Constitutions, Elections, Governance

Josep M. Colomer

Available at: https://works.bepress.com/josep_colomer/31/
Constitutions and Constitutionalism

A constitution is a set of basic rules for making collective decisions. Rules producing enforceable decisions can solve coordination and cooperation dilemmas, which may induce individuals to prefer constraining rules to settings in which every human interaction should be adjusted independently. However, different rules may favor different decisions with differently distributed benefits among individuals and groups.

Two Categories of Constitutional Rules

Two categories of constitutional rules can be distinguished: 1) those to regulate the division of powers among the various branches of government, and 2) those to define the relationships between these branches and the public, which in democracy are based on elections. Regarding the first category, virtually all the political regimes in world history have been based on a one-person office combined with multiple-person offices. The rationale for this is that, while a one-person institution may be highly effective at decision-making, a few-person council may be more capable of collecting information and deliberating, and a large assembly can be representative of different interests and values in the society and able to organize consent and facilitate the enforcement of decisions.

In classical political theory (as elaborated most prominently by Aristotle) the distinction between the rule of one, the few, or the many was sufficient to define basic types of political regime, such as “monarchy”, “aristocracy”, and “democracy”. In modern times, an analogous distinction can be made between “dictatorship”, “semi-democratic” regimes (typically holding multiple-candidate elections with restrictions on suffrage or on the offices submitted to electoral results), and “democracy”. Within democracy, the rules of one, the few, and the many would correspond to the institutions of one-person prime minister or president, the few-member cabinet, and the many-member assembly. The relationships between these institutions define different types of democratic regime, as discussed in the following paragraphs.

The second category of constitutional rules mentioned above regulates the relationships between public officers and citizens by means of elections, which makes the classification of democratic regimes more complex. In particular, we can distinguish electoral systems based on simple plurality or absolute majority rule, which produce a single absolute winner and favor the concentration of power, and those using proportional representation rules, which are associated to multiple party systems and coalition governments (as analyzed in other entries of this book).
Types of constitutional regime

Parliamentary Constitutional Regimes
The parliamentary regime resulted historically from the process of enhancing the role of the elected assembly and limiting the monarch’s powers. According to the English or “Westminster” model, the parliament became the sovereign institution, also assuming the power of appointing and dismissing ministers, while the monarch remained a ceremonial although non-accountable figure. The Third French Republic established in the late nineteenth century was the first democratic republic with a parliamentary regime. This type of regime produces political congruence between the legislative and the executive and some “fusion” of institutional powers. Specifically, in parliamentary regimes with majoritarian electoral rules, a single party, even with a minority electoral support, usually can find sufficient institutional levers to win an assembly majority, appoint the prime minister, and form a government. In these situations, power tends to concentrate in the hands of the prime minister, which led to an interpretation of the development of political parties as a force eroding the central role of the parliament. In constitutional studies in the early twentieth century, the British model was provocatively labeled a “cabinet” of a “prime minister” regime, rather than “parliamentary.”. However, it has more recently been remarked that the growth of party was instrumental to reduce the influence of the monarch but not necessarily that of the parliament. With the reduction of the monarch to a figurehead, the prime minister has indeed become the new one-person relevant figure, while the position of the cabinet has weakened. Still, the role of parliament has survived, and even, in a modest way, thrived.

The central role of parliament is more prominent in parliamentary regimes with proportional representation electoral rules, in which typically multiparty coalition governments are formed. The diffusion of power is wider in these than in regimes based on plurality or majority electoral rules. In contrast to electorally-minority single party governments, multiparty cabinets typically rely upon broad majority support both among parliamentarians and in the electorate. A multiparty coalition based on a majority of seats and popular votes is the typical government formula in most countries of continental Europe, including Belgium, Czech Rep., Finland, Germany, Italy, Netherlands, Norway, Sweden and Switzerland. Minority cabinets with additional parliamentary support are also formed in a few cases, as in Denmark and Spain.

“Presidential” Constitutional Regimes
The second basic type of political regime resulted from the replacement of the executive monarch with an elected president, which should exert power in parallel to a representative congress. This model implies, thus, separate elections and divided powers between the chief executive and the legislative branch. It is usually called, in a rather confusing expression, a “presidential regime.” In the original United States version, it implies a complex system of “checks and balances” or mutual controls between separately elected or appointed institutions (presidency, house, senate, court). Inter-institutional relations are subjected to rules including term limits for the president, limited presidential veto of congressional legislation, senate rules permitting a qualified minority to block decisions, senatorial ratification of presidential appointments, congressional appointment of officers and control of administrative agencies, congressional impeachment of the president, and judicial revision of legislation.
These counter-weighting mechanisms play in favor of power sharing between institutions. As they induce negotiations and agreements between offices with different political orientation, they are equivalent devices to super-majority rules for decision-making. The obstacles introduced by the numerous institutional checks to innovative decision-making may stabilize socially inefficient status-quo policies, but they also guarantee that most important decisions are made by broad majorities able to prevent the imposition of a small or minority group’s will. With similar analytical insight but a different evaluation, other analyses have remarked that separate elections and divided governments create a “dual legitimacy” prone to “deadlock”, that is, legislative paralysis and inter-institutional conflict.

A “unified government” can exist when the president’s party controls a majority of seats in the assembly. In the United States, there has been a situation of “unified government” with the president’s party having a majority in both houses of congress during less than 60 percent of time from 1832 to 2008, while “divided government” was more frequent during the second half of the twentieth century. However, U.S. congressional rules have traditionally included the ability of 40 percent of senators to block any decision by filibustering, which has almost always made the president’s party unable to impose its decisions by its own. This could explain why no significant differences in legislative performances between periods of “unified” and “divided” governments have been observed.

Presidential dominance has been attempted in other countries, especially in several republics in Latin America and Africa, by supplementing the president’s veto power over legislation and his control of the army, which do exist in the United States, with other constitutional mechanisms favoring the concentration of power. They include long presidential terms and reelectios, the president’s unconstrained powers to appoint and remove members of cabinet and other high officers, legislative initiative, capacity to dictate legislative decrees, fiscal and administrative authority, discretionary emergency powers, suspension of constitutional guarantees and, in formally federal countries, the right to intervene in state affairs. The other side of this same coin is weak congresses, which are not usually given control over the cabinet and are frequently constrained by short session periods and lack of resources. However, in democratic periods in the ten countries of South America since 1945, the president’s party has not had a majority in congress during 65 percent of the time; in about half of these cases, multiparty presidential cabinets have been formed by means of post-electoral, congressional negotiations (a formula which always applies, for instance, in the case of Brazil).

Semi-Presidential Constitutional Regimes
In another variant of regimes with division of powers, usually called “semi-presidentialism”, the presidency and the assembly are elected separately, like in a checks-and-balances regime, but it is the assembly that appoints and can dismiss a prime minister, like in a parliamentary regime. As a result, in parallel to the multiple-person assembly, two one-person offices, the president and the prime minister, share the executive powers in a “governmental dyarchy”, as in the current Fifth Republic of France.

At the beginning of the French experience, it was speculated that this constitutional model would produce an alternation between presidential and parliamentary phases, respectively favoring the president and the prime minister as a one-person dominant
The first phase of the alternation was indeed confirmed with presidents enjoying a compact party majority in the assembly. In these situations, the president becomes more powerful than in the classical presidential regimes, as well as more powerful than the British-style prime minister because he accumulates the latter’s powers plus those of the monarch. The second, parliamentary phase was, in contrast, not confirmed, since, although in the so-called “cohabitation” experience the president faces a prime minister, a cabinet and an assembly majority with a different political orientation, he usually retains significant powers, including the dissolution of the assembly, as well as partial vetoes over legislation and executive appointments, among others, depending on specific rules in each country. This makes the president certainly more powerful than any monarch or republican president in a parliamentary regime. There can, thus, be indeed two “phases”, depending on whether the president’s party has a majority in the assembly and can appoint the primer minister or not; however, the two phases are not properly presidential and parliamentary, but they rather produce an even higher concentration of power than in a presidential regime and a dual executive, respectively.

Centralization or Federalism

In addition to “horizontal” relationships between institutions above discussed, “vertical” relationships can be distinguished as corresponding either to unitary states or to decentralized, federal-type large states and empires. In the unitary model, a single, central government holds all relevant powers. In decentralized polities, the party in the central government may control different proportions of regional or local governments. Analogously to what has been discussed for “vertical” inter-institutional relationships, the degree of coincidence between the parties in central government and those in smaller territorial governments can produce different levels of “unified” or “divided” government. In contrast to unitary states, where only those citizens whose preferences coincide with the statewide majority obtain political satisfaction, in vertically divided governments global minorities can become local majorities. In multilevel political regimes, the number of total losers is likely to be smaller than in a unitary state and the aggregate amount of social utility should, thus, be higher, only depending on the intensity of preferences given by the citizens to different policy issues associated with each governmental level.

“Horizontally” unified governments, such as those that are typical of parliamentary regimes with majoritarian electoral rules, do not suit well with “vertical” division of powers. If a single party controls the central government, but does not control most non-central governments, it may try to increase the concentration of power by replacing the constitutional scheme of vertical division of powers with a unitary formula (as happened in Britain throughout the nineteenth century). In contrast, an effective vertical division of powers of federal type is more likely to exist and survive in the framework of a divided central government, whether in the form of multiparty coalition cabinets (like in Germany and Switzerland) or with coexistence of different party majorities in the presidency and the congress (like in the United States).

Constitutional consequences

The more direct political consequences of different constitutional formulas regard the type, party composition and degree of stability of governments. The rest of political, economic and social consequences from constitutions should be considered relatively
remote, indirect and identifiable in terms of constraints, limits and opportunities, rather than determining specific decisions or outcomes. They may affect economic and other public policy-making, as well as the corresponding performance. Also, different constitutional formulas may help democracy to endure or facilitate its shortening.

Single-party governments in parliamentary regimes and “unified government” in regimes with constitutional separation of powers can be compared for their high degree of concentration of powers around a one-person institution. Likewise, multiparty coalition cabinets in parliamentary regimes with proportional representation can be considered to be a variant of “divided government.” However, the two basic forms of constitutional regime differ because in a parliamentary regime the prime minister can dissolve the parliament and call anticipated elections, while regimes with separation of powers typically have fixed terms and electoral calendars. Thus, in parliamentary regimes, while single-party governments tend to be relatively consistent and durable, multiparty coalition or minority governments are more vulnerable to coalition splits, censure or confidence-lost motions, and other events and strategies provoking anticipated elections. In contrast, in separation of powers regimes, situations of “divided government”, if they do not lead to the formation of multiparty coalitions between the president’s and other parties with a sufficient congressional majority, may produce legislative paralysis and “deadlock”.

Relatively stable single-party parliamentary governments, as well as presidential governments with a president’s party majority in the assembly and fixed terms, tend to produce more changing and unstable policies than those relying upon the support of multiple parties or inter-institutional agreements. A parliamentary regime with majoritarian electoral rules creating single-party governments on the basis of a minority of popular votes is the classical scene of “adversarial politics”. This implies two major consequences. First, electorally minority governments with a social bias are more prone to be captured by minority interest groups and to implement redistributive and protectionist policies hurting broad social interests. Second, frequent alternation of socially and electorally minority parties in government produces policy reversal and instability (including changes in regulations of prices, the labor market, taxes), which may depress investment incentives.

In contrast, in multiparty elections producing coalition cabinets, as well as in inter-institutional relations involving different political majorities, each party can focus on a different set of issues, globally enlarging the electoral agenda and the corresponding debate. In the further institutional process, certain issues (typically including major domains such as macroeconomic policy, interior, and foreign affairs) can be the subject of a broad multiparty or inter-institutional agreement around a moderate position. This precludes drastic changes and induces policy stability in the mid or long term. Other issues can be negotiated in a way that the minority with more intense preferences on each issue may see its preferred policy approved, whether through the distribution of cabinet portfolios to parties focusing on different domains (such as finances for liberals, education for christian-democrats, social policy or labor for social-democrats, etc.) or through logrolling among different groups on different issues in congress. This second mechanism creates different but enduring political supports to decisions on each issue and also tends to produce relative policy stability.
A number of empirical studies show that parliamentary regimes with proportional representation perform better regarding electoral participation, low levels of politically motivated violence, women’s representation, and social and environmental policies. They also appear to be associated to better growth-promoting policies, although they tend to imply relatively high taxes and public spending which do not necessarily favor growth. Parliamentary regimes with proportional representation tend to develop broad programs benefiting a majority of the voters, including redistribution through social security and welfare policies, in contrast to narrower targets in both parliamentary regimes with majoritarian elections and presidential regimes. Other favorable conditions for economic growth include administrative effectiveness and an independent judiciary, which may be favored by a robust and pluralistic democratic regime. However, economic performance also depends on other factors, such as economic institutions (including those regulating property rights, contracts and finances) and an educated population able to make technological innovation available and operational, which may not be directly associated to specific constitutional formulas.

Different constitutional alternatives have been linked to different rates of success in attempts of democratization and the duration of democratic regimes. Strategic choices of different constitutional formulas may be driven by actors’ relative bargaining strength, electoral expectations, and attitudes to risk. Citizens and political leaders tend to support those formulas producing satisfactory results for themselves and reject those making them permanently excluded and defeated. As a consequence, those constitutional formulas producing widely distributed satisfactory outcomes can be more able to develop endogenous support and endure. Widely representative and effective political outcomes can feed social support for the corresponding institutions, while exclusionary, biased, arbitrary, or ineffective outcomes might foster citizens’ and leaders’ rejection of the institutions producing such results.

Generally, constitutional democracies favoring power-sharing and inclusiveness should be able to obtain higher endogenous support and have greater longevity than those favoring the concentration of power. Empirical accounts show that democratic regimes are the most peaceful ones, while semi-democratic or transitional regimes are most prone to conflict, even more than exclusionary dictatorships (basically because the latter increase the costs of rebellion). Among democracies, parliamentary constitutional regimes are more resilient to crises and more able to endure than presidential ones. More specifically, parliamentary regimes with majoritarian electoral systems appear to be associated to higher frequency of ethnic and civil wars than presidential regimes, while parliamentary regimes with proportional representation are the most peaceful ones.

See Also Coalition Theory; Cohabitation; Constitutional Law; Constitutional Monarchy; Constitutional Systems, Constitutions and Constitutionalism; Divided Government; Dyarchy / Dual Executive; Parliamentary Democracy; Proportional Representation; Unitary Government; Westminster Model; Winner Take All.

Josep M. Colomer
Bibliography


Comparative Constitutional Systems

Most countries of the world have written constitutions establishing basic rights and regulating the relationships between public offices and between these public offices and the public. During the late middle ages and early modern times, constitutions were mainly devices for establishing local, sectoral, or individual rights and limiting powers. But as those old powers to be limited were autocratic, constitutionalism almost naturally advanced with the expansion of suffrage rights and democratization. Non-democratic constitutions are still relatively abundant in some parts of the world. As of 2005, of the 126 independent countries with information on their constitutional laws collected, only 62 percent were considered “electoral democracies”—and only 46 percent were called “free” countries, according to separate data lists provided by Axel Tschentscher (2005) and Freedom House (2005). But the number of constitutional democracies rose enormously during the last quarter of the twentieth century, encompassing for first time a majority of total world population by 1996. (Major exceptions are China, the Arab region, and the Middle East.) Thus, constitutionalism has been increasingly linked to democratization.

Mixed Constitutional Monarchy

A traditional constitutional model was a “mixed” monarchy, which united a one-person non-elected monarch with executive powers and a multiple-person elected assembly with legislative powers. This type of regime had already existed in certain medieval kingdoms in Europe in which the king’s powers were limited by those of an elected parliament. It existed as well as in the German empire, where the emperor was elected by the representative Diet, and in the Christian church, where the pope shared powers with councils. The modern constitutional formulas of a mixed regime were formally shaped in England following the revolution of 1688 and in France by the constitution of 1791. They were replicated during the nineteenth century in monarchies such as those of Austria, Belgium, Brazil, Germany, Norway, Portugal, Spain, and Sweden. In more recent times, similar formulas have been adopted in some Arab monarchies, such as Jordan and Morocco.

With broadening suffrage and democratization, the non-elected monarch’s powers were reduced, while those of the elected assembly expanded, especially regarding the control of executive ministers, thus moving towards a parliamentary regime. The powers of the one-person monarch were largely transferred to the prime minister elected by the parliament. In recent times, there are parliamentary regimes in about half of the democratic countries in the world. Some of these regimes are British-style monarchical variants, such as Australia, Belgium, Canada, Denmark, Japan, the Netherlands, New Zealand, Norway, Spain, and Sweden. Others are of the republican variant, such as Austria, Czech Republic, Estonia, Finland, Germany, Greece, Hungary, India, Ireland, Italy, Latvia, Slovakia, Slovenia, South Africa, and Switzerland.

Constitution with Elected Chief Executive

In another democratic formula that originated with the 1787 constitution of the United States, it is not only the multiple-person legislative assembly that is popularly elected but also the one-person chief executive. In the United States, the non-elected English
monarch ceased to be recognized and was replaced with an elected president with executive powers. (Actually at the time, the monarch of England was already highly dependent on parliament’s decisions.) This model of political regime implies separate elections for the chief executive and the legislative branch, divided powers, and checks and balances between the presidency, the House, the Senate, and the Supreme Court. The basic formulas of the U.S. Constitution have been replicated in a number of Asian countries under American influence, including Indonesia, South Korea, the Philippines, and Taiwan.

A variant usually called “presidentialism” emerged in almost all twenty republics in Latin American since the mid- or late nineteenth century. Some founding constitution-makers in countries such as Argentina, Brazil, Chile, Colombia, Costa Rica, Mexico, Peru, Uruguay, and Venezuela claimed to be imitating the U.S. Constitution, but they were also influenced by the presidential Second Republic and the Second Empire in France. Some of them looked farther back to the absolutist monarchies that preceded mixed regimes and division of powers and aimed at having “elected kings with the name of presidents” (in Simón Bolívar’s words). Instead of checks and balances, most Latin American constitutions promoted or favored high concentration of power in the presidency. Similar features can be observed in a number of post-colonial republics in East and Southern Africa.

Dual Executive Regimes

After World War I (1914–1918), Finland and Germany experimented with a different variant of political regime with separate elections and divided powers—usually called a “semi-presidential” or “dual-executive” regime. This variant was more consistently shaped with the 1958 constitution of France. With this formula, the presidency and the assembly are elected separately, as in a checks-and-balances regime, but it is the assembly that appoints and can dismiss a prime minister, as in a parliamentary regime. The president and the prime minister share the executive powers in a “governmental diarchy.” Similar constitutional formulas have been more recently adopted in a few countries in Eastern Europe, including Lithuania, Poland, Romania, Russia, as well as in a few countries in Africa.

Recent Trends

Recent trends favor democratic constitutional formulas permitting relatively high levels of social inclusiveness, political pluralism, policy stability, and democracy endurance. Actually, almost no new democracy established in the world during the broad “third wave” of democratization starting in 1974 has adopted the British-style constitutional model of parliamentary regime with majoritarian electoral rules and single-party cabinets. Of the democratic countries with more than one million inhabitants, fewer than one-sixth use parliamentary constitutional formulas with a majoritarian electoral formula, while more than one third are parliamentary regimes with proportional representation electoral rules and multiparty coalition cabinets, and about one half are checks-and-balances regimes or its presidentialist and semi-presidential variants.

See also Checks and Balances; Constitutional Democracy; Constitutional Monarchy; Constitutions and Constitutionalism; Dyarchy/Dual Executive; Parliamentary
Democracy; Presidentialism; Prime Minister (Head of Government); Semi-presidential System.

Josep Colomer

Bibliography


Electoral Rules

Electoral rules are criteria to transform votes into collective decisions. They are generally inspired by one of three main principles: unanimity, which requires maximum consensus; majority, which makes a decision supported by half the voters valid; and proportionality, which gives every group a share of representation for further negotiations and broad agreements. Different electoral rules can be used for different purposes, involving both mass political elections and small group and committee voting and decisions, because they induce the formation of different alternatives and different agendas and may produce diverse results, as will be discussed in the following pages.

Unanimity

Election of delegates and approval of proposals by unanimity are almost instinctive procedures in simple, homogeneous gatherings and assemblies with easily identifiable common interests and priorities. Families, groups of friends, urban gangs, neighborhood meetings, corporation partners, and club members tend to make collective decisions under conditions of general agreement. In the ancient world, the Justinian code of Rome established the principle that “What concerns similarly all ought to be approved by all,” which was adopted by the Christian Church in the fifth century as: “He who governs all should be elected by all.” In medieval Europe, consuls were elected by traders, bishops by priests and believers, magistrates by citizens, and so forth, on the basis of large consensus. Many medieval assembly regulations established that decisions should be made by “consensus and acclamation,” “approval and consent,” with “no discrepancy” or “no contradiction,” by “free veto,” and so on.

However, the requirement of unanimity made it difficult to reach many decisions, especially as communes and countries became more open and socially heterogeneous, which provoked conflicts and schisms. A variety of medieval institutions provided procedures to create unanimity where it did not exist, including silent acquiescence, shouts of commendation or acclamation, murmurs in favor or cries against the proposer, explicit acceptance of the elected by the dissidents, preliminary voting followed by formal, public expression of the decision by all the community members, or acceptance of elections or decisions made by a qualified part of voters to whom the other voters would submit. Certain Italian communes adopted less-than-unanimity rules, such as those requiring two-thirds, four-sevenths, or other super or qualified majorities, together with indirect elections in several stages and other devices. The elections of the Christian pope since the twelfth century, as well as those of several Central European kings and the German emperor from the fourteenth century on, were redesigned along similar lines. But certain assemblies, such as the Aragonese and Catalan parliaments and the Polish Diet, were reluctant to abandon the requirement of unanimity. As late as the early nineteenth century, even in the British House of Commons most decisions were still made by acclamation, which implied near-unanimous consent.

In both ancient and medieval political institutions and in modern private communities and companies, forcing explicit acquiescence of the dissidents to unanimous consent is a means to assure that they will respect the elected, obey the collective decisions, or contribute with their duties in spite of previous disagreements. Similar features can be found in a number of international organizations, such as the United Nations General Assembly and the Council of the European Union, where it is assumed that each party is
sovereign and has a veto right. Despite their many differences, all these institutions—whether they are ancient, medieval, or modern, private or public, local or international—have the following basic elements: corporate or government (not individual) suffrage; decision-making that is limited to those issues in which a general common interest can be presumed; the search for near-unanimous consensus; distribution of burdens in proportion to contribution of resources; and offices that are held by turns or lots.

The unanimity rule has some good properties. Unanimous decisions correspond to the efficiency criterion associated with the name of Italian economist Vilfredo Pareto. A collective decision is said to be “Pareto-superior” if it improves the situation of some participants and does not worsen the situation of others. Also, decisions by unanimity rule give a positive response to changes in voters’ preferences. Specifically, under the unanimity rule, an increase in voters’ support for the incumbent or the status quo will not result in its replacement. Similarly, a loss of support to an alternative candidate or proposal will not make it the winner—a property also called monotonicity that is not fulfilled, in contrast, by several procedures based on majority rule.

However, unanimity decisions may be impossible to make if voters’ preferences can be located along a single dimension, such as the left-right axis or any other issue or ideological dimension on which the participants have consistent preferences. Any voter can veto a move of the status quo away from his preference. Advantaged voters or, in spatial terms, those whose preferences are “closer” to the status quo, can consolidate their advantages. The collective outcome will remain stable independently of the existence of other alternative candidates or proposals that are able to reduce the aggregated distance from all individual preferences and, thus, increase collective satisfaction.

With the introduction of new issues or new values of judgment creating a multidimensional space, several unanimous decisions within the “Pareto set” (or the set of decisions fulfilling the Pareto criterion) can be made available. While new candidates or proposals may be placed at a larger distance from some voters’ preferences than the status quo on one issue or value, they can also be closer to them on other issues or values and become globally more satisfactory and acceptable. But each one of the possible new winners by unanimity will give different voters different degrees of satisfaction of their preferences. Only when the initial status quo is very unsatisfactory, that is, very distant from the voters’ preferences, can a new socially efficient decision be made by unanimity. In contrast, if the initial status quo is relatively less unsatisfactory, some voters will veto alternative candidates or proposals, thus causing mediocrity to endure.

Majority

The majority principle was first introduced in medieval Germanic law and the Christian Church’s canon law as a consequence of failures in making decisions by unanimity. When dissident members or minority groups were sufficiently large or determined and could effectively resist the imposition of the dominant group’s will, there was a strong incentive to adopt a less-than-unanimity, typically majority, rule. With the formation of two or more fractions or “parties,” decisions made by acclamation were replaced with more formal procedures requiring counting votes and the achievement of a majority
threshold. In contrast to the unanimity-based organizations above mentioned, majority rule usually requires individual suffrage and implies that "the winner takes all."

It has been argued that the majority principle is the only one that satisfies these few reasonable criteria: 1) decisiveness, but only if there are no more than two alternatives (candidates, parties, or policy proposals) to choose from; 2) anonymity or voters’ equality; 3) neutrality with respect to issues, not giving advantage to the largest group or to the status quo (in contrast to unanimity rule, for instance, as discussed above); and 4) positive response to changes in voters’ preferences or monotonicity (but only if one alternative obtains an absolute majority support based on voters’ first preferences).

In practice, different procedures have been invented to try to make the majority principle viable in real elections. Two late eighteenth-century French academics made sophisticated proposals. Marquis de Condorcet proposed that the winner in an election should be the alternative (candidate or proposal) preferred by a majority against every other alternative, which may require multiple rounds of voting or comparisons between pairs of alternatives. When the alternatives are located along a single issue or ideological dimension, exhaustive pair-wise comparisons or the Condorcet voting procedure makes the median voter’s preference the winner. By definition, the median voter, that is, the voter whose preference is located in an intermediate position with less than half of voters on both sides, is always necessary to form a consistent majority on a single dimension. Since the median voter’s preference minimizes the sum of distances from all other individual preferences, it can be considered a socially efficient outcome. But in a more dispersed set of alternatives forming multiple dimensions, the Condorcet procedure may not produce a winner, thus lacking "decisiveness." A variant gives the victory to the alternative that wins a higher number of times (as divulgated by the Catalan philosopher Ramon Llull in the Middle Ages).

In turn, another eighteenth-century French academic, Jean-Charles de Borda, proposed a rank-order count procedure by which the voter should order preferences and give zero, one, two, and successive points to the alternatives; the winner should be the one with the highest sum of points (the German philosopher Nicolas of Cusa had also proposed this procedure a few centuries before). A more traditional procedure, also with medieval precedents, is approval voting, which allows voters to vote for all those alternatives that they consider acceptable, from a minimum of one to a maximum of all minus one; the alternative with the highest number of votes becomes the winner. There has been much discussion about how different results may be produced by these different procedures, depending on voters’ distribution of preferences and their degree of homogeneity. But, as has been shown recently, in most real-world settings, exhaustive pair-wise comparisons, rank-order count, and approval voting tend to select the same winner.

In mass political elections, relatively less demanding procedures are more frequently used. With a simple plurality rule, the winner is the candidate supported by only a "relative majority," that is, by a higher number of voters than any other candidate but not requiring any particular number, proportion, or threshold of votes. In practice, this makes it possible for generally binding decisions presumably decided by the "majority" to actually be won by only a minority of voters. In fact, in mass parliamentary elections by plurality rule, a single party has received a majority of seats on the basis of a minority of votes in about two-thirds of the cases in the United Kingdom and some former British colonies (out of 126 democratic elections in Canada since 1878, the
United Kingdom since 1885, New Zealand from 1890 to 1993, and India since 1953), as well as in about one-third of the cases in the United States House of Representatives since 1828. In presidential elections, plurality rule has given the victory to minority-vote candidates in about two-fifths of the cases in the United States (through the plurality-based Electoral College) and in more than two-thirds of the cases in eight countries in Latin America (out of 54 democratic elections during several democratic periods from 1945 on, in Argentina, Brazil, Chile, Colombia, Ecuador, Peru, Uruguay, and Venezuela).

In contrast, majority-runoff requires an absolute majority (more than half) of votes at the first round, while in a second round of voting the choice can be reduced to the two most voted for candidates in order to secure majority support for the winner. A variant requires the voters to rank all candidates and proceeds to several counts of votes (instead of several rounds of voting) until a candidate obtains most preferences, as in the "majority-preferential" vote (also called "alternative vote" or "instant-runoff").

With both plurality and majority-runoff or majority-preferential voting, the median voter’s preference can be defeated or eliminated. The non-median winner by any of these procedures might be defeated by another, losing candidate by absolute majority if the choice between the two were available; that is, he or she might not be the winner by Condorcet procedure (preferred by a majority against every other alternative). This has been the case, for instance, in five of eight presidential elections by majority-runoff in France since 1965. Under plurality rule, the winner can even be the Condorcet-loser or the most rejected candidate by a majority of voters, as has happened, for instance, in several presidential elections in Latin American countries, including Brazil, Chile, Ecuador, and Peru, with disastrous political consequences.

In general, the most usual procedures of majority rule just discussed are "dependent on irrelevant alternatives," that is, they are highly vulnerable to manipulation since the winner may be an indirect consequence of the merge or split of other, non-winning alternatives. If a new, non-winning candidacy splits the votes of the winner, a different winner can be created. This may happen even if the new winner has not gained larger support (thus, not fulfilling the monotonicity criterion mentioned above). Majority-rule elections encourage, thus, strategies aimed at altering the number of alternatives, such as "divide and win" and "merge and win," as well as non-sincere or strategic votes in favor of a less preferred but more likely winning alternative.

**Proportionality**

Proportional representation rules allocate different numbers of seats to multiple parties competing in an election on the basis of the votes received. They were invented with the aim of reducing single-party sweeps and exclusionary victories and preventing actual minority winners with the previously existing rules. As mentioned, majoritarian electoral rules had been widely used in contexts of simple societies with rather homogeneous electorates dealing with local issues. But the expansion of suffrage rights, the emergence of new political demands, and the creation of new parties trying to politicize new issues in newly complex societies made traditional results with majoritarian rules increasingly dissatisfactory for both voters and candidates. The "winner takes all" character of majority rule and the frequency of actual minority winners were at odds with increasing political and social pluralism. In a number of
countries the introduction of proportional representation rules in the early twentieth century ran parallel to the introduction of other regulations favoring citizens’ participation and fair competition, such as more reliable electoral censuses, the written ballot, secret vote, and an independent electoral authority validating the results.

The basic mathematical formulas that would make the principle of proportional representation operable had been invented in late eighteenth century for apportioning seats in the United States House of Representatives among the differently populated states. But they were reinvented in Europe in late nineteenth century for the allocation of parliamentary seats to political parties with different numbers of votes. A proportional representation formula defines a quota of inhabitants or votes worth a seat. The "simple" quota (as devised by both eighteenth-century U.S. politician Alexander Hamilton and nineteenth-century English lawyer Thomas Hare) is the divisor between the total number of inhabitants or votes and the total number of seats. But, since inhabitants or votes are not distributed in exact multiples of the quota, it usually requires an additional criterion to allocate some of the seats, most commonly to the "largest remainders" after the quota is used. In contrast, the smaller "highest average" or "distributive number" (as devised by both eighteenth-century U.S. politician and president Thomas Jefferson and nineteenth-century Belgian law professor Victor d’Hondt) is sufficient to allocate all seats. This quota can be calculated after the election by several procedures, including trial and error, a series of divisors, or by lowering the simple quota until fitting all the seats to be allocated. Variants include the so-called "major fractions" formula (proposed by both nineteenth-century U.S. politician Daniel Webster and twentieth-century French mathematician André Sainte-Lagué) and others. The "fixed" quota is an absolute number of votes established a priori as worthy of a seat (as proposed separately by nineteenth-century French mathematician Joseph-Diaz Gergonne and nineteenth-century U.S. activist Thomas Gilpin). Although rarely used in mass political elections, it may encourage turnout and work with uniform criteria in all districts, even if it does not permit the establishment of a previously set number of seats.

Proportional representation rules can be used with closed party lists permitting the voter to choose categorically only one alternative. But they are also used with other ballot formulas, including: "open lists" or "preferential votes," permitting the voter to select one or a few candidates within a party list (as used in Scandinavian countries); the "double vote" requiring voters to choose both a closed party list and one individual candidate (as used, for example, in Germany); the "open ballot" permitting the voter to vote for individual candidates from different parties (as in Switzerland); and the "single-transferable vote" requiring voters to rank all individual candidates (as used in relatively small districts in Ireland).

In comparison with majoritarian rules discussed above, electoral systems with proportional representation rules are more inclusive of several groups. They encourage multiple parties to run separately according to their own profile, that is, not to withdraw or merge. They tend to facilitate the election of members of ethnic minorities and women representatives. Political and ideological minorities can be included in the system and have an influence on collective decision-making according to their popular support in order to form an actual majority for institutional decision-making. Proportional representation, by placing electoral contests in large districts, may also encourage the development of political parties promoting broad interests and the provision of large-scale public goods, in contrast to more frequent focuses on narrow
local interests, private goods, and "clientelism" in individual elections in single-member districts. With proportional representation, since most votes count to elect seats, voters are encouraged to promote a more sincere revelation of preferences. Electoral participation tends to be higher in elections with proportional representation rules than in single-member districts.

The degree of proportionality between votes and seats for each party produced by different rules can be measured with several indices, which are all strongly correlated. With conventional measures, the "deviation" from proportionality may take values from as low as less than 2 percent (as in Germany, with a simple-quota proportional system) to up to 20 percent overrepresentation in favor of the larger parties (as in the plurality-rule system in the United Kingdom).

While plurality rule may fabricate a single-party’s absolute majority of seats on the basis of a minority of popular votes (not necessarily including the median voter, as previously mentioned), multiparty parliaments based on proportional representation tend to produce multiparty coalition governments based on a majority of seats and popular votes. In practice, there is a paradox: "majoritarian" electoral systems often create governments with minority electoral support, while proportional representation rules, which are praised for the inclusion of minorities, tend to produce governments with majority electoral support. In plurality-rule electoral systems, a small change in the total of popular votes can provoke a complete alternation of the party in government. With proportional representation, since some parties may have opportunities to share power with different partners, in the long term we should expect relatively more policy stability.

Nowadays, plurality rule is used for mass political elections, mostly in a number of old democratic regimes in former British colonies (as well as in most fake noncompetitive elections in authoritarian regimes). Proportional representation rules began to be used in the early twentieth century in relatively small, but socially or ethnically complex countries in Western Europe, when they introduced new regulations of universal male suffrage, including Belgium, Netherlands, Switzerland, and the Scandinavia states. Today they are used in most democratic regimes across the world.

See also Arrow, Kenneth; Condorcet, Marquis de; Consensus Politics; D'Hondt Method; Electoral Formulas; Electoral Quotas; Electoral Systems, Comparative; Pareto, Vilfredo; Political Participation; Preferential Voting; Proportional Representation; Representative Democracy

Josep M. Colomer

Bibliography


Comparative Electoral Systems

There is a huge variety of electoral systems in the world which have been established along with the diffusion of democracy and the formation of political parties. In traditional local assemblies with rather homogeneous electorates until the nineteenth century, relatively simple electoral rules were used. A typical electoral system was composed of: 1) multi-member districts, that is, the election of more than one representative in each district; 2) open ballot, in which people could vote for their preferred individual candidates without restrictions of lists or groups; and 3) plurality or majority rule, by which the candidates with the higher numbers of votes were elected. This type of electoral system was able to produce a consensual representation, especially in small communities with high economic and ethnic homogeneity. However, in new contexts of relatively complex and heterogeneous electorates, once lists of candidates to be voted "in bloc" were formed, there were incentives to search for new electoral systems able to give representation to multiple parties. Virtually all the new electoral rules and procedures that were created since the mid-nineteenth century can be understood as innovative variations of the "originating" system presented above. They can be classified in three groups, depending on whether they changed the above mentioned district magnitude, the ballot, or the rule.

The first group of new electoral rules implied a change of the district magnitude from multi-member to single-member districts, that is, the split of the previous large districts into smaller ones in which only one representative was elected. With smaller single-member districts a candidate that would have been defeated by a party sweep in a multi-member district may be elected. Thus, this system tends to produce more varied representation than in the previous system. Single-member districts with plurality, or relative majority, rule were broadly introduced in Scotland and Wales and in lower proportions in England during the eighteenth century, and they became the general norm for all Britain in 1885. They were also introduced in the U.S. state of Vermont in 1793 and gradually expanded to the rest of the country, especially for the election of the House of Representatives in 1842. France also replaced multi-member districts with single-member districts by absolute majority rule with a second round of voting for the first time in 1820, oscillated between both formulas during long periods, and re-established single-member districts since 1958.

The second group of new electoral rules implied new forms of ballot favoring individual-candidate voting despite the existence of party candidacies, while maintaining multi-member districts and majority rules. By limited vote, the voter can vote for fewer candidates than seats to be elected in the district. One party can sweep as many seats as the voter has votes, but it is likely that the rest of the seats will be won by candidates of different political affiliation. The earliest experiences of limited vote in multi-member districts took place in Spain, first in the form of a single-nontransferable vote, that is, with only one vote per voter, from 1865 on, and giving each voter two votes in three-seat districts from 1878 on. Limited vote was also introduced in previously existing multi-member districts in brief experiences in Britain in 1868 and in Brazil in 1875. The single non-transferable vote was used for long periods in Japan during the twentieth century.

Finally, the third group of new electoral rules implied the introduction of rules of proportional representation which give each party list a number of seats in proportion to
its votes. The early, British-style formula of single-transferable vote is used in multi-member districts with individual-candidate voting, although it requires each voter not only to select but to rank candidates. Other formulas of proportional representation, such as double vote and preferential voting, although they imply party lists may be compatible with some degree of individual-candidate voting. The first wave of proportional electoral systems started in Belgium in 1899, closely followed by Denmark, Germany, Norway, the Netherlands, and Switzerland around World War I (1914–1918). The development of multiparty systems led these and other West European countries to re-establish or for first time introduce proportional representation electoral rules at the end of World War II (1939–1945).

Currently, the vast majority of countries employing single-member districts with plurality rule are former British colonies. They include the United Kingdom and the United States, as well as Canada, India, and a number of small countries in Africa and the Caribbean. France and a few former French colonies use single-member districts with absolute majority rule, which is also used in Australia with majority-preferential vote.

In the rest of the world, the increase of both the number of countries and the number and the proportion of democracies has developed together with increasing political pluralism within each country. While the number of political parties tends to increase as a consequence of the emergence of new political demands, politicization of new issues and would-be leaders’ initiatives, there has been a general trend in favor of adopting rules of proportional representation.

A recent development is the emergence of "mixed" electoral systems in which both majority and proportional representation rules are used for electing different sets of seats in the same assembly. Most "mixed" systems currently existing have been established in replacement of previous dictatorships or plurality-rule electoral systems with single-party dominance when higher levels of political pluralism have developed. While most of these experiences are still recent, some have been short-lived and placed within a general trend towards democratization and higher pluralism.

Most electoral system changes since mid-twentieth century have been in favor of greater proportionality. Nowadays, only about one-fifth of democracies in countries with more than one million inhabitants use electoral systems with majority electoral rules. During the third wave of democratization started in 1974, no new democracy established in those countries has adopted the old British formula of parliamentary elections in single-member districts by plurality rule.

See also District Magnitude; Electoral Formulas; Electoral Rules; Pluralism; Proportional Representation; Representative Systems

Josep M. Colomer

Bibliography


Electoral Reform

Electoral reform is the change of some element of an electoral system, including suffrage rights, the size or number of seats of the assembly, the magnitude or number of seats in the districts, the formula to allocate seats or make a winner, and the ballot form permitting or restricting the voters’ choice of parties and candidates. In the long term, major electoral reforms have expanded suffrage rights, replaced indirect elections with direct elections by majority rule, and the latter with mixed systems and proportional representation rules.

Traditional electoral systems based on plurality or relative majority rule in multi-seat districts were used in traditional compact communities in late medieval and early modern times. They are still used in a significant number of local government elections in which it can be presumed that citizens share some clearly identified, broad common interest. However, single-seat districts were diffused during processes of building or reforming large-scale parliaments in large states with more heterogeneous societies and accompanying the broadening of suffrage rights. Specifically, single-seat districts were widely introduced in Scotland and Wales, and in lower proportions in England, during the eighteenth century, and they became a general norm for the British House of Commons by the end of the nineteenth century. They were also introduced in the U.S. state of Vermont by late eighteenth century and gradually expanded to the rest of the country, especially for the election of the House of Representatives, by the mid-nineteenth century. In Canada, France and India, single-seat districts also became the only formula for all of the seats in lower chamber of parliament during the second half of the twentieth century.

The creation of new parties trying to politicize new issues and the emergence of new political demands in newly complex societies may make results with majority rule dissatisfactory for both voters and candidates. Proportional representation rules were invented with the aim of including varied minorities in the assembly and facilitate the formation of an effective political majority to legislate and rule. In order to establish fair representation of political parties, each party may be given a portion of seats corresponding to its votes. In a number of countries, the introduction of proportional representation rules in the early twentieth century ran in parallel with the expansion of suffrage rights and the subsequent demands from different social, political and ethnic groups for representation, as in Belgium, Denmark, Finland, Netherlands, Norway, Switzerland, and other West European countries.

In general, political parties tend to choose electoral rules in the expectation that they will give them some advantage to promote their aims. Specifically, they tend to follow the so-called ‘Micro-mega rule’, by which the large prefer the small and the small prefer the large. A few large parties tend to prefer small assemblies, small district magnitudes (the smallest being one), and rules based on small quotas of votes for allocating seats (the smallest being simple plurality, which does not require any specific threshold), in order to exclude others from competition. Likewise, multiple small parties tend to prefer large assemblies, large district magnitudes, and large quotas (like those of proportional representation), which are able to include them within.

Since the nineteenth century, there have been eighty-two major reforms of assembly electoral system in forty-one countries with more than 1 million inhabitants. More than
80 percent of these reforms have been in the direction toward more inclusive formulas. Single-seat districts have been supported in countries with a single dominant party or with two parties frequently alternating in power, typically a conservative and a liberal party (or a republican and a democrat, as in the U.S.) or, in more recent times, a conservative and a socialist party (as in Britain). Nowadays, they are used for assembly elections basically in a number of old democratic regimes in former British or French colonies. In contrast, multi-seat districts and proportional representation is usually favored in multiparty systems, both by traditional incumbents, such as conservatives or liberals, under threat of losing their dominant position, and by minority but growing opposition parties, as was historically the case of socialist, Christian, ethnic and other parties. Today proportional representation rules are used in most democratic regimes across the world.

See Also Electoral Formulas; Electoral Rules; Electoral Systems; Proportional Representation.

Josep Colomer

Bibliography


Democratic Transition

Democratic transition is the process of changing, without major violence, from a non-democratic regime to a democratic one. It can be distinguished from other paths to democratization that involve higher levels of violent conflict: “revolution,” as occurred in late eighteenth-century France, and “foreign intervention,” such as that undertaken by American and allied troops in Western Europe and Japan at the end of World War II.

During the nineteenth and early twentieth centuries, peaceful processes of democratization took place in a number of countries that already had multi-candidate elections. This democratization was done by enlarging the eligible electorate within the country. In the United Kingdom, the United States, and other former British colonies, suffrage rights were allocated gradually to different minority groups through a slow, lengthy process of moderate reforms. By a different path, in Germany and in Northern European countries, such as Sweden, Norway, and Finland, enfranchisement of the electorate was sudden. Such a rapid change could have created political instability, but this shift was made in conjunction with the establishment of proportional representation electoral rules and other institutional inclusive devices.

New ways of democratization advancing more directly from dictatorial or colonial regimes developed in the late twentieth century. Social mobilization and bargaining among the elites led to democratic transitions in Southern Europe since the mid-1970s, in Latin America and Eastern Asia since the early 1980s, and in Eastern Europe since the late 1980s. As a result of these processes, a majority of the world population now lives in democratic or liberal regimes for the first time in human history.

A democratic transition requires three components. First, there must be a variety of political actors with different political regime preferences. The incumbent government may be split between hardliners and softliners who promote different responses to the threat of opposition movements. Within each of these groups, radical and moderate elements can be distinguished for their propensity to either reject or accept intermediate compromises with other actors.

Second, the dictatorial regime can be successfully challenged following a triggering event, such as the death of the dictator, an economic crisis, the failure of authoritarian rulers to deliver on their promises and meet the people’s expectations, or a foreign military defeat.

Third, opportunities for choice appear. On the incumbent rulers’ side, the costs of implementing repression against the opposition can be compared with the potential benefits of opening the system or calling an election under relatively favorable conditions to retain or share power. On the opposition’s side, the costs of fighting, including the risks of provoking a civil war and the subsequent losses and destruction, can be compared with the potential benefits of accepting a provisional compromise that establishes better conditions for further action and organization. In the end, the government and the opposition may come to an agreement because of their different expectations and uncertainty about the future.

Different models of democratic transitions can be distinguished by the roles of their actors, the paths that the transitions take, and the consequences of the transitions. First,
the “transaction” model, also called “establishment of democracy without democrats,” “transition from inside,” “transformation,” and “agreed reform,” implies significant exchanges between factions of rulers while keeping the opposition in a weakened state, the introduction of liberalization before democratization, and the enjoyment of relatively advantageous conditions by former authoritarians to survive and evolve in power. Cases of initial liberalizing reforms launched from above in a non-democratic regime include Brazil and Spain in the second half of the 1970s and the Soviet Union in the second half of the 1980s.

Second, the “round table” model, also called “extrication” or “transplacement,” involves more formal and balanced negotiations between reform rulers and opposition movements, as happened in Chile, as well as in Poland and Hungary in the late 1980s.

Finally, the “collapse” model, also called “breakdown,” “defeat,” or “replacement,” implies sudden changes imposed by an unexpected crisis, improvised conversations between former persecutors and the persecuted, and quick, dramatic decisions. Changes in Portugal and Greece in the 1970s, Argentina in the early 1980s, East Germany and Czechoslovakia in the late 1980s, among others, can fit this model.

The focus on actors’ strategies might complement more traditional discussions on structural conditions for democracy. The “strategic” approach permits the use of tools from game theory to identify crucial actors, bargains, and decisions. Studies of democratic transitions also consider the role of international organizations and information, as well as the relations between the path of change and institutional choices, economic reforms, and further degrees of democratic consolidation and stability.

See also Democracy and Democratization; Democracy, Future of; Democratic Theory

Josep M. Colomer

Bibliography


Higley, John, and Richard Gunther, eds. *Elites and Democratic Consolidation in Latin*


Governance

Good governance requires representation and effectiveness. A representative government, if it is not effective at decision-making, may generate frustration and conflict among different groups. In turn, administrative effectiveness, if it is not based on fair representation of the society, can be counter-productive, since it may produce arbitrary governmental decisions against the citizens’ majority preferences. However, the neologism “governance” emerged in political science and public administration studies in reference to a set of institutional rules, coordination, and decision-making processes aimed at attaining effectiveness in defining collective goals, making priorities, and producing outcomes, in a similar way as one can talk of private corporate governance, rather than of representative government.

Concern with governance has grown with changes in the environment of existing governments and the subsequent worsening of their performance. Recent processes of increasing internationalization, usually labeled “globalization,” and intensification of societal complexity, have indeed undermined the basis of traditional territorial jurisdictions and hierarchical, top-down coordination mechanisms. They have caused different forms of state decline, state restructuring, or state failure. In the new environment, good governance requires larger and more diversified territorial scopes of public policies and a new functional specialization and fragmentation of policy-making and political institutions.

Causes of Ungovernability

Put in more theoretical terms, recent concerns with governance reflect a decreasing fit between institutional structures and recurrent patterns of behavior in the environment of these structures—a situation that may emerge in human history in different places and times. The current perception of a decreasing performance of state-centered governance can be attributed to three different processes: 1) increasing internationalization of human exchanges and relationships; 2) state failures, provoked by excessive demands on governments, excessive state intervention, and the fiscal crisis of the state; and 3) the failure of certain states.

Internationalization. The current world is increasingly organized into a number of vast transnational areas of “imperial” size going beyond the limits of traditional nation-states. First, broad military and security alliances, such as the North Atlantic Treaty Organization (NATO), provide an international umbrella for collective security which makes traditional state armies inefficient or even unnecessary. The change of scale is especially pressuring in order to face new threats derived from the diffusion of weapons of mass destruction or international terrorism. Second, transnational trade agreements proliferate, such as the European Union (EU), the North American Free Trade Agreement (NAFTA), the Southern Common Market (Mercosur), and the Association of South East Asian Nations (ASEAN). Virtually no country in the world remains outside some formal international trade agreement, especially under the sponsorship of the World Trade Organization (WTO). Widespread currencies, such as the dollar and the euro, and international monetary policies make traditional states obsolete in their task of shaping and protecting markets and inefficient in governing the economy.
Dramatic reductions in the costs of transport, especially by air, and of communications, especially by telephone and the internet, have greatly favored these new developments. Just as other technological changes in the past (like gunpowder or railways) induced the formation of relatively large states and made them viable, others are now creating larger areas of human relations that make traditional states too small for efficient performance.

At the same time, transnational processes create new opportunities for local political units of small size to develop their self-government. Specifically, the larger the markets, the more regionalized the economic activity tends to be. In general, economic differences across the territory increase with internal integration, which tends to foster territorially differentiated political demands. Also, linguis francas, such as English and others, permit human beings to develop broad communications while maintaining their own local languages and cultures and avoiding the costs of forced homogenization typically imposed by large nation-states. Indeed the number of independent countries has increased dramatically since the early twentieth century, leading to an overall decrease in the size of countries, a process that has developed in parallel to the diffusion of democracy across the world. Decentralization of large states, diverse forms of asymmetric federalism and the independence of small political units, while they undermine traditional nation-states, also favor the introduction of new forms of democratic governance.

State failures. Warning calls regarding the problems of the state to cope with the tasks with which it was confronted began to rise during the 1970s. They were triggered by both increasing political unrest in mature democracies and a new period of economic stagnation. An early report on the governability of democracies, which was addressed to the Trilateral Commission dealing with problems in Western Europe, Japan, and the United States, remarked the “overloading” of government. The authors identified at the time three main sources of concern: increasing demands from diverse social groups, increasing public expenditure, and the decomposition of political party systems provoking the vanishing of single party majorities in legislatures (and “divided government” in the United States). They concluded that “the demands on democratic government grow, while the capacity of democratic government stagnates.”

A specific failure was the management and performance of state-owned enterprises. Especially after the Second World War, many private companies were expropriated and managed by government’s officers not only in communist-dominated countries, but also in a number of Western European democracies under labour or social-democratic governments, most prominently in Britain and France. It can be estimated that in the peak-year of 1982, counting both communist and non-communist countries, about one third of total world output was produced by state-owned enterprises, while more than 40 percent of the world’s wage-earners were state employees. In non-communist countries, state-owned enterprises experienced lower productivity increases than private enterprises, as could be observed when they were compared with private enterprises of the same sector in other countries. The average deficit of state enterprises was about 19 percent of their output by mid-1970s. In order to maintain activity and employment, state enterprises received huge amounts of transfers and subsidies from central governments, which had to be extracted from resources in other sectors of the economy.

More generally, a new strain of academic literature focusing on “state failures” remarked that not only state-owned enterprises, but most state agencies to provide
public services were oversized and socially inefficient because they were controlled by self-interested politicians and high-level bureaucrats interested in expanding the state. In this approach it is assumed that while politicians usually do not give priority to economic efficiency (but rather to political power), non-accountable bureaucrats tend to expand the size of the bureaucratic apparatus and inflate personnel, which, like any inefficient monopoly, produces low production and absorption of profits. “State failures” became the other side of traditionally identified “market failures” in the provision of public goods.

Finally, as a consequence of its overload and oversize, the state experienced a “fiscal crisis,” as was identified since the 1970s from different and even opposite intellectual platforms. From a critical perspective of the capitalist system, it was remarked that the requirements of “capitalist accumulation” contradict those of “legitimation,” given the sustained tendency for public spending to outpace revenue. From a new conservative perspective, criticism of “tax and spend” policies led to provoking political and electoral revolts against parties and politicians favoring high taxation. Nowadays, the bulk of public expenditure in most European countries depends on broad social security systems, especially old-age pensions. Specifically, in continental Europe, social spending amounts to more than 30 percent of gross domestic product (GDP). The state has the dilemma of choosing ever increasing tax burdens—which encounters political resistance-- or cutting back public spending programs.

Failed states. As reviewed above, bad governance can be linked to some blatant state failures, especially in high income countries. But in other parts of the world, rather than state failures there are failed states. In contrast to the former, the latter are undersized and insufficiently operative states.

The better-established states are the few units that have been accepted as members of the Organization of Economic Cooperation and Development (OECD), since, according to the organization’s criteria, they must share a commitment to democratic government, good governance, and a market economy. In total, there are thirty states, of which twenty-three are in Europe, three in North America, two in Asia, and two in Oceania. Elsewhere, the attempts to build sovereign and effective states have been much less successful. Good governance in a state requires indeed an extremely costly initial accumulation of resources into the hands of the public authority, a condition detrimental to the opportunities for private initiatives, at least at some foundational stage. Building a new public administration able to impose order, guard the borders, and collect taxes over a large territory requires heavy, labor-intensive investments, which may imply net losses for the economic activity of the subjects. Only when the size of the bureaucracy is sufficiently large, can it be more technology-intensive and produce outputs with net social benefits. Many countries have not reached such an advanced stage of statehood development. In particular, a number of former colonies and other deprived territories without administrative resources have been unable to achieve minimum levels of state effectiveness and governance.

In several dozen countries at the bottom of the scale of statehood, the government has actually ceased to function, if ever it did. This implies that the central rulers have no control over most of the state’s territory; they are ineffective in collecting taxes; they do not provide even the most basic goods and services (not even money coinage, for instance); there are epidemic diseases, widespread crime, disorder, rebellions, ethnic
civil wars, and frequent inter-state border conflicts; natural disasters become highly destructive; and people massively emigrate up to the point that emigrants’ remittances become the first source of income for natives. There are several accounts of failed states in the current world, including the World Bank’s permanently revised list of between 30 and 40 “fragile, collapsed, or failing states” and others in permanent internal conflict called LICUS (for “low income countries under stress”), and Britain’s Department for International Development naming 46 “fragile states” of concern. Most of them are located in Central and West Africa, the Middle East, Asian territories of the former Soviet Union, Central America, the Caribbean Sea, and the Andean region.

New Governance

The decline or failure of governance in the framework of traditional states implies economic inefficiencies, bad governmental performances in providing public services, and democratic deficits in the form of low levels of rulers’ control and accountability. Subsequent responses have attempted to address these concerns.

International governance. Increasing relations beyond the traditional limits of nation-states require certain worldwide institutional arrangements, including international organizations (such as the International Monetary Fund (IMF) and the WTO), inter-state agreements, and common practices such as arbitration. But as transnational exchanges and relationships develop within large world regions, such as North America, Europe, or Asia, rather than as true “globalization,” it also makes other complex institutional arrangements highly relevant. At continental scale, multilevel governance implies a set of overlapping jurisdictions in which no authority rules with exclusive powers. Rather, the central government may rule indirectly through local governments, the latter may develop self-government on important issues, and power sharing can be widespread.

The EU is a case in point in order to discuss how to overcome the so-called “democratic deficit.” At the European level, the Council of Ministers, which represents the citizens of each country through their own institutions, can be considered an upper chamber of territorial representation of the federal-like type. Accordingly, the council is increasingly made up of representatives of not only the state governments, but also the sub-state, regional governments and parliaments. Likewise, the European Parliament, whose members are chosen directly in Europe-wide elections, can be considered the lower chamber, the representative institution of the European citizens. In fact both chambers, the council and the parliament, develop significant legislative powers and mutual vetoes. Since the council and the parliament are elected separately and by different rules, they tend to have different political party majorities and the corresponding inter-institutional decisions tend, thus, to be based on very broad agreements. In turn, the European Commission, which is already appointed by the two parliamentary chambers, can be considered the EU’s executive, but sharing powers with those at the other levels.

The current institutional arrangements of the EU create new opportunities for representation and decision power of different territorial governments. The officially adopted principle of “subsidiarity” favors the allocation of decision-power to the smallest political unit capable of dealing effectively with the corresponding issue, although the subsequent distribution of powers is subject to case by case specifications. Transnational cooperation also develops across state borders, leading to the formation
of euro-regions and leagues of cities. As borders, customs, police controls, and exchange offices have vanished, neighboring regions located on either side of state frontiers tend to coordinate their common interests and develop “good practice” solutions.

In this multilevel framework, traditional inter-state direct relations and cooperation, based on a mutual recognition of sovereignty, are being replaced with more complex relations among states, euro-regions, regions, metropolitan areas, cities, and other structures. The traditional model of the sovereign state was a Procrustean bed pretending that one size fits all. In contrast, different territorial scales appear to be efficient for the provision of different collective goods to be consumed and financed by human groups of different size.

**New public management.** In response to state failures, a number of proposals to improve the corporate management of the public administration in the provision of public services were highlighted since the 1970s and 1980s. Specifically, there were widely diffused proposals to introduce private sector management methods and market rules into the public sector. State managers should be made more accountable (a problem previously identified regarding managers of big private companies), public agencies should compete among them, and state-owned enterprises should be required to produce returns as if they were private firms operating in competitive markets, especially through contracting-out, quasi-markets, and consumer choice.

With this, both politicians and citizens (or consumers) were bound to ask why, if state-enterprises were to work like private enterprises, should they be state owned at all. A new proposal was, thus, “privatization” (in fact, in many cases, re-privatization), a word that had been coined with this purpose in 1968. State governments have been indeed downloaded and downsized. There were more than 4,000 privatizing transactions, valued in more than one trillion dollars, in more than 100 countries during the 1980s and 1990s. By 2000 the share of state-owned enterprises in the gross domestic product had been reduced to less than a half of previous shares in high-income countries (from ten to four percent), less than one third in low-income countries (from sixteen to less than five percent), and less than one sixth in former communist European countries (from more than ninety to less than fifteen percent). Divested firms almost always became more efficient, more profitable, increased their capital investment spending, and became financially healthier than state-owned enterprises (with the major exception of Russia), according to a review of twenty-two empirical studies on privatization.

In a parallel campaign, international organizations, private think tanks, and certain political leaders argued that the civil service should reduce over-staffing, introduce budgetary discipline, decentralize administration, and make greater use of non-governmental organizations. In a number of countries, public officers and bureaucrats were submitted to performance measures, managing by results, value for money, and closeness to the consumers.

The creation of “networks” has been highlighted as a particularly innovative way to improve service delivery systems. Networks are combinations of government and the private and voluntary sectors, including local authority, central government, unions, and business. They can be conceived as a form of social coordination and allocation of resources based on trust and cooperation among varied actors, which differ from
traditional models of policy-making based on either hierarchy or markets. Networks are self-organizing and develop diplomacy, reciprocity, and interdependence. However, they have also been blamed for being unrepresentative, closed to outsiders and unaccountable for their actions, prone to serve private rather than public interests.

Finally, the “fiscal crisis” of the state was responded with claims for “fiscal responsibility.” The policy of balanced budgets--that is, to equate the public revenues with expenditure over the business cycle--was adopted as mandatory by most states of the U.S. during the 1980s and the 1990s. The EU requires member-states using the euro currency created in 2002 to have an annual deficit of no more than 3% of GDP. The IMF has made balanced or near-balanced budgets a condition of aid to some low-income countries.

Successful states? Among other virtues, the recent discussion on governance has challenged certain traditional statements about the advantages of statehood. Contrary to some conventional knowledge, sovereign statehood does not appear to be a necessary condition for good democratic governance. Indeed democracy in the sense of free elections and control of rulers by broad layers of citizens had already existed in numerous local communities in the ancient and medieval world, long before the notion of state was invented, as democracy is nowadays practiced in many private organizations, in several hundred democratic, but non-sovereign local and regional governments, and in transnational institutions such as the European Parliament.

Historically, most of North America, Russia, and Asia kept very large compound republics or empires for long periods and were unacquainted with the Westphalian model of sovereign nation-state. It was in Western Europe where a few large, robust states were built by affirming their own sovereignty vis-à-vis other states. But, after long periods of continuous inter-state and civil wars and conflicts, only in the second half of the twentieth century did Europe achieve an institutional equilibrium able to provide democratic governance, peace, and prosperity by building a very large size Union based on military, commercial, monetary, and political cooperation among states.

In large parts of Latin America, Africa, and the Arab region, former European colonies tried to replicate the Western European model of sovereign nation-states, but the failure of a high number of states in those regions seems unquestionable. Bad governance in these countries implies not excessive intervention, as claimed for high income countries, but lack of rule of law and insufficient provision of public goods. So far, institutions such as the Organization of American States (OAS), the African Union, and the League of Arab States have been only revelations of intention and hope more than effective organizations. But, in the absence of operational states, building and putting into effect institutional large-size networks of this sort might be, as was in Europe, the best way to attain stable good democratic governance in those parts of the world.

See also European Union; International Monetary Fund (IMF); North American Free Trade Agreement (NAFTA); North Atlantic Treaty Organization (NATO); Organization for Economic Cooperation and Development (OECD); World Trade Organization (WTO)

Josep M. Colomer
Bibliography


