

**The Emergence and Convergence of the Cartel Party:  
Parties, State and Economy in Southern Europe**

Jonathan Hopkin

Department of Political Science and International Studies

University of Birmingham

Edgbaston, Birmingham B15 2TT UK

J.R.Hopkin@bham.ac.uk

Paper for presentation at London School of Economics, 30 January 2003. An earlier version was presented at the Conference of Europeanists, Chicago, 14-16 March 2002. Work in progress, comments welcome.

## **Introduction**

Debate on party organizations, long dominated by the classic categories of cadre, mass and catch-all parties, has been enriched by the recent addition of a new party type: the cartel party (Katz and Mair 1995). The cartel party is distinguished from other party types by its ‘symbiotic’ relationship with the state, which provides it with the means to ensure its own survival despite its growing detachment from society. Katz and Mair challenged the ‘decline of party’ thesis, arguing that parties are increasingly able to control their environment and defend themselves from pressures for political change. The emergence of the cartel party therefore contributes to party system stability in Western European democracies (Mair 1997: 12-13), although the cartel of parties inevitably generates its own opposition and may cause instability in the longer term (Katz and Mair 1995: 26-8).

This paper reassesses this argument in the light of recent developments in Western European electoral politics. The trends in intraparty organization identified in empirical studies directed by Katz and Mair (1992, 1994) have accelerated in the last decade; in particular, there has been an important decline in levels of party membership in Western European democracies. At the same time, there have been significant changes in electoral behaviour and interparty competition across Western Europe; most notably, the 1990s have seen a further increase in electoral volatility, suggesting that the gulf between parties and civil society has grown wider. This paper seeks to explain these developments in terms of a key feature of the cartel party thesis: political parties’ increasing organizational and electoral dependence on the use of state resources. It moves beyond the original cartel party formulation, by examining the less transparent elements of the party-state relationship, and by looking at the ways in which economic conditions, and trends in economic policy-making, affect the viability of cartel parties. These refinements lead us to argue that emergence of the cartel party is associated with a significant increase in party system instability, reflecting a failure of parties to perform their characteristic functions.

The empirical analysis draws on quantitative data for all Western European democracies, and in-depth qualitative analysis of the Southern European democracies. In many respects parties in post-war Italy (and to an extent France), and post-transition Greece,

Spain and Portugal, were cartel parties long before the term was invented. These parties have tended to lack social presence and have therefore relied heavily on state resources, intervening in the economy in order to distribute clientelistic favours to mobilize their fragile electoral bases. The high levels of electoral volatility in these countries suggest that this reliance on the state significantly weakens the cartel party. The paper draws lessons from the Southern European experience in order to assess the consequences of the broader cartel party phenomenon for party organizations and party system stability across Western Europe. The apparent convergence of other Western European parties around the cartel party model provides a plausible explanation of the growing instability in Western European electoral politics.

### **Party System Stability and the Cartel Party Thesis**

In the 1980s and 1990s, party scholars focused on the alleged ‘decline of parties’ in Western Europe, with particular attention being paid to party system instability and change. The aim of much of this research was to show how the ‘frozen’ party systems identified by Lipset and Rokkan (1967) had been undermined by rapid social and cultural change. By the early 1990s, however, the thesis that Western Europe was characterized by volatile electorates and party systems in constant flux met a successful challenge, which more or less closed the debate for a time (Bartolini and Mair 1990; Mair 1997: Ch.4). Attention then turned to the internal organization of the parties themselves, often with the aim of establishing the sources of the apparent stability of West European party systems (Katz and Mair 1994).

The theory of the cartel party suggested a partial explanation of this stability, and offered a response to arguments of party decline. Katz and Mair argued that scholars preoccupied with the weakening of parties’ links with civil society had failed to perceive the strengthening of parties’ links with the state (Katz and Mair 1995: 15-16). The ‘party on the ground’ was undoubtedly weaker, but the ‘party in central office’ and the ‘party in public office’ were stronger than ever (Mair 1997: Ch.6), with substantial incomes derived largely from state subventions, access to and control over state-run media, and the capacity to erect barriers to new entrants in the party system. Although competition between parties persisted

on a number of dimensions, governing party elites connived to guarantee themselves a reliable flow of state resources and to block the emergence of new political forces. The state-dependent parties, by denying state support to potential challengers and capitalizing on the in-built inertia of electoral systems, formed ‘cartels’.

The formation of a cartel of parties is fundamental to the argument that parties can become detached from society and yet survive and maybe even prosper. For the individual party, dependence on state subventions, usually distributed on the basis of parliamentary presence, means dependence ‘on continuous access to resources that in principle lie outside its own control’, and therefore ‘winning or losing an election (...) could make a great deal of difference to its sheer survival, since the resources for its sustenance now come increasingly from the state’ (Katz and Mair 1995: 16). Maintaining electoral stability is a matter of life and death for the cartel party, hence the importance of interparty cooperation to ensure that voter discontent is absorbed by the existing party system. The cartelization thesis explains how party systems could remain relatively stable throughout the 1970s and 1980s despite parties becoming increasingly distant from the voters they are supposed to represent (Bartolini and Mair 1990).

However, even if this was indeed the case, cartelization strategies have become less successful in the recent period. Table 1 (and Figure 1) show that average levels of net electoral volatility in West European democracies, which were relatively stable from the 1950s to the 1970s, increased significantly in the 1980s and the 1990s. Of the 16 European countries in the table, only four had lower volatility in the 1990s than in the 1980s. Neither is this a temporary blip: the only country which had lower volatility in the 1990s than in the 1970s was Denmark<sup>1</sup>. Interestingly, three of the four cases of declining volatility in the 1990s turn out to be young democracies: Greece, Portugal and Spain (the other being Belgium). However even in those cases, volatility has declined from rather high levels. In 10 out of the 16 countries in the table electoral volatility was higher in the 1990s than in any other decade since the war. In short, electoral behaviour has become significantly less predictable almost everywhere in Western Europe. What does this tell us about the cartel party thesis?

## **Explaining Instability: Parties and the State**

The cartel party thesis rests on two planks: an account of party organizational change, and an account of party system change. Katz and Mair suggest that parties have become more distant from their electorates, but that their ability to collude to secure the support of the state machinery and exclude new parties from the party system has protected them from the electoral consequences of this detachment from society. It is not however certain that 'cartel parties' will necessarily be able to form 'party cartels' (see also the critique by Koole 1996). In fact, there are examples of cartels formed by parties with apparently strong societal ties (eg Austria before the mid-1990s), and cartel parties incapable of forming cartels (such as Britain from the 1990s on, with weak parties which lack social penetration but seem incapable of colluding to secure more state resources). There is no reason to suppose that weak parties dependent on state resources will manage to form stable cartels, and the cases studied here suggest in fact that often they do not. Our explanation of growing electoral instability therefore focuses principally on the first plank of the Katz and Mair argument, which stresses parties' increasing organizational dependence on the state.

Political parties' growing detachment from society is well documented in the Western European case. With the exception of the new democracies Greece, Portugal and Spain, all Western European countries experienced a decline in party membership between 1980-2000, and in some cases the fall has been dramatic (Mair and van Biezen 2001). In the Spanish and Portuguese cases, party membership has grown, but from a very low level. The cartel thesis, however, suggests that parties' weakening social roots do not necessarily translate into electoral weakness. Although parties no longer 'encapsulate' their supporters, and cannot count on large numbers of 'identifying' voters who will support their chosen party through thick and thin, there are other ways of maintaining electoral support. If parties can arrange for state subventions to finance themselves, then it is a small step to arrange state help of various kinds as an inducement to potential voters, and 'parties in public office have been increasingly willing to take advantage of public resources in order to reward their supporters' (Mair 1997: 142). This use of state power can range from limited patronage to sustain party activists, to extensive clientelistic distribution of state money and political and administrative

corruption of various kinds. To parties becoming increasingly detached from their traditional bases of support and faced with an electorate unreceptive to ideological appeals, the ability to distribute state largesse in exchange for votes or campaign funds is a vital strategic resource.

Clientelistic strategies have implications for electoral stability. The 'old' hierarchical clientelism, characteristic of pre-industrial societies, is as much a social exchange as an economic one, in which personal loyalties contribute to sustaining the relationship (Weingrod 1968, Graziano, 1976). This kind of clientelistic strategy is compatible with relatively high levels of electoral stability. But in some parts of postwar Western Europe, it has been replaced by a 'new' clientelism, in which the 'patron' is a political party which uses its control of public resources to distribute individual benefits such as state jobs, pensions, subsidies, and even collective benefits such as roads, housing and sports facilities, all in exchange for electoral backing. This is what Parisi and Pasquino call the 'vote of exchange' (1980). This form of clientelism is essentially impersonal and economic, and therefore unlikely to give rise to a permanent relationship between patron and client (Gellner 1977: 5). Clients have an exit option: if a party fails to deliver material benefits, they can offer their votes to a rival patron. Competition between patrons, unmitigated by sentiments of loyalty and deference, creates the potential for electoral instability.

The 'new' clientelism is closely linked to the use of state power: it involves, 'systematic infiltration of the state machine by party devotees and the allocation of favours through it' and 'an organized expansion of existing posts and departments in the public sector and the addition of new ones in an attempt to secure power and maintain a party's electoral base' (Lyrintzis 1984: 103-4). This implies that parties' electoral strength and internal stability are closely related to the availability of state largesse. As Panebianco explains, party 'leaders sleep peacefully as long as they can assure continuity in the clientele's remuneration, for their power is recognized as "legitimate" by a satisfied majority. But if, for one reason or another, continuity in the flow of benefits is interrupted or becomes uncertain, an "authority crisis" is triggered off in the party' (1988: 40). Parties relying on 'new' clientelism are intrinsically vulnerable if state resources become scarce or fall under the control of rivals.

Parties' exploitation of state power and resources to compensate for their lack of social presence can also extend to corruption and illegality. Whilst clientelism involves political and administrative decisions being exchanged for political support, in the case of corruption, decisions are 'sold' for money (Della Porta 1992; Caciagli 1996). Control of the state machinery is used to acquire financial resources for the party (and, often, for the private use of individuals inside the party), either by directly channeling state funds into the party coffers, or by receiving bribes from individuals or organizations with a private interest in some political or administrative decision. A classic example of this is the adjudication of public works contracts and other kinds of state spending to companies willing to pay 'commissions' to the politician controlling the decision. There is nothing inevitable about cartel parties' dependence on state resources producing corruption, but the phenomenon does seem to reflect the increasing use of state power to compensate for parties' lack of social presence. In the absence of the voluntary labour and fee-paying members which sustained mass parties, the modern cartel party increasingly relies on the mass media to transmit its political message (Katz and Mair 1995: 20). With this emphasis on capital-intensive modes of electoral campaigning, parties' financial needs increase exponentially, and even the extensive subsidies provided by public financing of parties may be insufficient to meet these needs. Corruption is a natural response if private interests are prepared to finance parties in exchange for state favours (Hopkin 1997).

This strategy of organizational maintenance is difficult to sustain in the long run. Public knowledge of corrupt acts provokes moral outrage, and electoral punishment for the politicians and parties responsible (and sometimes parties in general) is a likely outcome (Mair 1997: 143, also Pharr and Putnam 2000). The maintenance of the individual party, and indeed of the cartel of parties, becomes problematic where there is a perception of widespread corruption. In the same way as the sustainability of clientelism depends on the continued availability of public funds, the political sustainability of systematic corruption relies on secrecy, the indulgence of the voting public, or a combination of both. For cartel parties lacking solid roots in civil society, the revelation of corrupt behaviour by party members can have disastrous electoral consequences. If revelations affect parties across the system, anti-party sentiment, and the emergence of 'anti-party parties', is likely to result

(Mair 1997: 143). Data on the vote for ‘new parties’ in Western Europe shows that this is increasingly the case (see Table 2).

So cartel parties’ ‘invasion’ of the state and neglect of civil society can have destabilizing effects on the party system. The use of state resources does not guarantee a stable supply of electoral support, and when parties run out of resources to distribute, or exploit state power in ways the public deems unacceptable, the resulting popular dissatisfaction can bring dramatic shifts in electoral behaviour. As the following section will explain, the growth of the cartel party in Western Europe has made such dramatic shifts much more frequent.

### **Explaining Austerity: Parties and the Economy**

The cartel party’s electoral and organizational reliance on the resources of the state poses an obvious problem that has received surprisingly little attention thus far: where does the money come from? This question is particularly pertinent in a context of what has been called ‘permanent austerity’ (Pierson 2001) in which restrictions on government spending have become the order of the day across the advanced democracies. Nor is the availability of state resources only a problem for parties of the left; parties of the centre-right, and in particular Christian Democratic parties, have long been enthusiastic about public spending as a way of achieving political and electoral goals. The climate of austerity facing governing parties over the last decade, and the limitations it imposes on party strategies, reinforce our argument about the essential vulnerability of the cartel party.

The development of party organizations in postwar Western democracies is closely related to the evolution of public spending in those same democracies. The story of public spending in postwar Western Europe can be divided into three distinguishable phases (see the data in Tanzi and Schuknecht 2000). The period between the end of the Second World War and the early 1960s (let’s call the period of ‘positive sum spending growth’) saw a gentle expansion of state spending in percentage terms, which, given high growth rates, corresponded to a substantial expansion of public spending in absolute terms. States were able to provide enhanced welfare provision and invest in public services and infrastructure with relatively little pain, since bracket creep and rising living standards took the sting out of

rising taxation. A second period of ‘zero sum spending growth’, between the early 1960s and the early 1990s, saw a more rapid expansion of the share of output spent by the state, as social unrest, rising unemployment and the popularity of welfare and public services forced public spending constantly upwards, often relying on deficits to cushion the blow to private consumption. A third period, representing the last decade or so, has seen a stabilization of the state’s share of GDP, as the discourse of markets has been rolled out to justify fiscal austerity – we could describe this as the age of ‘zero growth’ in public spending, and in a number of cases spending has actually declined (albeit only slightly) as a proportion of national income.

These periods can be related to particular party types<sup>2</sup>. The period of positive sum spending growth was a period of mass party organization (Duverger 1954), in which Social Democratic and Christian Democratic parties used state funds to lay on benefits to their core constituencies and welfare states were expanded for this purpose. As party loyalties weakened in the 1960s and after, the ‘free for all’ began, as mass parties increasingly acted as catch-all parties (Kirchheimer 1966) caught up in a ferocious competition for votes. These catch-all parties engaged in an electoral bidding war with public funds, pushing government resources to their limit. Finally, as the fiscal limits were reached, parties opted to scale down the electoral competition by constraining the policy space, externalizing economic policy levers, and downsizing voter expectations, forming a cartel of parties which compete on superficial issues of presentation or apparent competence (Blyth 2002). In a period of ‘zero growth’ of state spending, competition over the provision of state benefits and services is no longer possible.

This is, however, not the end of the story. At the same time as such limits to growth are reached, and parties agree to agree on the most important questions of economic governance, the organizational evolution of parties has made them increasingly vulnerable to voter backlash. Their memberships, disillusioned by the deideologization of party politics implicit in the cartelization strategy, cease to sustain party organizations with their activism and financial contributions. The loyalty of core party constituencies comes under pressure for the same reasons. Voters become more mobile, and faced with a ‘non-choice’ between parties divided over the marginalia of governance rather than the ‘big’ questions of social welfare, can no longer be relied upon to support the traditional parties (Blyth and Katz 2001,

Blyth 2002). In this context issues of political finance play a potentially explosive role. Cartel parties depend on state subventions to meet their organizational and campaigning costs, at the same time as their electorates are being sold the message of austerity. Worse, in some cases state subsidies are insufficient, and parties use their control over political decisions to raise money corruptly, further alienating their supporters. The political economy of austerity meets the profligacy and corruption of the party cartel, creating openings for alternative (often extremist) political formations to challenge the ‘cosy’ arrangements of the existing political class (Katz and Mair 1995). The high levels of electoral volatility in the 1980s and 1990s (Table 1) suggest this is exactly what has been happening.

In sum, the cartel party system is fundamentally unstable. Cartel parties, as organizations, are vulnerable and dependent on resources which are potentially outside their control. In a neoliberal age, state resources are relentlessly squeezed. The cartel parties’ vulnerability alienates parties from society, and undermines the public’s trust in the democratic institutions (Pharr and Putnam 2000). The lack of voter choice encourages the emergence of opportunistic political entrepreneurs who aim to exploit the weakness of the established parties and voter disaffection with the mechanisms of democracy. The rest of this paper applies these arguments to the Southern European democracies, where the dynamics of the cartel party are brought into sharp relief.

### **Parties, the Economy and the State: The Southern European Case**

The Southern European democracies may seem an unlikely source of insights into the development of cartel parties elsewhere in Europe. The short democratic history of Spain and Portugal, and the chronic postwar instability of Italy and Greece, suggests little in common with the stable and prosperous democracies of postwar Northern Europe. However, it is precisely because Northern Europe appears to be moving towards a ‘Southern’ pattern of party politics, characterized by instability and new extremist parties, that this perhaps counterintuitive starting point can be justified.

The Southern European cases<sup>3</sup> seem to form a cluster on a number of dimensions relevant to this analysis<sup>4</sup>. First of all, their parties appear organizationally weak, with rather

low memberships (with the exception of the Italian Communist Party [PCI]) and a tendency to rely on state resources, either through mass party clientelism and corrupt use of public office to raise money, or through the state funding of parties (often all three). This organizational weakness is reflected in significantly higher electoral volatility than their European neighbours: 13.4% on average in the postwar period (13.2% excluding France), compared to an overall European average of 9.7%. Related to this, these countries' party systems (with the exception of Greece, and partly also of Portugal) have tended towards polarized pluralism, with large numbers of effective parties and high levels of ideological polarization (Morlino 1998). For most of the postwar period, party competition in this part of Europe was not effectively cartelized, and parties engaged in enthusiastic ideological outbidding with each other. However, the parties approached the model quite closely in their organization, with low levels of party membership (reinforced by low levels of trade union affiliation, and for the most part, of associational activity more generally), weak ties with most of the electorate, and an inability to maintain extensive organizational structures without raiding state resources in some form or another. This organizational weakness, of course, constituted a vicious circle, as the lack of strong membership organizations allowed corrupt political leaderships to consolidate their power, thus accentuating the party-society divide, and so on.

The second broad similarity between these cases refers to the state-society and state-economy relationships. The distinctiveness of the state-society relationship we would emphasize here is the prevalence of corruption and clientelism. The lack of firm data suggests caution in making such a statement, and we recognize the ambiguities surrounding the concept of corruption, as well as the variations in its incidence between these countries, as well as over time. What quantitative data we have to go on – namely survey-based evidence such as Transparency International's rankings (Table 4) – are reinforced by the accumulation of evidence, however unsystematically collected, in qualitative accounts of party politics in the Southern European countries. This all suggests that the susceptibility of state institutions (apparently less so in France than in the other cases) to exploitation for the selective benefit of individuals, groups, and particularly political parties is greater in these cases than in other European countries.

This point acquires a new significance when we consider the state's role in the economy in the Southern European democracies (see for example Sapelli 1995). In all of the cases (although with a slightly different emphasis in the case of France), the state has adopted the kind of interventionism in economic life which is currently being targeted by the proponents of economic liberalization. This interventionism has taken four broad forms. First, extensive, not to say labyrinthine, regulation of economic activity to a remarkable level of detail, including the kind of 'quasi-fiscal' regulation which is well established as an open goal for corrupt politicians (Tanzi 2000; for data see Fraser Institute 2001 and *passim*). Second, an extensive state role in the ownership of industries and utilities which generally have a poor record in efficiency and productivity, in part because they have been exploited for clientelistic ends. Third, the development of a welfare state which, whilst not extensive by Northern European standards, is well equipped to provide selectively generous benefits to particular political constituencies (Rhodes 1997). Finally, a large and inefficient public administration, which like state industries, has served to mop up excess labour as well as provide public service. For our purposes, the important point to note here is that politicians and their parties have been able to employ these tools for their own partisan interests. The over-regulation of economic life has provided extensive opportunities for parties to finance themselves by granting favours to business interests, whilst the significant public sector and particularistic welfare state offer the means to mobilize votes and support in exchange for targeted material benefits, as well as providing a state-funded salary for key party workers. Finally, in a context in which the state is widely perceived as a resource to be exploited, generous state funding of political parties has for much of the time passed almost unnoticed.

These characteristics of heavy party-state interpenetration coexist with a tradition of electoral instability. Table 1 again provides clear evidence in this regard: France, Greece, Spain, Portugal, and Italy (in that order) have the highest average electoral volatility scores amongst postwar European democracies. The levels of electoral volatility in the Southern European countries have been consistently higher than the European average throughout the postwar period. For the 1950s, 1960s and 1970s France and Italy were consistently more volatile than the European average, whilst in the 1980s France, Greece, Spain and Portugal all had higher than average volatility. Only in the 1990s does the picture change, as the Northern European democracies begin to catch up and Spanish and Greek electoral volatility

drops below the European average. In sum, partisan alignments have been consistently weaker in the Southern European countries than in other European democracies. It would be far too simplistic to explain this unpredictable electoral environment solely in terms of party organizational variables. However we argue that the cartel party thesis, as developed in this paper, can make some sense of the distinctive Southern European pattern.

The data on volatility suggest that the Southern European parties, *qua* organizations, have long exhibited important characteristics of the cartel party, in particular their weak grassroots presence and distance from civil society, and their corresponding reliance on the state for organizational resources. As Tables 1 and 3, and Figure 4 show, electoral volatility and levels of party membership are negatively correlated (Pearson's  $r = -.560$ ,  $p = 0.02$ ). Austria has both the lowest levels of electoral volatility and the highest levels of party membership in postwar Western Europe. Conversely France has the second highest average postwar volatility, and the third lowest average level of party membership (1980-99). The Southern European democracies, as we would expect given their high levels of volatility, have displayed relatively low levels of party membership: Spain has the lowest average level of party membership in Western Europe over the 1980-99 period, and all the other Southern European countries except Italy score below average (the remarkable strength of the Italian Communist Party, the most successful example of a mass party in postwar Southern Europe, is largely responsible for the Italian exception here).

The second important insight suggested by our reformulation of the cartel party thesis relates to the corrupt and clientelistic use of state resources. The operationalization of concepts such as corruption and clientelism is fraught with difficulty, and for all the obvious risks, we will take the Transparency International corruption perception ratings as the best available indicator of corrupt and clientelistic use of state resources more generally<sup>5</sup>. Table 4 presents these ratings for Western Europe over the 1980-2000 period, and shows clearly that the worst performing countries over the period are Italy, Greece, Portugal, Spain, Belgium and France (in that order). With the sole exception of France in the 1980-85 survey, each of the Southern European countries scores below the European average in every survey. Whilst these data may simply confirm that the stereotypical view of a corrupt Southern Europe is widespread amongst the businessmen surveyed by Transparency International, the abundance of qualitative academic findings about the systematically clientelistic use of state

resources in those countries suggests the figures should not be dismissed out of hand (eg Heywood 1996, Farelo Lopes 1997, Mavrogordatos 1997, Della Porta and Vannucci 1999).

Further, as Figure 5 shows, the corruption ratings are strongly negatively correlated with electoral volatility (Pearson  $r = -.639$  significant at 0.05 level)<sup>6</sup>. High volatility countries are more likely to have poorer corruption rankings according to the TI data: the Southern European countries (including France) are all located in the top left-hand corner of the chart in Figure 5, whilst the remaining European democracies, with lower volatility and better corruption scores, cluster in the bottom right-hand corner. There appears to be a Southern European ‘syndrome’, combining high levels of electoral instability with a widely perceived corruption problem and weak party penetration into society. Two cautionary remarks should be made at this point. First, this analysis takes average values for long periods of time, which makes a significant difference for the dependent variable (volatility)<sup>7</sup>. In fact, Tables 1 and 3 show that there is a tendency towards convergence in both volatility and party membership, with the previously stable Northern European democracies becoming more volatile as their parties’ presence on the ground declines. Second, the relationship tells us nothing about the direction of causality. Heavy party reliance on state resources would be likely to further alienate parties from their electorates, especially if state resources were exploited in a corrupt or clientelistic fashion. But the party-society divide could just as easily be the result of some third factor(s), which also accounted for parties’ heavy reliance on the state. Nevertheless, this remains an intriguing finding which reinforces our theoretical claims about the organizational features of cartel parties and their implications for electoral stability.

What emerges from this analysis is the distinctiveness for most of the post-war period of the Southern European model of party politics, and the usefulness of a reformulated cartel party thesis in accounting for its particular patterns. Southern European parties have tended to be organizationally weaker than their Northern European counterparts, and have compensated for this weakness by exploiting state resources, often corruptly. These parties have also generally failed to sustain effective party system cartels, and their lack of grassroots presence has produced volatile and unpredictable patterns of electoral behavior. In sum, there is empirical support for our theoretical claims about the essential vulnerability of the cartel party.

The remainder of the paper further explores the relationship between the emergence of the cartel party and electoral change in Western Europe by means of a qualitative account of recent transformations in the party politics of one 'old' and one 'new' Southern European democracy (the choice of cases offers a degree of control for the effect of late democratization). In Italy, the change was quite dramatic and brought the collapse of both the main governing parties of the postwar period; in Spain change was less traumatic but did involve important shifts in the party system. What is striking about these two cases is that allegations of misuse of state power and a perceived remoteness of parties from society were central to these changes. The qualitative account complements the broader comparative analysis by giving a clearer picture of the mechanisms through which the cartel party contributes to electoral instability.

### **Italy: The Party's Over**

The recent upheavals in Italian politics, which overturned the power arrangement centred on the Christian Democrats (DC) and a range of coalition partners (principally the Socialists [PSI]), surprised most observers. Italy's apparent lurch from crisis to crisis in the post-war period seemed to mask some underlying stability which protected the political system and its governing elites from the impact of scandals, violence, polarization, and maladministration (LaPalombara 1987). Certainly no-one appears to have predicted the disintegration and fragmentation of the DC, nor the collapse and effective disappearance of the PSI.

Most accounts of the 'Italian transition' emphasize the *Tangentopoli* corruption scandals and the *Mani Pulite* investigations which uncovered them as important causes of the collapse of the party system (Pasquino, 1994; Cotta, 1996; Gundle and Parker, 1996). Although there were many cases of corruption for self-enrichment, much of what was discovered by *Mani Pulite* formed part of a well established feature of Italian political life: a dense system of clientelistic relations through which the major governing parties secured electoral support and financial backing, known as *partitocrazia* (Bardi and Morlino 1994). The clientelistic system in Italy had its origins in the historic weakness of the state apparatus, which failed to impose its authority on local elites, particularly in the South. The

national political elite had to resort to distributing favours to local notables in order to secure their adhesion, institutionalizing clientelistic practices (Tarrow, 1977). The post-war Italian parties, with the exception of the Communist Party (PCI), were too weak and fragmented to counter the weight of this clientelistic tradition, and chose instead simply to coopt local elites in these areas, rather than building autonomous party organizations. The DC in particular developed in the post-war period through a process of diffusion, in which the party's central leadership was initially incapable of exercising any authority over the party organisation in the periphery (Panebianco, 1988: 124-7). Initially then, the 'old' type of clientelism predominated, with positive consequences for electoral stability.

Fanfani's organizational reform drive in the 1950s changed the situation, bringing some of the features of the centralized mass party to the DC (Leonardi and Wertman, 1989: Ch.5). As Chubb describes, 'a highly articulated organizational hierarchy, linking the most remote Southern village to the national leadership in Rome, had replaced the loose congeries of notables upon whom the party had formerly relied for access to the masses' (1982: 71-2). This greater articulation between centre and periphery categorically did not lead to the abandonment of clientelistic practices. Instead the nature of these practices changed, as state intervention in the economy increased, bringing massive public investments in the South. The 'old' clientelism was replaced by a 'new' clientelism based on party organization, described by Tarrow as 'the judicious manipulation of blocs of votes through the allocation of economic development projects from the state' (1967: 331). The heavy role of state spending in this form of clientelism meant that it required control over the state budget - in other words it relied on the DC remaining in power at national level (Allum, 1997). Moreover, the increasingly 'economic' nature of the clientelistic transactions between voters and local political elites (della Porta and Pizzorno, 1996: 85-88) undermined the personal loyalties characteristic of the 'old' clientelism, making the local patron's position very dependent on his attachment to a political party, and on this party's control of state resources, rather than his local status. This process, often referred to *occupazione dello stato*, increasingly tied the DC's electoral strength to its position at the heart of the Italian state.

The case of the PSI provides a different perspective. The PSI aspired to be a classic mass party of the left (although it failed to establish a substantial mass presence), and was much less dependent than the DC on clientelism in the early postwar period, if the territorial

distribution of its electoral support is an indication: in 1946 its voters were predominantly to be found in the industrialized North. By the 1970s however, the PSI had made significant inroads in the more rural South, with big increases in both electoral support and membership, suggesting a shift towards clientelistic mobilization as a result of its involvement in the 'centre-left' governments with the DC after 1963 (Hine, 1989: 112-4). In Pasquino's words, the PSI had become 'a party of patronage' (1986: 123), along similar lines to the DC. Ideological debate and party ties to the working class made less and less of a contribution to electoral strategy, and instead electoral mobilization revolved around the distribution of patronage stemming from the PSI's involvement in national and local level government, and in public sector companies. As in the case of the DC, this use of state resources became the key to the party's organizational survival, as ideological concerns were downgraded and emphasis was placed on power-holding as the basis of the party's identity (Pasquino, 1986).

After 1976, the party organization became increasingly centralized, accentuating the PSI's dependency on the state and detachment from civil society. The old party organization based on the factions was sidelined, leaving a light-weight structure of local electoral machines under the direction of an authoritarian leader (Hine, 1989). For Pasquino, writing in the mid-1980s, 'the party no longer exists (...) it is an assortment of provincial federations whose main title to political influence is the ability to control power at the local level and the capacity to deliver votes' (1986: 124). The PSI's clientelism was very much 'new' clientelism. The relationship between the party and its voters at times amounted to a simple economic exchange: a promise of a job or contract from the public administration in exchange for political support, sometimes mediated through criminal organizations (Della Porta & Vannucci, 1999: 227). The party leadership and the party on the ground were tied by a similar relationship: party leader Craxi was allowed total freedom of manoeuvre in his search for political power, local leaders delivered the votes on the basis of which the PSI could negotiate ever larger shares of the cake of state resources, and these resources were then distributed down to the party's local elite and through them to electors. Clientelism and corruption became the dominant mode of operation within the party and 'a new category of "business politicians", able at using private resources to build personal support, took over the apparatus at local level' (Gundle

1996: 87). These ‘business politicians’ (Della Porta and Pizzorno, 1996, Della Porta and Vannucci, 1999) saw politics as an opportunity for upward mobility, rather than as an arena for achieving policy goals, and this upward mobility was tied to the achievement of positions of influence within the state machinery from which cash could be generated.

The electoral and organizational collapse of these parties in the 1990s was not a simple function of their dependence on state resources – factors such as the decline of voters’ ideological identifications, the electoral reform, the end of the Cold War and the Italian Communists’ conversion into a moderate left party also contributed (Cotta, 1996) - but clientelism and corruption can be seen as necessary conditions of this collapse. First of all, the increasing competition for state resources between governing parties, and the increasingly ‘economic’ and ‘one shot’ nature of the exchanges between parties and their supporters, put enormous pressure on the state budget, with deficit spending exploding in the 1980s. The decline of the party loyalties characteristic of the ‘old’ clientelism – neatly symbolized by an incident in Naples where a client who had been let down by the local DC reported his patron to the police (Allum, 1997: 44) – implied that parties could no longer buy indefinite political support on the strength of vague promises of jobs or favours. The increasing costs of the ‘vote of exchange’ could no longer be met in the more austere climate of the early 1990s, as it became clear that with a national debt higher than GDP, a budget deficit of almost 10% and inflation of almost 7%, Italy would not qualify to join the European single currency. The ‘new’ clientelism on which the governing parties depended for their internal cohesion and electoral support was no longer sustainable in the era of ‘permanent austerity’ (Cotta, 1996: 42-4) and Italian business interests were not prepared to sacrifice Italian entry into the euro for the sake of the DC and PSI’s survival.

Italy’s political system was always a strong candidate for the kind of authority crisis and elite turnover seen in 1992-94. Survey evidence shows that in the 1976-91 period Italians had (by some margin) the lowest levels of satisfaction with the functioning of the democracy in the European Union (Fuchs et al, 1995: 338), and the lowest level of confidence in parliament in a selection of 11 European democracies (for the 1981-90 period) (Listhaug and Wiberg, 1995: 307). Moreover, confidence in parliament declined in the 1980s, the period in which the corruption system reached its height. As in many other countries, party identification (Morlino, 1996) and party membership (Widfeldt, 1995) also

declined in Italy during the last four decades (albeit from relatively high levels). Citizens' detachment from the political class can be gauged by survey data suggesting that 76% of Italians felt that 'people like them had no influence over what the government does', and fully 87% felt that 'the people they elected quickly lost contact with their electorate' (Bellucci, 1995: 196). Although there is no evidence that the clientelistic vote varied much, the number of 'opinion' voters – those most likely to punish corrupt parties by voting for their rivals - increased steadily throughout the postwar period (Parisi and Schnadee, 1995). The growth of this group at the expense of party identifiers created the conditions of partisan detachment in which revelations of systematic abuse of state power could overturn the existing party system.

The parties' attachment to and reliance on the state, as well as their detachment from society, made a significant contribution to this precipitous collapse. The parties as collective actors were extraordinarily weak, and acted instead as arenas for the interactions between a multiplicity of private, personal interests (Cotta, 1996: 34). When membership of the parties no longer served these interests, there was little to hold them together: as Gundle points out, although theft was claimed to have been carried out in the name of the party, there was little evidence of party loyalty in adversity (1996: 87). The prospect of losing state power turned electoral defeat into electoral annihilation for the PSI, and brought the fragmentation of the all-powerful DC into several much weaker formations. Even if the parties had maintained their electoral position, the new fiscal constraints facing Italian governments in the 1990s would have overturned the internal equilibria within and between the governing parties, which had previously been resolved through the allocation of 'pork'. Dependence on state resources distanced the parties from their electorates, and their abuse of state power was punished when new parties emerged to challenge them.

### **Spain: Surviving the Anti-Party Backlash**

Parties' penetration of the state in Italy reached levels that are difficult to match, and the Spanish parties have not developed anything like such encompassing systems of clientelistic relations (Hopkin 2001). Rather, the Spanish case stands out for the extraordinary weakness of the parties' presence in civil society. Whilst Italy enjoyed very

high levels of party identification and party membership for most of the postwar period, Spain's parties are, with Portugal, the weakest in Western Europe in this respect. Party identification in Italy averaged 78.6% of the electorate in the 1978-92 period, whereas in Spain (1985-92) only 35.9% were identifiers (Schmidt and Holmberg, 1995: 106-7). In 1989, just before the crisis, party membership in Italy was a respectable 7% of the electorate; Spain's was only 3% (Widfeldt, 1995: 140). These low figures have been attributed to the high level of socio-economic development at the onset of party formation, and the 'deideologization' of Spanish society during the Franco dictatorship (Morlino, 1995: 341). Both the Union of Democratic Centre (UCD), the party of government during the transition, and the Socialists (PSOE) who governed from 1982-96, used state resources to make up for this weak social presence.

The UCD's catastrophic electoral reversal and subsequent dissolution in 1982-3 had complex causes (Huneus, 1985; Gunther, 1986; Hopkin, 1999), but its lack of connection with its electorate and reliance on state resources were important preconditions of its collapse. Established to support Adolfo Suárez's reformist government in the first democratic elections, it faced a similar task to the DC in the 1940s - it had to defeat the threat posed by the left without the benefit of a strong party organization. Suárez overcame this difficulty by using the unreformed and highly centralized state apparatus. Through the Interior Ministry, the Civil Governors (the 'prefects' in each province) chose candidates and coordinated campaigning, with successful results (the UCD fell just short of a parliamentary majority) (Hopkin, 1999: Ch.2). At national level, State Television, run by government nominees, provided more or less implicit party propaganda. A relatively generous state party financing law was one important source of funding (del Castillo, 1985), whilst government control of energy pricing encouraged a flow of private donations from business interests in the energy sector. After the election, the heterogeneous party elite was kept happy through the distribution of ministerial posts and other state positions.

The UCD had little time to develop the kind of elaborate clientelistic network observable in postwar Italy. The party chose not to defy clientelistic structures where they already existed, and sought to coopt local patrons where they were reliable sources of votes, but this kind of dense clientelistic network was only present in a handful of regions, notably Galicia, the Canary Islands and parts of Castile. This clientelism was predominantly of the

'old' kind, and local *caciques* had considerable autonomy from the party. It was therefore a source of stability: all but one (the party leader, standing in Madrid) of the 11 deputies the party managed to elect in 1982 were standing in these areas (two deputies were returned in the Canaries, five in Galicia, and three from the poorer provinces of New Castile). In the rest of the country, where the party had neither 'old' nor 'new' clientelistic networks with which to mobilize, the UCD was wiped out.

The UCD's failure to institutionalize cannot therefore be ascribed to its excessive dependency on clientelism. The circumstances leading to its collapse do not suggest the undermining of a system of distribution of benefits and favours, or the discrediting of the party elite because of involvement in corrupt behaviour. Instead it was the victim of its tenuous grip on its electorate: despite commanding 35% of the vote at two successive elections (1977 and 1979), survey data shows that in 1978 only 10% of voters 'felt close to' UCD, and by 1980 this had slipped to 9%, less than a third of its electorate (Barnes et al., 1985: 703). All the other major parties had higher proportions of identifiers relative to their electoral strength than UCD in this period. UCD did fare better in terms of party membership, reaching 144,097 in 1981, the highest of any Spanish party (Montero, 1981: 38). However these figures, almost certainly an exaggeration, still constituted a very weak social presence for a party representing around six million voters, and the UCD membership was considered to be less active than rival parties' memberships (Cazorla et al., 1981). Given this organizational weakness, the party was heavily reliant on the state apparatus as a surrogate territorial structure, and the provincial Civil Governors continued to play a role in internal party affairs long after the 1977 elections. The loss of government power would undermine this surrogate party structure, hindering UCD's ability to survive an electoral defeat. Moreover, the distribution of patronage benefits was one of the elements holding the party elite together, so when electoral defeat began to look likely in 1980-1 large numbers of UCD office holders chose to defect, exacerbating the electoral damage and leaving the party without the human resources to continue functioning in opposition (Hopkin, 1999: Ch.6).

The case of the PSOE is less dramatic than the others studied in this article, but nevertheless illustrative of the problems facing state-reliant parties. Like the UCD, the PSOE won power with a relatively weak organizational structure and membership base: in 1982 the party won 10,127,092 votes despite claiming only 112,000 members (as usual,

probably an exaggerated figure), a ratio of roughly one member for every 90 voters (Puhle, 1986: 326). The party leadership faced a dilemma: on the one hand, its organization was inadequate to the needs of a governing party, on the other, the perceived policy constraints militated against mobilizing new followers around any grand ideological or transformative programme. The obvious alternative was to follow the strategy of ‘occupying the state’, although in the more market-oriented climate of the 1980s this strategy could not be followed with quite the same vigour as in postwar Italy. However, a number of features worked in favour of a strategy of patronage. The state left by the dictatorship had little administrative capacity and weak revenue-raising powers. The UCD’s 1977 tax reform increased state resources and began the process of increasing state involvement in income distribution, health care, education and other social services. This process, which required a significant increase in state personnel, was continued by the Socialists: the González government was able to appoint directly around 25,000 administrative posts between 1984-87, and ensured its capacity to make many further such appointments subsequently (Gillespie, 1989: 83-4). This use of state patronage increased party control over an administration which was managing an ever larger amount of public spending, as well as creating an immediate clientele of party appointees and their dependants (around 70% of party members were functionaries or public office-holders in the 1990s) (Gillespie, 1994: 55).

Although there is evidence of a clientelistic distribution of state resources for the purpose of party organizational consolidation, the PSOE does not appear to have developed effective clientelistic networks for electoral mobilization (see Hopkin, 2001). In its initial phase of development, the party had a very small membership of trade unionists, intellectuals and minor professionals entirely unassociated with the kinds of ‘old’ clientelistic networks revived by the UCD in some regions. ‘New’ clientelistic links developed timidly in two ways. First, the growing importance of regional government in Spain has introduced a sub-central tier of decision-making which conditions the flows of state resources to different areas and social groups, encouraging the creation of regional ‘barons’ able to follow their own redistributive strategies. Second, ‘new’ clientelism has emerged in Andalusia and Extremadura through the allocation of unemployment benefits

(the PER - *Plan de Empleo Rural*) which has been exploited by local PSOE mayors to mobilise votes of exchange (Cazorla 1994).

The PSOE also used its control of public offices to generate corrupt rents for the purpose of party financing. The party built clienteles of business firms and entrepreneurs who benefited from the allocation of public works contracts in exchange for contributions to the party's running and campaign costs (Cazorla, 1994). Given the party's small membership and the lack of any tradition of paying membership subscriptions, civil society could not provide the resources for the party to live in the style to which it was becoming accustomed, with expensive election campaigns and an extensive infrastructure of party branches (Heywood, 1996: 126). The party's bills have therefore been paid almost entirely by a combination of state subsidies and commissions paid by private interests (including multinationals such as Siemens, which paid handsomely for its slice of Spain's high speed rail network) in exchange for policy or administrative decisions at various levels of government. The outrage provoked by revelations of this corrupt use of state resources played a major part in undermining the Socialists' electoral base and strengthening the conservative opposition in the 1990s (Jiménez Sánchez, 1999).

The PSOE has suffered a series of electoral reversals in the last decade which have changed the nature of the Spanish party system. Socialist dominance in the 1980s – the party won three successive absolute majorities - was such that Spain could be classified as a 'predominant party system'; this dominance was dented in 1993 with the loss of its majority, and with its defeats in 1996 and 2000 at the hands of the conservative Popular Party, Spain has been transformed into an example of 'moderate pluralism'. The PSOE's vote share has declined steadily from 48% (10,127,092 votes) in 1982 to 34% (7,918,752 votes) in 2000. Unlike the other parties studied here, the PSOE seems to have a sufficiently solid electoral core to survive as a major party, and its organization has strengthened since the transition: its member-voter ratio has improved from 1:90 in 1982, to 1:28 in 1993 and 1:25 in 1996<sup>8</sup> (although in part because of its electoral decline). However its rigid, closed and highly centralized structure of careerists, functionaries and clientelistic bosses, designed in the 1980s to guarantee cohesive support of the government (Méndez-Lago, 1998: Ch.5), is inappropriate to the PSOE's new needs. The party elite, discredited but reluctant to abandon well-paid public offices, was incapable of reacting to the corruption scandals in the 1990s

which wrecked the party's credibility (Vargas-Machuca, 1998: 17). Denied direct access to state resources except in a handful of regions, the PSOE has struggled since 1996 to make an impression, although generous state party funding secures its basic organization and functioning.

## **Conclusion**

These two case studies gives us a more detailed picture of the nature of party politics in the Southern European case, and offer examples of how cartel party dynamics have played out in practice. Together with the broader comparative analysis relating trends in variables such as electoral volatility, party membership and political corruption, these qualitative analyses amount to a strong empirical confirmation of the theoretical arguments outlined at the beginning of this paper.

We can conclude that parties' reliance on state resources for the purposes of organizational consolidation and electoral mobilization is a costly strategy. Parties lacking in strong social roots and an identifying electorate will always be at risk of sudden and potentially catastrophic electoral reversals, even if they use state resources to counteract their weakness as representatives of civil society. Moreover this vulnerability can, under certain circumstances, be sharply exposed precisely *because of* the use of state resources, when government power is used in ways which voters, or indeed judges, deem to be unethical or corrupt. Although detachment from civil society and corruption scandals are independent phenomena, in the cases observed here they are closely related: detachment from society leads to increasingly partisan use of state resources, which can often take the form of corruption; corruption scandals, in turn, are particularly devastating to state-reliant parties with weak social anchors. If a party is dependent on corrupt methods of electoral mobilization, judicial scrutiny or loss of government office can close off the means of maintaining its core electorate and undermine its organization.

Our discussion of the Southern European case has wider implications. The 'Southern European syndrome' of weak parties, de-aligned voters and corrupt and clientelistic exploitation of state resources by party elites, may no longer be a distinctive model of party politics. Rising electoral volatility and falling party membership in the established Northern

European democracies, and a proliferation of corruption scandals in countries with relatively ‘clean’ records, such as Germany and the UK, point towards a convergence of cartel party dynamics in Western Europe. A reformulated cartel party thesis which emphasizes the organizational and electoral implications of party reliance on state resources can provide a compelling account of such developments. The sustainability of this model of party politics is by no means assured.

## Notes

<sup>1</sup> Portugal and Spain, as young democracies, have no average volatility figure for the whole of the 1970s decade.

<sup>2</sup> This point draws on the work of Mark Blyth (2002).

<sup>3</sup> Although France is rarely grouped with the others, it shares with the Southern European democracies important characteristics of a cartelized party politics, and for these purposes can be considered part of the Southern European group.

<sup>4</sup> There is little agreement amongst specialists about the distinctiveness or otherwise of the Southern European democracies (see Hopkin 2001). For example, one major recent contribution to the debate claims that the Southern European political systems differ from one another as much as they do from the more established European democracies (Diamandouros and Gunther 2001).

<sup>5</sup> There are other measures available, all of which suffer from the similar levels of potential subjective bias. However, the available measures covary to such an extent that it is unlikely that a different data source would change these results (see Ades and di Tella 1997, Fisman and Gatti 2002).

<sup>6</sup> The correlation is negative because the TI data give high scores for low corruption and viceversa.

<sup>7</sup> The lack of adequate time series data for the corruption ratings (Transparency International Ratings begin in 1980) make a more systematic longitudinal analysis impracticable. Moreover, the TI ratings are a relatively slow-moving variable and given the methodology used, are not likely to capture sharp variations in corrupt practice over time. Even if data for the pre-1980 period were available, it is far from evident that a pooled time series analysis would shed any further light on the relationship between these two variables.

<sup>8</sup> Author’s calculations, from data in Méndez-Lago, 1998: Ch.5.

## Bibliography

- Ades, Alberto and Rafael Di Tella (1997). 'The New Economics of Corruption: A Survey and Some New Results', *Political Studies* 45: 496-516,
- Allum, Percy (1997) "From Two into One". The Faces of the Italian Christian Democratic Party', *Party Politics* 3: 23-52.
- Bardi, Luciano and Leonardo Morlino (1994). 'Italy: Tracing the Roots of the Great Transformation', in Richard S. Katz and Peter Mair (eds) (1994) *How Parties Organise*, pp.242-77. London: Sage.
- Barnes, Samuel H. et al (1985) 'The Development of Partisanship in New Democracies: The Case of Spain', *American Journal of Political Science* 29: 695-720.
- Bartolini, Stefano and Peter Mair (1990) *Identity, Competition and Electoral Availability: The Stabilization of European Electorates 1885-1985*. Cambridge: Cambridge University Press.
- Bellucci, Paolo (1995) 'All'origine delle identità partitiche', in Arturo Parisi and Hans Schadee (eds) *Sulla soglia del cambiamento: elettori e partiti alla fine della prima Repubblica*, pp.185-226. Bologna : Il Mulino.
- Blyth, Mark (2002). 'The New Political Economy of Political Parties : Beyond Catch-all (ic) and Protest(ant) Perspectives', paper prepared for Conference of Europeanists, Chicago, 14-16 March.
- Blyth, Mark and Richard S. Katz (2001). 'From Catch-all-icism to the Reformation: The Political Economy of the Cartel Party', paper presented at ECPR Joint Sessions, Grenoble, March.
- Caciagli, Mario (1996) *Clientelismo, corrupción y criminalidad organizada. Evidencias empíricas y propuestas teóricas a partir de los casos italianos*. Madrid: Centro de Estudios Constitucionales.
- Cazorla, José (1994) *El clientelismo de partido en España ante la opinión pública. El medio rural, la administración y las empresas*. Working Paper N. 86. Barcelona: Institut de Ciències Polítiques i Socials.
- Chubb, Judith (1982) *Patronage, Power and Poverty in Southern Italy. A Tale of Two Cities*. Cambridge: Cambridge University Press.

- Cotta, Maurizio (1996) 'La crisi del governo di partito all'italiana' in Maurizio Cotta and Pierangelo Isernia (eds) *Il gigante dai piedi di argilla*, pp.11-52. Bologna: Il Mulino.
- Del Castillo, Pilar (1985) *La financiación de los partidos políticos en las democracias occidentales*. Madrid: Centro de Investigaciones Sociológicas.
- Della Porta, Donatella (1992) *Lo scambio occulto*. Bologna: Il Mulino.
- Della Porta, Donatella and Alessandro Pizzorno (1996) 'The Business Politicians: Reflections from a Study of Political Corruption', in Michael Levi and David Nelken (eds) *The Corruption of Politics and the Politics of Corruption*, pp.73-94. Oxford: Blackwell.
- Della Porta, Donatella and Alberto Vannucci (1999) *Corrupt Exchanges*. New York: De Gruyter.
- Diamandouros, Nikiforos and Richard Gunther (eds.) (2001). *Parties, Politics and Democracy in the New Southern Europe*. Baltimore: Johns Hopkins University Press.
- Farelo Lopes, Fernando (1997). 'Partisanship and Political Clientelism in Portugal (1983-93)', *South European Society and Politics* 2/3: 27-51.
- Fisman, Raymond and Roberta Gatti (2002). 'Decentralisation and Corruption: Evidence Across Countries', *Journal of Public Economics* 83: 325-45.
- Fraser Institute (2001). *Economic Freedom in the World 2000*. Vancouver: Fraser Institute.
- Fuchs, Dieter et al. (1995) 'Support for the Democratic System', in Hans-Dieter Klingemann and Dieter Fuchs (eds) *Citizens and the State*, pp.323-53. Oxford: Oxford University Press.
- Gellner, Ernest (1977) 'Patrons and Clients', in Ernest Gellner and John Waterbury (eds) *Patrons and Clients in Mediterranean Societies*, pp.1-6. London: Duckworth.
- Gillespie, Richard (1989) 'Spanish Socialism in the 1980s', in Tom Gallagher & Allan Williams (eds) *Southern European Socialism*, pp.59-85. Manchester: Manchester University Press.
- Gillespie, Richard (1994) 'The Resurgence of Factionalism in the Spanish Socialist Workers' Party', in David S. Bell and Eric Shaw (eds) *Conflict and Cohesion in Western European Social Democratic Parties*, pp.50-69. London: Pinter.
- Graziano, Luigi (1976) 'A Conceptual Framework for the Study of Clientelistic Behaviour', *European Journal of Political Research* 4: 149-74.

- Gundle, Stephen (1996) 'The Rise and Fall of Craxi's Socialist Party', in Stephen Gundle and Simon Parker (eds) *The New Italian Republic: From the Fall of the Berlin Wall to Berlusconi*, pp.85-98. London: Routledge.
- Gundle, Stephen and Simon Parker (eds) (1996) *The New Italian Republic: From the Fall of the Berlin Wall to Berlusconi*. London: Routledge.
- Gunther, Richard (1986) 'El hundimiento de UCD', in Juan Linz and José.Ramón Montero (eds) *Crisis y cambio: Electores y partidos en la España de los años 80*, pp.433-93. Madrid: Centro de Estudios Constitucionales.
- Heywood, Paul (1996) 'Continuity and Change: Analyzing Political Corruption in Modern Spain', in Walter Little and Eduardo Posada-Carbó (eds) *Political Corruption in Europe and Latin America*, pp.115-36. Basingstoke: Macmillan.
- Hine, David (1989) 'The Italian Socialist Party', in Tom Gallagher and Allan Williams (eds) *Southern European Socialism*, pp.109-30. Manchester: University Press.
- Hopkin, Jonathan (1997) 'Political Parties, Political Corruption and the Economic Theory of Democracy', *Crime, Law and Social Change* 27: 255-74.
- Hopkin, Jonathan (1999) *Party Formation and Democratic Transition in Spain*. Basingstoke: Macmillan.
- Hopkin, Jonathan (2001) 'A "Southern European" Model of Electoral Mobilization? Clientelism and Electoral Politics in Post-Franco Spain', *West European Politics* 24/1: 115-36.
- Huneeus, Carlos (1985). *La Unión de Centro Democrático y la transición a la democracia en España*. Madrid: Centro de Investigaciones Sociológicas.
- Jiménez Sánchez, Fernando (1999) 'Political Scandals and Political Responsibility in Democratic Spain', in Paul Heywood (ed) *Politics and Policy in Democratic Spain: No Longer Different?*, pp.80-99. London: Frank Cass.
- Katz, Richard S. and Peter Mair (eds) (1992) *Party Organizations. A Data Handbook*. London: Sage.
- Katz, Richard S. and Peter Mair (eds) (1994) *How Parties Organize*. London: Sage.
- Katz, Richard S. and Peter Mair (1995) 'Changing Models of Party Organization and Party Democracy: The Emergence of the Cartel Party', *Party Politics* 1: 5-28.

- Koole, R. and Richard S. Katz (eds.) (1999). 'Political Data Yearbook 1999', *European Journal of Political Research* 36/3-4.
- Koole, R. and Richard S. Katz (eds.) (2000). 'Political Data Yearbook 2000', *European Journal of Political Research* 38/3-4.
- LaPalombara, Joseph (1987) *Democracy, Italian Style*. New Haven: Yale University Press.
- Leonardi, Robert and Douglas Wertman (1989) *Italian Christian Democracy: The Politics of Dominance*. London: Macmillan.
- Lipset, Seymour M. and Stein Rokkan (eds) (1967) *Party Systems and Voter Alignments. Cross-National Perspectives*. New York: Free Press.
- Listhaug, Ola and Matti Wiberg (1995) 'Confidence in Political and Private Institutions' in Hans-Dieter Klingemann and Dieter Fuchs (eds.) *Citizens and the State*, pp.298-322. Oxford: Oxford University Press.
- Lyrantzis, Christos (1984) 'Political Parties in Post-Junta Greece: A Case of "Bureaucratic Clientelism"?' *West European Politics* 7: 99-118.
- Mair, Peter (1997) *Party System Change. Approaches and Interpretations*. Oxford: Oxford University Press.
- Mair, Peter and Ingrid van Biezen (2001). 'Party Membership in Twenty European Democracies, 1980-2000', *Party Politics* 7/1: 5-22.
- Mavrogordatos, George (1997). 'From Traditional Clientelism to Machine Politics: The Impact of PASOK Populism in Greece', *South European Society and Politics* 2/3: 1-26.
- Méndez-Lago, Mónica (1998) *Organizing for Victory... and Defeat? The Organizational Strategy of the Spanish Workers' Socialist Party (1975-96)*. Florence: PhD thesis, European University Institute.
- Montero, José Ramón (1981) 'Partidos y participación política: algunas notas sobre la afiliación política en la etapa inicial de la transición española', *Revista de Estudios Políticos* 23: 33-72.
- Morlino, Leonardo (1985) 'Political Parties and Democratic Consolidation in Southern Europe', in Richard, Gunther, Nikiforos Diamandouros and Hans-Juergen Puhle (eds) *The Politics of Democratic Consolidation. Southern Europe in a Comparative Perspective*, pp.315-88. Baltimore: Johns Hopkins University Press.

- Morlino, Leonardo (1996) 'Crisis of Parties and Change of Party System in Italy', *Party Politics* 2: 5-30.
- Morlino, Leonardo (1998). *Democracy Between Consolidation and Crisis. Parties, Groups and Citizens in Southern Europe*. Oxford: Oxford University Press.
- Panebianco, Angelo (1988) *Political Parties: Organization and Power*. Cambridge: Cambridge University Press.
- Parisi, Arturo and Hans Schadee (eds) (1995). *Sulla soglia del cambiamento: elettori e partiti alla fine della prima Repubblica*. Bologna: Il Mulino.
- Parisi, Arturo and Gianfranco Pasquino (1980) 'Changes in Italian Electoral Behaviour: The Relationships Between Parties and Voters', in Peter Lange and Sidney Tarrow (eds) *Italy in Transition: Conflict and Consensus*, pp.133-148. London: Frank Cass.
- Pasquino, Gianfranco (1986) 'Modernity and Reform: The PSI between Political Entrepreneurs and Gamblers', *West European Politics* 6: 118-41.
- Pasquino, Gianfranco (1994) 'Shaping a Better Republic? The Italian Case in a Comparative Perspective'. Estudio/Working Paper 1994/62. Madrid: Instituto Juan March.
- Pharr, Susan and Robert Putnam (2000). *Disaffected Democracies. What's Troubling the Trilateral Countries?* Princeton N.J.: Princeton University Press.
- Pierson, Paul (ed.) (2001). *The New Politics of the Welfare State*. Oxford: Oxford University Press.
- Puhle, Hans-Juergen (1986) 'El PSOE: un partido predominante y heterogéneo', in Juan Linz and José.Ramón Montero (eds) *Crisis y cambio: Electores y partidos en la España de los años 80*, pp.289-344. Madrid: Centro de Estudios Constitucionales.
- Rhodes, Martin (ed.) (1997). *Southern European Welfare States*. London: Frank Cass.
- Sapelli, Giulio (1995). *Southern Europe Since 1945. Tradition and Modernity in Portugal, Spain, Italy, Greece and Turkey*. London: Longman.
- Schmidt, Hermann and Soren Holmberg (1995) 'Political Parties in Decline?' in Hans-Dieter Klingemann and Dieter Fuchs (eds) *Citizens and the State*, pp.95-133. Oxford: Oxford University Press.
- Tanzi, Vito and Ludger Schuknecht (2000). *Public Spending in the 20<sup>th</sup> Century*. Cambridge: Cambridge University Press.

Tarrow, Sidney (1967) *Peasant Communism in Southern Italy*. New Haven: Yale University Press.

Tarrow, Sidney (1977) *Between Center and Periphery. Grassroots Politicians in Italy and France*. New Haven: Yale University Press.

Vargas-Machuca, Ramón (1998) 'A vueltas con las primarias del PSOE. ¿Por qué cambian los partidos?' *Claves* 86: 11-21.

Weingrod, Alex (1968) 'Patrons, Patronage and Political Parties', *Comparative Studies in Society and History* 10: 377-400.

Widfeldt, Alex (1995) 'Party Membership and Party Representativeness', in Hans-Dieter Klingemann and Dieter Fuchs (eds) *Citizens and the State*, pp.134-82. Oxford: Oxford University Press.

**Table 1. Net Electoral Volatility in Western Europe 1950-1999\***

Country	1950-4	1955-9	1960-4	1965-9	1970-4	1975-9	1980-4	1985-9	1990-4	1995-9	1950-99
Au	3.6	4.4	1.7	4.8	4.4	0.9	4.6	6.3	11.1	5.0	4.8
Be	8.7	5.4	7.1	11.7	5.8	4.7	16.4	7.0	13.0	8.2	8.8
Dk	6.1	3.8	7.1	10.2	15.4	15.5	11.6	7.9	11.6	11.8	10.5
Fi	3.4	6.3	5.6	8.4	9.3	6.5	10.3	6.9	12.4	9.7	7.7
Fr	20.0	23.4	19.2	7.7	10.9	6.7	13.5	10.4	19.1	13.9	14.3
Ge	21.2	9.2	11.5	6.8	6.0	3.9	6.4	5.9	6.3	13.2	8.5
Gr	24.0	10.0	11.7	-	34.1	22.3	27.2	6.2	8.0	8.6	14.4
Ire	9.8	11.2	9.9	5.5	3.8	7.6	5.4	15.4	15.4	9.1	8.9
It	14.1	5.2	8.5	7.8	5.3	7.2	8.3	8.4	28.1	13.7	11.8
NL	5.6	4.9	5.0	10.8	12.1	12.8	9.1	7.7	21.5	13	9.8
No	4.5	2.3	3.6	6.1	15.9	14.7	11.2	9.8	14.8	16.2	8.9
Po	-	-	-	-	-	10.0	7.3	22.2	9.6	12.5	12.3
Sp	-	-	-	-	-	7.2	42.6	10.5	9.3	5.7	14.3
Sw	3.8	5.3	3.1	5.7	7.8	4.7	7.9	7.4	12.8	14.5	7.4
CH	4.0	1.9	1.6	6.0	7.6	5.8	6.1	8.0	7.4	7.9	5.3
UK	5.6	2.9	6.0	4.3	8.1	8.5	11.9	3.9	5.1	10.7	6.5
Ave	9.6	6.9	7.3	7.4	10.5	8.7	12.5	10	12.9	10.9	9.7

Data from Lane and Ersson 1999: 128, Koole and Katz 1999, 2000.

\* Net volatility (Pedersen formula)  $1/2 * \sum_{i=1}^n | \Delta p_{i,t} |$

where  $n$  is the number of parties competing for election at times  $t$  and/or  $t-1$ , and  $\Delta p_i$  is the change in the share of the vote of party  $p_i$  over the two elections.

**Table 2. Average Support for New Parties in Western Europe 1960-1999\***

Country	1960s	1970s	1980s	1990s
Austria	1.7	0.1	4.1	11.5
Belgium	2.8	11.4	12.9	23.7
Denmark	8.7	26.9	30.7	24.9
Finland	1.6	8.2	13.7	22.3
France	16.3	29.1	27.1	41.7
Germany	4.3	0.5	7.5	13.9
Ireland	0.3	1.4	7.9	10
Italy (PR vote)	9.5	3.3	7.1	66.8
Netherlands	2.3	26.6	44.5	45.9
Norway	3.9	13.6	15.1	19.7
Sweden	1.1	1.6	4.5	14.5
Switzerland	0.4	5.3	12.2	14.9
United Kingdom	0	0.8	11.6	2.3

Data from Laver, Gallagher and Mair 2001: 261.

\* New parties are defined as those which did not contest elections before 1960. For this reason the new democracies (Greece, Portugal and Spain) are excluded from the analysis.

**Table 3. Party Membership as a Percentage of the Electorate in Western Europe 1980-1999**

Country	1980	1990	1999	Ave
Austria	28.5	23.7	17.7	23.3
Belgium	9	9.1	6.6	8.2
Denmark	7.3	5.9	5.1	6.1
Finland	15.7	13.5	9.7	13
France	5.1	3	1.6	3.2
Germany	4.5 (West)	3.9 (West)	2.9	3.8
Greece	3.2	6.3	6.8	5.4
Ireland	5	4.9	3.1	4.3
Italy	9.7	9.1	4.1	7.6
Netherlands	4.3	3.2	2.5	3.3
Norway	15.4	13.1	7.3	11.9
Portugal	4.3	5.1	4	4.5
Spain	1.2	2.1	3.4	2.2
Sweden	8.4	8	5.6	7.3
Switzerland	10.7	8	6.4	8.4
UK	4.1	2.6	1.9	2.9
Average	8.5	7.6	5.5	7.2

Data from Mair and van Biezen 2001: 15-6.

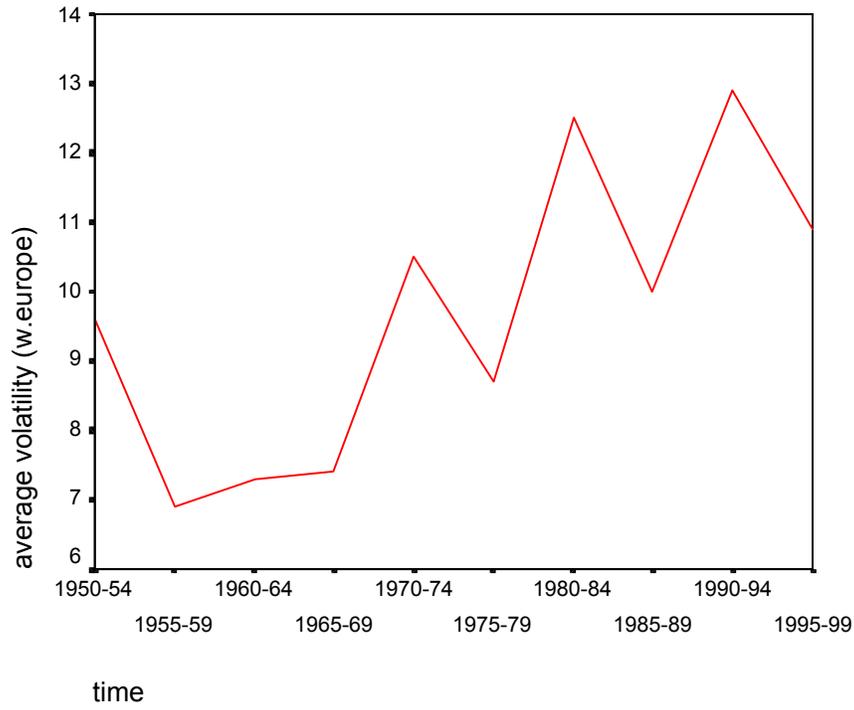
**Table 4. Transparency International Corruption Perception Rankings for Western Europe 1980-2000\***

Country	1980-85	1988-92	1997	2000	Ave
Austria	7.4	7.1	7.6	7.7	7.5
Belgium	8.3	7.4	5.3	6.1	6.8
Denmark	8.0	8.9	9.9	9.8	9.2
Finland	8.1	8.9	9.5	10	9.1
France	8.4	7.5	6.7	6.7	7.3
Germany	8.1	8.1	8.2	7.6	8.0
Greece	4.2	5.1	5.4	4.9	4.9
Ireland	8.3	7.7	8.3	7.2	7.9
Italy	4.9	4.3	5.0	4.6	4.7
Netherlands	8.4	9.0	9.0	8.9	8.8
Norway	8.4	8.7	8.9	9.1	8.8
Portugal	4.5	5.5	7.0	6.4	5.9
Spain	6.8	5.1	5.9	7.0	6.2
Sweden	8.0	8.7	9.4	9.4	8.8
Switzerland	8.4	9.0	8.6	8.6	8.7
UK	8.0	8.9	8.2	8.7	8.5
Average	7.4	7.5	7.7	7.7	7.6

Data from Transparency International.

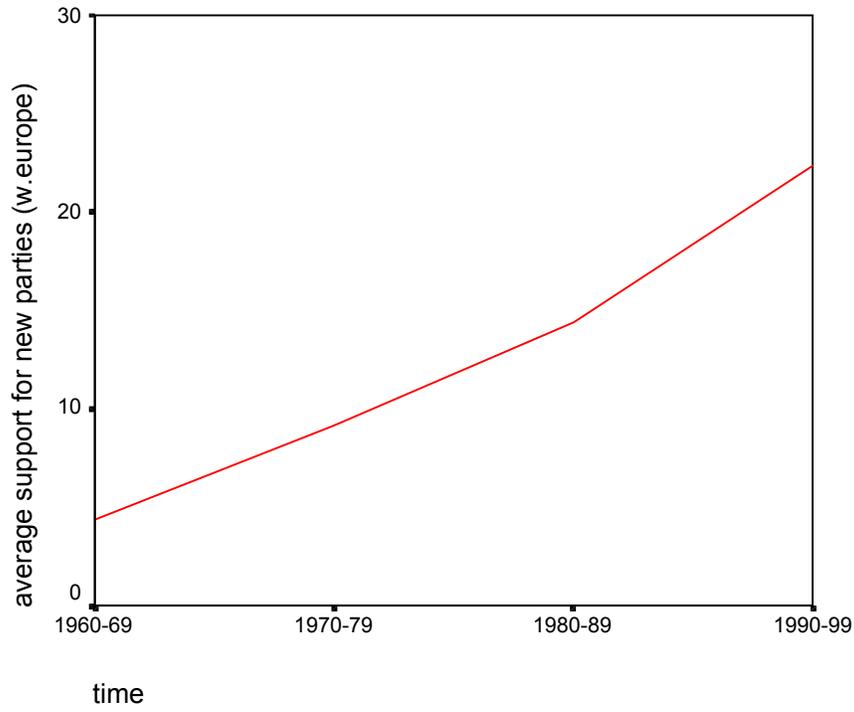
\* 10 = 'corruption-free'.

**Figure 1. Average Net Volatility in post-war Western Europe**



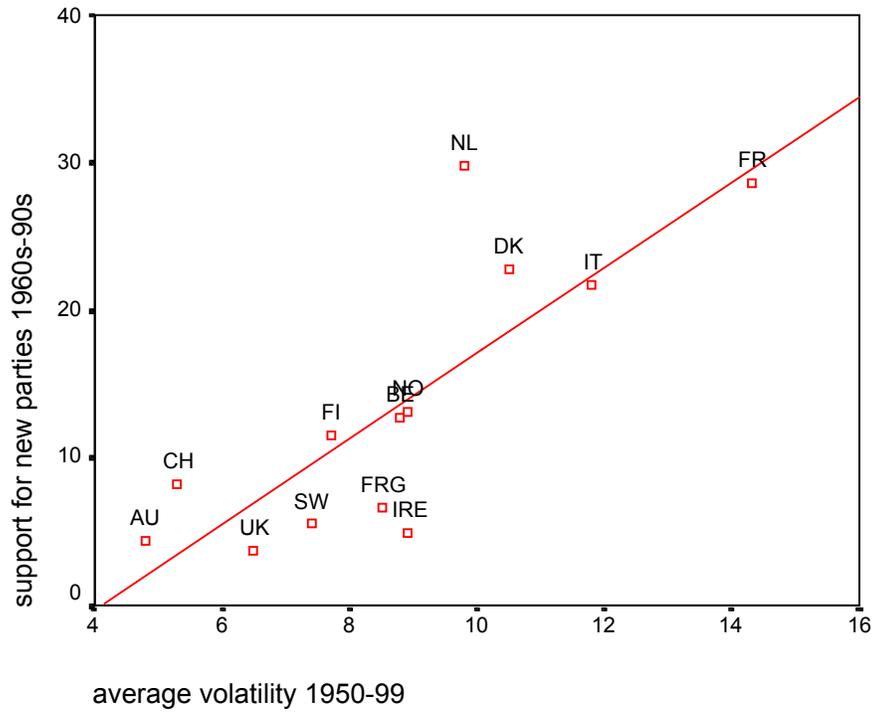
Data from Lane and Ersson 1999: 128, Koole and Katz 1999, 2000.

**Figure 2. Average Support for New Parties in Western Europe (1960-99)**



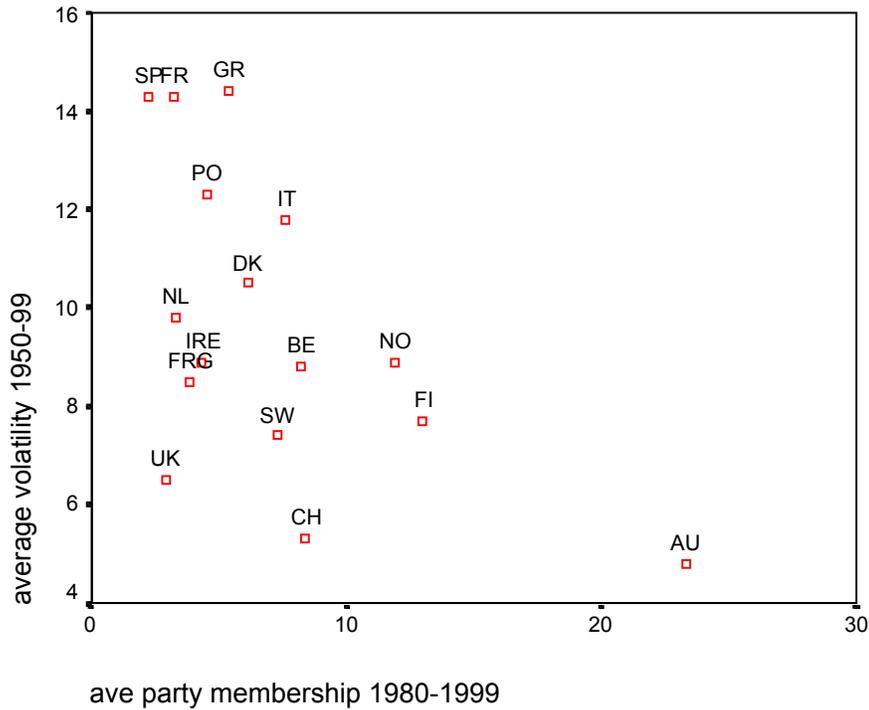
Data from Laver, Gallagher and Mair 2001: 261.

**Figure 3. Support for New Parties and Electoral Volatility in Western Europe**



Correlation coefficient (Pearson's  $r$ ): .802,  $p=.001$  (two-tailed) (adjusted  $R_2 = .611^{**}$ )

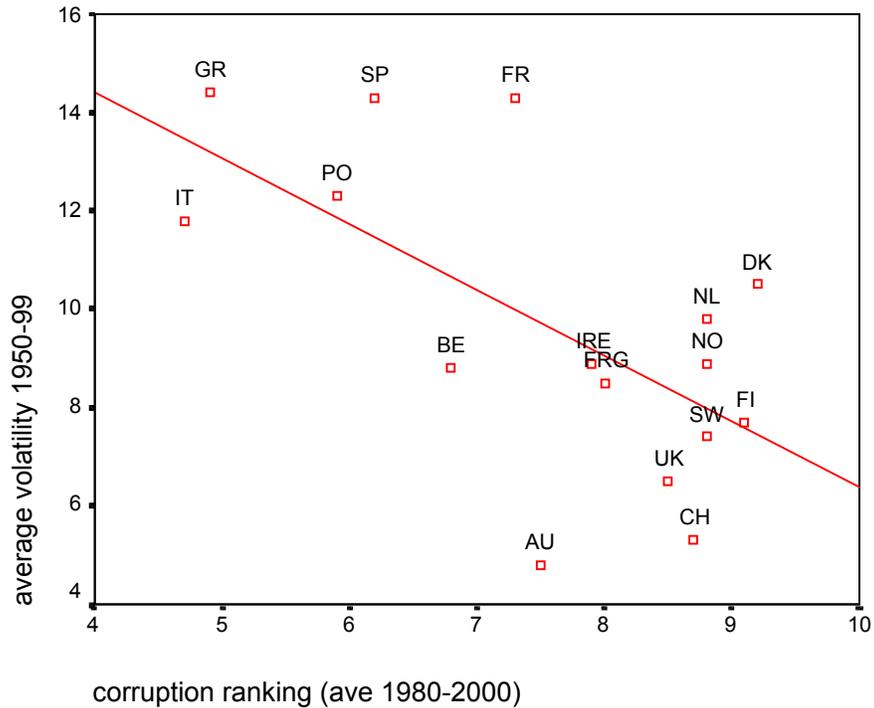
**Figure 4. Average Party Membership (1980-1999) and Postwar Average Electoral Volatility in Western Europe**



Volatility: Average Postwar (1950-99) Net Electoral Volatility (%)  
Membership: Average Party Membership 1980-2000 (three data points).

Correlation coefficient (Pearson's  $r$ ):  $-0.560$ ,  $p=0.024$  (two-tailed) (adjusted  $R_2 = .265^*$ )

**Figure 5. Corruption Perception Rankings (1980-2000) and Postwar Average Electoral Volatility in Western Europe**



Volatility: Aggregate Postwar (1950-99) Net Electoral Volatility (%)  
 Corruption ranking: Transparency International Corruption Perception Scores (Ave 1980-2000) 0=totally corrupt, 10=totally clean

Correlation coefficient (Pearson's  $r$ ):  $-.639, p=.008$  (two-tailed) (adjusted  $R^2 = .366^{**}$ )