation at hand more “objective”. The estimates are still a matter of subjective judgement. As such, they can be questioned by other scholars. This is precisely the main reason for using a model. By making both the assumptions and the reasoning behind the estimates explicit, I facilitate an inter-subjective assessment of the reasonableness of these estimates. In this context, let me mention that it has been the Social Democrats expected utility of a Conservative Party acceptance or rejection of the modified monarchy that has been the most difficult to estimate. In an early version of this chapter I overestimated the Social
Democratic utility of a Conservative rejection of the modified monarchy. In this version, I have reevaluated the early estimate. Note, however, that this change is of no practical importance for the discussion in this chapter.

14. As Figure 6.5 illustrates, if the Conservatives opposed the modified monarchy, they could expect gains both in terms of votes and internal cohesion. If the Conservatives opposed the modified monarchy (Figure 6.6), the positive utility would not come from a gain in vote support but rather from the somewhat increased opportunity for nonsocialist three party cooperation.

15. Hernelius wrote the letter less than a year after the compromise in Torekov. It is addressed to Unckel and, for information, to the members of the Conservative Party's National Executive (partistyrelse). Copies of the letter are a part of Hernelius' papers (he died in 1986) and the Conservative Party archive. Bohman's memoirs about Torekov date from 1984. In personal communication, Bohman (interview, 1992) does not exclude the possibility that there actually may have been repeated contacts between him and Hernelius on the issue. He does, however, strongly stress the surprise he felt when he realized what Hernelius had agreed to. On this point, he argues, there can be no mistake. Moreover, when asked about the letter that Hernelius wrote, Unckel (the addressee) reports that he remembers being skeptical about Hernelius' version of what really happened (Unckel, interview, 1992). It is possible that Hernelius talked to Bohman, both before and during the Torekov meeting, without clearly expressing his intentions. In both volumes of his memoirs, Bohman (1983; Bohman 1984) mentions that in the first years of Bohman's party leadership they often had difficulty understanding each others' intentions. Bohman and others also report that, while Hernelius was highly respected and seen as something of a living encyclopedia, he was often difficult to understand (Bohman 1983; Bohman 1984; Kristensson, interview, 1991; Strindberg, interview, 1991).
7

The Design of the Voting Rule

Introduction

In Chapter 6 I showed that the explanation for why the Swedish constitution allows the Speaker to nominate a candidate for Prime Minister lies with the goal seeking aspirations of the party leaders in the early 1970s. On the issue of the design of the formation rule that the Speaker’s candidate is approved unless an absolute majority of all members vote against him or her, the parties rather easily reached an agreement. While the issue of the powers of the king was a potentially decisive electoral issue, the choice of the voting rule was seen a technical matter which only concerned a few initiated actors.

This chapter is important for four reasons. First, it explains why the Swedish voting rule was designed in a particular way. Second, this chapter illustrates the limits of a goal oriented analysis. A rational choice approach is most useful, and perhaps only useful, when the decision that is to be made is seen by the actors as important. In other instances their choices are shaped by other matters than goal seeking. In contrast to the decision on the modified monarchy, the decision on the voting rule is such an instance. There was an element of tactical considerations even on this issue. Foremost, however, the decision was shaped by Swedish political culture and history.

The third reason that this chapter is important is that it shows that the Swedish parties designed a rule that they expected to facilitate (1) a high frequency of minority governments, (2) a high frequency of small minority governments and (3) a short government formation process. From the perspective of the coalition formation literature, this is a challenging finding because it shows that political parties attribute important consequences to
formation rules. In a way that the traditional coalition formation literature has not appreciated, the political parties expected a direct link between voting rules and their own (party) behavior.

The fourth reason why the design of the Swedish formation rule is important to study is that it provides a rare example of political parties explicitly choosing between positive and negative parliamentarism. The parties' choice of voting rule was based on their shared preference for negative parliamentarism. This again raises the question of where preferences stem from. I argue that the actors preference for negative over positive parliamentarism stemmed from a process of socialization. The political parties deliberately choose a negatively formulated formation rule because they expected this rule to have consequences that they had learned to favor.

The chapter is outlined as follows. In the next section, I briefly present the debate on the voting rule up to the early 1970s. In section three, I briefly explain why the parties decided that a vote was necessary in the first place. In section four, I explain why this voting rule was formulated in negative terms. In section five, I discuss the reasons for why the rule stipulates an (negative) absolute majority threshold. In section six, I present the debate on the voting rule before the rule was finally passed. In section seven, I present the more recent debate on the voting rule. I also discuss how the voting rule has worked in practice. In the conclusion, I return to the theoretical issues that motivate the study of the design of the government formation rules.

The Two Commissions

The voting rule was a part of the compromise package that the four parties accepted in Torekov in 1971. It is appropriate to begin the explanation of this decision with a short review of the debate on negative and positive parliamentarism which preceded it. In accordance with constitutional rule before 1975, a new government was (formally) appointed by the monarch and remained in power until it resigned or the Riksdag forced it to resign. The existing constitution did not specify voting rules for either the formation or the resignation process. Sweden had negative parliamentarism and no vote of investiture.

One of the few public voices in favor of positive parliamentarism was
heard in 1962. The former Minister of both Defence and Finance, Per Edvin Sköld (1962), criticized the principle of negative parliamentarism on the grounds that it does not ensure that the government has the support of a majority in the parliament. Sköld argued that a government lacking majority support in the parliament is likely to be a weak government. A better alternative would be to adopt a German type rule and stipulate that a government must have the support of an absolute majority in the parliament. This rule gives the parliament the responsibility to create a strong and effective government.

In a response, political scientist Pär-Erik Back (1962) pointed out that Sköld’s ideal was strong government, and that this ideal is not shared by everyone. A Social Democratic constitutional expert and later member of the second commission (GLB), Hilding Johansson (1962), expressed sympathy for Sköld’s proposal. However, he suggested that in order to make it easier to form minority governments, a relative (instead of an absolute) majority could be a more appropriate threshold.

In another response, political scientist Agne Gustafsson (1962) was more critical. He argued, perhaps with the German Liberal Party (FDP) in mind, that to copy the German system would be to give extraordinary power to small parties. The bargaining position of such parties would be considerably strengthened if a coalition needed the votes of such a party to meet the absolute majority threshold. Nor, he argued, is there any guarantee that a majority coalition would in fact be strong. The internal disagreements in such a coalition might be too great to produce the effective government that Sköld was seeking. Sköld’s predecessor as a Minister of Finance, Ernst Wigforss (1962) was the most critical. According to him, positive parliamentarism would mean a break with Swedish democratic traditions and, more importantly, it could lead to closer cooperation among the three nonsocialist parties. This could make it more difficult to form Social Democratic minority governments and because of this, Wigforss was skeptical of Sköld’s proposals.

Wigforss’s skepticism mirrors the overall view of the Social Democratic leadership towards constitutional reforms in the 1950s and 1960s. Björn von Sydow (1989) has shown that they wanted strong and effective (and preferably Social Democratic) governments. However, they were even more wary of any proposal that could create an incentive for the nonsocialist parties to better cooperate with each other. This is probably one reason why Sköld was rather alone in proposing that Sweden adopt a system of positive
parliamentarism. The nonsocialist parties, and especially the Liberal Party, concentrated on other institutional reforms that would more directly make the unseating of the Social Democrats easier. In order to achieve this they focused on the abolition of the First Chamber and on changing the electoral system, and not on the voting rule used in government formation.

In the first commission (FU), Professor Jörgen Westerståhl, the chief secretary and later a member of the commission, argued in favor of negative parliamentarism. In his view, positive parliamentarism sets a high threshold and can result in a prolonged formation process (Westerståhl, interview, 1990). The other members of the commission (FU) agreed with Westerståhl. The Commission argued that the existing system had worked well. Governments had been able to form without much delay, and even in complicated situations the monarch’s choice of Prime Minister had not been criticized (SOU 1963:17, 134, 146).

However, the Commission suggested one change in the rules that govern the relation between the government and the Riksdag. The Commission proposed that it should be possible for the Riksdag to remove a government by a declaration of no confidence (misstroendeförklaring). To have effect, it was suggested that such a declaration would have to be accepted by more than half of the members of parliament. The vote was not to be attached to any particular policy issue. The vote was simply to be about whether or not the government was tolerated by the Riksdag. The distinction between tolerance of the government in general and particular policy issues was intended to ensure government stability. A party that opposed a specific policy but otherwise tolerated a government should not be "forced" to cause the downfall of the government. The Commission stated that such events, in which specific policy issues had become intertwined with the issue of the survival of the government, had occurred in other countries and argued that they should be avoided. The Commission also deliberately chose a voting rule—absolute majority—in which abstaining and absent votes would (in practice) be counted in favor of the existing government. The Commission argued that this voting rule would help ensure government stability and that it was a guarantee against misuse of the declaration of no confidence (SOU 1963:17, 146–8; see also SOU 1966:17, 29).

As mentioned in the previous chapter, according to the Commission (FU), the monarch could help strengthen and safeguard the parliamentary democracy (SOU 1963:17, see also Nyman 1981). This position, however, was strongly criticized within the Social Democratic Party (SAP-PS, 26
October, 1965; Westerståhl 1976, 10; von Sydow 1989, 161; Gustafsson, interview, 1992). It was also criticized by Herbert Tingsten (1964). He argued that the parliament should elect a Prime Minister, or, should this be found to be unsuitable because of the obvious risk of tactical voting, the right to appoint the Prime Minister should go to someone other than the Monarch. Tingsten (1964, 34) suggested that the responsibility for government formation should go to someone elected to office—the Speaker. Tingsten also suggested that it would be possible to firmly establish parliamentary supremacy by requiring a vote in the Riksdag before a government could assume power. This could be done by a vote in which the Riksdag declared its support or by a vote in which the Riksdag declared that it tolerated the government. Of these alternatives, Tingsten (1964, 34) favored the latter.\(^1\)

**The Second Commission**

Initially, the four political parties did not adopt any major reforms on the basis of the commission’s (FU) report. Instead, the second commission (GLB) was appointed to work out a compromise. When this commission worked out the details of the partial reforms, it included the declaration of no confidence. On this issue, the commission (GLB) followed the model suggested by the first (SOU 1967:26, 174–8).\(^2\)

After the partial reforms, the commission (GLB) continued to work on the new constitution. Following Tingsten and other critics of the first commission’s (FU) proposal, the Social Democratic government instructed the commission (GLB) to find a solution that either gave the Riksdag the right to elect a Prime Minister or gave the right to appoint the Prime Minister to someone other than the Monarch. The instructions mentioned the Speaker as the most likely candidate. The instructions also argued that there was no need for a vote of investiture. The Riksdag’s power to unseat any government it does not tolerate was seen as a sufficient guarantee against the risk of abuse of the power to appoint a new Prime Minister (SOU 1972:15, 70). Despite this recommendation, the four party Commission proposed that the Riksdag should vote on the Speaker’s candidate for Prime Minister. Why?
Why Vote?

The issue of the government formation vote was intertwined with the question of the formal powers of the monarch (Hermerén, interview, 1990; Stjernquist, interview, 1990; Johansson, interview, 1990). It was in the context of the compromise in Torekov that the four parties agreed on the new voting rule. When the monarch was removed from the government formation process, some kind of new rule had to be written. It was seen as neither practical or desirable to construct a system in which the Riksdag simply elected a Prime Minister. One reason, as Tingsten had pointed out, was that there was an obvious risk for tactical manoeuvres that could prove publicly embarrassing. There was also the possibility that a particular party might not want to actively support a certain candidate for Prime Minister though it might be willing to tolerate the candidate. It was generally accepted among the parties that the rules for government formation ought to allow this candidate to form a government. To enable this complex and delicate selection process, the parties agreed that someone had to be given the responsibility for judging the parliamentary situation and proposing a candidate (SOU 1966:17, 20-32; SOU 1967:26, 165; SOU 1972:15, 94-6).

The Commission (GL B) argued that the Speaker is suitable for this task because he or she holds an elected office and could be assumed to be an experienced politician. The Speaker is also the foremost representative of the Riksdag and subject to reelection both as Member of Parliament and as Speaker (SOU 1966:17, 31; SOU 1972:15, 94, 144).

On the other hand, the Commission argued, it is at least theoretically possible that the Speaker could chose a Prime Minister for partisan reasons. Once the Speaker’s candidate became the Prime Minister, he would have a very strong bargaining position. Furthermore, a Prime Minister appointed by the Speaker could dissolve the Riksdag and call a new election. On these grounds it was argued, there ought to be a vote in the Riksdag before a new Prime Minister assumes power. The Commission also stated that it was natural that the Riksdag should have the final say in the selection of a new Prime Minister (SOU 1972:15, 94-5).

In reality, however, the voting rule was not simply a “natural” arrangement. It was the Conservative Party that most strongly wanted a voting rule. Arne Gadd (interview, 1991b), the young Social Democratic member of the commission, and Hermerén (interview, 1990), the commission’s expert on government formation (SOU 1970:16), do not recall
any disagreement on the issue. In fact, Hermerén (interview, 1991), had been advocating such a rule himself. The chief secretary, Erik Holmberg, on the other hand, believed that no vote was necessary. He considered the Riksdag’s right to unseat any government to be a sufficient check on the Speaker (Holmberg, interview, 1990).

Mr Johansson, a senior Social Democratic member of the commission (GLB), explains that the vote never became a salient issue because it was readily accepted by the Social Democrats as a part of the compromise package (interview, 1990; Johansson, letter, 1991). Nonetheless, Johansson (interview, 1990) believes that the Conservative Party representative, Hernelius, saw the voting rule as a bargaining success for himself. Professor Stjernquist (letter, 1991), the commission’s constitutional expert, confirms the fact that Hernelius was active on this issue. Sterzel, a former secretary of the Riksdag’s Standing Committee on the Constitution, also argues that it was the Conservative Party, supported by the Liberal Party, that most strongly favored the new voting rule (Sterzel 1983, 81; see also Christoffersson 1985, 194).

It is plausible that the Conservatives feared that the Speaker, a position traditionally occupied by a Social Democrat, would favor the Social Democrats. In any case, when Hernelius was later criticized for accepting the compromise, he used the new voting rule as argument in favor of the agreement (Hernelius, letter, 1972). The voting rule, he argued, meant that the Riksdag and not the Speaker had replaced the king as the one with the power to select a new government. This reluctance to give the Speaker the right to appoint a new government explains why the parties proposed a new voting rule. But why was this voting rule formulated in negative terms?

A Negative Vote

The first Commission’s (FU) strong advocacy of the principle of negative parliamentarism (SOU 1963:17, 146) was readily accepted both by the second Commission (GLB) and the Government (SOU 1967:26, 174–8; Prop. 1968:27, 204; SOU 1972:15, 94–6). In fact, the principle of negative parliamentarism was hardly questioned at all by the members of the second commission (Johansson, interview, 1990). The negative principle was also advocated by the chief secretary and the commission’s expert on government formation (Holmberg, interview, 1990; Hermerén, interview,
In principle, according to the chief secretary, Erik Holmberg, positive parliamentarism has merit. The idea that the parliament should elect the government is an intuitively appealing one. However, such a positive rule can in some circumstances make it difficult to form a government. Therefore, in internal reports he too advocated the principle of negative parliamentarism (GLB BII Etapp 2 a 52, 1970; GLB BII Etapp 2 a 77a, 1970).

Above all, the four parties did not want to make it more difficult to form a new government. This norm was, and still is, very strong in Sweden. Representatives of all major parties, as well as constitutional experts, stress that it is important that the country have a government and that the government formation process should be as short as possible. They argue that this is why negative parliamentarism is preferable to positive parliamentarism. It is also argued that in complicated parliamentary situations, negative parliamentarism allows for flexible solutions such as minority governments. Positive parliamentarism, on the other hand, is said to force majority coalitions between parties with very different policy views and to prolong the government formation process (SOU 1972:15, 94; Prop. 1973:90, 178–9; Bengtsson, interview, 1990; Fiskesjö, interview, 1990; Hermerén, interview, 1990; Holmberg, interview, 1990; Johansson, interview, 1990; Stjernquist, interview, 1990). Thus, the vote was formulated in negative terms because the parties preferred the consequences that they associated with negative parliamentarism over those they associated with positive parliamentarism. But why did the parties chose an absolute majority threshold?

An Absolute Vote

When the vote on the declaration of no confidence was included in the Swedish constitution, an absolute majority threshold was chosen to ensure government stability. Both Commissions (FU and GLB) and the Government argued against letting absentees and other temporary circumstances decide whether or not a particular government was tolerated by the Riksdag (SOU 1963:17, 146–8; SOU 1967:26, 174–8; Prop. 1968:27, 204).

The (negative) absolute majority threshold in the government formation vote was motivated the same way. The Commission (SOU 1972:15, 95)
made explicit reference to the voting rule with regard to the declaration of no confidence. Both Commissions (SOU 1972:15, 79, 95), as well as secretary Erik Holmberg (1972, 193–4), stress that the voting rule is a copy of the one used for declarations of no confidence. Because the members of the commission (GLB) did not want to make it more difficult to form a new government, they chose a rule that would make it impossible for a minority in the parliament to block the Speaker's nominee (SOU 1972:15, 145).\

In sum, the declaration of no confidence voting rule was chosen because it favors a government already in power. The government formation voting rule was chosen because it favors the Speaker's candidate. In both voting rules, absent and abstaining votes count, in practice, in favor of one of the alternatives. Thus, the voting rules are not neutral with regard to the alternatives that are voted on. This design stems from the shared preference (i.e. norm) in favor of having a government rather than having a government in control of a majority of the votes in the parliament. As long as a proposed government is tolerated by an absolute majority of the members of the Riksdag, it should be allowed to form and to remain in power.

### From a Compromise to a Constitution

Although the voting rule passed unchanged through the Riksdag, there was some opposition. The Social Democratic government raised some concerns about the possibility that having a formation vote could make it more difficult to form a new government. However, as the voting rule was a part of a compromise package, the Government ultimately accepted the commission's proposal (Prop. 1973:90, 178–9).

In its proposal to the Riksdag, the Government stated that “it seems obvious that the Riksdag will not only consider who is to become Prime Minister but also—and above all—the party composition of the government and its general policy program” (Prop. 1973:90, 178, authors translation)\textsuperscript{6} However, a vote on the policy program of the new government was not what the commissions had intended (see above; Pesonen and Thomas 1983, 93–4; Stjernquist, letter, 1991). To promote government stability both Commissions (FU and GLB) had been in favor of separating the issue of the policy program from the issue of tolerance of the government. This was supposed to make it easy to form a government. This was also supposed to
facilitate stability by not putting the political survival of a government in the hands of temporary and unstable majorities in the Riksdag.

As required, the Social Democratic government’s proposal was referred to the Riksdag’s Standing Committee on the Constitution (KU). So was a parliamentary motion from the Liberal Party advocating a system of positive parliamentarism. By 1973, the Liberal Party had changed its mind on the principle of negative parliamentarism. The party’s representative in the commission, Birger Lundström, was no longer a member of the Riksdag. The leading positions on constitutional affairs within the Liberal Party were assumed by Per Ahlmark and Björn Molin. Ahlmark, who was to become the next party chairman, and Molin, a well known political scientist, had not been involved in the compromise on the formation rules and they were critical of the solution that the Commission (GLB) had chosen.7

In a parliamentary motion Ahlmark and Molin argued in favor of a system based on positive parliamentarism (Motion 1973:1863). The Liberal Party proposed that the support of an absolute majority be required, at least in the first rounds of voting. They also suggested that in a fourth vote any party group with more than one-twelfth of the members of parliament should be able to propose a candidate for Prime Minister. This was intended to break the Speaker’s monopoly on the right to appoint candidates.

The majority of the committee, i.e. the other three parties, argued that positive parliamentarism of the kind proposed by the Liberal Party was likely to prolong the government formation process.8 The Committee also argued that the Liberal Party proposal rested on a distrust of the Speaker. According to the Committee, the position of the Speaker was likely to be held only by the most trusted representatives of the Riksdag. The fear that the Speaker might misuse his new powers was, for this reason, unfounded. Further insurance beyond the negative vote was not necessary (KU 1973:26, 32–3).

In the Riksdag debate, no other party supported the Liberals. The Center Party (Fiskesjö) argued that the Liberal proposal would create obstacles and prolong the government formation process (Riksdagens protokoll 1973, Nr 110, 64–6; Fiskesjö 1973, 40; Fiskesjö, interview, 1990). The Liberal Party (Ahlmark and Molin in particular) replied that the Center Party was in favor of a compromise that put too much power in the hands of the Speaker (talmansvälde). The Social Democrats (Johansson) argued that the Liberal fear of the Speaker was completely unfounded and that this fear had no basis in Swedish political experience (Riksdagens protokoll 1973, Nr 110,
The Conservatives remained silent on the issue. Probably they could agree with the skepticism against Social Democratic Speakers, but they were content with having achieved the new voting rule.

Against the opposition of the Liberal Party, the Riksdag voted in favor of the negatively formulated government formation rule proposed by the Commission. A second and final vote was taken after the next election. The vote was about whether to approve or reject the new constitution in its entirety. All four major parties voted to approve the new constitution (Riksdagens protokoll 1974, Nr 30).

The Recent Debate and the Rule in Practice

The voting rule has continued to stir controversy. One debate concerns the necessity of having a vote. Another concerns the content of the vote, i.e. what the parties are really voting about. In 1980 the nonsocialist Government gave a new commission (Grundlagskommittén, GLK) the task to discuss, among other things, possible changes in the voting rule. The Commission concluded that the earlier statement that the vote was also about the general policy position of the proposed government had been unfortunate. It stressed that the vote should be about the candidate and about the party composition of the proposed government and not about its policy program. However, the Commission did not suggest a formal change in the constitution. It left it up to the parties to implement its recommendation (SOU 1981:15, 46–7).

The Social Democrats, who were a minority in the commission (GLK), wanted to abolish the vote altogether. They argued that the vote could cause problems of the kind associated with positive parliamentarism. It could lead to a prolonged formation process because sometimes the parties do not want to extend even the indirect support implied by an abstention in the formation vote. Since experience had shown that the Speakers had not acted partially, it could simply be left to the Speaker to appoint a new Prime Minister (SOU 1981:15, 55–7). This time the Communist Party was also represented. Its representative argued that the vote is about the new government's policy program (SOU 1981:15, 65–6). Because of this disagreement, the Government abstained from proposing any changes.

In 1984, the Social Democrats, back in power, appointed yet another commission (Folkstyrelsekommittén, FK). In the commission's instructions,
the Government argued that the vote should be abolished. According to the Government, it is not necessary to have a vote as a check on the Speaker and such a vote can make it more difficult to form a new government (SOU 1987:6, 309). The Commission (FK) disagreed, arguing that there was no real disadvantage in having a vote. One reason for this conclusion was that the Speakers had managed the government formation process with care and integrity. Another reason was that after a general election, if the vote were abolished, the appointment of a new Prime Minister would have to wait until a new Speaker was elected. Thus, the government formation process would only be marginally shorter if the vote was abolished (SOU 1987:6, 18, 236–42). No change was proposed.

On the issue of the content of the vote, there was agreement that the vote was on the candidate and the party composition of the proposed government and not on the new government’s policy program. The Commission recommended that if the parties found that in the existing parliamentary situation the Speaker’s choice was correct, they ought to either vote in favor or abstain, but not vote against the candidate (SOU 1987:6, 18, 236–42). Again the representative from the Communist Party disagreed and argued that the vote also ought to be about the proposed government’s policy program (SOU 1987:6, 280).

The empirical outcome of the government formation votes have been consistent with what the Commission (GLB) expected. The overall post-World War II record of Swedish government formation was presented in Chapter 4. Table 7.1, by comparison, presents the results of the government formation votes after the new voting rule took effect. As this table shows, the Riksdag has approved a new government with less than half of the votes cast on three of the nine occasions on which the voting rule has been used.
Table 7.1  The Results of the Swedish Formation Votes, 1976–1994.

<table>
<thead>
<tr>
<th>Year</th>
<th>PM</th>
<th>Parties</th>
<th>For</th>
<th>Against</th>
<th>Abstained</th>
<th>Absent</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1976</td>
<td>Fälldin</td>
<td>C, F, M</td>
<td>174</td>
<td>160</td>
<td>15</td>
<td>349</td>
<td></td>
</tr>
<tr>
<td>1978</td>
<td>Ullsten</td>
<td>F</td>
<td>39</td>
<td>66</td>
<td>215</td>
<td>29</td>
<td>349</td>
</tr>
<tr>
<td>1979</td>
<td>Fälldin</td>
<td>C, F, M</td>
<td>170</td>
<td>174</td>
<td>1</td>
<td>4</td>
<td>349</td>
</tr>
<tr>
<td>1981</td>
<td>Fälldin</td>
<td>C, F</td>
<td>102</td>
<td>174</td>
<td>62</td>
<td>11</td>
<td>349</td>
</tr>
<tr>
<td>1982</td>
<td>Palme</td>
<td>S</td>
<td>179</td>
<td>0</td>
<td>147</td>
<td>23</td>
<td>349</td>
</tr>
<tr>
<td>1986</td>
<td>Carlsson</td>
<td>S</td>
<td>178</td>
<td>0</td>
<td>159</td>
<td>12</td>
<td>349</td>
</tr>
<tr>
<td>1990</td>
<td>Carlsson</td>
<td>S</td>
<td>175</td>
<td>101</td>
<td>59</td>
<td>14</td>
<td>349</td>
</tr>
<tr>
<td>1994</td>
<td>Carlsson</td>
<td>S</td>
<td>180</td>
<td>26</td>
<td>130</td>
<td>13</td>
<td>349</td>
</tr>
</tbody>
</table>

Note: Bold are the votes for the governments that received less than half of all votes cast.

Legends:
C = The Center Party
S = The Social Democratic Party
F = The Liberal Party
K = The Christian Democratic Party
M = The Conservative Party


Of the eight governments, only two have held an absolute majority of their own (Fälldin 1976, Fälldin 1979). Taken together, the tenure of these two governments was about three and a half years. Thus, for more than fifteen years during the period between 1975 and 1994, Sweden has been governed by minority governments.

In spite of the recommendations by the two Commissions (GLK and FK), the content of the voting rule has remained controversial. Table 7.2 illustrates how the parties have explained their votes the nine times that the voting rule has been used.
Table 7.2 The Opposition Parties View on the Content of the Vote.

<table>
<thead>
<tr>
<th>Year</th>
<th>V</th>
<th>S</th>
<th>C</th>
<th>F</th>
<th>M</th>
<th>G</th>
<th>N</th>
</tr>
</thead>
<tbody>
<tr>
<td>1976</td>
<td>Prog</td>
<td>Prog</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td></td>
<td>(No)</td>
<td>(No)</td>
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<tr>
<td>1978</td>
<td>Prog</td>
<td>Parl</td>
<td>Prog</td>
<td>Parl</td>
<td></td>
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<td></td>
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<tr>
<td></td>
<td>(No)</td>
<td>(Abs)</td>
<td>(Abs)</td>
<td>(No)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1979</td>
<td>Prog</td>
<td>Prog</td>
<td></td>
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<td></td>
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</tr>
<tr>
<td></td>
<td>(No)</td>
<td>(No)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1981</td>
<td>Prog</td>
<td>Parl</td>
<td></td>
<td>Prog</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>(No)</td>
<td>(No)</td>
<td></td>
<td>(Abs)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1982</td>
<td></td>
<td>Parl</td>
<td>Parl</td>
<td>Parl</td>
<td></td>
<td></td>
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<tr>
<td></td>
<td></td>
<td>(Abs)</td>
<td>(Abs)</td>
<td>(Abs)</td>
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<td></td>
<td></td>
</tr>
<tr>
<td>1986</td>
<td></td>
<td>[Parl</td>
<td>Parl</td>
<td>Parl</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Parl</td>
<td>(Abs)</td>
<td>(No)</td>
<td>(No)</td>
<td>(Abs)</td>
<td></td>
</tr>
<tr>
<td>1990</td>
<td>Parl</td>
<td>Parl</td>
<td>Parl</td>
<td>Parl</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>(Abs)</td>
<td>(No)</td>
<td>(No)</td>
<td>(No)</td>
<td>(Abs)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1991</td>
<td>Prog</td>
<td>Prog</td>
<td></td>
<td>Prog</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>(No)</td>
<td>(No)</td>
<td></td>
<td>(Abs)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1994</td>
<td>Parl</td>
<td>Parl</td>
<td>Parl</td>
<td>Parl</td>
<td>Parl</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>(Abs)</td>
<td>(No)</td>
<td>(Abs)</td>
<td>(Abs)</td>
<td>(Abs)</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Abbreviations:

Parl = The party argued that the vote is about whether the Speaker’s candidate for Prime Minister is the proper choice in the existing parliamentary situation.

Prog = The party argued that the vote was not only about the Speaker’s candidate for Prime Minister but also about the general policy program (or position) of the proposed government.

No = The party voted against the candidate.

Abs = The party abstained in the formation vote.

Legends:

V = The Communist Party  
M = The Conservative Party  
S = The Social Democrats  
G = The Green Party  
C = The Center Party  
N = The New Democracy Party  
F = The Liberal Party


In general the socialist parties have argued that the vote also is about the
proposed governments policy program. The Communists have been consistent on this point. The Social Democrats have usually taken the same position. However, they have made some exceptions. In 1978 they argued that the parliamentary situation was such that they did not want to prevent the Liberal Party from forming a one-party minority government. They abstained in order to facilitate this solution. In 1981 they voted no to a Center and Liberal Party government on the grounds that the proposed government had a much to weak position in the parliament to be effective. In 1991, in spite of the recommendations from the two Commissions (GLK and FK), they voted against the proposed nonsocialist government on the grounds of its policy position.

Among the nonsocialist parties the Center Party has been consistent in arguing that the vote is about whether the Speaker choice is correct in the current situation. One possible exception was in 1978 when the party abstained on the grounds that it was close in policy terms to the proposed candidate (and not with the motivation that the Speaker had made a correct choice). However, since the recommendation by the 1980 Commission (GLK) the party has consistently voted on the basis if whether the Speaker has made the correct choice in the existing parliamentary situation. The same recommendation was also followed by the Liberal and the Conservative Parties in the 1982 vote. In 1986 all nonsocialist parties abstained when Carlsson was elected Prime Minister after the death of Olof Palme. In 1990, however, the Liberal and Conservative parties chose interpret the voting rule differently.

In February of 1990 Carlsson and his government resigned after a loss on an important vote in the Riksdag. A short time thereafter Carlsson was again proposed by the Speaker to form a new government. In this situation, the Liberal and Conservative Parties voted against the proposed candidate with the motivation that they had wanted him to call an election instead of resigning. In 1994, except for the Liberal Party, the nonsocialist parties abstained because they found that the Speaker’s candidate was an unfortunate but correct choice. The Liberals, upset that the Social Democrats did not pursue the possibility of a coalition government with them, voted against the new government on those grounds.

In sum, there continues to be disagreement on the content of the vote. Except for the Communist and Center Parties (two parties who hold opposing views on what the vote really is about), the parties interpretation of the vote has had a tendency to vary with the context in which the vote
is taken. Regardless of whether they find the Speaker’s candidate to be the appropriate choice in the existing situation, the parties tend to vote on the grounds of whether they approve or disapprove of the policy position of the proposed candidate. Because most parties have at times changed their interpretation of the content of the vote to suit their immediate purposes, the recommendations made by the two latter Commissions (GLK and FK) have had limited practical importance.

As for the role of the Speaker, the Riksdag’s Standing Committee on the Constitution (KU) has examined each one of these government formations from a constitutional point of view. There has been no criticism of the way in which the Speakers have handled the government formation process. The Speaker’s candidate has always been accepted on the first vote. Given that the Riksdag must be in session before the Speaker’s candidate can be approved, the committee has concluded that the government formation process has been as short as possible (see, for example, KU 1982/83:30, 3–5; KU 1991/92:30, 5–7).

Compared with the formation process before 1975, the addition of the voting rule has had two important consequences. One important difference is that the parties now have to openly show whether or not they tolerate a new government before it forms. Since 1975, because of the voting rule, doing nothing (i.e. abstaining) can more readily be interpreted as tacit support for a new government. This could potentially prolong the formation process. In practice, however, no such effect has been detected. Another difference is that the members of the Riksdag have become more involved in the formation process. Before the voting rule, the bargaining process was more easily reserved as a matter for the top leadership of the parties. With the new voting rule, the party leaders have to consult more widely to ensure that the members of their own party are willing to vote for or against a particular candidate (Isberg, letter, 1993).

Conclusion

To sum up the chapter, the members of the commission (GLB) agreed to have a vote about the Speaker’s candidate for Prime Minister. At the same time they did not want to make it more difficult to form a government. Because they preferred the consequences that they associated with negative parliamentarism over those they associated positive parliamentarism, the
voting rule was formulated in negative terms. The empirical outcomes have been the ones that the Commission (GLB) expected. Judging from the lack of criticism, the Speakers have always made appropriate choices with regard to the candidates for Prime Minister. The formation process has been short. And as expected, minority governments have continued to form. Some of these have been in control of only a small share of the votes in the Riksdag.

On the whole, however, the addition of the new voting rule has been less important than the very fact that the parties chose to base the voting rule on the principle of negative parliamentarism. As I argued in Chapter 3, the distinction between positive and negative parliamentarism is crucial. By choosing not to require a new government to win a vote by a (relative or absolute) majority, the Swedish parties chose a formation rule that facilitate the formation of minority governments and a short formation process. The most important empirical finding in this chapter is that the political parties expected these consequences when they designed the new formation rules. This is in stark contrast to the lack of attention paid to the rules of the game in traditional rational choice based studies of coalition formation.

The study of the Swedish voting rule is important for other theoretical reasons too. One such reason is that it illustrates that constitutional design sometimes involves both goal oriented behavior and a process of socialization. In the Swedish case, the actors chose between expected consequences in a way that is best explained from a goal oriented perspective. In particular, two of the opposition parties, the Conservative Party and the Liberal Party, were reluctant to transform the largely formal power of the monarch into discretionary power for the Speaker. They wanted a check on a supposedly Social Democratic Speaker. This explains why there is a vote before a new government can assume power. The shared preference for the outcomes associated with negative parliamentarism explains why the parties chose to formulate this voting rule in negative terms.

This raises the issue of how the parties came to share a preference for negative parliamentarism. A plausible answer is that the actors involved in constitutional design experienced a process of socialization. Of importance was the fact that experience from recent decades of government formation and resignation had created little or no controversy. The existing principle of negative parliamentarism was seen as having contributed to this record. Moreover, the actors were politicians with high positions in their own parties. They had all made their careers within the existing system and they
deliberated on constitutional reforms for years. In the absence of obvious drawbacks, they learned to appreciate the consequences that they associated with the principle of negative parliamentarism. In contrast, new actors in the Liberal Party more easily saw merits with positive parliamentarism. Having not participated in debates about the pros and cons of negative parliamentarism, they had not experienced the same socialization into a preference for negative parliamentarism.

In the last two chapters I have explained why Sweden has negative parliamentarism and particular set of government formation rules. The next chapter is devoted to a study of the relation between negative parliamentarism and the micro-logic of party leaders. The issue to be explained is why political parties in the context of negative parliamentarism often choose to form minority governments, even when these only control a small fraction of the parliamentary seats, and why they spend little time forming these minority governments.
Notes

1. If not the first, Tingsten was certainly among the first to mention the possibility of making the Speaker responsible for government formation. As mentioned in Chapter 6, Tingsten's views were a significant influence in the outcome of the constitutional deliberations (Holmberg, interview, 1991; Ruin 1990, 100; Sterzel 1983, 199; Stjernquist 1971).

2. The rule went into effect 1 January 1971 (Holmberg 1971). In a comparative perspective, this too is an unusual rule (Laver and Schofield 1990, 64). In most other parliamentary democracies a government must resign if it loses such a vote by a relative majority (i.e. a majority of all votes cast). While no government has been forced to resign by a declaration of no confidence, votes have been taken on a couple of occasions. However, these votes have been more expressions of discontent by opposition parties than genuine efforts to remove governments from power (Stjernquist 1989, 266). In February 1990, the Carlsson government resigned voluntarily after having lost an important vote in the Riksdag. However, this was not formally a vote on a declaration of no confidence. I shall return to the importance of the no confidence voting rule. In this chapter, however, the main focus is on the formation voting rule.

3. Other alternatives had been mentioned. For example, Bertil Ohlin, a leader of the Liberal Party, once suggested that the task of appointing a Prime Minister could be given to a committee of high judges (Björkman, minutes, 1965).

4. A rule in Chapter 3, Article 4, of the new constitution (Instrument of Government) prohibits a government from calling a new election within the first three months after a general election, but this was not considered to be a strong enough insurance against the risk for misuse of the power to appoint a Prime Minister.

5. It is, by the way, difficult to imagine any alternative to the absolute threshold. Once the parties had agreed on having both negative parliamentaryism and a formation voting rule, what choice did they have? A negative and relative voting rule would be a novel invention, but how would it work in practice? This lack of an alternative negative voting rule was not, however, discussed by the Commission. The absolute threshold was chosen because it was expected to have favorable consequences.

6. In Swedish, "riksdagens ställningstagande realiter kommer att gälla inte bara vem som skall bli statsminister utan också – och framför allt – regeringens partimässiga sammansättning och dess program i stort".

7. As a curiosity one can note that after the formation of a Liberal one party government in 1978, and only a few years after the Liberal Party had voted in favor of a system of positive parliamentaryism, Molin reportedly argued that the Swedish system based on tolerance rather than support had proven itself to work well (UNT, October 17, 1978). On the other hand, Bohman, the Conservative Party leader, whose Conservative Party had voted for the negative and absolute rule,
reportedly expressed the view that it probably would have been better if Swedish
governments were formed on the basis of a system of positive parliamentarism
(SvD, January 26, 1979).

8. In addition, the majority argued, the Liberal proposal to let any party propose a
candidate in the fourth vote could lead to governments with only limited
parliamentary support. This, I might add, is a somewhat curious argument since it
was because negative parliamentarism was associated with the possibility of such
governments that the Committee favored a negative voting rule.

9. The fifth and smallest party with parliamentary representation, the Communist
Party, was not represented in the commissions (FU, GLB). In the final vote the
party voted against the new constitution (Riksdagens protokoll, 1974, Nr 30).

10. This is what happened when the Liberal Party formed a government in 1978. This
Government only controlled 39 out of 349 seats in the Riksdag. Because of the
voting rule, the Social Democratic Party publicly had to explain why it abstained
and thereby allowed the Liberal government to form. When discussing this case two
leading political scientists both concluded that under the old rules, the King would
have appointed the same Liberal Party government (Westerståhl, 1978; Petersson
1979, 144–6). However, the fact that the Social Democrats had to publicly abstain
to allow the Liberal government to form made the government formation process
more difficult for the Social Democratic leadership (Petersson 1979).
The Bargaining Position of Support Parties

Introduction

This chapter has a dual purpose. On the one hand, it provides the final part of the explanation as to why Swedish governments are so often minority governments. On the other hand, it constitutes the beginning of a discussion of a future research agenda. In contrast to preceding chapters, this chapter is not based on an in-depth study of primary sources. The presentation is based on a reading of secondary sources and the chapter is exploratory rather than definite.

In Chapters 1 and 4 I highlighted the favorable position of the median legislator party. In Chapter 7 I stressed that the intent behind the constitutional rules is to facilitate the formation of minority governments and a short government formation process. In this chapter I show how goal seeking actors and constitutional rules interact. The final part of the explanation for why the median legislator party can often form a government without having a majority of the seats of the Riksdag is that negative parliamentarism facilitates the existence of support parties. This is true for two reasons. One reason is that negative parliamentarism makes it costly to oppose a proposed government. The other is that the implication of (a vote of) abstention is support for a proposed government. Thus, it is the weak bargaining position of support parties rather than a general unwillingness of these parties to join a government which explains the frequent occurrence of minority governments.

The outline of this chapter is as follows. In the next section I define the terms “support party” and “bargaining position”. I also outline the relation between the bargaining position of support parties, the median legislator party, and negative parliamentarism. In the two next sections I discuss two
empirical examples. In section three, I discuss the Communist Party support for Social Democratic minority governments and in section four I discuss the Social Democrats’ decision to abstain in favor of a Liberal Party government in October 1978. I end the chapter with a discussion of the potential for a reform of the government formation rules.

Support Parties and Bargaining Position

The notion of a median legislator party was defined in the context of the discussion of coalition theory (Chapter 1). A support party is a party which by its behavior directly contributes to the existence of a minority government, whether this behavior is to vote in favor or abstain in favor of a government (Chapter 2).

I have in earlier chapters spoken about the bargaining position of political parties only in common sense terms. For the purpose of this chapter it is necessary to be more precise. My use of the term bargaining position is close to the term “bargaining power”. In part, bargaining power consists of a party’s relative weight in terms of its share of the seats in parliament. Even more important is the complete distribution of voting weights over all parties. This is because in power indices, such as the Banzhaf and the Shapley-Shubik indices, a party’s bargaining power depends on how many winning coalitions the party is a member of (Banzhaf) or how often a party is pivotal (Shapley-Shubik). As does the literature on coalition formation, this literature makes two assumptions that I question. One is that all hypothetically possible coalitions are equally likely to occur. The other is that winning is defined in terms of the “must contain an absolute majority” criterion. By considering empirically the proportion of actual votes in which a party could have changed the outcome by changing its vote, Stenlund et al. (1985) show that the first of my objection is possible to overcome. However, they have to exclude about 10 per cent of all decisions because of the existence of abstentions (Stenlund et al. 1985, 63). Again, this is a consequence of the assumed voting rule.

Because bargaining power is a term closely connected to a particular literature, I instead prefer to speak about a party’s bargaining position. The bargaining position of a party varies because of (1) the party’s relative share of the seats in the parliament, (2) the overall distribution of seats, (3) and the party’s location in policy space. The specifics of the government
formation rules is the fourth (4) element of a party’s bargaining position. However, the number of votes needed for a single party or a coalition to be winning often cannot be specified in advance. Unless there is a positive and absolute voting rule, the actual number of votes needed to win will depend on whether other parties abstain or vote against a particular proposal.

The different implications of abstaining (or being absent) constitutes a fundamental difference between negative and positive parliamentarism. In practice, in negative parliamentarism, abstention (i.e. not voting) entails support for a proposed government. This is because an abstention does not help towards the creation of a majority opposed to a government proposed by the Head of State or, in the case of Sweden, the Speaker. In positive parliamentarism with an absolute majority threshold, abstaining is a way to oppose a proposed government. This is because an abstention does not help achieve the required threshold of votes in favor. Positive parliamentarism with a relative majority threshold constitutes an intermediate category. Whether or not an abstention will actually help or count against a proposed government depends on the situation at hand.

The different consequences of abstention has implications for the bargaining position of support parties. In the context of negative parliamentarism, the votes of the support parties are not needed to reach a constitutionally defined threshold. Because of this, support parties will often find themselves in a situation of having to chose, not between whether or not to join a government, but between whether or not to vote against a proposed government which includes the median legislator party. To strengthen its bargaining position, a support party must make it credible that it is willing to actively vote against the median legislator party.

A general unwillingness of support parties to join a government would be more in line with the argument put forward by Strom (1990b). Given the central position of Strom’s (1990b) work in the literature on minority government formation, it is appropriate to make explicit the differences between my work and his. There are three basic differences. Two of these, the relative importance of the government formation rules and the inclusion of an intra-party arena in an explicit model of multiple goals and arenas, have already been noted. The third concerns the explanation of the behavior of support parties.

Strom (1990b, 51) notes that coalitions might not reach majority size because a support party is excluded by other parties or because the party itself avoids to take part in the government. In his analysis, however, the
focus is on why support parties abstain from government participation. I argue that minority governments are a result of support parties being excluded from government rather than a result of parties avoiding taking part in government. I do not doubt that coalition avoidance occurs. Certainly, Strom’s (1990b, Strom and Leiphart 1993) work on Norway supports his argument. In the case of Sweden, however, support parties are more properly described as being excluded from government than as parties who avoid government portfolios.

In practice, it is likely that some parties find themselves kept out while others on occasion deliberately avoid joining a particular coalition. There might even at times be an element of both avoidance and exclusion when minority governments form. That is, a party might abstain because it is not willing to pay the price (e.g. in electoral support) of forcing itself into a government, at the same time as another party prefers to keep it outside of the government. In some respects then, avoiding or being kept out of a government can be different sides of the same coin. However, the distinction is important because I want to stress that the behavior of support parties can, at least partly, be involuntary. It is not necessarily the case that a support party avoids taking part in government. It can also be the case that it simply does not have the bargaining position to force its way in. To argue counter-factually, if the rules of the game gave them a better bargaining position, support parties would be more reluctant to avoid government portfolios and not as easy to exclude from government. The weak bargaining position of support parties explains why political parties in Sweden, compared to political parties in many other countries, take less time to form a government and more often form minority governments. Let me illustrate the argument with two empirical examples.

A Support Party: The Communist Party

As I showed in Chapter 4, a good part of the explanation of the predominance of the Social Democrats in government is that they as the median legislator party have successfully exploited a bipolar opposition with the Communists on the left and the three nonsocialist parties on the right. The policy distance between the Communist Party and the nonsocialist parties has made coalitions between them highly unlikely. At the same time, in terms of government portfolios, the Communists have received nothing
for their support of Social Democratic governments. The Communist-Social Democratic relationship is a good example with which to show the importance of negative parliamentarism.

The importance of a formation rule based on negative parliamentarism can be illustrated by a comparison with the voting rule according to which most decisions are taken in the Riksdag. Ordinary decisions are decided by a relative majority, i.e. the proposal supported by more than half of the votes cast wins. For the period since the abolishment of the First Chamber, Table 8.1 illustrates that in ordinary policy decisions, with the active support of the Communist Party, the Social Democrats have been winning in five electoral periods (1970–1973, 1982–1985, 1985–1988, 1988–1991, 1994–). For the sake of argument, Table 8.1 assumes that all other parties vote against the Social Democrats.


<table>
<thead>
<tr>
<th>Election</th>
<th>Social Democratic Position if Communist Party Votes,</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Against</td>
<td>Abstain</td>
</tr>
<tr>
<td>1970</td>
<td>Loss</td>
<td>Loss</td>
</tr>
<tr>
<td>1973</td>
<td>Loss</td>
<td>Loss</td>
</tr>
<tr>
<td>1976</td>
<td>Loss</td>
<td>Loss</td>
</tr>
<tr>
<td>1979</td>
<td>Loss</td>
<td>Loss</td>
</tr>
<tr>
<td>1982</td>
<td>Loss</td>
<td>Win</td>
</tr>
<tr>
<td>1985</td>
<td>Loss</td>
<td>Loss</td>
</tr>
<tr>
<td>1988</td>
<td>Loss</td>
<td>Loss</td>
</tr>
<tr>
<td>1991</td>
<td>Loss</td>
<td>Loss</td>
</tr>
<tr>
<td>1994</td>
<td>Loss</td>
<td>Loss</td>
</tr>
</tbody>
</table>

(1 win) (5 win)

Note: It is assumed that all other legislators vote against the Social Democrats. Also note that the Riksdag had 350 seats in the 1970 and 1973 election. From the 1976 election, the Riksdag has 349 seats.

Table 8.1 illustrates that given assumption of the behavior of other parties, the Social Democrats would never have won a policy vote against the opposition of the Communist Party. If the Communist Party abstained, the Social Democrats would have won in one electoral period (1982–1985). With the explicit support of the Communist Party, the Social Democrats were winning after five of the nine elections.
As discussed in Chapter 7, negative parliamentarism is meant to facilitate a short government formation process and the formation of minority governments. Table 8.2 provides an illustration of the result of a voting rule in which an absolute majority is required to block the Speaker’s candidate or remove a government from power.² In Table 8.2 the assumption that all other parties vote against the Social Democrats is retained.


<table>
<thead>
<tr>
<th>Election</th>
<th>Social Democratic Position if Communist Party Votes,</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Against</td>
<td>Abstain</td>
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<tr>
<td>1970</td>
<td>Loss</td>
<td>Win</td>
</tr>
<tr>
<td>1973</td>
<td>Loss</td>
<td>Win</td>
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<tr>
<td>1976</td>
<td>Loss</td>
<td>Loss</td>
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<tr>
<td>1979</td>
<td>Loss</td>
<td>Loss</td>
</tr>
<tr>
<td>1982</td>
<td>Loss</td>
<td>Win</td>
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<tr>
<td>1985</td>
<td>Loss</td>
<td>Win</td>
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<tr>
<td>1988</td>
<td>Loss</td>
<td>Win</td>
</tr>
<tr>
<td>1991</td>
<td>Loss</td>
<td>Loss</td>
</tr>
<tr>
<td>1994</td>
<td>Loss</td>
<td>Win</td>
</tr>
</tbody>
</table>

(6 win)    (6 win)

With voting rules based on negative parliamentarism and an (negative) absolute majority threshold, the result differs from that of Table 8.1. In cases in which the Communist Party votes against the Social Democrats, there is no difference in the results under the two rules. The Social Democrats lose all votes. The main difference between the ordinary policy decision rule and the Swedish government formation rule occurs in cases when the Communist Party abstains. With Communist abstentions, the Social Democrats win on six occasions. This outcome is identical to the outcome when the Communist Party votes in favor of the Social Democrats. Thus, compared to a requirement of a positive vote in favor, the Swedish formation voting rule changes the meaning of an abstention.

Here lies a very important part of the answer as to why the Social Democrats have had such a hold on government portfolios. To win policy votes, Social Democratic governments have usually been in a position in which they have had to rely on either the Communist Party or one or more of the nonsocialist parties to win votes. However, to form a government and retain power, it has been sufficient that the Communist Party abstains from
voting against the Social Democrats.\textsuperscript{3}

In sum, the most fundamental basis for the Social Democratic dominance has been their control of the median legislator. Given this, the constitutional arrangements of the earlier period (1944–1969), such as the First Chamber and the joint votes on budget matters, facilitated the formation of Social Democratic governments. Furthermore, in the whole post-war period, negative parliamentarism has given the party a position in which the Communist Party, in order to prevent a Social Democratic minority government, has had to actively vote against such a government. In terms of government formation, not actively opposing the Social Democrats has had the same effect as a vote in favor of the Social Democrats.

Why, then, is it that the Communist Party has either abstained or voted in favor of Social Democratic minority governments? In the first two decades after World War II, the position of the Communists was that they would not prevent a Social Democratic government or help unseat such a government. In the early 1980s, however, Communist support for the Social Democrats was less self-evident. When the Social Democrats returned to power in 1982, the Communist Party was considerably more reluctant to offer support without policy concessions (Feldt 1991; Sjölin 1993). One probable reason for this is the party’s development from a party with close ties to traditional Soviet style Communism to a party of Euro-Communism. Hoping to develop into a party of the new left, the old desire to vote with the Social Democrats weakened.

Internal party reforms are considered to have begun in 1964 with the election of C. H. Hermansson as the new party leader. Until then the other parties considered the Communist Party to be a non-democratic party. With the election of Hermansson came an explicit recognition from the Communists of the legitimacy of (liberal) representative democracy. However, the internal struggle between more hardline Communists and a more reform-oriented group continued throughout the 1970s. In 1977 a group of Soviet style hardliners left the party and formed their own, without much electoral success. By the end of the 1980s, within the Communist Party, it was the more traditional who wanted to support the Social Democrats while the reform oriented wing wanted to take up electoral competition on the basis of a platform of reform socialism (rather than communism). The reform wing saw the Social Democrats as a party drifting towards the right in Swedish politics. They hoped this would open up a space for a radical socialist (but non-communist) party on the left. In the
1990s, the Communist Party is still far from likely to help a nonsocialist government into power. At the same time the party has gradually become more reluctant to offer support without Social Democratic concessions (Arter 1991; Board 1970; Feldt 1991; Hammar 1992; Hermansson 1984; Hermansson 1993; Sjölin 1993).

In terms of the model developed in Chapter 5, it is possible to illustrate why the Social Democrats have not offered the Communist Party membership in the government. I will use an example from 1985. At that time, the traditional five party system was intact and the Communist Party, albeit more reluctant than before, could be counted on as a support party, not only in government formation votes but also in ordinary policy votes. We also know from the analysis in Chapter 4 that the left-right dimension remained very strong on all levels, both among the voters and among the members of the Riksdag.

In the 1985 election, the Social Democrats had gained fewer seats (159) than the three nonsocialist parties together (171 seats). If the Communist Party had wanted, they could (with 19 seats) have blocked a Social Democratic minority government. For the Social Democrats, to offer the Communist party government portfolios would have meant the following. If the Communist Party accepted such an offer, the Social Democrats would get fewer portfolios for themselves (−1). They could, on the other hand, be sure that any policy that the two parties agreed on would pass in the Riksdag. However, the government’s policy position would first have to be negotiated with the Communist Party and this would only make for a low

<table>
<thead>
<tr>
<th>Arena:</th>
<th>Intrinsic</th>
<th>Instrumental</th>
</tr>
</thead>
<tbody>
<tr>
<td>Government</td>
<td>Portfolio</td>
<td>Electoral</td>
</tr>
<tr>
<td>Parliamentary</td>
<td>Policy Package</td>
<td>Votes</td>
</tr>
<tr>
<td>Goal:</td>
<td></td>
<td>Internal Cohesion</td>
</tr>
<tr>
<td></td>
<td>−1</td>
<td>−2</td>
</tr>
<tr>
<td></td>
<td>1</td>
<td>−2</td>
</tr>
</tbody>
</table>

Total estimate = −4

Figure 8.1 The Social Democrats Expected Utility of Inviting the Communist Party Into Government: If Communist Party Accepts the Invitation, 1985.

Note: For each goal/arena an ordinal value ranging from −3 to +3 is estimated. The value of −3 denotes an expectation of a highly significant loss in terms of the goal in the particular arena. The value of +3 denotes the expectation of a highly significant gain. The value of 0 denotes the expectation of an insignificant effect in terms of the particular goal.
positive gain (+1) compared to the policy gains based on ad hoc legislative coalitions. Also, with the Communist Party outside of the government, the Social Democrats could be quite sure that their policies would pass either with the support of the Communist Party or through a legislative coalition with a nonsocialist party. The expected consequences in terms of votes and internal cohesion were more dramatic. A majority coalition with the Communist Party could be expected to lose more votes than a Social Democratic minority government (-2) and the loss of internal cohesion could be equally difficult to handle (-2). In the former case this was because the nonsocialist parties would welcome the chance to run an election campaign against a government which included the Communist Party. In the latter case this was because an invitation to the Communist party would be highly controversial among party activists.

As illustrated in Figure 8.2, if the Communist Party had refused the offer of government portfolios the Social Democrats would not have been much better off.

<table>
<thead>
<tr>
<th>Arena:</th>
<th>Goal</th>
<th>Intrinsic</th>
<th>Instrumental</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Government</td>
<td>Parliamentary</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Portfolios</td>
<td>Policy Package</td>
</tr>
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<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Total estimate = -3

Figure 8.2 The Social Democrats Expected Utility of Inviting the Communist Party Into Government: If the Communist Party Rejects the Invitation, 1985.

If the Communist Party had rejected an invitation of government membership, the Social Democrats would not have to share the portfolios (+1). However, having demonstrated that they wanted to join forces with the Communist Party, negotiations with the nonsocialist parties for policy support could at least initially been negatively affected (-1). Also initially, having made an offer that was rejected would have given the electorate an impression of a weak and disoriented party (-1). This could perhaps be counteracted over time, but the loss of cohesion in the intra-party arena could be expected to be of greater longevity. An offer of government membership to the Communist Party would have been controversial in the first place; having such an offer rejected would have caused at least the same impact on the internal arena (-2).
The Social Democratic decision not to offer the Communist Party any portfolios was based on the following estimates. First, if the Communist Party accepted being excluded, the Social Democrats could expect the consequences illustrated in Figure 8.3.

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<th>Intrinsic</th>
<th>Instrumental</th>
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<tbody>
<tr>
<td>Arena:</td>
<td>Government</td>
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<tr>
<td>Goal:</td>
<td>Portfolios</td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>3</td>
</tr>
</tbody>
</table>

Total estimate = 9

**Figure 8.3** The Social Democrats Expected Utility of Excluding Communist Party From Government: If the Communist Party Supports the (S) Minority Government, 1985.

If the Social Democrats did not invite the Communists and they accepted exclusion, the Social Democrats would get all the portfolios for themselves (+3). They would also be free to reach ad hoc legislative coalitions to win policy votes (+2) and they could hope that this would bring electoral success (+2). On the internal arena, a Social Democratic government with tacit support by the Communist Party would serve to maintain cohesion (+2).

If the Communist Party reaction instead had been to block a Social Democratic government, the Social-Democrats could expect the following consequences.

<table>
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<tr>
<th>Intrinsic</th>
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<tbody>
<tr>
<td>Arena:</td>
<td>Government</td>
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<tr>
<td>Goal:</td>
<td>Portfolios</td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>-3</td>
</tr>
</tbody>
</table>

Total estimate = 5

**Figure 8.4** The Social Democrats Expected Utility of Excluding Communist Party From Government: If the Communist Party Blocks the (S) Minority Government, 1985.
If the Communists chose to block the Social Democrats, the latter would lose out on government portfolios (−3). However, because the four opposition parties would have very little in common, the Social Democrats could expect to be influential over national policy-making even outside of a government (+2). Moreover, if the Communists blocked a Social Democratic government and a nonsocialist government came to power instead, the Social Democrats would be free to oppose both the Communist Party and the new government. Not the least, the traditional electoral support some Social Democratic voters gave for the Communist Party would erode; the votes would subsequently stay with the Social Democrats. The Social Democrats could expect the voters to see them as the only real alternative to the nonsocialist parties (+3). Internal cohesion could also be expected to be favorably influenced if the Communist Party blocked a Social Democratic government (+3).

Shifting the perspective to look at the issue from the viewpoint of the Communist Party, the following estimates apply. Figure 8.5 illustrates the utility that the Communist Party could expect if they accepted a Social Democratic invitation to join the government.

<table>
<thead>
<tr>
<th>Intrinsic</th>
<th>Instrumental</th>
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<tbody>
<tr>
<td><strong>Arena:</strong></td>
<td><strong>Goal:</strong></td>
</tr>
<tr>
<td>Government</td>
<td>Parliamentary Policy Package</td>
</tr>
<tr>
<td>3</td>
<td>2</td>
</tr>
</tbody>
</table>

Total estimate = 6

**Figure 8.5** The Communists Expected Utility of Accepting a Social Democratic Offer to Join the Government, 1985.

For the first time ever, accepting such a proposal would give the Communist Party government portfolios (+3). They would also be able to implement more of their policies. The gains could be expected to be moderate (+2), rather than high, because also as an outside support party they would have had some influence on the policies decided in the parliament. Being the radical alternative within a coalition government could also give moderate gains (+2) in terms of future electoral gains. At the same time, however, joining a government as a junior partner would have been controversial among party activists (−1).

As illustrated in Figure 8.6, the alternative reject a Social Democratic
invitation to join the government could be expected to provide a lower combined utility.

<table>
<thead>
<tr>
<th>Intrinsic</th>
<th>Instrumental</th>
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</thead>
<tbody>
<tr>
<td><strong>Arena:</strong></td>
<td><strong>Goal:</strong></td>
</tr>
<tr>
<td>Government</td>
<td>Parliamentary Policy Package</td>
</tr>
<tr>
<td>0</td>
<td>2 -2</td>
</tr>
</tbody>
</table>

Total estimate = -1

**Figure 8.6** The Communists Expected Utility of Rejecting a Social Democratic Offer to Join the Government, 1985.

To reject an offer to join a government would be to pass over an offer of government portfolios. However, in the eyes of the leadership of the Communist Party, this would not be much different from the normal outcome of the government formation process (±0). The implications in terms of policy seeking would be more important. Having offered cooperation and been rejected, the Social Democrats would turn to the nonsocialist parties to find legislative coalitions (−2). It is possible that such a move by the Social Democrats would have helped the Communist Party electorally (+2). In terms of internal cohesion, however, the decision to not cooperate with the Social Democrats could be expected to cause some internal disunity (−1).

If the Social Democrats decided not to offer the Communist party any portfolios, the Communist Party could, if they accepted this, expect the utilities shown in Figure 8.7.

<table>
<thead>
<tr>
<th>Intrinsic</th>
<th>Instrumental</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Arena:</strong></td>
<td><strong>Goal:</strong></td>
</tr>
<tr>
<td>Government</td>
<td>Parliamentary Policy Package</td>
</tr>
<tr>
<td>0</td>
<td>2</td>
</tr>
</tbody>
</table>

Total estimate = 4

**Figure 8.7** The Communists Expected Utility of Accepting a Social Democratic Minority Government if the Party is Excluded from the Government, 1985.
If the Social Democrats did not invite the Communist Party to join the government, the Communists would be left without any portfolios. However, this was the usual outcome and thus for the Communist Party leadership it would not count as very important, at least in the short run (±0). By not opposing the Social Democratic government, the Communist Party could hope for some policy concessions (+2). They could also hope for electoral benefits from "soft" opposition until the next election and for tactical vote support from Social Democratic supporters in support of their effort to reach the national threshold of 4 per cent (+2). In terms of internal cohesion, nothing would be much different from before (±0).

If, finally, the Communist Party chose to block a Social Democratic government from which they had been excluded, they could expect the utilities shown in Figure 8.8.

<table>
<thead>
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<th>Instrumental</th>
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<tbody>
<tr>
<td><strong>Arena:</strong></td>
<td><strong>Goal:</strong></td>
</tr>
<tr>
<td>0</td>
<td>-2</td>
</tr>
</tbody>
</table>

Total estimate = -6

**Figure 8.8** The Communists Expected Utility of Blocking a Social Democratic Minority Government if the Party is Excluded from the Government, 1985.

The Communist Party would not get any portfolios (±0), they would lose most of their ability to influence national policy-making (−2) and they could expect to lose votes (−2). This is because by blocking a Social Democratic government, they could expect to alienate many of their potential voters, especially Social Democratic voters who had the Communist Party as their alternative party (−2). Such a decision would also turn out to be controversial in the internal arena (−2).

In Chapter 5 I explained that in an interactive two actor setting with binary choices, I expect the actors to be concerned with preferences over course of action rather than with preference over outcome. In 1985, the Communist Party and the Social Democratic Party never sat down and negotiated over government portfolios and policy package. They did not have to. Taken together, the eight expected utilities explain much of why the Communist Party never demanded any government portfolios. Figure 8.9 illustrates the interactive choices.
<table>
<thead>
<tr>
<th>Communist Party</th>
<th>Accept</th>
<th>Oppose</th>
</tr>
</thead>
<tbody>
<tr>
<td>Include</td>
<td>-4, 6</td>
<td>-3, -1</td>
</tr>
</tbody>
</table>

Social Democratic Party

| Exclude         | 9, 4   | 5, -6  |

Figure 8.9 The Social Democratic-Communist Party Interactive Relation in 1985.

Both parties followed their dominant course of action. In 1985, no matter what the Communist Party chose, the Social Democrats would always expect to be better off if they excluded the Communist Party from the government. Similarly, no matter what the Social Democrats chose to do, the Communist Party would always be better off if they chose not to oppose the Social Democrats. Thus, the Communist Party had a very weak bargaining position in 1985. The combination of the preferences of the two parties made them likely to end up with the outcome in the lower left-hand box in Figure 8.9.

Having above discussed the expected utilities for two courses of actions for both parties under present rules, let me end the section by giving a counter-factual example of how a different government formation voting rule would impact on the parties preference formation. For this example, let us assume that Sweden had a German type formation rule and that a proto-coalition would have to win the support of a majority of the legislators.

Figure 8.10 shows how Social Democratic utility of including the Communist Party in a government would change with a German type voting rule. The hypothetical example is still Sweden after the election in 1985.

For the Social Democrats, including the Communists in the government would ensure that they themselves would get government portfolios (+2). With the new rule, a majority government would be a more likely result of the government formation process. To be included in the government would mean control of policy decisions in the parliament, to be left out would mean being excluded from most such decisions. Thus, also the policy seeking motive speaks in favor of including the Communist Party (+2). This might not have been very popular among all voters or in the internal arena.
However, the Social Democrats would be able to argue that they had to include one other party in order to be able to form a government. This could perhaps provide for the expectation of at least low gains in the electoral (+1) and the internal (+1) arenas.

Compare the resulting combined estimate (+6) with the original utility in the top left-hand box in Figure 8.9 (-4). The conclusion that it is possible that the Social Democrats would be more likely to include another party in the government under a German type formation rule (i.e. an absolute majority threshold) does seem reasonable. Not having studied all potential interactive relations, it is not possible at this point to say that the Social Democrats would have chosen to cooperate with the Communist Party. It is possible that they would instead have chosen to cooperate with the Center Party or the Liberal Party. It is, however, likely that the Communist Party would not have accepted the position of a support party without government portfolios.

Figure 8.11 shows the likely Communist Party reaction if the Social Democrats tried to form a government by excluding the Communists and treating them as a support party.

<table>
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<th>Intrinsic</th>
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<tr>
<td>Arena:</td>
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<tr>
<td>Goal:</td>
<td>Portfolios</td>
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</tbody>
</table>

Total estimate = 6

**Figure 8.10** The Social Democrats Expected Utility of Including the Communist Party in Government: An Absolute Majority Threshold, 1985.

<table>
<thead>
<tr>
<th>Intrinsic</th>
<th>Instrumental</th>
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<tbody>
<tr>
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<tr>
<td>Goal:</td>
<td>Portfolios</td>
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<tr>
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</tbody>
</table>

Total estimate = 3

**Figure 8.11** The Communists Expected Utility of Blocking Social Democratic Governments. An Absolute Majority Threshold, 1985.
The example in Figure 8.11 shows that with another voting rule the Communist Party would be likely to oppose a Social Democratic attempt to exclude the party from government. If the Social Democrats tried to form a minority government based on their support, an abstention by the Communist Party would leave the Social Democrats short of the required threshold. By doing so, the Communist Party would not get any portfolios (±0). But by abstaining they would force the Social Democrats to either negotiate their support or to turn to another coalition partner. If the Social Democrats chose to work with a nonsocialist party, the Communist Party could expect gains in terms of both vote seeking (+2) and internal cohesion (+2) by claiming that the Social Democrats had moved far to the right and chosen a nonsocialist partner instead of one in the same traditional (socialist) bloc. For the coming electoral period the Communist Party would lose on policy (-1) but the Social Democrats would not be able to move very far to the right knowing that they might have to win the support of the Communist Party after the next election.

The expected utility under an absolute majority voting rule is +3. This can be compared to the Communist Party’s expected utility in the lower right-hand box in Figure 8.9 (-6). Without having compared all other relevant utilities for all other parties, it is possible to conclude that under an absolute (positive) majority voting rule, the Communist Party would look more favorably on blocking a Social Democratic government in which they are not included.

A Support Party: The Social Democratic Party

The Social Democrats have often benefitted from the weak bargaining position of support parties in negative parliamentarism. However, the party also once experienced the frustration of being in a support party position. One of the two smallest governments among the 337 governments discussed in Chapter 3 is a Liberal Party government formed in Sweden in 1978. This government was “elected” with 39 votes (approximately 11 percent) in favor, 66 votes against, 215 members abstaining and 29 members not present. The fact that the government was elected by a vote that it lost is a peculiarity that stems from the negative formulation of the Swedish government formation rule. What is of particular interest in this context is why the Social Democratic Party with 152 of 349 seats (43 percent) ended
up as a support party to the Liberal Party.

When discussing this case, I focus only on the Social Democratic Party’s decision to abstain in the government formation vote in October 1978. I will not consider interactive (game theory) relations. I have taken the liberty of focusing on only one expected utility since the purpose of this explorative example is to illustrate one possible impact of a different government formation voting rule. In brief, this is the story of what happened and what could have happened with a different rule. Let us first consider the coalition theory prediction set in the 1976–1979 period (see Table 8.3).

The left hand column in Table 8.3 illustrates the parliamentary situation and the prediction set under the traditional assumption that a winning coalition must contain parties who together control a majority of the seats in the decision-making body. Based on Chapter 4, in 1976 the left-right ordering of the Swedish parties was the following: The Communist Party, the Social Democratic Party, the Liberal Party, the Center Party and the Conservative Party. The Liberal Party was the median legislator party.

With the assumption that policy constraints do not matter, seven coalitions are in the prediction set. The conventional (Riker) prediction set (left column) excludes fifteen minority government alternatives simply because they do not hold an absolute majority. Among these is the Liberal Party government in 1978. The preceding government, the three party government which formed in 1976, was a minimum winning coalition in the traditional (Riker) sense. It consisted of parties that together held an absolute majority.

The right hand column in Table 8.3 show that the Liberal Party government is included in a prediction set based on viability and the median legislator party. As explained in Chapter 1, this prediction set assumes that a winning government consists of one party or a group of parties that are connected in policy space; includes the median legislator party; has no minimum size requirement but excludes coalitions that include a party not needed once an absolute majority threshold is reached.

But why did the major opposition party chose to abstain in favor of a Liberal Party government? To answer this question one must consider the context of the decision.
Table 8.3 The Prediction Set in Sweden 1976–1979, All Parties.

<table>
<thead>
<tr>
<th>Possible Governments</th>
<th>Size</th>
<th>Prediction</th>
<th>Riker</th>
<th>Viability</th>
<th>Median</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 V</td>
<td>5</td>
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<td></td>
<td></td>
<td></td>
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<tr>
<td>2 S</td>
<td>43</td>
<td></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>3 C</td>
<td>25</td>
<td></td>
<td></td>
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<tr>
<td>4 F</td>
<td>11</td>
<td>*</td>
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<td></td>
<td></td>
</tr>
<tr>
<td>5 M</td>
<td>16</td>
<td></td>
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<td></td>
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</tr>
<tr>
<td>6 V,S</td>
<td>48</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>7 V,C</td>
<td>30</td>
<td></td>
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<td></td>
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<tr>
<td>8 V,F</td>
<td>16</td>
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<td>21</td>
<td></td>
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<td></td>
</tr>
<tr>
<td>10 S,C</td>
<td>68</td>
<td>*</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>11 S,F</td>
<td>54</td>
<td>*</td>
<td></td>
<td>*</td>
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<tr>
<td>12 S,M</td>
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<td>27</td>
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<tr>
<td>16 V,S,C</td>
<td>73</td>
<td>*</td>
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<tr>
<td>17 V,S,F</td>
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<tr>
<td>19 S,C,F</td>
<td>79</td>
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<td></td>
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<tr>
<td>20 S,C,M</td>
<td>84</td>
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<td></td>
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<tr>
<td>21 C,F,M</td>
<td>52</td>
<td></td>
<td></td>
<td></td>
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</tr>
<tr>
<td>22 C,F,V</td>
<td>41</td>
<td></td>
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<td></td>
</tr>
<tr>
<td>23 F,M,V</td>
<td>32</td>
<td></td>
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<tr>
<td>24 F,M,S</td>
<td>70</td>
<td></td>
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<tr>
<td>25 M,V,C</td>
<td>46</td>
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<tr>
<td>26 V,S,C,F</td>
<td>84</td>
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<td>29 C,F,M,V</td>
<td>57</td>
<td></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>30 F,M,V,S</td>
<td>75</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>31 V,S,C,F,M</td>
<td>100</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Predicted coalitions: 7 6

Note: Actual governments are marked bold and underlined.

Legends:
V = The Communist Party  F = The Liberal Party
S = The Social Democratic Party  M = The Conservative Party
C = The Center Party

Since the fall of the Social Democratic-Center Party coalition in 1957, the two blocs have been of quite similar electoral size. The elections of 1973
and 1979 were particularly closely contested. In 1979 the difference in electoral support between the two blocs was only 8,404 out of 5.5 million votes (Statistical Yearbook of Sweden 1994). And the highly competitive elections of 1973 yielded a deadlock in which both blocs gained 175 parliamentary seats, producing what is known as the “lottery Riksdag”. This refers to a deadlocked parliament in which decisions sometimes had to be made by drawing lots.  

In 1976, the elections resulted in a nonsocialist majority and the subsequent formation of a three-party coalition, the first of three coalitions and four nonsocialist governments to be formed between 1976 and 1982. Together the three nonsocialist parties held 180 seats, the Social Democrats held 152 seats and the Communist Party held 17. The three nonsocialist parties were united in their opposition to the Social Democrats, but their views differed on many policy issues (Pesonen and Thomas 1983). They had held no meetings prior to the election in order to discuss how these issues were to be settled in the event of a nonsocialist victory, which left policy disputes to be settled by bargaining after the election (Bergström 1987, 63).  

The most difficult policy decision for the coalition concerned the Swedish nuclear power program (Vedung 1979; Lewin 1992). The Center Party argued during the election campaign that nuclear power should be dismantled within ten years, and this had proved to be a “vote winner” for the party. However, the other nonsocialist parties, as well as the Social Democrats, were determined to continue the nuclear power program. Hence, the Center Party was in a minority on this issue both within the coalition and in the Riksdag. Following the inter-party bargaining the government declared that a new nuclear power plant could be brought into operation if the power companies could guarantee safe storage of the nuclear waste. This was seen by many as a concession from the new Prime Minister (Fälldin), the leader of the Center Party, and in 1978 the nuclear power issue led to the government’s resignation (Hadenius et al. 1993; Lewin 1992; Särlvik 1983).

In this situation the Conservatives wanted to form a minority government with the Liberal Party, while the Liberal Party opted for a minority government of their own (Larsson 1992). After a week of deliberations it became clear that a Liberal Party minority cabinet was the only solution tolerated by a majority in the Riksdag. The Conservative and Communist Parties voted against this proposal, but since the Center Party and the Social Democrats abstained, the Prime Minister candidate from the People’s Party
(Ullsten) formed a new government.

In the fall of 1978, the Social Democratic leaders expected a positive utility from an abstention in favor of the Liberal Party. Figure 8.12 illustrates how they could have seen the decision in terms of their multiple goals.

<table>
<thead>
<tr>
<th>Intrinsic</th>
<th>Instrumental</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Arena:</strong></td>
<td><strong>Goal:</strong></td>
</tr>
<tr>
<td>Government</td>
<td>Parliamentary</td>
</tr>
<tr>
<td>Portfolios</td>
<td>Policy Package</td>
</tr>
<tr>
<td>2</td>
<td>2</td>
</tr>
</tbody>
</table>

Total estimate = 2

**Figure 8.12** The Social Democrats Expected Utility of Abstaining in Favor of a Liberal Party Government, 1978.

By allowing the Liberal Party to form a minority government, the Social Democratic leadership hoped for a closer and supportive relation with the Liberal Party. This could in the future allow for support in times of government formation (+2). At least, a Liberal Party government could be hoped to be closer to the Social Democrats on policy issues than would a Liberal-Conservative government (+2). In terms of electoral votes (-1) and internal cohesion (-1) the leadership was probably aware that this tacit support for the Liberal would have some negative consequences.

Figure 8.13 illustrates how the expected utilities would have been different with an absolute majority voting rule.

<table>
<thead>
<tr>
<th>Intrinsic</th>
<th>Instrumental</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Arena:</strong></td>
<td><strong>Goal:</strong></td>
</tr>
<tr>
<td>Government</td>
<td>Parliamentary</td>
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<tr>
<td>Portfolios</td>
<td>Policy Package</td>
</tr>
<tr>
<td>2</td>
<td>1</td>
</tr>
</tbody>
</table>

Total estimate = -2

**Figure 8.13** The Social Democrats Expected Utility of Abstaining in Favor of a Liberal Party Government, 1978. An Absolute Majority Threshold.
Instead of being associated with a positive gain, under an absolute majority voting rule supporting a Liberal Party government would have been associated with a negative utility. The Social Democrats could still have hoped for a gain in terms of future governmental support (+2). Perhaps such support could even have brought the Liberal party closer on policy issues (+1). However, having actively supported a nonsocialist government, the Social Democrats could expect to lose votes whether the Liberal Party was successful or not. If the Liberal Party was successful it could attract votes from the Social Democrats. If it was not, the Social Democrats could be blamed for having allowed it to form a government in the first place. In terms of the vote seeking goal, in both cases the expected utility would be at least moderately negative (-2). In terms of internal cohesion, the negative consequences of supporting such a government could easily be expected to be significantly negative (-3).

The difference in total expected utilities is not very dramatic. Nonetheless, a cursory and counter-factual comparison of the decision to support the Liberal Party further illustrates the potential importance of different government formation voting rules. Under negative parliamentarism, the Social Democratic leadership could have expected some positive utility. Under positive parliamentarism, the leadership would probably not have had such expectations. Nor would they have supported a Liberal Party government.

This example illustrates that the impact of negative parliamentarism is not confined to the Communist-Social Democratic relationship. Any party in the position of being the median legislator party has a favorable bargaining position. Because the utilities of different goals vary, it cannot be ruled out that such a party can chose to allow itself to remain outside of a government coalition. In terms of legislative coalitions, such a party is nevertheless going to be in a pivotal position. As long as the Swedish politics remains predominately one-dimensional, the median legislator position is going to be a predominant position.

Discussion

The discussion in this chapter has suggested that a final important part of the explanation for why minority governments are common in Sweden is that negative parliamentarism facilitates the existence of support parties.
This explains why it is that in a country such as Sweden, the median legislator party does often not have to include another party in the government to be winning.

It is also because of the weak bargaining position of support parties that the government formation process is relatively short. If the voting rule was changed to one which required relative majority support, former support parties would be able to negotiate from a position of strength. The formation process would probably be prolonged until the support party had ensured itself of substantial gains. Paradoxically, having an absolute majority (positive) voting rule would not have to facilitate a prolonged formation process. If the parties enter the electoral campaign knowing that the only really possible outcome is an absolute majority government, we can expect them to provide more explicit pre-commitments in favor of one or the other government after the election.

The above discussion strongly suggests that changing the government formation rules to the German type rules would impact on the future empirical record of government formation. A requirement that a new government must win the votes of an absolute majority of the members of the Riksdag would result in a higher frequency of majority governments. And a requirement that this government (or Prime Minister) could only be replaced by an absolute majority that can name a successor would probably further promote government stability.

On the basis of the study of constitutional design one plausible conclusion is that such a constitutional reform is unlikely unless the parties can be convinced that it serves some important purpose. In addition, we should not expect the Social Democrats to lead such a move. For one thing, this would go against their traditional opposition to any design that can foster closer cooperation among the nonsocialist parties. For another, it is the Social Democratic Party that tends to be the one that benefits the most from the present constitutional rules. As for the nonsocialist parties, the Conservatives might also be unlikely to promote such a reform. From their perspective, they might end up as a member of a majority government more often. However, at least initially, in the name of national necessity, an equally likely result is that one or more of the smaller parties in the middle would form governments with the Social Democrats.

The probabilities of a major reform are thus not very high. As the tradition of new institutionalism holds, institutions are “sticky”. The actors see them as costly to change, they have consequences for party goals and
major revisions in existing and stable democracies are few and far between. A change to a German type rule is most likely (a) in the event of a prolonged record of unstable minority governments and (b) if the parties in the middle begin to advocate such a reform because it can be of value for their pursuit of multiple goals in multiple arenas.
Notes

1. A pivotal party is one whose vote is decisive. Often the pivot is identical to the party with the median legislator. However, it is in practice possible that a median legislator party belongs to a proto-coalition. In such a case, another party, the pivot party, might be able to decide which proto-coalition will form a government. Thus, the two terms often have identical meaning but not necessarily so. In multi-dimensional space, coalition theorists also speak about "the core". In one-dimensional space, the core is identical to the median legislator party. The core is a position in policy space which cannot be defeated and which can defeat all others. However, in multi-dimensional space the core is often empty, i.e. no party or coalition of parties has such a position.

2. Table 8.2 assumes a voting rule based on negative parliamentarism. The government formation voting rule has only been in effect since 1975. However, an absolute majority voting rule, the declaration of no confidence, went into effect with the election of 1970. This should also be seen as a change in a formation rule (see Chapter 2).

3. In practice, since the new government formation rules went into effect in 1975, the Communist Party has voted in favor of Social Democratic governments every time a Social Democratic Prime Minister has been proposed by the Speaker (1982, 1986, 1990, 1994). My argument is that with stronger bargaining position the Communist Party would have been more inclined to negotiate concessions to do so.

4. In the aftermath of the 1994 election the new leadership of the Communist Party has been more inclined to seek cooperation with the Social Democratic minority government. Perhaps this is a reaction against the relative isolation in policy space that is one result of their more conflictual relations with the Social Democrats. That is, if they do not cooperate with the Social Democrats, they have little chance to influence national policy.

5. Note that the example is hypothetical in so far that no vote was actually taken after the 1985 election. Following constitutional requirements, it was either up to the Social Democratic government to resign or the Riksdag to force it to resign. Neither of these events materialized. However, if the government formation rules had required a positive support for the government, it is quite possible that a vote would have had to be taken.

6. Size is again measured by the share of the seats in parliament held by the government. The other government in control of only about 11 per cent was the second Jonsson government (1959) in Iceland.

7. This is because after having reached such an absolute majority threshold, governments can stay in power as long as they retain this size. At this size, then, the addition of an additional party should not be expected. (However, note the discussion on oversized coalitions in Chapter 1.)
8. The rules of the Riksdag stipulate that a tie vote shall be resolved by drawing lots. In the beginning of the 1973–76 term the Social Democratic minority government was relatively successful in winning parliamentary majorities without recourse to this procedure. However, the closer the election in 1976, the more pronounced the split between the blocs, and the greater the number of decisions made by lottery (Hadenius et al. 1993, 262–3).

9. The leaders of the Center and the Liberal Parties met regularly during this period, but these meetings were fora for routine coordination rather than for bargaining over the policies of a hypothetical government coalition (Bergström 1987, 63).

10. The Social Democrats had basically one alternative. They could refuse to abstain in favor of the Liberal Party. The likely result of such a move would have been a Liberal-Conservative coalition government. There was significant disagreement with the Social Democratic Party about which was the more favorable course of action. In the end, the position of the top party leadership won. The exact details of this decision would necessitate an in-depth case study. Sufficient for present purposes is to note that the expected utilities of each alternative are likely to have been quite similar.
The Main Results and a Future Research Agenda

Introduction

In this final chapter I first present the answers to my research questions. In a second section I outline a research agenda inspired by the analysis of winning minority governments.

The Main Results

This study started with two theoretical puzzles within the rational choice oriented literature on government formation in parliamentary democracies: constitutional rules and multiple party goals. In the first chapter I showed that the traditional institutional assumption in coalition theory—that winning requires coalitions to control more than half of all members of the decision-making body—does not stem from the game theoretical underpinnings of coalition theory, but has been imposed on it by coalition theorists as a universal institutional constraint. Over time, leading coalition theorists have become increasingly aware of the drawbacks of this institutional assumption. Nonetheless, it is still true that coalition theories largely ignore constitutional arrangements. In particular, the coalition formation literature fails to appreciate that the likelihood of majority or minority governments is to a large extent determined by differences in constitutional rules. However, to identify an important theoretical problem is one thing, to make a theoretical contribution another. As for the latter, the purpose of this study has been to answer these research questions: First, what is the theoretical and empirical link between constitutional arrangements (including rules) and party goals? Second, what are the goals of political parties and how
can these be studied? Third, relative to the goals of political parties and other constitutional arrangements, what is the importance of government formation rules for the empirical record of minority and majority governments?

To answer these questions, I chose to work from a perspective which combines coalition theory with the historical and the rational choice oriented strands of new institutionalism. With its focus on goal seeking actors and sophisticated formal models, coalition theory provided the theoretical starting point from which the research questions stem. The historical-institutional strand of new institutionalism was used to guide the general understanding of the importance of institutional context. The rational choice oriented strand was used for the more detailed study of the constitutional design of formation rules and the analysis of how the formation rules affect the goal seeking (micro-logic) of the actors.

The answer to research question number one is that the link between constitutional arrangements and party goals is one of co-determination. For one thing, constitutional arrangements impact on party goals through the organization of arenas. In addition, constitutional arrangements such as the electoral system make certain outcomes more likely than others. For example, the constitutional construction of an electoral arena produces party leaders who are concerned with vote seeking. The electoral system also helps determine which party is the median legislator party. Similarly, a requirement that the executive must be at least tolerated by the parliament means that the intra-party arena is essential for a party leader’s ability to achieve other goals. The constitutionally defined relationship between the executive and the legislature also impacts on the value that the parties place on being in government relative to influencing national policy from a position outside of government. Thus, in parliamentary democracies, political parties, or rather party leaders, can be assumed to be concerned with multiple arenas. The importance of each arena might vary between countries, for example with respect to whether the electoral system tends to produce a single majority party or not, but in all parliamentary democracies party leaders can be expected to consider the government arena, the parliamentary arena, the electoral arena and the intra-party arena.

On the other hand, in the long run and at certain formative moments, the relationship can be the reverse and party goals shape constitutional arrangements. For example, the analysis of the Torekov Compromise showed that when an issue of constitutional design is (potentially) highly
visible and can be expected to have important consequences for the actors, party goal seeking determined the content of the new rules. The existing government formation rules are largely a result of a situation in which the Social Democratic and the Conservative Parties could not simultaneously satisfy all their goals. The Social Democrats readily gave up their official policy position in favor of seeking office and other policies. More reluctantly, the Conservative party leader gave up his initial opposition against the modified monarchy in favor of intra-party cohesion and inter-party cooperation. This enabled him to satisfy his office seeking goal and to pursue the broader Conservative policy package. In the process the King lost his symbolic powers and the Speaker was made responsible for proposing a candidate for Prime Minister.

The answer to research question number two is that party leaders pursue four main goals and that this should be an explicit model assumption. According to the traditional rational choice oriented literature, any one political party tends to have one or two goals. However, there are actually four or more party goals that are used in the literature. Implicitly, the particular goals used by most scholars (usually one or two) tend to be chosen from this larger set of general party goals. By taking the literature seriously and granting the possibility that various scholars have identified important but different aspects of political parties, my conclusion is that political parties are best thought of as having four goals. Three of them dominate the literature: the pursuit of office, policy and votes. The fourth, internal cohesion, was chosen over its main competitor, that party leaders pursue re-election to their party leadership position, on the grounds that it could be expected to be a more constant concern and to exist even when party leaders “sit safely in the saddle”.

The pursuit of multiple goals should be modelled in dynamic terms as a simultaneous pursuit taking place in four constitutionally defined arenas. For each goal in each arena, the expected utilities of different actions can be estimated. These estimates can then be used for analyses from a modified (or “soft”) decision theory and/or game theory perspective.

The answer to research question number three is that the government formation rules help determine the parties’ bargaining positions and that for this reason they are of significant importance for the formation of minority and majority governments. With the Swedish type of government formation rules, the formation of minority governments is a low cost option for the parties who form a government. With different formation rules
parties outside of the minority government would have a much better bargaining position. In concrete terms, Sweden’s formation rules have enabled the frequent formation of Social Democratic minority governments. With different formation rules, the Communist Party and the parties close to the middle position in Swedish politics, the Liberal and the Center Parties, would have had stronger bargaining positions. And, probably, there would have been fewer minority governments and more majority coalitions. The weak bargaining position of support parties explains why political parties in Sweden take less time to form a government and more often form minority governments than do political parties in many other countries.

Together with the electoral system, it is the government formation rules that determine much of a political party’s bargaining position. The electoral system can be decisive in determining which party is the median legislator party, but the government formation rules help determine whether or not the median legislator party will form a majority or a minority government. While the impact of different electoral systems tends to be widely recognized, the importance of government formation rules has been much less appreciated, and not appropriately so.

An Invitation to a Research Agenda

As I indicated in Chapter 1, the analysis of constitutional rules and party goals has implications for other areas of study too. In these final pages I discuss how the findings can be used as a starting point for further research about the interaction between constitutional arrangements and the goals and behavior of political leaders. I do so with reference to three topics that stem from the theoretical concerns discussed in the analysis of winning minority governments. The three are (1) an expanded analysis of Swedish politics, (2) a comparative study of Germany and Sweden and (3) an examination of constitutional arrangements in the European arena.

The Swedish Case

To consider a future research agenda on Swedish politics, it is useful to begin by discussing some of the findings of the present study. As shown above, much of the empirical record of government formation is explained by the dominance of the left-right dimension and electoral support for the
Social Democratic Party. This has led to a situation in which the Social Democratic Party has usually held the median legislator position. Only when one of the nonsocialist parties has captured the median legislator position have the Social Democrats ended up outside the government. A related feature of Swedish coalition formation has been that the Social Democratic bargaining position has been strengthened by the distance between the Communist Party and the nonsocialist parties. Rather than considering a coalition with a nonsocialist party, the Communist Party has been willing to tolerate Social Democratic minority governments. Policy disagreements within the nonsocialist bloc have also enabled the Social Democrats to form ad hoc legislative coalitions with one or more of these parties. In addition, Swedish constitutional arrangements influence the value that the actors place on being in government, the potential for policy-cohesive governments and the stability of the government once in power.

These findings raise a number of interesting potential research questions about Swedish politics. One interesting area of study would be to include government position in election surveys and other surveys of voter perceptions. The analysis of election manifestos in Chapter 4 showed how the political parties, with the exception of the Conservative Party, have tended in electoral campaigns to place themselves in a center-left position on the left-right dimension. In contrast, governments have sought to place themselves in a more center-right position. Election survey data about how voters place governments and shifts in government position over time would provide valuable additional information about Swedish party politics.

Another interesting topic is the relatively small shifts in government position when the Social Democrats, the Center and the Liberal Parties alternate in government. This finding should be complemented with other studies on the same topic. One example is the quantitative cross-national study of the relative impact of party positions on budgetary spending patterns forthcoming from Klingemann et al. (in press). This study includes the case of Sweden. It would be valuable to complement this with an analysis of the broader societal impact of government formations.¹

A third extension of the current research in the context of Swedish politics is to look at other issues from the perspective of the model developed in this study. The parties’ handling of future government formations will provide a test of both the validity and the reliability of the model. The parties’ handling of Sweden’s membership application to the European Union (EU) is another issue to which the model could be applied.
The membership issue was clearly seen as important for the actors, and such a study would provide a valuable basis for further development of the approach.

However, from the perspective developed in this study, the most interesting and challenging research might be to conduct a explicitly normative and counter-factual analysis discussing the possible consequences of different government formation rules (e.g. absolute and positive), both historically and with regard to a hypothetical constitutional reform.\(^2\) For example, since the constitutional reforms in the 1970s, the Swedish constitution provides for different (positive and negative) rules for ordinary policy decisions and for government formation and termination. This has had an important effect on the separation between executive and legislative coalitions. Together with the split into two distinct blocs, the new constitution helped create what can be called a two-tiered system. On the one hand, there exists a system of government formation. On the other hand, there (often) exists another system of policy decision-making. The analysis of the existence and consequences of the two-tiered system from a normative perspective is an important topic for further research on Swedish politics.\(^3\)

In such a perspective, two alternatives would be to either design a system of positive parliamentarism with an absolute majority threshold (of the German kind) or abolish the present negative absolute majority requirements altogether. With the former solution, intra-bloc governments based on parties with relatively wide policy disparities might form. Such a government might find it difficult to agree on a policy package but the two tiers would become one. The winning government coalition would also be the winning legislative coalition. The policies agreed upon by the executive coalition would be the policies passed by the parliament. The reform would probably lessen the importance of the Riksdag while increasing both government authority and government stability.

An alternative change in constitutional rules would be to return to a more traditional form of negative parliamentarism and abolish both the government formation voting rule and the \emph{absolute} majority requirement for the declaration of no confidence. This would make the Swedish rules similar to negative parliamentarism as it exists today in Denmark and Norway. Changing the no-confidence vote would allow for the possibility that abstentions could count against a government already in power. Abolishing both rules is one way to remove the formal basis of the Swedish
two-tiered system. Such a reform could quite possibly result in a less dramatic split between the government formation tier and the policy-making tier. The consequences for government authority and governments stability are more unsure.

A Comparative Study of Germany and Sweden

In a theoretical perspective, further development of the model and the general approach developed in this study might be best served by a return to a comparative analysis. One possible comparative approach is nomothetic in character and involves analyzing data drawn from a large number of countries. However, to further assess the more qualitative importance of the government formation rules and the micro-logic of support parties, a more focused Scandinavian comparison is a reasonable next step. The focus of such a study should be the bargaining position of support parties in the context of the traditional form of negative parliamentarism. In spite of the promising potential of such a comparison, development of the ideas presented above might be best served by an in-depth comparison of Sweden and Germany.

Relative to the empirical record of Swedish government formations, government formation in Germany is a challenging comparison for a number of reasons. To explain why this is so, let me briefly review some of this study’s major results. First, to the extent that the traditional rational choice literature, including coalition theory, acknowledges the importance of rules and other institutions, the literature tends to view these merely as constraints on actors. The analysis of the Swedish case has shown that in government formation constitutional rules are not only a constraint on the choices of goal seeking actors. Constitutional rules can enable some actors to be more successful than others.

The study of the design of the Swedish rules also showed that the constitution was deliberately designed to facilitate the formation of minority governments and a short government formation process. Not only is this true because of a highly proportional electoral system, but also with respect to the government formation rules. In the context of the abolition of the powers of the King in the early 1970s, a new formation voting rule was agreed on. Because all the actors involved linked the existing principle of negative parliamentarism with outcomes that they judged as favorable relative to the major alternative (positive parliamentarism) the new voting
rule was designed not to make government formation more difficult. Given the electoral results, this has favored the bargaining position of the Social Democrats.

The plausibility of the argument that the empirical record of minority and majority governments varies systematically with differences in government formation rules was also demonstrated through a comparison of 15 parliamentary democracies. When the formation rules are formulated in terms of negative parliamentarism, minority governments are frequent, very small minority governments occur, and the government formation process is short. When the formation rules are formulated in terms of positive parliamentarism, fewer minority governments form and when they do they are closer to (absolute) majority size. In addition, the government formation process tends to take more time than does government formation in the context of negative parliamentarism.

In Germany, in contrast to Sweden, minority governments are few and short-lived. The German post-war record of government formation is almost exclusively dominated by majority governments. From the perspective used in this study, an analysis of Germany should focus on the importance of the German government formation rules. For example, how much is the German empirical record, and the pivotal position of the Liberal Party (FDP), a result of constitutional rules and how much it is a result of other features of German politics? Given the electoral results, the German government formation rules have probably favored the Liberal Party. The exclusion of the FDP from the SPD and CDU/CSU coalition in the late 1960s is another reason to study German government formation. From the viewpoint of the median legislator prediction in coalition theory, this represents an interesting theoretical puzzle.

Furthermore, the study of the Swedish constitutional design showed that a goal seeking perspective has limits. When issues are not seen as important, other influences, such as historical experiences and socialization into existing constitutional arrangements work in favor of institutional status quo. In constitutional design, political culture impacts on preference formation which in turn impacts on party goals and party behavior. In this respect, Germany, whose representative democracy was designed in the aftermath of World War II, contrasts starkly with the uninterrupted stability of Swedish democracy. For the whole issue of the relative importance of culture, institutions and goal seeking actors, a comparison of Sweden and Germany would thus provide a excellent comparison.
It is also in a comparative perspective than an evaluation of the appropriateness of assuming that all party goals and arenas are of equal weight can begin. For example, in the light of the evidence in favor of the policy seeking goal in coalition theory, should any gain or loss in this arena always be counted the same as corresponding gains and losses in other arenas? And, for that matter, should parties in extreme positions be expected to weigh their goals and arenas differently than those in the middle of the political spectrum? Is it possible that a particular issue can result in a particular goal or arena becoming more important than the others? Because this study constitutes a first attempt to apply the model, and, again, in the interest of parsimony, I deferred matters of weighing. The empirical analysis has not given cause to reconsider this position for the purpose of this study. For a comparative study, however, this is a crucial issue.

For the further analysis of the inter-relationship between party goals, there exist at least three possibilities. The issue of the relationship between intrinsic and instrumental goals is something that a comparative study can shed further light on. In an approach based on an assumption of multiple goals, one can assume that one goal is intrinsic (i.e. the important end) and that other goals are instrumental towards the fulfillment of this goal (see, for example, Sjöblom, 1968). However, the analysis of the case of Sweden showed the plausibility of assuming that both office and policy pursuit are intrinsic goals. It should also be noted that the empirical study supported the argument that both intrinsic and instrumental goals are simultaneously taken into account.

A second alternative (advocated by Strom 1990a) is to assume that the relative importance of goals and arenas stem from institutional context. It could be the case that single-member-district electoral systems encourage more office-seeking compared to a system with proportional representation. One could, for example, think that in a system based on proportional representation there is much less chance of a one party majority. Because of that a larger number of actors get some influence over policy outcomes. Such a system might promote more policy seeking than office seeking. A comparison of Sweden and Germany could shed light on the importance of the differences in the electoral systems as well as the government formation rules.

A third alternative would be to assume marginal returns. That is, one can assume that scarcity is the driving motive: If an actor has very little success
winning votes but a lot of office and policy success, one should expect that in a trade-off situation he would strive to get more of what he has less, i.e. votes. Again, further research is necessary to establish whether or not a relative scarcity argument applies to political parties.

The European Arena

In the concluding chapters of the present study, I developed a model for the analysis of constitutional design and government formation in parliamentary democracies. The specifics of the model is embedded in a more general logic which links institutions and rules to arenas in which actors have goals. Institutions and rules also help determine the bargaining position of actors and thus favor certain outcomes over others. Current European developments raise questions both about the specifics of the model and the broader logic in which it is embedded. Specifically, the model is designed to apply where the election of the legislature is institutionally linked to the election of the national executive, i.e. in sovereign parliamentary democracies. If this institutional prerequisite is not met, it is possible that political actors will have somewhat different goals and be concerned with a different set of arenas.

An inter-governmen tal conference on new European institutions will begin shortly. With reference to this and the relatively unsettled European rules and institutions, three areas of study are particularly challenging: a case study of Sweden, a cross-national study of Sweden and a few selected countries and a study cast at the level of the European Union.

The impact of European developments on Swedish politics (and vice versa) can be investigated through a case study. In such a study the analytical implications for the model developed in the present inquiry is of particular interest. Will the European developments produce a different set of goals and arenas, and, by implication, require the development of another model for the study of Swedish politics? Will this be the case because the European arena overshadows one of the four identified in this study or will the European arena constitute an additional fifth one? As for a comparative study, the impact of different national constitutional arrangements on the relationship between the European Union and its member states is of particular interest. Here both horizontal constitutional arrangements (such as parliamentary versus semi-presidential systems) and vertical constitutional arrangements (such as the difference between a federal and
a unitary state structure) should be taken into consideration. As for a study on the level of the European Union, the impact of rules on the relative bargaining position of different actors and, for example, the formation of European level party organizations is an attractive topic for future research.

Let me conclude with a general observation. The relationship between constitutional rules and the goals of politicians is a fascinating area of research. The results presented in this study have provided a number of answers as well as given rise to further questions. One important result is that the behavior of political leaders is shaped by constitutional arrangements. Since this is the case, the design of new institutions should not isolate leaders from the pursuit of goals in the electoral arena or in the internal party arena. To party leaders, these might only be instrumental goals, but for the well-being and legitimacy of representative democracy, it is of intrinsic value that political leaders have instrumental goals. It is the constitutional construction of the instrumental goal of vote seeking that together with free speech makes for representative democracy.
Notes

1. For example, the findings can be considered in connection with the results presented by Uddhammar (1993). Uddhammar stresses that at there has been an absence of conflict over the issue of expanding the welfare state at the final policy stage in the Riksdag. My findings indicate that this has been facilitated by the fact that the opposition parties, in particular the parties of the middle, have at that point already had a considerable impact on the final product. They have not had to be in government to exercise this influence.

2. For a discussion of some other possible constitutional reforms in Sweden, see Sannerstedt and Sjölin (1994).

3. In the government formation tier, there has been very little cooperation between parties in different blocs. The one exception occurred in October 1978 when Social Democrats abstained in favor of a Liberal Party government. All other governments since 1957 have been supported by either the socialist or the nonsocialist bloc of parties. At the same time, the Social Democrats have often sought and found ad hoc policy coalitions with one or more nonsocialist parties to create legislative coalitions for specific policy decisions. Thus, the two tiers have been intimately linked. It is because the Social Democrats have been able to rely on Communist support that they have been successful in establishing ad hoc policy coalitions with the nonsocialist parties. The Social Democrats have had a fall-back position. If the negotiations with the nonsocialist parties failed, they could turn to the Communist Party for support. Others have noted the two-tiered feature of Swedish politics, see for example Myrdal (1982, 119–21) and von Sydow (1990, 83–5). However, a full analysis of this system remains to be conducted. Perhaps the perspective suggested here can help facilitate such a study.

4. I am grateful to Professor Phillips W. Shively at Minnesota and Lecturer Svante Ersson at Umeå both of whom, independently of each other, first suggested this as a logical next step. I also want to mention Dr Anders Lidström, Umeå, for proposing another interesting possibility which is to ask political elites themselves to evaluate different issues in terms of the model. Not the least in a comparative setting, such an approach could provide new information on how the actors view the existence of party goals. The temporal character of each goal is a third example of the need for further technical development of the approach suggested in this study.
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Appendix I

The Quantitative Content Analysis

Each statement with policy content has been categorized in one of 54 coding categories. Sometimes the policy content of the sentence is self-evident, such as “We want to spend more money on military defence”. At other times the content of the sentence stems from the context in which it is found. The content of a sentence such as “We believe that it is necessary to strengthen this vital institution” depends on what is being discussed when the statement appears: the monarchy, military defence, the church, the family, etc. At still other times, political parties describe how other parties would cause (or have caused) national misery with no reference to their own policies. Such sentences are marked uncoded unless it is possible to identify a policy standpoint for the party based on the immediate context in which the sentence appears.

For each document, the coding unit is the sentence. Or, more specifically, the quasi-sentence. That is, if more than one idea or policy is contained in the same sentence, it has been counted as two (or however many ideas or policies it involves). For example, the following sentence “We want to decrease the military budget and we want to use the money to improve the elementary school system”, would be coded as involving both a policy statement on the military and one on education.

Election Manifestos

The election manifestos are discussed in the text. The average proportion of sentences lacking policy content (uncoded) is 16 percent. For the manifestos through 1982, which were coded by Holmstedt, the uncoded sentences accounted for 24 percent of the manifestos (Holmstedt and Schou 1987, 183). The following 54 cross-national coding categories have been used to code the manifestos (Budge et al. 1987).

Domain 1. External Relations
Category 101. Foreign Special Relationship: Positive.
Favorable mentions of other countries where these are either specially dependent on or are specially involved with the relevant country. The need for cooperation with and aid to such countries. Their importance to the economy
and defence program of the relevant country. In the Swedish case this refers to the Nordic countries. I have also included the Baltic states in this group.

Category 102. Foreign Special Relationship: Negative.

As category 101, but negative.

Category 103. Decolonization.

Favorable mentions of decolonization, need for relevant country to leave colonies; greater self government, and independence; need to train natives for this; need to give special aid to make up for colonial past. This also includes negative references to Soviet Imperialism in Eastern Europe, especially in the United States.


Need for strong military presence overseas, for re-armament and self-defence, need to keep to military treaty obligations, need to secure adequate manpower in military.

Category 105. Military: Negative.

As 104, but negative.

Category 106: Peace.

Declaration of belief in peace and peaceful means of solving crises; need for international disarmament and desirability of relevant country joining in negotiations with hostile countries.


Support for UN, need for international cooperation, need for aid to developing countries, need for world planning of resources, need for international courts, support for any international aim or world state.


Favorable mentions of European Community in general; desirability of relevant country joining (or remaining a Member); desirability of expanding it and/or of increasing its competences; favorable mentions of Direct Elections; pro-European Unity in general.


As 107, but negative.

Category 110: European Community: Negative.

As 108, but negative.

Domain 2. Freedom and Democracy

Category 201. Freedom and Domestic Human Rights.

Favorable mentions of importance of personal freedom, civil rights; freedom of choice in education; freedom from bureaucratic control, freedom of speech; freedom from coercion in industrial and political sphere; individualism.

Favorable mention of democracy as method or goal in national and other organizations; support for worker participation; for involvement of all citizens in decision-making, as well as generalized support for symbols of democracy.

Support for specified aspects of a formal constitution, use of constitutionalism as an argument for policy as well as generalized approval for 'constitutional' way of doing things.

Category 204. Constitutionalism: Negative.
As 203, but negative.

Domain 3. Government
Category 301. Decentralization: Positive.
Support for devolution, regional administration of politics or economy, support for keeping up local and regional customs and symbols, deference to local expertise in planning, etc.

Category 302. Decentralization: Negative.
As 301, but negative.

Need for efficiency in government (e.g. merit system in civil service), economy in government, cutting down civil service; improving governmental procedures; general appeal to make process of government and administration cheaper and more effective.

Category 304. Government Corruption.
Need to eliminate corruption in government, and associated abuse, e.g. regulation of campaign expenses; need to check pandering to selfish interests.

Category 305. Government Effectiveness and Authority.
This includes references to government stability, especially in Italy.

Domain 4. Economy
Category 401. Enterprise.
Favorable mention of private property rights; personal enterprise and initiative; need for the economy of unhampered individual enterprises; favorable mention of free enterprise capitalism; superiority of individual enterprise over state, and over state buying or management systems.

Category 402. Incentives.
Need for financial and other incentives and for opportunities for the young, etc; encouragement to small business and one-man shops; need for wage and tax policies designed to induce enterprise; Home Ownership.

Category 403. Regulation of Capitalism.
Need for regulations designed to make private enterprise work better; actions
against monopolies and trusts and in defence of consumer and small businessmen; anti-profiteering.

Category 404. Economic Planning.
Favorable mention of central planning of consultative or indicative nature; need for this and for government department to create national plan; need to plan imports and exports.

Category 405. Corporatism (Applicable to the Netherlands and Canada only).
Favorable mentions of the need for the involvement of employers and Trade Union organizations in overall planning and direction through the medium of 'tri-partite' bodies such as the SER in the Netherlands.

Favorable mention of extension or maintenance of tariffs, to protect internal markets; or other domestic economic protectionism.

As 406, but negative.

Category 408. Economic goals.
General statement of intent to pursue any economic goals that are policy non-specific.

Category 409. Keynesian Demand Management.
Adjusting government expenditure to prevailing levels of employment and inflation.

Category 410. Productivity.
Need to encourage or facilitate greater production, need to make measures to aid this, appeal for greater production, and importance of productivity to the economy; increase foreign trade; special aid to specific sectors of the economy; growth; active manpower policy; aid to agriculture, tourism and industry.

Category 411. Technology and Infrastructure.
Importance of modernizing industrial administration, importance of science and technological developments in industry; need for training and government sponsored research; need for overhaul of capital equipment, and methods of communications and transport (including Merchant Marine); development of Nuclear Energy.

Category 412. Controlled Economy.
General need for direct government control of economy; control over prices, wages, rents, etc. This covers neither Nationalization or Indicative planning.

Category 413. Nationalization.
Government ownership and control, partial or complete, including government ownership of land.

Category 414. Economic Orthodoxy and Efficiency.
Need for economic orthodoxy, e.g. balanced budget, retrenchment in crisis, low taxation, thrift and savings; support for traditional economic institutions such as the Stock Market and banking system; support for strong currency internationally.

Domain 5. Welfare and Quality of Life.

Category 501. Environmental Protection.
Preservation of countryside, forests, etc; general preservation of natural resources against selfish interests, proper use of national parks, soil banks, etc.

Category 502. Art, Sport, Leisure, and Media.
Favorable mention of leisure activities, need to spend money on museums, art galleries, etc; need to encourage worthwhile leisure activities, and to promote cultural and leisure facilities; to encourage development of the media etc.

Category 503. Social Justice.
Need for fair treatment of all men; for special protection for exploited; fair treatment in tax system; need for equality of opportunity; need for fair distribution of resources and removal of class barriers; end of discrimination.

Category 504. Social Service Expansion: Positive.
Favorable mention of need to maintain or expand any basic service or welfare scheme; support for free basic social services such as public health, or housing. This category excludes education.

Category 505. Social Service Expansion: Negative.
As 504, but negative.

Category 506. Education Pro-Expansion.
The need to expand and/or improve education provision at all levels. Does not include Technical training which is coded under category 411.

Category 507. Education Anti-Expansion.
As 506, but negative.


Favorable mentions of importance of defence against subversion, necessary suspensions of some freedoms in order to defend this, support of national ideas, traditions and institutions.

As 601, but negative.

Category 603. Traditional Morality: Positive.
Favorable mention of, e.g. prohibition, censorship, suppression of immorality and unseemly behavior; maintenance and stability of family.

Category 604. Traditional Morality: Negative.
As 603, but negative.

Category 605. Law and Order.
Enforcement of all laws; actions against organized crime; putting down urban violence, support and resources for police; tougher attitudes in courts, etc.

Appeal for national effort and solidarity; need for nation to see itself as united; appeal for public spiritedness; decrying anti-social attitudes in a time of crisis; support for public interest; national interest; bipartisanship.

Preservation of autonomy of religious, ethnic, linguistic heritages within country. Preservation and/or expansion of schools with a specific religious orientation.

Category 608. Communalism, Pluralism, Pillarization: Negative.
As 607, but negative.

Domain 7. Social Groups.
Category 701. Labor Groups: Positive.
Favorable references to Labor, working class, unemployed, poor; support for Labor Unions, free collective bargaining, good treatment of manual and other employees.

Category 702. Labor Groups: Negative.
As 701, but negative.

Category 703. Agriculture and Farmers.
Support for agriculture; farmers; any policy aimed specifically at benefitting these.

Category 704. Other Economic Groups.
Favorable references to any Economically-defined group not covered by 701 or 703. For example, employers, self-employed, middle-class and professional groups in general.

Category 705. Underprivileged Minority Groups.
Favorable references to underprivileged minorities which are defined neither in economic nor in demographic terms, e.g. handicapped, homosexuals, etc.

Category 706. Non-economic Demographic Groups.
Favorable mentions of, or need for, assistance to Women, Old People, Young People, linguistic groups and national minorities, special interest groups of all kinds.
Government Declarations

The same 54 categories have been used in the coding of the government declarations. Before 1975 this data consists of policy statements written by the Government and delivered by the King, the so called King’s Speech (Kungl. Maj:ts trontal). Since 1975 the Prime Minister presents a government declaration (regeringsförklaring) at the opening of each session of the Riksdag. A new government is also required to present a declaration to the Riksdag regardless of the timing of the opening of the Riksdag and these have been included up through October 1994.

A total of 54 documents representing 25 post-war governments have been content coded. The government documents have been exclusively coded by the author. The proportion of uncoded sentences is 23 percent.

All government declarations during each government’s tenure have been aggregated to represent the government’s policy position. This was done in order to overcome problems associated with some very short King’s Speeches, such as only 9 sentences of policy content in the case of Erlander II (1948). A comparison of the left-right scores between the first declaration of a given government and the aggregate score generated from all its declarations indicates a high degree of policy consistency during a government’s tenure. Once established, the government’s positions on the left-right scale have remained essentially stable.

However, there are a few interesting exceptions to this rule. One is the policy declaration given in May 1981 by the minority coalition of the Centre and Liberal Parties. Recall that the government had formed in the wake of the Conservative Party’s resignation from a three-party coalition after the other two parties struck a tax reform deal with the Social Democrats. In the heated debate following this affair the parties of the middle came under intense pressure from the Conservatives. The government declaration they presented had the highest content of rightist themes of any government in this period (a left-right score of 44). Perhaps the right-wing profile of this declaration was a response to criticism from the Conservatives that the two parties had drifted too close to the Social Democrats. In any event, the next government declaration presented by this coalition was much more centrist (giving the coalition an overall score of 16).

Erlander I (formed in 1946) and Erlander II (1948) have the second and third largest discrepancies between the first declaration and the aggregated value. This is probably a consequence of the fact that the declarations are extremely short with only 11 and 9 codable sentences, respectively. These are cases in which the aggregation procedure is likely to have improved the quality of the data.
Left-Right Scale

For the edited Laver and Budge (1992) volume, the Manifesto Research Group decided to use the following subset of categories to represent issues on the left and right in Western representative democracies.

Left
Category 103. Decolonization.
Category 105. Military: Negative.
Category 106. Peace.
Category 403. Regulation of Capitalism.
Category 404. Economic Planning.
Category 412. Controlled Economy.
Category 413. Nationalization.
Category 504. Social Service Expansion: Positive.
Category 506. Education Pro-Expansion.
Category 701. Labor Groups: Positive.

Right
Category 201. Freedom and Domestic Human Rights.
Category 305. Government Effectiveness and Authority.
Category 401. Enterprise.
Category 402. Incentives.
Category 414. Economic Orthodoxy and Efficiency.
Category 505. Social Service Expansion: Negative.
Category 603. Traditional Morality: Positive.
Category 605. Law and Order.
## Appendix II

### Electoral Results 1944–1968, Votes and Seats

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Note: The table refers to the Second (Lower) Chamber in the bicameral Riksdag.
Electoral Results 1970–1994, Votes and Seats

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Note: The table refers to the one chamber Riksdag.

Legends:
- V = The Communist Party
- S = The Social Democratic Party
- C = The Centre Party
- F = The Liberal Party
- M = The Conservative Party
- G = The Green Party
- K = The Christian Democratic Party
- N = The New Democracy Party

Appendix III

An Example of a Prisoners Dilemma Game

A standard illustration of the logic of game theory is the game known as the Prisoners' Dilemma. In this two person game, the utility an actor receives depends on his own choice and the choice of the other actor. The following example is drawn from Zagare (1984, 51–2). Two prisoners are faced with the following choice. The prisoners are accused of having taken part in multiple crimes. They know that if they both deny the full extent of their crimes, they are each likely to be sentenced to no more than one year (-1) for a minor crime. The prosecutor offers them the following choice. If one of them also confesses to other crimes and the other does not, he gets off without any years in prison (0) while the other prisoner gets 10 years (-10) in prison. If they both confess, they will each get five years in prison (-5). The Figure below illustrates their options.

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Assuming that the prisoners are unable to communicate with each other, the following logic applies. If the prisoners can trust each other, they can both deny their crimes and be sentenced to one year each. However, if only prisoner I denies his crimes, prisoner II can confess and get off without a sentence while prisoner I ends up having to serve 10 years (or vice versa). Therefore, to be sure to avoid serving ten years, both prisoners are likely to end up confessing (-5). Because of a lack of communication and trust, the two prisoners end up with a worse outcome (-5) than if they had cooperated (-1).