Chapter I
Coalition Studies and their Limitations

Coalition studies is one of the younger areas of research in political science, yet, a large corpus of work has been built up in a considerably short period, given that multiparty governments are a frequently encountered form of government on the European continent and the sustained interest it has received in rational choice literature. Considerable advances have been made both in the theoretical and empirical fields towards unravelling the mystique and complexities of coalition governments. From simple assumptions of office and policy seeking as the primary motivations, theorizing in the field has passed through various levels of maturity to reach a high level of sophistication today. This aim of this chapter is to discover whether this high level of sophistication actually provides us with adequate tools to make sense of coalition politics in a parliamentary federal system, with special reference to India.

For a long time it was held that, a single party majority is necessary for a strong and efficient government, as a government composed of numerous parties is likely to be mired in unholy bargaining and compromises of principles and therefore likely to be weak. Besides this, coalition governments have also been accused of being unrepresentative of the mandate of the people. Coalition studies and other comparative analyses of government have long exploded this "myth" or what Dodd calls the "Lowell thesis" which held that multiparty governments are inherently unstable and non durable.¹ The findings of numerous studies in this area, both theoretical and empirical, have clearly shown that coalition governments are not necessarily weak, unstable and unrepresentative as has been popularly conceived. Besides this, a considerable amount of work has also been done in the area of predicting the formation of new governments and their durability.

This chapter is divided into three sections. The first section rakes over old ground focussing on the different expositions on coalition governments that have been put forward. It is not a comprehensive review of coalition literature, but only attempts to highlight the main theories, concepts and postulates. This review does not exactly make a distinction between the two traditions, empirical and formal, which has been traditionally used as markers of analyses of coalition politics, but is instead a mixed

bag focussing on the different areas within coalition politics, which have received attention. The second section looks at the universe of coalition studies, the common assumptions and the inherent limitations. The final section highlights the need for a framework for understanding coalition politics in a parliamentary federal system.

Coalition Studies and Coalition governments

It is important to note that there are two distinct conceptualisations of coalitions, one, less written about, which perceives it in normative terms as an institutional solution to mitigating problems of diversity in heterogeneous societies and thereby enriching democracy; two, which has received the bulk of the attention, sees it merely as a form of government, composed of or depending on the support of multiple parties distinguished from single party governments. Thus a simple distinction can be made between a broader and narrower perception on coalitions. The constricted notion of coalitions, when compared to the rather expansive understanding, views them merely as the inevitable result of a competitive multiparty situation; as a ‘stable equilibrium response to an election result in which no party wins an overall majority’. In the next few paragraphs we focus on this narrower but more substantially studied conception of coalitions.

Formation of Coalition Governments

Government formation has received maximum attention in the literature on coalition politics. This is because elections in most European parliamentary democracies do not necessarily throw up clear winners and therefore, who and how a government is formed has been an area of widespread research. As Laver and Schofield noted,

There can be no doubt at all that the government formation process... is one of the fundamental processes of European parliamentary democracy. Understanding how a given election result leads to a given government is, when all said and done, simply one of the most important substantive projects in political science.

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Preference-based Approach: The Original Debate

The earliest and still influential approach in the area has been the preference-based study. This rational choice theory inspired approach assumes that political parties have certain objectives or motivations that they seek to achieve using purposive and cost effective means. Office and policy motivation have been the dominant stimuli, according to preference-based theories that induces coalescing behaviour among parties.

Office-seeking theories basically held office i.e. ministerial posts, was the primary goal of political parties and that all other objectives could be realised through the holding of office. This view of party behaviour was a commonly held assumption in the early years. William Riker's seminal work, The Theory of Political Coalitions in which he propounded the concept of minimum winning coalitions or “size principle” can be taken as the starting point for the study of coalition politics. A minimum winning coalition according to him, is one, which has just that number, required for a majority, neither more nor less. It was an ideal or equilibrium position, which gave maximum payoffs to its members. However, though Riker himself did not apply this concept to the study of real political coalitions, the concept has found echo in many writings in the area. This was closely followed by Leiserson’s “bargaining proposition” which he used to study the Japanese coalition experience. Speculating on the size of coalitions, he held that the minimum number of parties would be involved in the forming of a minimum winning coalition, as it would maximise payoffs. The lesser the number of parties in the winning coalition the greater the benefits available for distribution among the participants.

Office-seeking theories are overtly simplistic in their assumptions and ignore many aspects of party behaviour. Parties do not merely seek to hold office; they also have other objectives. There have been many cases where parties have refused office on the grounds of principle in real life situations. Political parties hold certain ideological positions, which are not necessarily compatible with another’s worldview. This means that parties with serious differences amongst themselves on policy issues or objectives need not come together. In other words, office alone was not likely to be a strong binding factor.

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Refining the size principle theory, with the introduction of the policy concerns, Axelrod’s “minimal connected winning coalition” held that coalitions were likely to form among partners adjacent to each other on the policy space as compatibility between partners was essential. Similarly, De Swaan proposed, that lesser the “policy distance” between parties, the easier it is for them to pull together. Policy driven theories held that parties “closer” on the spatial scale were more likely to come together than the free entry system hypothesized by Riker and others. Axelrod and De Swaan showed that parties are not merely interested in holding office but they also seek to reduce the costs involved in bargaining between partners by coalescing with likeminded parties on the policy scale.

The concept of minimum winning coalition however continued to hold centre stage even with the introduction of the policy factors both in the theoretical and empirical field. Dodd was one of the first students of coalition politics to carry out a systematic empirical study. The main focus of his work was to explain why some governments were enduring while others were ephemeral. Using a quasi-deductive method, he combined both the power-seeking goal of the parties and the constraints posed by ideological and cleavage commitments. His analysis of western parliamentary regimes during the period 1918-1974 revealed that the nature of party system within the parliament determined the durability of the cabinet. The prime factors impinging on the bargaining conditions between political parties were fractionalisation and nature of the cleavage dimensions. He concluded that as a coalition moved away from the minimum winning status, both towards surplus and minority positions, the durability of the cabinet was likely to be affected. Single party majority governments and minimum winning coalitions among multiparty governments according to his study were the most likely to last their tenure in office.

The longevity of the concept of minimum winning coalitions and office-seeking behaviour was primarily due to its mathematical elegance and the simplicity with which it could be administered to the study of government formation. The primary flak they have received is for its obvious simplification of complex party behaviour in government. Moreover, the theory was not able to explain the

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persistence of surplus and minority governments, the latter being a regular feature in western parliamentary systems.  

In reality, it is acknowledged that it is difficult to make a distinction between the various goals of parties. Parties may claim one thing while pursuing something else. At the same time in real time politics, as historical accounts have shown, parties rarely pursue solely one goal and they are more likely to have mixed objectives that include office and policy goals besides numerous other goals and objectives. Budge and Laver for example showed that there could be both intrinsic and instrumental motivations for the two dominant goals office and policy. They observed that policy induced coalitions need not be minimum winning as both members and outside supporters could get non office payoffs by achieving their policy aims. However, as it is difficult to include all the implications of these various motivations, most theories simplify them to a large extent. The main problem with the pure office-seeking minimum winning coalition explanation was that it left out many real life possibilities in its attempt at generalisation. Later theorists have endeavoured to include as many actual situations as possible in the process of generalising. Today neither pure office nor pure policy motivated explanation find favour among students of coalition politics. Of the mixed situations, the explanation that holds that office is used for achieving policy objectives, rather than policy being subordinate to office goals has been supported by many studies. In fact, this has become the dominant or hegemonic explanation within coalition studies today.

Moving away from merely combining office and policy motivations, Ian Budge and Hans Kernan put forward a “general theory of government”, which they claimed could be applied to all major aspects of government existence, which includes formation, portfolio distribution, party influence on policy making, governmental change, and termination. They were most probably the first to go beyond mere coalition and government formation to include the influence of political parties in policy making. Responding to the criticism that parties have become

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obsolete and that they are no longer the agents of change, mainly from the pluralists who noted the role of pressure and interest groups, Budge and Kernan emphatically argued that political parties are the main actors in parliamentary politics. The fundamental basis of their explanation, which they constantly reassert in their study, is that parties have distinct, if not at least varied positions on matters of public concern and seek to implement them once in power. In other words, parties enter government to influence policymaking and control policy implementation.

Budge and Kernan present a hierarchical ordering of party preferences as follows, defence of democracy followed by Left-Right conflicts followed by group-based objectives. This according to them was likely to be the priority of goals on the basis of which party interaction and strategy was likely to take place. If there was no threat to democracy, then socialist-bourgeois differences were likely to be the basis of coalescing. In the absence either of these cleavages, parties were likely to follow their respective group related interests. This theory was tested on the experiences of twenty democracies around the world, mainly drawn from Western Europe. It was observed that the party behaviour, whether it was concerned with formation, portfolio allocation, policy implementation and also duration and termination was largely based on the policy and ideological objectives in a majority of cases. The minimum winning coalition, the preferred outcome of the earliest theories, it was argued was likely to form only in the last instance, when all other procedures were exhausted rather than being the outcome of first preference. It was likely to form only when ‘ideological and policy considerations’ failed to provide the basis for the formation of government and it was hence a ‘procedure of last resort’.

Ian Budge and Michael Laver empirically tested the policy basis of government coalitions. They found that though there is a definite impact of policy on coalition formation and the broader governmental processes, the impact nevertheless is not as clear as has so often been assumed in contemporary coalition theories. They concluded that since most of the parties in aggregate get policy benefits from being in government, it is reasonable to assume that policy is a major motivation for parties being in government. Secondly, a majority of the cases of government formation they considered were based on policy considerations. Finally, they point out that there are other factors that influence government formation like the size of parties, and their

11 Ian Budge and Hans Keman, 1990, op.cit. p.49.
ideological position in the cleavage structure, as distinct from the policy position. Future coalition theories according to them will have to take these factors into consideration.

Portfolio allocation and Policymaking

Portfolio allocation and policymaking or "who gets what" is another area that has received attention within coalition literature. Here again the major advances have been mainly theoretical. For office-motivated studies, portfolios were the payoffs that parties received for joining a particular government. Based on the assumption that political parties are mainly interested in occupying ministerial seats, office-seeking theories had held that parties get posts in proportion to the share of votes contributed to the government. Browne and Franklin in their empirical study of European parliamentary democracies found that each party's share of offices was proportionate to its share of seats. However, as policy-seeking explanations have shown, political parties are not merely concerned with the lure of office, they are also concerned with the policy implications.

Budge and Kernan, for example, note that parties are not merely concerned with the number of posts but also seek to maintain compatibility of party interests and dominant concerns with the posts they are offered in a government. This is based on the assumption that different parties have different interests and hence would value various ministries differently based on their programmatic interests. The proportionality criterion does exist but is 'regarded as the second stage in the bargaining process'. They note that the control of a ministry enables a party to have disproportionate influence in the corresponding policy field. In their study this was established by the nature of expenditure patterns and the nature of coalition government. A socialist dominated coalition, for example, would favour more social welfare expenditure compared to a conservative coalition. A conservative dominated coalition, on the other hand, would spend more on security and law and order.

Michael Laver and Kenneth Shepsle point out that most of the earlier studies did not give much importance to the institution of government and its structure as such. In fact, no particular distinction was made between the executive and the

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legislature as such. Government formation and maintenance were simply seen as the offshoot of legislative coalition building. Most importantly, nothing was said about the actual decision making in the political executive or even the implementation of the decisions. The executive is not considered as a decision making body in its own right, but rather as a prize or a set of perks, to be shared by the winning legislative coalition the most important of which are seats at the cabinet table. Cabinet portfolios in these analyses are merely benefits consumed by legislative parties that hold them.\textsuperscript{14} Laver and Shepsle attempt to bring out the importance of the government as a decision-making and implementation body in its own right, through a portfolio-based model of government.

Their focus is on the decision-making and implementation apparatus used in modern parliamentary systems. While at one level, they argue that the executive has the critical power of agenda control over the parliament, they also note that this power is further decentralised by the cabinet to individual ministers and departments. The voluminous business conducted by the government has resulted in specialisation and division of labour leading to the creation of different departments. It is through these departments that the government conducts its daily business. These departments have the responsibility of framing policies, which are presented to the cabinet for final approval. Portfolio allocation, according to them, is based on the assumption that political parties are known to have well known reputations in particular fields, and departments are allocated on the basis of their interests. From this, it follows that the party controlling a particular department has near full control over decision-making or policymaking and implementation over a particular area. This formulation thus takes into account both the office and policy aims of the political party and more importantly brings into focus the actual decision making structure in the parliamentary system of government. It also separates the legislature from the executive and shows that though the executive is dependent on the legislature for its survival it is not the legislature but the executive that governs the country. In their own words, 'A legislature makes and breaks governments, to be sure, but it does not, in our view, rule the country.'\textsuperscript{15} In their explanation, the government is limited to the members of the cabinet and it excludes legislative supported members. This limitation to a fixed set of participants and policy proposals enables them to assume that the

\textsuperscript{14} Michael Laver and Kenneth A. Shepsle, 1999, op.cit. pp. 9-12.
\textsuperscript{15} ibid. p. 13 (italics in original).
policy field that confronts a coalition government is limited and finite unlike the situation put forward by chaos theorists.

**Duration and Termination**

"Will it last" has been the other main concern about coalition governments. One of the main criticisms of multiparty governments has been that they have been less durable than that of single party governments. Unstable governments, it is argued, will neither be able to bring about policy measures nor carry out legislative business as would be expected of a 'normal' government. They are more likely to be involved in the business of fire fighting and placation and therefore unlikely to provide effective governance in the long run. Termination therefore, has received a fair amount of consideration primarily due to the taboo that multiparty governments permanently seem to carry. Besides this, there is the umbilical cord termination has with formation. All coalition governments are likely to carry to their grave their birthmarks. This inherent connection between formation and termination has been another reason for the widespread interest it has received.

Almost all recent studies have generally agreed that duration of governments is not an indicator of either stability or effective government as is popularly held. Lijphart for example, in fact questions the traditional meaning of the term durability, which has been associated with the stability of the government. He instead postulates that durability merely indicates the dominance of the executive over the legislature.\(^\text{16}\) The advantage of this meaning of durability is its empirical verifiability. On the other hand, as Dodd observed, in previous studies it was not been clear as to what was meant by stability and also how it could be examined empirically.\(^\text{17}\) Budge and Kernan are also critical of using duration as an automatic indicator of stability. They argue that successful governments may call for early elections and terminate the government in order to capitalize on the advantages they hold.\(^\text{18}\) Kaare Strom aptly observed that a long lasting government might not necessarily guarantee legislative effectiveness as governments may simply be ‘tolerated as they are inoffensive’.\(^\text{19}\)

Duration, therefore, is not a very good indicator of the either the nature of the government or its effectiveness, as has been assumed by traditional comparativists.

Instability and premature termination of governments has also received attention from students of party systems. Sartori's classic study makes a distinction between two types of party systems each having its own logic. The first category includes the classic two-party system and moderate plurality systems. Here party competition is characterised as bi-polar i.e. between two distinct groups, may be two parties or between two coalitions. Moderation is the key as each side attempts to capture power, generally resulting in an alteration between the two major parties or coalitions. This leads to a stable and effective parliamentary system. The other category of party system, polarised pluralism is fragmented and ideologically polarised, besides being marked by the presence of anti system parties. This system is characterised by 'centralism', where moderate parties from the left or right support the centre. It is also characterised by chronic instability and policy stalemate as parties constantly change allegiances fully aware that they can always get back with a better deal. In Sartori's analysis, the problem of stalemate and instability i.e. high turnover of governments, in political systems having a polarised pluralism based party system lay with the nature of the party system. At the same time, there was also a degree of stability; there was continuity in the personnel that composed the governments. In other words, the participants in the governments remain constant in spite of the government changing. This analysis of the party system as the cause for stability and instability has influenced coalition studies also.

_Causal Approach_

Sartori's idea was transplanted into coalition studies in the form of a proposition that ideological diversity among participating parties was a major cause of instability. De Swaan, as noted earlier, for example, established that the connectedness between political parties impinged upon the stability and durability of the government. Warwick's study found that the joint participation of socialist and nonsocialist parties or clerical and nonclerical parties in the same government had a

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definite impact on the durability of the government. They found that systemic factors that were held responsible for the stability and instability of governments came to known as 'causal' approach.

Budge and Keman found that both the duration and the particular reasons for termination of governments varied widely cross nationally. Duration and termination according to them depended primarily on the behaviour of political parties and this in turn was related to the policy performance of the government. They noticed that there was a connection between the composition and the way the government terminates and its duration in office. Single party governments, it was observed lasted much longer than any other type of government. The major distinguishing mark of a single party government is its ideological homogeneity and the likelihood of there being greater internal policy agreements. According to them, this distinctive feature raises the possibility of composition having an impact on the performance and therefore duration of governments. The failure to implement policies and programmes in multi party governments could lead to internal dissension and thus lead to premature dissolution of the government. Their study also found that good policy performance was linked to governmental success and stability.

Stochastic Approach

Another study called the 'stochastic' approach was highly critical of the causal or attributes approach to the study of the duration and termination of governments. According to this approach, the assumption of the explanatory factors remaining constant throughout the course of the existence of the government is highly unlikely. It does not take into account the factors that actually bring down the government. They instead point to factors independent of the government that could have an impact on the length and performance of the government. This approach questioned the causal approach for looking for relationships between government duration, functioning and independent variables. The stochastic or events analysis approach argued that the process is random and hence to look for a particular pattern or design is a futile exercise. This approach made it clear that any explanation for government

termination and survival must take into account or at least acknowledge the impact of random events along with the general features of government.25

Strøm in his work attempts to combine both these aspects to analyse the performance of the government. He argues that the way a government terminates is an important indicator of the policy effectiveness of the government. He lists six categories of government resignation and notes that certain causes of resignation reflect a more troubled life than others. For example resignations due to internal disunity or parliamentary defeat naturally indicate a much lesser degree of cohesion than say election defeats, critical events outside the legislature, personal reasons like death or health of the premier.26

_Institution friendly studies_

Most of the early works on coalitions, whether it was on formation, distribution of portfolios, or termination were generally institution-neutral or rather institution “blind”. They assumed that the goals, strategies, and behaviour are similar across political systems ignoring how structural features of political systems could impinge greatly upon the strategy and behaviour of political parties. The result was that many of the highly complex theoretical models and theories do not give us any clue to understand real politics.27 Findings from new institutional literature have challenged the simplistic worldview of coalition theorists. New institutional writings have clearly shown that institutions matter; the integrating and aggregating mechanisms of the system can both distort and privilege some goals over others. Some actions, which may be possible in a particular system, may not be necessarily viable in other political systems. The formal rules and procedures, informal codes and conventions, and institutional structures in a political system, often lay down strict limits to regulate most political action; they tell us who can do what, the lines of appropriate action, the timing, deadline and prohibition of actions, the processes to be followed in specific circumstances or contingencies, the rights of the opposition, and even the procedure for changing rules themselves.28 The real world of politics is thus one of numerous opportunities, possibilities and constraints. The introduction of

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institutions as influencing variables in coalition literature has to a large extent made these analyses much more realistic.

Rational choice theorists were one of the first to incorporate the impact of institutional rules, procedures, and structures in coalition literature. Those outside the choice theoretical framework had always stressed the importance of taking into account the institutional dimension and the findings of the new institutional literature only reiterated and strengthened their position.\textsuperscript{29} There are many studies, which have collated the numerous institutional effects that have impinged upon not only coalition formation, but also its maintenance and termination.\textsuperscript{30} Laver and Schofield make a distinction between what they call ad hoc constraints and formal institutional constraints. The former are particular to a political system; they are specific products of local circumstances and may not be generalisable to all countries. They give the example of personality clashes in the Irish system as an example of an ad hoc ‘powerful constraint on Irish politics’, which can be added to explanations as and when the need arises.\textsuperscript{31} Strøm, Budge and Laver acknowledging the criticisms levelled against traditional preference-based studies note that, ‘Government formation and maintenance’ are ‘highly structured processes, and a variety of institutional features impinge upon the choice set available to government formateurs.’\textsuperscript{32} Their heuristic exercise attempts to present an empirically grounded account of all the major institutional or procedural factors that are likely to influence cabinet formation and post-formation in a parliamentary democracy.

An inventory of institutional constraints collated from the above works include the following, the role of the head of the State, the power of incumbency, the power to call elections and dissolve governments, the impact of formal vote requiring procedures, the rules regarding composition of governments, impact of rules governing investiture and removal of governments, such as the formateur system in


\textsuperscript{32} Kaare Strom, Ian Budge, and Michael Laver, 1994, op.cit. p.305.
The Netherlands and the constructive vote of no confidence in Germany, and the impact of the electoral system.

Arend Lijphart in his classic *Democracies*, using the "structural-institutionalist" approach, makes a distinction between two models of democracy and then goes on to show how the structural attributes of a political system have an impact on the formation and duration of government. Multiparty coalition governments were more likely to form in consensus democracies and minimum winning coalitions and single party governments were more likely in majoritarian or Westminster democracies. Coalitional governments were the result of the interaction of numerous institutional features like proportional representations system, separation of powers, balanced bicameralism and minority representation, multiparty system, multidimensional party system, territorial and non-territorial federalism and decentralization, written constitution and minority veto. According to him, all eight features restrain majority rule and encourage sharing of power, which results in coalition governments. His analysis also noted that in certain political systems there is the need for special majorities for the passing of legislation. In federations, for example constitutional amendments require not merely the concurrence of a special majority in parliament but may also require the assent of many state legislatures as well. Lijphart's analysis brings to the forefront the impact of a combination of institutional features on coalition outcomes.

Institution-free studies for example, were not able to explain the formation and continuance of *minority governments*, where the government does not have a legislative majority. They were for a long time negatively characterized as products of instability, conflict, or crisis. Minority governments were purportedly products of the collapse of the attempts to form a government. As a result such governments were also weak, unstable, and ineffective. However institution friendly studies have shown that they are optimal solutions under certain structural constraints. Strøm, for instance, has shown that minority governments are neither products of failure nor outcomes of crisis. They were perfectly rational solutions where party leaders were concerned not merely with goals of office but were concerned with achieving policy objectives as well. This calculation based on a cost-benefit analysis of government participation usually takes place in those systems where the opposition parties had more or less

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equal opportunities to shape government policy and functioning, and the electoral costs in terms of decisiveness and competitiveness were high. Policy influence from outside government depended on the organisation of parliament with special reference to the committee system. This included the role of the committees, the degree of specialisation, allocation rules and so on. Electoral decisiveness and competitiveness depended upon the clear identifiability of electoral choices, the degree of fluctuation of seats among parties, the direct relation between electoral success and government participation, and the proximity between the holding of election and formation of government.34 Strøm's analysis of the European experience showed that one-third of the governments controlled less than fifty percent of the seats. The study of minority governments conceptually enriched coalition literature with terms like legislative, executive, and shifting coalitions.

The Italian experience of instability with frequent change of governments coupled with stability in the form of the Christian Democrats being a part of all governments has confounded observers. Carol Mershon's work on the costs of coalition showed that both the institutional and spatial environments shape the costs of coalitions that parties seek to form and also structure their efforts to overcome these costs.35 Her study focussed on the Italian experience, but preliminary studies conducted by her, revealed that the framework was applicable in the case of other countries including Finland, Ireland, the Netherlands, and Norway. She concludes that the 'cost of making, breaking, and maintaining coalitions depend on political institutions and on the array of parties in policy space. Institutional and spatial conditions structure politicians' opportunities and attempts to lower costs.' The example of minority governments and the Italian experience clearly reveal the importance of taking into account the structural features of the political system.

Laver and Shepsle's portfolio-based model discussed above was based on the implicit understanding that institutional structures affect and shape strategies of the actors involved. Chaos theorists like McKelvey, had argued that when there is more than one policy dimension, the 'majority preferences between policy proposals will cycle indefinitely, with no proposal defeating all others. Any proposed bundle of policy positions will be majority-defeated by another, which in turn will be majority-defeated by another, with this process continuing in cycles back to the original

proposal and begins all over again.’ The result is likely to be a perpetual flux or the choosing of some arbitrary proposal. An equilibrium position is likely only under the most unusual circumstances. Laver and Shepsle on the other hand bring the executive into focus and thus show that the decisions it takes on a particular issue is not based on a selection of abstract positions but rather based on choices between a ‘very limited number of well-developed and implementable proposals.’ The portfolio model showed institutions limit the variety of choices that are put forward for consideration, thus increasing the chances of an equilibrium position in a multi-dimensional field.

These institution-friendly studies showed that the coalition process, from birth to grave, is not unencumbered as postulated by most early coalition students but is a highly structured one. Institutions have played an important role not only in the choices that the players have but also on the fructification of those choices. Differential institutional features thus can be the determining element that distinguishes political systems that appear similar and ignoring this constraint could be costly for any explanation.

**Grand coalitions**

The grand coalition school is firmly entrenched within the institution friendly studies. Here institutions have been given a pro-active role; they are viewed as mechanisms that integrate societies. In this normatively loaded and much broader interpretation, coalitions or rather “grand coalitions” has been conceptualised as a mechanism of governance that attempts to overcome the incompatibility between democracy and majority rule in plural societies.

Democracy purports to be all-inclusive, yet the majority rule aspect of democracy excludes significant segments that do not come under that majority. This incongruity becomes more acute in plural societies where whole segments of people may be left out and consequently majority rule itself may become undemocratic. The consociational model of democracy offers a solution to the maintenance of democracy in plural societies. Arend Lijphart, one of the foremost theoreticians of this school notes that the defining characteristic of the consociational model is the ‘government

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by a grand coalition of the political leaders of all significant segments of the plural society.\textsuperscript{37} The other elements of the consociational democracy include,

- a high degree of internal autonomy for groups that wish to have segmental autonomy;
- proportional representation system of electoral laws and proportional allocation of civil service offices and public funds- proportionality;
- minority veto- mutual veto.

This grand coalition, a solution to problems in deeply divided societies can take different forms depending on the nature of the political system. There is no particular institutional device; the essence is the involvement and participation of significant segments of society in the governing of the country, thereby fostering political stability and reducing the chances for alienation. Here coalitions are not merely seen as a form of government that form in a multiparty competitive situation, but as a solution device that enriches democracy, increases the representativeness, and makes governments more inclusive.

Lijphart's analysis moves away from the more instrumental view of politics as a system for aggregating individual preferences and endowments towards a framework of politics as an integrating mechanism. Here institutions are seen as something that contributes to the common good and is also a good in itself. It is an 'embodiment and instrument of the community'. Institutions are a reflection of the collective identities, common cultures, shared vision, and solidarity.\textsuperscript{38} Coalitions, from this viewpoint are not merely an inevitable result or an equilibrium position that is reached after bargaining in a multiparty situation but a conscious and deliberative device. They are also not exchange mechanisms but an integrative mechanism that aims to bring about a common understanding and harmony in a divided and plural society in a meaningful way. They may thus appear to be a mechanism to ameliorate imperfections, but more importantly coalitions or grand coalitions as an integrative mechanism attempts to express the structure of that society itself.


\textsuperscript{38} For a discussion on aggregative and integrative roles of institutions see James G. March, and Johan P. Olsen, 1989, op.cit. pp.119-134.
An Evaluation

Ideally these various theories and explanations should have been empirically tested in the Indian context and it is only if they prove inadequate to the task can we actually reject them. For this purpose there is the need to standardize many of the data variables to fit the test conditions. Moreover, some of the assumptions that have been taken for granted may not fit when it is applied in contexts outside the traditional areas of study and may need to be refined. This study, is however, not equipped to carry out these tests. The relatively long experience of party competition, parliamentary politics and multiparty governments in Europe have aided the construction of standardised tools of analysis of party positions and programmes that can be used on a cross national basis. The European Committee for Political Research party manifesto project involving numerous scholars across Europe has led to the establishment of a large database on programmes, policies and positions of various political parties. Databanks like this have proved useful in carrying out standardised tests and analysis. It has also ensured, to use Aristotle’s metaphor all men either sound the same note or else different notes in the same key.

Any exercise of standardisation in the Indian context would be equivalent if not more complicated than the European experience, considering that the country is be one of the most plural and heterogeneous societies in the world. Moreover many states of the federal union are much larger in terms of population and territory and diverse in themselves compared to some European countries as a whole. Therefore, though coalition politics at the national level is a recent phenomenon and the data required for analysis would cover only a decade or so, standardisation would be a difficult task, as this data will come from the states.

Secondly, as seen in the introduction to this study, coalition studies have yet to catch the fancy of political scientists in India. There have been very few works and most of them have been in the form of articles. Most of them have therefore not grappled with the complexity of the whole process. Consequently, the process of data collection, standardisation, and interpretation across the country is still to be done and

will naturally one of gigantic proportions; the scale and resources required for such an exercise are beyond the scope of an independent researcher.

Hence the critique offered here falls far short of Laver and Schofield's test of adequacy for contemporary theories and does not adequately provide a challenge to the complex and well-developed explanations in coalition literature. Consequently, the assessment here focuses on certain facets, which have been missed, ignored or taken to be unimportant in coalition studies; it believes that the inclusion of these aspects could enrich existing explanations. Secondly, it also highlights that certain assumptions of coalition theories are not necessarily generalisable or universal. This section indicates and throws light on certain less explored aspects of coalition politics and therefore may be seen, as bringing forward certain new challenges that may need to be taken into consideration during formal coalition theory construction.

Stable Party Systems

The universality claim of many coalition explanations including many of the formal models may be questioned as many of the assumptions they make are based on the experiences of particular societies. Coalition literature, for example has taken for granted the stability of the party system. This idea is primarily based on the famous "freezing hypothesis". This thesis by Lipset and Rokkan held that in most western political systems the cleavage system has remained frozen since the end of the nineteenth and early twentieth centuries, ever since the introduction of universal adult franchise. The preferences and objectives of most political parties have been traced back to the mobilization that took place during this period of the formation of the nation state and the industrial revolution. It has been held that this has essentially remained stable and hardly any new values or cleavage have been able to find confirmation among vast sections of the population. Furthermore, the conservative effects of the proportional representation system of electoral laws have reinforced, consolidated and have almost "frozen" the party systems. This relative stability has enabled students of European coalition politics to take many things for granted.

regarding party behaviour and party competition. These assumptions have also been inbuilt into formal models of coalition politics.

The assumption of a stable party system may not be applicable elsewhere. The new democracies of the second wave and third wave generation are still in process of stabilizing and consolidation not only their new institutions of governance but also the other essential institutions of democracy. Parties form, rise, merge, or decline almost on a regular basis. Party politics and party systems, are hence in continuous flux and the “calmness” that is said to characterise Western party systems is yet to descend on these political systems. Even in European systems it is doubtful whether these claims are still valid, especially with the coming post materialist considerations, like green and gender politics for example. Green politics is clearly a late twentieth century phenomenon that has caught roots in many political systems. Besides this, many old political parties have reworked their programmes and strategies with the changing times and have sought to mobilise new sections of the population apart from the traditional supporters. This for example, can be seen in the case of the Labour party in Britain, which now calls itself the “new labour”, clearly emphasising its difference from the past. Moreover global movements of population and immigration have also brought new members into the “voter” pool, which have naturally necessitated different mobilisation strategies. All this means that the party system itself is in unrest; in such conditions it would be difficult to apply many of the formal models which are primarily static in their orientation. These models primarily have a short-term perspective and hence may not be able to give us a complete picture or help in presenting a longitudinal time-scale analysis of government formation and governance. It could be applied only if we study each episode of coalition activity as a new and independent experiment. Hence formal theories are not likely to be very useful under changing conditions.

Left-Right Dimension

It has been assumed from Downs onwards that partisan conflict on a particular issue can be depicted on a scale from left to right. Furthermore the socio-economic factors are taken to be the factor on the basis of which the behaviour of voters can be predicted. Hence, according to Laver and Shepsle, studies for the sake of analytical simplicity, have taken the economic dimension to be the classifying agent, assuming
that the other dimensions will follow the economic factor. This may click sometimes, as in Italy for example where the issue of clericalism follows the left-right scale quite closely. Gordon White observed that in Italy, 'Anti-clericalism reinforces anti capitalism, and the two issues become intertwined; the Catholic Church also becomes an object of attack because of its vast material wealth'. A similar gelling of cleavages is not necessarily found everywhere.

The socio-economic dimension has become the basis of individual identification and party completion at the end of a long historical process, and is particular to western societies. This importance to the socio-economic dimension is again inapplicable to many non-western political systems. In many of the democracies of the second and third wave mobilisation and political competition is based on ascriptive identities. Furthermore, a point acknowledged in some coalition studies, a party's position on one dimension does not have to be the same for all other dimensions of political competition and could vary from issue to issue, and from time to time depending on the nature of the competition it faces. Hence, it may not always be possible to establish such clear-cut positions. Besides this, it is difficult to ignore the possibility of crosscutting cleavages. Though this has been recognised in the literature it has rarely been incorporated in either coalition theorising or explanations.

Some of the goals and objectives that political parties are likely to follow are clearly not universal and are products of the historical situation in Europe. For example, the defence of democracy as a goal, postulated by Budge and Keman, is a product of post second world war European history and politics. The impact of Nazism, Fascism and the Cold war were primarily responsible for the emergence of this specific objective. These issues obviously are not so important in countries in other parts of the world. The instructive aspect is that any study of coalition politics will have to take into account the specific background of the party system and the arena in which the "game" of politics is played.

Finally, the party positions as derived from a manifesto or programme and policy document of a party, or through expert surveys may again provide only a snapshot analysis. It may not be able to take into account the changes that political parties constantly bring to adapt to the changing environment.

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44 Ian Budge and Hans Keman, op.cit. 1990, pp. 35-38.
Accountability and Responsibility

Accountability and responsibility of the government are the two key features of a representative democracy. Within the subject of political science, whether it is studies on democracy, coalitions, or parties and party systems it has been taken for granted that programmatic objectives and policies of political parties perform are vested with a dualistic role, on one hand they are reliable guides to party identification, voter mobilisation and political competition and on the other hand in the reverse direction they also serve as tools for the people to test the accountability and responsiveness of governments and parties. In coalition literature for example, it now appears that there is a consensus on the fact that even in cases where parties seek to achieve office it is mainly to pursue their policy objectives. Budge and Laver for instance echo this view, they hold that the link between government policies and the policies of composing parties 'is at the heart of the theory of representative democracy' 45. The programmatic relationship forms the undergrid of most coalition analyses predicting multiparty governments.

However, are policies and programmes the only way that parties mobilise people? Is this form universal? Are there other avenues for citizens to ensure the accountability and responsiveness of the government and political parties? It is possible that policies and programmes of political parties is only one form of party mobilisation and competition? Likewise, could it not be only one of the many ways in which the linkage between the people and the government is established? Studies on the linkages between people and the politicians or government answering the above questions in the affirmative have shown that, linkages could be based on charismatic, clientelist, or programmatic basis. 46 It may be thought that charismatic and clientelist modes of interest aggregation and mobilisation are found only in developing societies, it has however been observed in some of the most advanced societies around the world. These include among others Japan, Italy, Austria, and Belgium to a lesser extent. 47 Coalition studies are likely to grow richer if they incorporate these alternate

modes of mobilisation and accountability. Moreover, it will also enable coalition analyses to move out of their traditional home.

Pure charismatic leader based parties lack both the organisational infrastructure of a typical political party and also the programmatic mode of interest aggregation. They instead rely overwhelmingly on the charisma of a leader and her personal skills and persuasive powers to pull them through. On the other hand, there can be political parties that have a well-established organisational structure but do not use proper programmes and policies as a mode mobilisation. They could be based instead on personal and direct relationships and provide material side payments to their followers. The two types of clientelist linkages that have been observed are, one, 'resource-rich but vote poor constituencies' and 'vote-rich but resource poor constituencies'. The former provide politicians with money and obtain material favours in exchange once the politicians are ensconced in office. They usually come in the form of public work contracts, regulatory decisions, subsidies, monopolies, and so on. The latter obtain material incentives before and after the election in exchange for their votes. The material goods include 'gifts in kind and entertainment before elections to public housing, welfare awards and public sector jobs in lower and midlevel administrative positions'.

There can be different types of clientelism, ranging from the traditional personalistic clientelism that is based on one-to-one relations, based on bonds of respect and loyalty between the patron and the client on one end, to the modern clientelism characterised by anonymous machine politics and competition between the providers of selective incentives at the other end. It is also possible that there are also various other forms in between, which mix both features in different proportions.

The goals of office, policies, and votes as postulated in coalition analyses do not actually therefore cover all aspects of the objectives of political parties. Furthermore, while the overwhelming consensus in favour of policies as the mobilising agent may be justified in the European scenario, in the context of other countries where charismatic and clientelist linkages prevail, alterations would have to be made. The hegemonic position of policy-based explanations may still continue, but once we recognise that there are different forms of mobilisation and accountability, it

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is possible to posit alternate explanations that take into account the changed conditions existing elsewhere, especially beyond the sample of traditional coalition studies.

**Fragmented and Imbalanced**

The review revealed that the focus in coalition literature is not only fragmented but also highly imbalanced. The different processes associated with governments have been frequently studied in a segmented manner as if each process was independent and unconnected with the other. It is only in the last decade that unified explanations for coalition politics emerged. It is highly improbable that every coalition making exercise begins *de novo*, as assumed by some coalition theorists. Political parties have a history and they are likely to take into account the results of past actions.

Moreover, theoretical contributions have by far outstripped empirical studies. In fact, it would not be wrong to say that theoretical studies have been running ahead of the empirical work needed to verify it. The greatest advances have been made in those areas, where broad based generalisations with the aim to achieve maximum universal applicability have been possible. These include the areas of coalition formation and portfolio allocation, and instability and termination of multiparty governments. The dominant focus on these two stages has left many unexplored areas, most glaring of them being how coalitions conduct their affairs in government. A coalition government involving several political parties is likely carry out the same functions of government differently from a single party one. Do coalition governments use different mechanisms of governance? What governments do after formation has rarely been the object of investigation in coalition literature. Ideally it may be true that governments, as textbooks will posit, are policymaking and implementing bodies. Nevertheless, real world situations are far from ideal and are much more complex, governments do many things and many more things are done in the name of the government. Rob Jenkins, for example, writing on the introduction of the first phase of the second attempt at economic reforms in India notes that the focus on the “wholesome aspect” of democracy may not provide adequate answers to its success in a country that had previously ‘tried then abandoned’ reforms.51 Jenkins

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observes that the answer was to be found in the unlikeliest place, the 'unseemly underside of democracy', which is often wished away.\textsuperscript{52} This often ignored area, provided the much needed flexibility and space for manoeuvre for the governing elites to push through reforms, which is not often available in the formal arena. Thus in the actual functioning of democracy and the reasons for its success to a great extent could depend on a seamier side which has often been neglected. Similarly, in coalition politics the focus has been on the "good" or the "desirable" side of democracy, it might be worthwhile if we turn our attention to the other side, it may provide us with more inputs as to the "success" and "stability" of coalition governments.

If coalition analyses have taken for granted many things, they have also ignored many other important characteristics. For example, one of the "essential" elements of parliamentary politics has been bypassed in coalition analyses for the sake of theoretical elegance. Laver and Shepsle note that the cabinet ministers have unlimited control over the departments they are allotted. The plausibility of the Laver and Shepsle model is questionable, as it ignores what is at the heart of the parliamentary system, the principle of collective cabinet responsibility. It might be possible that distribution of power as postulated by them is characteristic of a few systems. It is however, highly unlikely that this is a common phenomenon; political parties are not likely to be allowed to create fiefdoms as assumed by them. The breakdown of collective cabinet responsibility is likely to lead to the break down of government as well and produce chaos and disharmony in governance.

Almost all theoretical studies in the field are based on game theory and formal modelling. Their concern with game theory and mathematical proofs makes one wonder whether their primary interest is in coalition governments or in game theory. These models are based on certain assumptions and the results that they predict are intimately connected with these assumptions. Their explanation is based on "as if" conditions. A typical example would be like this, what is likely to be the result of such and such a strategy under a particular condition. Hence we have assumptions like one-dimensional policy space, multidimensional policy space with three actors and so on. Some of these conditions are rarely found in the real world of politics. When things have gone awry they have merely tightened their assumptions. Furthermore, the

\textsuperscript{52} Rob Jenkins, \textit{Democratic politics and Economic Reform in India} (Cambridge: Cambridge University Press, 1999), p.4.
incremental behaviour that has been predicted by coalition theories is rarely found in real life politics.

However, it would not be right to throw the baby with the bathwater, what is useful in these formal models, are their conclusions, which tells us that such and such results are possible under certain conditions. It is therefore possible to postulate that under such and such conditions *ceteris paribus* we are likely to get these results. One therefore need not be overtly concerned with the mathematical proofs that they dish out and could use their observations as starters and reflectors.

This fuzzy evaluation of coalition studies has highlighted that some of the assumptions and generalisations made are not necessarily universal and may have less validity out of the European context. It is true that only rigorous empirical studies can validate or invalidate any theory. However, if the assumptions of a theory or some of its components have been incorporated on the basis of the experiences and existent reality of some countries, it would be difficult to even apply it in those places where such conditions do not exist. In the next few paragraphs see how certain institutional aspects have been taken for granted and the pitfalls associated.

**Institutions and their Bias**

A list of countries most frequently studied in coalition literature is represented below. The table makes a distinction on the basis of three institutional variables that have been widely used to distinguish and demarcate different political systems, namely the type of electoral system- proportional representation or plurality, system of government- unitary or federal, and nature of executive-legislature relations- consensual or majoritarian based on Lijphart’s influential conceptualisation. These countries are ‘most similar’ in terms of their political institutions and historical background. It is abundantly clear from the sample that there is a euro-centric bias in the collection of cases, with Japan being the lone non-European exception. Furthermore, the list is loaded with states using the proportional representation system of electoral laws and structured as unitary systems.
Table 1.1: Countries Classified on the basis of their Institutional Features

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<tr>
<th>COUNTRY</th>
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<td>Switzerland</td>
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</table>

Key: M- Majoritarian, C- Consensual, U- Unitary, F- Federal, PR- Proportional representation system, PL- Plurality system, m- Majority, mm- Mixed.

Germany has both systems operating simultaneously.

Source for universe: Michael Laver and Norman Schofield (1998), and Ian Budge and Hans Keman (1990)


The selection of cases is likely to have had a definitive impact on the outcome of research in that field, and coalition studies are definitely no exception. The neglect of political systems using the plurality rule and/or organised on a federal basis therefore leaves a lot of scope for further research in the field of coalition studies. This part of the chapter focuses on the theoretical underpinnings of using institutions as tools of analysis. ‘New institutionalism’ as it has come to be known, has shown that institutions make a difference to the political outcomes. Many of the assumptions that have been made regarding the behaviour of the main actor in coalition politics-political parties, and therefore the outcomes that follow are based on particular types of political system with similar institutions. These assumptions and the results that follow are not necessarily true for political systems where a different set of institutions exist.
The Electoral System Bias

It has almost been taken for granted that coalition governments usually form in those systems using the proportional representation system of electoral laws. What happens in countries using the plurality system? Do coalition governments form in these countries? Is the same explanation valid? New institutionalists inform us that different electoral systems could have dissimilar effects on the coalitional process. Laver and Shepsle aptly noted that, "Politics in the real world is a continuous process, with no beginning, no middle, and no end". However we have to start somewhere and where we start is bound to influence the structure of the explanation. In almost all explanations, it has been assumed that bargaining and coalition politics is a post election phenomenon. In Luebbert’s view, the study of coalition bargaining and politics begins only after the election process is completed and the election itself is insignificant to the future events.

One can safely say that the interparty bargaining that precedes government formation is often of far greater significance than the election that precedes the bargaining. The party composition of a government and the policies a government adopts are frequently unrelated to the results of the earlier election.

This statement extracted from Luebbert’s opening paragraph of his review of Dodd and De Swaan’s works, is indicative of the general line of thinking among mainstream coalition students. While it may be right to assume this in the case of proportional representation systems, it does not necessarily hold good for political systems using the plurality system of electoral laws.

Strøm and others in their analysis of the constraints of institutional factors on cabinet formation in parliamentary systems have acknowledged that the incentives provided by different electoral systems vary. In the Irish STV system, the French double ballot system and the British plurality system, parties have the incentive to form preelectoral coalitions. Even in Proportional representation systems with apparentement parties can form electoral alliances in order to share their “excess” votes. Similarly Laver and Schofield also note the impact of the rules governing the

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56 Kaare Strom Ian Budge, and Michael Laver, 1994, op.cit. p.315. (italics in original)
elections as a constraint on coalition bargaining and its subsequent legislative impact.\(^57\) Most importantly, they recognise that ‘particular electoral systems set up a coalition formation phase before the elections rather than after them, a matter that has an absolutely fundamental impact upon the politics of the coalition’.\(^58\) Thus electoral laws can shift the process of coalition bargaining and politics to the period before elections.

The assumption that coalition politics is a post electoral phenomenon must therefore be qualified. Though electoral coalitions have been taken note of in the inventories of structural constraints mentioned above, they have not been studied in detail as such in mainstream coalition. The nature of coalition politics in plurality systems is therefore different from that of proportional representation systems. It does not begin in the post election phase but much before, even prior to the elections. The “payoffs” here are not merely policy objectives but include seats as well. The impact of the plurality system of electoral laws on coalition politics will be considered in detail in the next chapter.

**Multilevel structures of government**

Coalition theories in their attempt to generalise have either simplified complex political phenomenon or have ignored them, thus not capturing the essential political reality. The postulation of nation wide cleavages for example is problematic in multinational, heterogeneous-plural and/or federal societies. Even in those studies where differences have been recognised, for example the language cleavage in Belgium or the role of religion in the Netherlands, it is assumed that this one brush can be used to paint the whole country. It may be possible to get away with such generalisations in societies where there is only one major line of cleavage. In federal societies, especially incongruent federations, there is not only a coexistence of numerous cleavages, which may be based in particular territorial units but these different groupings also attempt to maintain their distinctive identities in the political sphere both within the unit and also the national sphere.\(^59\) For example, while religion may be an important cleavage in one unit, it could be class or developmental issues in

\(^58\) ibid. p.206.
\(^59\) The term incongruent is used to denote federations in which the component states are highly differentiated from each other, i.e. the units of the federation are heterogeneous. Most importantly the difference between the units is explicitly recognised. A more detailed explanation has been provided in chapter two of this study.
other units. In such cases the reduction of the points of political competition to any single issue may not do justice to our understanding of the complexities involved.

It is evident from the review that there has hardly been any connection between mainstream coalition analyses and federalism; Arend Lijphart’s consociational theory being an exception. Others who have grappled acknowledged the impact of sub national governments on coalitions include, Zarsiki and William Downs.60 However, their studies have been concerned with coalitions at the subnational level and do not explicitly deal with an interrelationship between the two levels of government. Within federal studies however, considerable significance has been accorded to the problems and difficulties in building and sustaining coalitions as solutions to the problems of federal societies.61 Federal democracies are making conscious attempts to accommodate differences, which could be linguistic, religious, ethnic, economic, cultural or demographic among others. The politics of difference is more accentuated in federal political systems than in unitary states. These differences or rights cannot be put in terms of individual rights as has usually been done in liberal democracy, instead the language is usually in terms of groups.

Students of federalism have observed that coalition theorising would be richer by the inclusion of experiences from federal political systems.62 Balveer Arora for example, points to the Indian experience and the need to take into account ‘regional aspirations’ of territorially situated groups. He notes, that states ‘play for different stakes in the national parliament and national level tie-ups’ by smaller state parties are ‘negotiated and justified primarily by their beneficial impact on state-level struggles.’63 Thus we see that it may be necessary to take into account the compulsions of ‘competing local logics’ in federal parliamentary democracies and the assumption of nation wide cleavages would be futile in this case. Secondly, coalitions in plural and federal countries may not always be the natural result of party bargaining.

and compromises it may be a conscious and genuine effort to act as an integrating mechanism.

Coalition analyses have not only ignored the normative element of federalism, but also the fact that federalism is a principle of political organisation. In fact, the structural organisation of the political system has not been given much thought or it has been taken for granted. Almost all explanations of coalition politics are based on the experiences of unitary systems. Even when the sample has included federal political systems, the specific impact of federalism as an organising and structural factor has not been given due consideration. The unitary system has been assumed to be “the structure” of political organisation in which, decision-making, the pattern of competition, goals, strategies, and even the form of political parties has been analysed. The exclusive study of the impact of institutions by Strom, Budge, and Laver, which consciously attempts to move away from a “institution-free world” and is explicitly concerned with the consideration of all “real-world constraints” on cabinet formation and maintenance incorporates only those constraints evident in unitary parliamentary systems. 64

A study of unitary systems has to deal with only a single level of political organisation. In federal systems, there is a multiplication of the levels of governance. The distinguishing characteristic of federal states is ‘self rule and shared rule’ by a number of jurisdictions rather than the concentration of power in a single centre. 65 In federal democracies the number of jurisdictions over the people living in the same territory thus multiplies. Unlike unitary parliamentary democracies where people elect representatives only to a single level of government, in federal systems they have multiple arenas of representation simultaneously. Hence, what ever was assumed regarding political parties in unitary systems is now compounded. Political parties deal not merely with one level but have to consider their actions in the context of both the general government and the component units but also between the units themselves.

Secondly, it follows that coalition politics, or any politics for that matter is “nested” in a federation as it necessarily involves different layers (vertical) and slices (horizontal) of communities. State politics, for example, is bounded or constrained

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within the larger national political scene. National politics in turn is bounded and constrained by many different state communities. Actions at one level of the community could have their ramifications on other levels and slices of the political community. This complicated scenario is specific to federations and is not necessarily universal.

The levelling and slicing aspect of federations tells us only half the story; it must be completed by accounting for the competence's that have been vested by the constitution to the different jurisdictions. Who has what power and what can be done by them? The historical and political logic of particular states have determined the nature of the division of the powers, functions, and decision-making responsibilities in any federal system. This distribution pattern therefore considerably varies from federation to federation. The consequent relationships that emerge on the basis of the distribution of competencies between different orders must also noted as these relationships are not only likely to have an effect and be affected by the nature of the party system.66 “Pay offs” an important component of coalitions in federations could therefore be made at multiple levels. Any study of coalition politics in federal parliamentary systems cannot afford to ignore these specificities of federations.

The countries in the above table have another common characteristic they are mainly consensual democracies. It has been assumed that it is unlikely for coalition governments to form in majoritarian (or Westminster) democracies except under highly unusual circumstances. In comparative studies we see a dichomtisation between these two models of democracy. There are chances of there being political systems with mixed features i.e. having characteristics of both models. What is the nature of government formation in these mixed societies? Comparative studies in general and coalition analyses in particular have not paid much attention to this feature.

**Towards an explanation for coalition politics in India**

India has either been a troublesome outlier or been out rightly excluded in many a comparative study. Lijphart, for example had excluded India due to the imposition of emergency between 1975 and 1977.67 He however made amends in his

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later work on the same subject. On the other hand, Budge and Kernan ignored India on the ground that the culture and social background is too diverse to render comparisons meaningful. Cox in his seminal study on the impact of electoral laws acknowledges India’s long democratic tradition, yet excludes it as it failed to meet the criteria set by the Freedom House survey to be classified as a democracy in 1992. This study makes a small attempt to bridge this gap by studying the Indian experience within a framework that can be used to make sense of experiences elsewhere. All meaningful comparative studies would be both inclusive and exclusive at the same time. So what is needed is that any explanation must be general and yet there should be limits to its scope. It should not try to cover everything, lest it leads to explaining nothing, as is usually the case with too ambitious a project. An ideal explanation is one that is limited and yet leaves room for comparison.

Coalition studies, as we have seen is clearly in need of a more nuanced outlook; something which will be able to take into account in betweens rather than making sharp distinctions, something that is not as flamboyant, but instead more limited, that will be able to clearly establish relationships between features of the political system and the particular outcomes and also take into account the specific historical background that is unique to that particular system. It would be better to arrive at a generalised understanding after taking into account numerous such micro studies. Today what is lacking in coalition literature is the absence of micro studies. Coalition studies have attempted to bypass this essential ingredient and move straight away to the highway of generalisation. An institutional approach would be a suitable tool to link the Indian experience and practices elsewhere.

New Institutional Studies and the learning process

It has been seen above that the institutional structures within a political system can severely change, constrain or enable, the orientation and behaviour of the main actor in coalition politics, political parties. Any explanation of coalition politics would

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therefore be well advised to take into account the institutional and structural features. An institutional approach recognises the dynamism inherent in politics and it enables us to move from a study of coalitions as static and isolated events to a more comprehensive view that allows us to connect past events with the present and throw light on the future. Secondly, it also provides us the necessary tools to understand coalition politics in a society that is changing rapidly. Finally, and most importantly, institutions are not merely equilibrium solutions to problems of individual aggregation but are integrating mechanisms in their own right. Institutional analysis is normative in a way as it holds the view that institutions exist to achieve a common good.

Institutions as a tool of analysis have been in the spot light for the last decade or so. This new institutionalism as it has come to be known is not merely limited to the discipline and sub disciplines of political science like comparative politics, international relations and policy analysis, but spans almost the entire spectrum of social sciences from economics to public administration and sociology to anthropology. As is the case with many areas of academic inquiry the origins of this new institutionalism can be traced to the intersection between endogenous factors within the discipline and to the exogenous real-world problems that have attracted attention.

Exogenous Factors and New Institutionalism

Two major areas of reform in the field of institutions have taken place in the recent past. The period since the mid '70s and '80s in Western Europe and the '90s in Eastern Europe and Africa have seen the fall of authoritarian regimes and the reform of political institutions in countries like Portugal, Greece, Spain, Bulgaria, Poland, Czechoslovakia, South Africa and so on. Besides the transition from authoritarian political regimes to democratic political systems, the period also saw a transition from controlled/command/interventionist-based economies to more market-driven economies. The latter transformation encompassed many more countries than the former; some countries went through both the transitions. The transitions, based on the implicit belief that institutions make a difference, were made with the hope that the countries would have different and better outcomes than they had experienced until then.

Within new institutionalist literature there is both a 'macro theme and a micro theme concerning institutional impacts’. The macro theme focuses on a set of
institutions and the impact it has, 'upon highly visible outcomes all around the globe, determining human development or democracy'. It has been influenced by the changes that took place around the globe. The form of political system newly democratised and democratising countries should adopt was the question on the lips of political scientists from different sub fields. The debates revolved around the appropriateness of particular institutions, presidentialism or parliamentarianism, plurality systems or proportionate representation systems and federal or unitary systems. The Journal of Democracy founded in the beginning of the last decade of the twentieth century provided an appropriate forum for many of these debates.

Juan Linz and Donald Horowitz for example, focussed on the suitability of presidentialism vis-à-vis parliamentarism. Linz argues that the only successful case of presidentialism has been the United States and that all other experiments with the same have not produced stable democracies. He then goes on to illustrate the pitfalls or "perils" as he calls it, of presidentialism and how presidentialism is particularly inappropriate for newly democratised countries, especially those with deep cleavages and numerous political parties. Horowitz on the other hand, was critical of Linz's sample, which was skewed in favour of Latin American countries. He notes that if Linz had focussed on Asian and African countries the culprit for unstable democracies would have been parliamentary democracy. He then went on to show the importance of other institutions like the electoral system, which has a definitive impact on the nature and, quality of democracy. Seymour Lipset, in the same debate notes the 'centrality of political culture' as a determining factor for democritisation. Linz in his reply, sums up what later became the normative underpinning of new institutional literature.

Culture, as Lipset notes, is difficult if not impossible to change. Historical legacies do not fully disappear, and socio-economic transformations cannot be achieved by fiat, so we are left with the search for those political institutions that will best suit the circumstances in this or that country. This is a modest quest...
What mix of laws and institutions will direct the contending

interests of a given society into peaceful and democratic channels? Here is where I seek to make a contribution.\textsuperscript{75}

Arend Lijphart also agrees that it is necessary to take into account the combined effects of various institutions. He proposes that a combination of parliamentarism with proportional representation should be an attractive option to newly democratized and democratizing countries.\textsuperscript{76} Among others Alfred Stepan and Cindy Skatch have also worked on the same theme.\textsuperscript{77} Daniel Elazar and Ronald Watts among others have spelt out the advantages of federalism as a form of political organization over unitary states.\textsuperscript{78} Other factors that have received attention under the macro theme include the impact of institutional arrangements like corporatism and consensus democracy.\textsuperscript{79}

The most well-known and comprehensive works on the macro theme has been the study of the two types of democracy by Arend Lijphart. He compares and contrasts the majoritarian (or Westminster) model of democracy with the consensual model. Here the focus is not on only one institution, as was seen above but a set of connected institutions and their interrelationships which together give shape to a particular type of democracy. The contrast between the two models is based on the presence of majoritarian elements in the Westminster model and majority-restraining features in the consensual model. Regarding the suitability of the models, Lijphart opines that the majoritarian model is ideal for a homogenous society and the consensual model is appropriate for a plural society.\textsuperscript{80} Lijphart’s analysis is perhaps the most powerful statement till date in the field of political science that institutions matter.

‘The micro theme’ in new institutional literature, on the other hand according to Lane and Ersson, ‘is less grandiose but perhaps more distinct, as under the micro theme one may find arguments about specific institutional effects, one institution

\textsuperscript{75} Juan Linz, “The Virtues of Parliamentarism” \textit{Journal of Democracy}, 1(4), Fall 1990, pp. 84-91.
\textsuperscript{80} Arend Lijphart, 1984, op.cit.
having a determinate impact on political life.\textsuperscript{81} Unlike the macro theme, it neither has any airs of being a grand social theory nor does it focus or advance particular claims regarding the benefits or advantages of a particular institutional framework. One of the oldest and celebrated works has been Duverger's thesis on the effects of electoral institutions.\textsuperscript{82} Duverger basically postulated that the plurality system of electoral laws tends to result in a two-party system while the proportional representation system tends to produce a multiparty system. This subject of electoral institutions has received both prominent and dominant attention in the literature on new institutionalism, so much so that Andrew Reynolds opined that the field had been exhausted for the time being.\textsuperscript{83}

Comparativists now have a library of evidence to draw upon when analysing the impact of the specific type of proportional representation formula on seat allocation. The effective threshold of votes needed to win seats in multi-member and single member district systems (of all varieties), and the incestuous relationship between districting, registration, communal voting, and discrimination. In many respects the book can be closed, or at least set aside for a time, on the technical consequences of electoral laws.\textsuperscript{84}

\textit{Endogenous Factors and New Institutionalism}

The endogenous reason within the discipline for the renewed interest in institutions, considering that it actually was actually never swept away, was the general dissatisfaction with the dominant paradigm of the post world war period, behaviouralism. Behaviouralism, it may recalled, was the outcome of a critique of traditional political science characterised by constitutionalism, institutionalism, and legalism. The behavioural revolution, as it came to be known focussed on things like political parties, voting and electoral behaviour, pressure groups, conceptions and attitudes of humans, culture, and so on. The focus was on what could be called inputs

\textsuperscript{81} Jan-Erik Lane and Svante Ersson, 2000, op.cit. p.178.
\textsuperscript{84} Andrew Reynolds, 2000, op.cit.
into the political system and in the process it ignored that governmental or institutional structures in place in a political system could have on these so-called inputs themselves. This is best exemplified in the high priest of behaviouralism, David Easton’s conception of governmental institutions as a “black box”. Here government was reduced to something that merely processes various demands coming in from the environment. It was simply an intermediary institution between the inputs and outputs. Governmental institutions were not seen as independent entities that could have an influence both in spite of and despite inputs. New institutionalism picked up from this point, the neglect of institutional structures and emphatically argued that institutions mattered.

March and Olsen in their pioneering piece on new institutionalism begin with the observation of how contemporary theories of politics have ignored institutions while describing political behaviour. Political behaviour had been described in a quasi-institutional set-up or in an institutional vacuum. In all these approaches order is imposed on politics by an external environment. They passionately argue for the need to bring institutions back to the centre of political explanation. Institutions, according to them, were fundamental features of politics and were important contributors to both stability and change. This theme was later developed into a full-fledged book. Here they note that a ‘systematic attention’ to institutions has two advantages, one, it deepens our understanding of political phenomena, and two, a normative concern, it brings political life closer to democratic ideals.

This critique of behaviouralism from the vantage point of institutionalism developed in many spheres and it is true that there is no unified and structured model of thought. Though as many as five different varieties -normative institutionalism, rational-choice, sociological institutionalism, historical institutionalism, and structural

85 James G. March and Johan P. Olsen, “The New Institutionalism: Organizational Factors in Political Life”, American Political Science Review, 78(3), September 1984, pp.735-38. They point out that theorising in political science since the 1950’s has been characterised by contextualism, reductionism, utilitarianism, functionalism, and instrumentalism, resulting in politics being subordinated to other concerns.
87 ibid. p.171.
institutionalism have been identified within the credo of new institutionalism, it is possible to identify a core set of ideas and assumptions. As March and Olsen noted:

The ideas de-emphasize the dependence of the polity on society in favor of the interdependence between relatively autonomous social and political institutions; they de-emphasize the simple primacy of micro processes and efficient histories in favor of relatively complex processes and historical inefficiency; they de-emphasize metaphors of choice of action and the centrality of meaning and symbolic action.

Many others have since endorsed this view. Ellen M. Immergut for example, held that just as behaviouralism in the early fifties could not be identified with any particular method or theory and was characterised as a “mood” with a theoretical core, likewise at the ‘core of institutionalism is a broad, fundamental approach that can be applied to a wide variety of empirical problems’. Similarly, Hall and Taylor in their analysis of the “three new institutionalisms” in political science recognize that it ‘does not constitute a unified body of thought’. The common factor they identify within the three schools of thought - historical institutionalism, rational choice institutionalism, and sociological institutionalism - is that they ‘developed in reaction to the behavioural perspectives that were influential during the 1960s and 1970s and all seek to elucidate the role that institutions play in the determination of social and political outcomes’.

However, it must be noted that neo institutionalism attempts to achieve this without denying the importance of either the social context of politics or the motives of the individual actors; stressing on the autonomy of political institutions it puts forward emphatically that ‘political institutions are more than simple mirrors of social forces’. March and Olsen categorically deny that this approach calls for an abandonment of views that sees politics as organised around the ‘interactions of a collection of individual actors or events’ but instead put forward a supplementary view point that sees the polity as a ‘community of rules, norms and institutions’.

Behaviouralism had reduced the institutions to a consequence of other factors, for example, the social stratification theory held that the differences in the organisational and institutional structures between societies could be elucidated from the particular pattern and nature of class formation in a society.\textsuperscript{94} It assumed that one could read meanings off people’s beliefs and values from intervening variables like caste, class, gender, religion, region, and so on. Institutionalists attempt to recover the independence and autonomy of the institutional and structural features.

One of the most frequent criticisms directed against institutionalist approach has been that the main political actors, whose behaviour the institutions are supposed to structure are the ones who actually choose and put in place a particular institutional framework. While this may be the case, even if it is ignored that actors may at times miscalculate the effects of institutions, the institutionalist contention is simple, once certain institutions are put in place it acquires an autonomy of its own independent of its creators.\textsuperscript{95} It may be then argued that these institutions can be manipulated or changed to suit the purposes of the actors. To this the reply could be as follows, the very thought and attempts if made, to change a particular institutional framework is an implicit recognition that institutions matter. It is because the institutions in place at present are not to the ‘liking’ or suitable to the actors, there are attempts to transform it. If it did not matter then there would not be attempts to change it. Therefore sociological based critiques of new institutionalism have to at least grudgingly acknowledge that institutions ‘confer partisan advantages, or at least parties believe they do, in order to conclude that parties will attempt to change them’.\textsuperscript{96}

Unlike behaviouralists, who assume that the choices that the actors make are in tune with their ‘true’ preferences, institutionalists note that these choices, made by the same actors, vary according to circumstances. Institutionalists attempt to account for this divergence. The answer for them lies in the institutional setting within which the action takes place. The institutions not only affect the outcomes, but also the articulation and expression of the goals themselves, besides of course the strategies. March and Olsen are also critical the choice-based approach or rational-choice theories; for them choices and calculations do not come first but after what the actors

\textsuperscript{94} James G. March and Johan P. Olsen, 1984, op.cit p. 735.
consider as appropriate behaviour in a particular situation. 'Politics', according to them, is 'organized by a logic of appropriateness. Political institutions are collections of interrelated rules and routines that define appropriate actions in terms of relations between roles and situations.' They make a distinction between a consequential approach and the obligatory approach. In the consequential action based approach, 'behaviors are driven by preferences and expectations about consequences'. The aim is to ensure that the outcomes fulfill 'subjective desires' as much as possible. On the other hand, in the obligatory approach though behaviour is intentional it is not wilful. The action here is intended to fulfil an obligation matching a particular situation. 'Actions stem from a conception of necessity rather than preference.' In their line of thinking, the obligatory choice is prior to the consequential choice. The actions of actors are guided by the experiences within the framework of institutions that they find themselves in.

Institutions are therefore, an intervening factor even in a purely choice based approach as the choices presented to the actors depend crucially on the nature of the institutional mechanisms present. Secondly, this acknowledgement of the primacy and independence of institutions in no way denies that social structures are irrelevant. It only brings to the forefront the often-decisive impact that the institutional setting can have in certain situations on certain outcomes.

Institutions as an explanatory factor: Towards a theory of Institutions

With this background on new institutionalism, it is now possible to sum up some of the theoretical assertions that have been made with regard to the impact of institutions.

First, institutions have been endowed with a balancing and stabilising role in a chaotic and unsteady world. They bring in a degree of stability and reduce uncertainty. They provide the framework for human interaction and are integrating mechanisms as they promote the common good. They are also simplifying agents in so far as they,

- simplify potential confusions of actions by providing action alternatives;

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98 ibid. pp. 160-1
99 The above assertions have been made mainly from the works of James G. March and Johan P. Olsen, 1989, op.cit. and Douglas C. North, op.cit. 1996.
simplify potential confusions of meaning by creating a structure for interpreting history and anticipating the future; 

simplify complications of heterogeneity by shaping preferences of participants.

Second, institutions do not and cannot provide a solution to all problems at the same time. They tackle some problems and neglect others. Solutions provided by institutions therefore come at the cost of comprehensiveness. Some things are taken as given while others are subordinated or even neglected. Institutions are therefore not neutral but biased; they privilege some views and opinions and are partial to some values, while downplaying or suppressing others. Consequently, institutions that we come across frequently in coalition politics, like the system of electoral laws, federal systems of governance, the relationship between the executive and the legislature, the role of the head of the state or speaker of parliament, rules governing composition and dissolution of government and so on, are not impartial arbiters. In providing solutions to a particular issue they obviously privilege a particular side, and also encourage and give an incentive to follow certain options from the repository of appropriate behaviour.

Hence, institutions may not be able to provide the same level of contentment and therefore receive the same level approval from all the participants. There will always some who are unhappy with the existing state of affairs. Those alienated from the set-up will see evidence confirming their alienation and those integrated will see what they like to see. However, the participants in the system can and do modify their perceptions and preferences depending on whether they are alienated or integrated. This feeling is not a given position for all times to come.

Third, though political institutions provide order and stability in an ever-effervescent political world, political institutions also change. Under stable democratic conditions institutions once set up are difficult to change, changes especially large scale structural changes are rare. Changes do take place but not intentionally into any arbitrary form. These changes are more often incremental, mundane, and comprise of marginal adjustments now and then rather than the uncommon but large scale, eye catching and ear shattering changes caused by radical shocks, wars and revolutions. In this study, the focus is on the more common

101 ibid. pp.16-17
changes that generally come from routine interactions and processes within the system. We can classify these simple changes into two types, one that comes as result of the interaction of the institution with the environment and organisations and the other that comes from within the institution itself. These change patterns are not separate and mutually exclusive. They are not something that occur separately and independently of one another, but often take place simultaneously and together in a mixed fashion and it is often difficult to separate them into distinct categories. It follows that institutions can be both stable rules for human interaction and also an actor or participant within the same framework. The latter role is not so prominent and will be evident only over a long period of time.

Before we go on to understand institutional change through the interaction with the environment and organisations it is essential to make a distinction between institutions and organisations. North observes that organisations like institutions also provide a structure to human interaction. However, they arise as a consequence of the framework established by institutions. He makes the distinction between the two using an analogy from sports. If institutions are akin to the rules of any sport, organisations are akin to the players of that sport. The rules define how the game is to be played. The objective of the players within that set of rules is to win the game. Organisations in the context of our study include political bodies like political parties, pressure groups, caste and class groupings and so on.

There is a dialectical interaction between institutions and organisations. On one hand, the type of organisations that arise and the way they evolve are influenced by the nature of institutions and on the other hand, institutions are influenced by organisations. As organisations set about accomplishing their objectives within the framework provided by institutions they also become an agent of institutional change. Six types of such changes have been identified by March; these include changes through variation and selection, problem solving, experiential learning, conflict, contagion, and turnover.

Institutions change not only through the interaction with the environment and the organisations but also due to inbuilt factors. As Olsen in his study of European integration observed, "Major sources of change are inherent in institutional ideals that

103 Douglas C. North, 1996, op.cit pp. 4-5.
are strived for but never reached, and in tensions and collisions caused by competing ideals and principles built into single institutions and polities. This is based on the recognition that an institution may not have fully realised the abstract principles that it seeks to put in place. It may have only realised these values partially or incompletely in practice. Consequently, there could be this movement towards realising these values and principles within the institution itself.

Fourth, this longevity of institutions and the regularity and repetitiveness of its solutions induces learning amongst the participants or organisations that develop according to the rules of the game. These organisations learn about the functioning of the system over a period of time, or in the terminology of institutional economists they are able to acquire a great deal of information. They understand how the system functions and mould their behaviour appropriate to the situation demanded. Over a period of time, all options available to the participants will become clear. This learning process then enables or gives them the option to choose among given alternatives and make use of the opportunities that become available. They may also come up with new actions within the same framework that had not been hitherto thought of. Thus though the institutional framework may not have been able to provide the same level of contentment across the spectrum of participants, the learning process may equip them to both counteract the restrictions imposed by institutional structures or make use of the incentives provided by the institutional structure. The full impact of institutional factors hence takes place over a period of time rather than immediately on consecration. Reed in his study of the Japanese electoral system, aptly observed, "it is learning, not rationality, that connects structure and behaviour." He found that the equilibrium process predicted by structural generalisation theories like Duverger's is reached over a long period of time rather than from its inception. Similarly Kitschelt noted,

When institutional mechanisms remain stable over extended periods and there are no significant external economic, political, or cultural shocks, they induce voters and politicians to adjust

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their political strategies, even when noninstitutional variables may provide different cues.¹⁰⁷

Institutionalism does not deny the existence or the impact of other factors; hence it would not be prudent to ignore the environment that includes other aspects like history, and socio-economic development factors. The impact of institutions is therefore the outcome of the process of evolution and adjustment involving the interplay of both social and institutional features.

This chapter reviewed the main concepts, explanations and analyses in coalition literature. Coalition studies have made great advances since their origins four decades ago. The overwhelming focus on the governmental aspect neglects the fact that in certain societies, coalitions could serve multiple purposes at the same time. Coalitions can be integrating mechanisms in a plural and diverse society. Secondly, much more than rationality it is learning that seems to induce action among the participants and organisations. The next chapter attempts to map a framework for understanding coalition politics in a parliamentary federal system. It would highlight how the federal system and a parliamentary federal system in particular bring an entirely new dimension to the world of coalition politics.