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Two-Party and Multiparty Competition

Endogeneous partisan preferences:

partisan positions are “endogenous”

endogenous? to what?

Endogenous Partisan Preferences

-- the number of parties competing

-- the number of dimensions in the policy-space

-- the distribution of voter preferences

single-peaked versus bimodal

normal-distribution

Gamma-distribution

-- else?

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Voting

Forward versus Backward Locking Voting

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Downs suggests forward locking voting.

„To ignore the future when deciding how to vote [...] would obviously be irrational, since the purpose of voting is to select a future government.” (Downs 1957: 40)

„The patterns of flow of the major streams of shifting voters graphically reflect the electorate in its great, and perhaps principal, role as an appraiser of past events, past performance, and past actions. It judges retrospectively; it commands prospectively only insofar as it expresses either approval or disapproval of what has happened before.” (Key 1966: 61)

A Critique of Prospective Voting:

Time Inconsistency:

Elected governments are not bound to their manifesto.

What can voters do to tie governments to their promises?

A Critique of Retrospective Voting

Past performance does not need to be a predictor of the future.

Economic cycles can only mildly be influenced by the government.

Pure retrospective voting creates huge incentives for a manipulation of the business cycle.

Why would voters therefore decide on the basis of politicians good or bad luck?

Are voters solely interested in outcomes (economic voting) or also (and perhaps dominantly) in policies?

Evidence

Electoral outcomes are relatively stable over time – more stable than the business cycle.

BUT:

There is plenty evidence for political business cycles.

Solution: A Unified Model? But why??

Assume a two-dimensional policy space $[x_j, y_j]$. The distance

d_{ij} between voter i and party j is then described by:

$$d_{ij} = \sqrt{(x_i - x_j)^2 + (y_i - y_j)^2} .$$

In deterministic models voters vote for the party minimizing

this distance. In probabilistic models, voters also calculate

relative distances, but these distances are not perfectly known.

Rather, voters minimize

$$\tilde{d}_{ij} = d_{ij} + \mu_{ij} .$$

If we add a retrospective element

voters minimize

$$u_i(j) = -\left[(x_i - x_j)^2 + (y_i - y_j)^2 \right]^{1/2} + \mu_{ij} + \alpha_i (\Delta w_i - \Delta \tilde{w}_i) \quad \text{if}$$

j is incumbent

$$u_i(j) = -\left[(x_i - x_j)^2 + (y_i - y_j)^2 \right]^{1/2} + \mu_{ij} - \alpha_i (\Delta w_i - \Delta \tilde{w}_i)$$

else.

Does it help much???

Well, it might explain, why

“We begin by parsing my statement that the incentives for, capacity for, and effects of electioneering or partisaneering should vary predictably from policy to policy across “domestic and international, political-economic, institutional, structural, and strategic contexts.” (Franzese 2002)

Moreover, the model also suggests that

ideological autonomy (=deviation from median-voter position) partly depends on the business cycle. The better the state of the economy, the higher the ideological autonomy of the government.

Paradox of Voting

Here is the paradox:

Why do voters vote at all, if

the utility difference between party (coalition) A and party (coalition) B is relatively small

and

the cost of voting is small but positive

and

the individual influence on the electoral outcome is tiny?

hence, the odds are that

$$1/N [u_i(p1) - u_i(p2)] < c_i$$

alternatively, some folks prefer

$$1/\sqrt{N} [u_i(p1) - u_i(p2)] < c_i$$

In Muller's words: "The probability of being run over by a car going to or returning from the polls is similar to the probability of casting the decisive vote." (p. 305)

Awful Solutions to the Paradox of Voting

A taste for voting...

...voting itself increases the voters' utility

... minimum regret
(Ferejohn and Fiorina)

vote to make sure that the worst candidate will not win...

A not so awful, but unsatisfactory solution

Electoral turnout rates are an equilibrium in a PD

Alternatives:

How large is the probability of being decisive really?

You may also ask:

How large is the probability of being NOT decisive?

<100 % ???

depends probably on forecasts...

Another view on Abstention

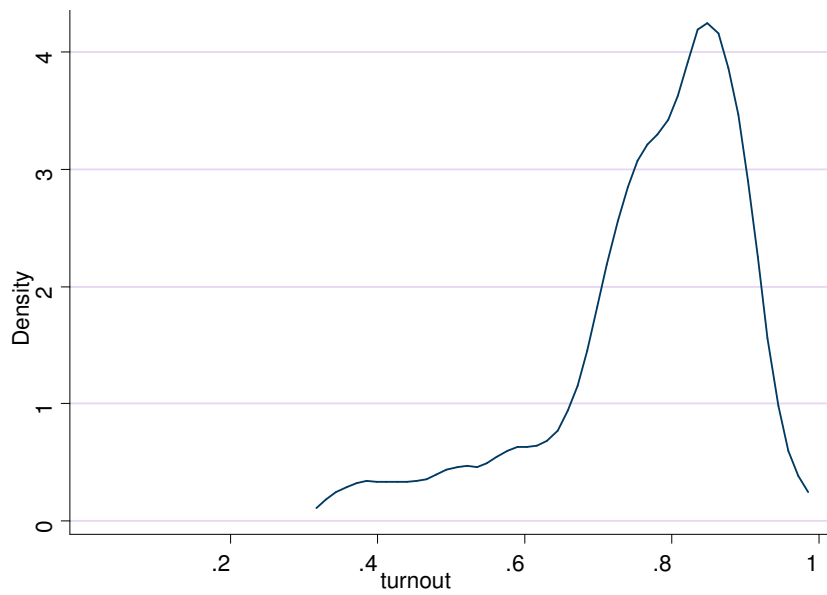


Figure 1: Kernel density estimate of electoral turnout in 17 countries, 1945-2002.

	Model 1: OLS estimate	Model 2: Boxcox estimate
Indifference	-5.0512 (0.1472)	-1.3364
Alienation	-0.1449 (0.0229)	-0.0879
Number of Parties (NoP)	0.0399 (0.0014)	0.0208
Indifference * NoP	0.1076 (0.0263)	-0.1919
Alienation * NoP	-0.0178 (0.0046)	-0.0045
Indifference * Alienation	5.1344 (0.3091)	2.0903
N =	11755	11755
chi ² =		15006.74
F =	3070.25 (6, 11748)	
theta =		7567 / 11412 / 14307
LL =		17892.683
adj R ² =	0.6106	

Dependent variable is electoral turnout.

All coefficients are significant on the 0.001 level

Table 1: Analysis of simulated data – electoral turnout

Results:

If electoral rules induce the emergence of large party systems, turnout rates are usually high.

A Large number of parties reduces the effect of indifference and fosters the effect of alienation.