How party systems in Central and Eastern Europe affect government formation

Coalition governments are the norm in most European countries, but how do the dynamics of coalition negotiations differ between Western European states and those in Central and Eastern Europe? Drawing on a recent study, Lee Savage illustrates that some common features of Central and Eastern European party systems, such as greater electoral volatility, can lead to coalition formation processes that are distinct from those in Western Europe.

The question of 'who governs' rarely has a straightforward answer. It is not often that a general election delivers a single party that holds a parliamentary majority so in most European countries, a period of coalition formation is necessary to decide which party or parties assume office. It is therefore little surprise that the process of coalition formation has been studied extensively in Western Europe and we have a good idea of the factors that influence the composition of the government. For example, it is usually the case that the cabinet will be a minimal winning coalition, meaning that it holds a parliamentary majority but does not contain any parties that are not required to hold a majority.



The Hungarian Parliament building, Budapest. Credits: Gothika (CC BY 2.0)

But it is not clear whether these findings transfer to more recently democratised states. The ten countries of Central and Eastern Europe (CEE) which have joined the EU since 2004 are all parliamentary democracies in which coalition governments are the norm. Although the democratic institutions in CEE states are similar to those of West European countries, other fundamental differences can be identified and it is these differences that give rise to distinct patterns of coalition formation in CEE.

Party system volatility and government formation

In a recent study, I have examined the influence of one of the principal differences between CEE and West European countries: the party system. CEE party systems are considerably more volatile than those found in Western Europe with large swings in the vote shares of parties from election-to-election. For example, the SLD was the largest party in the 2001 Polish parliament but saw its electoral support drop by 30 percentage points by 2005. Even the identity of parties can change considerably between elections; between 1990 and 2004 an average of 5.6 new parties entered CEE party systems at each election, taking an average of 19 percent of the vote. By comparison, in Western Europe between 1945 and 1991, an average of only one party entered party systems at each election, averaging just 2 percent of the vote.

Party systems in CEE therefore have little regularity and since the party system provides the parameters within which coalition bargaining takes place, this increased volatility is likely to have implications for the process of cabinet formation. One of these implications is that the level of uncertainty during coalition formation is higher in CEE since high levels of volatility make it difficult for parties to build alliances with governing partners that remain stable over time, thus resulting in greater unpredictability in coalition bargaining.

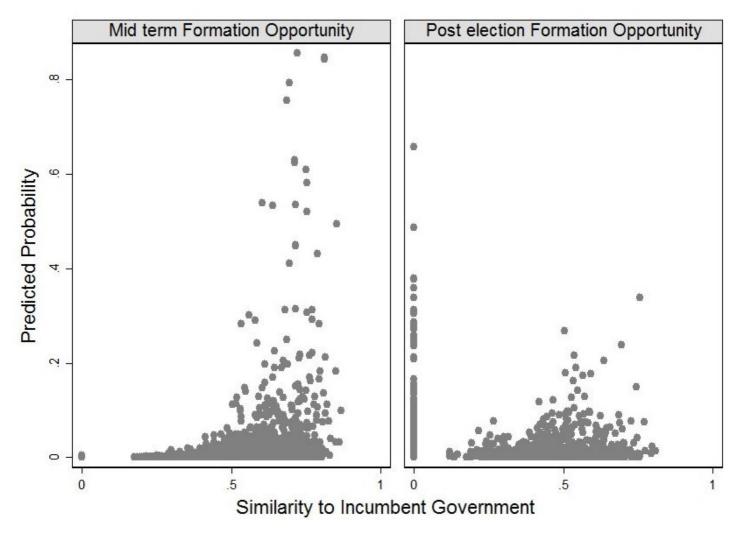
As a consequence of this lack of routinised interactions, some of the regularities of coalition formation identified by previous research have not developed in CEE. Instead, factors that reflect the volatility of party systems have become influential in determining the composition of the cabinet.

Incumbency advantage and disadvantage

The effect of incumbency is particularly important in CEE. <u>Previous research</u> has shown that incumbency is an advantage in government formation in Western Europe. However, in CEE, the role of incumbency varies depending on when the government formation process takes place.

Figure 1 shows the predicted probability of a potential government taking office by the similarity it bears to the incumbent coalition (potential coalitions that are identical to the outgoing coalition receive a value of 1 on the similarity index, those that are entirely different receive a value of 0). The right-hand panel of the chart shows that if government formation occurs following an election then incumbency is a disadvantage; potential coalitions that more closely resemble the incumbent cabinet are less likely to take office. Conversely, the left-hand panel of the chart shows that incumbency is an advantage when coalition formation arises during a parliamentary term without new elections being held.

Figure 1: Impact of incumbency on coalition formation by the timing of the formation opportunity



Note: For more information, see the author's accompanying journal article.

The incumbency disadvantage that arises during postelection formation processes reflects the large electoral losses usually incurred by governing parties in CEE; <u>Andrew Roberts</u> has shown that 88 percent of CEE governments suffered a decline in vote share between 1990 and 2006, with an average loss of 15 percent. Against a background of such losses, it is unlikely that incumbents will be able to re-take office following an election and even if they do, the character of the coalition will be altered by the change in relative party strength.

The increased likelihood of incumbents remaining in office when the formation opportunity arises during a parliamentary term is also a result of volatile party systems in CEE. Frequently, governments in the region fall into minority status due to splits in the cabinet or within individual parties. This leads to a new government formation process with the incumbent minority administration remaining in power due to the inability of the parliamentary opposition to form a coherent bloc that would present an alternative majority coalition that could remove the incumbent from office.

New democracies and old democracies

The results of this study show that context matters when examining coalition formation. The regularities that govern the process in established democracies do not necessarily tell us everything that we need to know about why one coalition forms while other potential coalitions do not. In Central and Eastern Europe, the volatility of party systems is likely to impact on processes that involve interaction between parties, such as coalition bargaining.

The effect of incumbency is just one way that party systems have influenced government formation in the region. In my study, I also discuss how the communist successor parties and the ease of entry of new parties into the system each impact on the coalition formation process. The results of this research emphasise the need to be aware of the specificities of new democracies when generalising theories that are built on analyses of countries with longer established political institutions and processes.

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