

Chapter 2

Party Competition Under New Electoral Rules in Italy and Japan, 1994–2009

Aldo Di Virgilio and Junko Kato

Introduction

Throughout most of the post–World War II period until the beginning of the 1990s, Italy and Japan, respectively, boasted the dominance of the Italian Christian Democrats and the Japanese Liberal Democrat Party (LDP). The electoral systems and party systems of the two countries differed. Italy had a fragmented and polarized multiparty system under proportional representation (PR), and Japan was known for the dominance of a single ruling party under the unusual single nontransferable vote (SNTV) system. However, in the 1990s, both countries experienced electoral system changes by adopting mixed electoral systems. The electoral reform was enacted in 1993 in Italy and in 1994 in Japan. In 2005, Italy switched from a mixed majoritarian electoral system (denoted MMES) to a further “hybridized” electoral system, which gives a seat bonus to the party or the coalition winning a plurality of votes but in which seat allocation to coalition partners follows a proportional rule. In Japan, the MMES adopted in 1994 was changed as well, although in minor ways. For example, in the 1996 elections, the mixed system elected 300 MPs from single member districts (SMDs) and 200 from 11 PR districts; in the 2000 elections, the number of PR seats decreased from 200 to 180.

Changes in the electoral rules in turn affected the dynamics of party competition. In Italy, both the 1993 and the 2005 electoral systems promoted the formation of preelectoral coalitions (PECs). In Japan, the plurality component of the MMES worked advantageously for larger parties, leading to a direct contestation between the LDP and the DPJ (Democratic Party of Japan). However, in both countries smaller parties retained incentives to keep a separate identity and gain representation under the new electoral rules. Moreover, neither country has restored stability in party politics. Mergers, breakups, and the extinction of parties have been the rule since the beginning of the 1990s.

A. Di Virgilio (✉)

Department of Political Science, University of Bologna, Bologna, Italy
e-mail: aldo.divirgilio@unibo.it

This chapter focuses on the dynamic interaction among electoral system changes and the electoral strategies of parties in both countries. In the first section, some key changes in electoral rules in Italy and Japan are outlined. The second section focuses on the preelectoral strategies of parties, and the third discusses the electoral performance of parties in both countries in the decade under consideration. The fourth section deals briefly with the process of government formation and is followed by a concluding discussion.

Outlining Electoral System Changes in Italy and Japan

As noted, both Italy and Japan changed their electoral systems in the 1990s. Italy changed its electoral systems twice, in 1993 and 2005, whereas in Japan the electoral reform enacted in 1994 was partially modified subsequently. The following section highlights the major changes in the electoral rules in both countries.

Comparing the 1993 and 2005 Electoral Reforms in Italy

The electoral reform of Italy in 1993 replaced the then-existing PR system with preferential voting (a form of open-list PR), which had been in place from 1948 to 1992. The mixed member system adopted in 1993 allocated 75% of the seats by plurality and 25% by PR. The 1993 electoral system has been used three times: in the 1994, 1996, and 2001 general elections. In 2005, Italy replaced the MMES enacted in 1993 by adopting electoral rules that give a seat bonus to the party or the coalition that gains a plurality of votes, whereas seat allocation to coalition partners follows a proportional rule.¹ This system, actually in place, has been used twice: in the 2006 and 2008 general elections (see Appendix B for further details).

This section focuses on three key points regarding the 1993 and 2005 electoral reforms: (a) the electoral system choice, (b) the role of PECs under the two systems, and (c) the differences among the rules for electing the Chamber and the Senate.

Electoral System Choice

At the beginning of the 1990s, the long-standing issue of electoral reform gained momentum in the media and in public opinion. The demand for a change in the PR system was prompted by widespread disaffection toward parties (Morlino and

¹Before the 1953 national elections, the Italian parliament approved an electoral law according to which any party or alliance of parties gaining more than half of the total vote should have been awarded 380 of the 590 seats in the Chamber. The Christian Democrats and their allies narrowly failed to gain half the votes, and in July 1954, the former electoral law was restored

Tarchi 1996) and an increasing judicial activity against political corruption (Burnett and Mantovani 1998).²

The electoral reform was considered a panacea for all the pathologies of the political system. The reformers' goals were many and often incompatible, aiming for government stability and direct accountability of individual MPs to voters.³ However, reformers agreed on using the popular referendum as a tool to force Parliament to adopt a new electoral system. In Italy, a referendum can only abrogate existing legislation, so changes were surreptitiously entered by repealing existing features of the Senate electoral law. By striking words and paragraphs out of the old electoral law, the referendum movement proposal would have abrogated the 65% clause (see Appendix A, Table A1a and A1b). In so doing, it would have transformed the PR system into one in which most of the seats would have been allocated by plurality. On April 3, 1993, Italian voters overwhelmingly approved the referendum that changed the electoral rules for electing the Senate (83% of the valid votes, i.e., a majority of the Italian electorate). The reform process was mainly driven by such referendum results. Parties bargained only about specific features of the new mixed system (single or double ballot, linkage about plurality and PR tiers, or the threshold in the PR tier).⁴

Despite the introduction of a new electoral law in 1993, the issue of electoral reform was not erased from the political agenda. Two additional referendums were held in 1999 and 2000, aiming to abolish the proportional vote for the Chamber. However, neither referendum reached the quorum (50% plus 1) because the turnout dropped to 49.6% in 1999 and to 32.8% in 2000.

In December 2005, the Italian Parliament introduced a second electoral reform. The process leading to electoral system change was very different from the one that had occurred in 1993. In 1993, the electoral reform was mainly the product of an external constraint, whereas in 2005, it was the choice of the governing parties. In 1993, the party system was quasi-atomized, whereas in 2005 it was more structured. In 2005, new electoral rules were approved by the incumbent right-wing majority government despite the fact that the major opposition parties opposed the reform.

One may conjecture that the incumbent majority was pursuing three main goals. The first goal was to reduce the electoral costs of a very likely defeat, similar to the French electoral reform adopted in 1986 by Mitterrand. The second goal was to abolish the SMDs in order to play the electoral game in the most advantageous tier (PR). In 1996 and 2001, parties that joined the right-wing coalition gained more

²In April 1993, approximately one-third of Italian MPs were under investigation for corruption (Ricolfi 1993)

³As Katz (2001, 104) pointed out, "While advocates of the plurality system often claimed that it would give Italians a direct choice between alternative majorities as in the UK *and* local choice and control over individual representatives as in the USA, they never countenanced the possibility that instead the result might be minimal personal accountability to local voters like in the UK coupled with minimal stability or coherence of majority as in the USA"

⁴This is a good example of a "path-dependent" institutional change. The SMDs formerly introduced in 1947 for electing the Senate operated as a constraint in devising the 1993 electoral reform

votes in the PR tier; parties that joined the left-wing coalition gained more votes in the plurality tier (see Appendix B). The third goal was to ensure better outcomes for major parties by changing patterns of intracoalition bargaining. Under the 1993 electoral system, minor parties were able to extract disproportionate advantages in preelectoral bargaining over candidacies (potential seats) in the SMDs; under the new electoral law, seats were allocated *ex post* on the basis of the votes actually gained by minor allies.⁵ The role of minor parties is also crucial in explaining the evolving role of PECs before and after the 2005 electoral reform.

Preelectoral Coalitions Under the 1993 and 2005 Electoral Laws

The 2005 electoral reform abolished the SMDs and reintroduced a closed-list PR system with a seat bonus provision. The seat bonus, however, is allocated to the party list or the coalition that gains a plurality of votes. This marks an important change in the electoral rules because the formation of PECs achieved formal recognition.

The formation of PECs was one of the main consequences of the 1993 electoral reform. The 1993 electoral law, however, did not mention the coalitions as main actors in the electoral process; the 2005 electoral law did. Moreover, the 2005 electoral law created further incentives to the formation of PECs because it established lower thresholds for party lists that joined a PEC. Finally, under the 2005 electoral law, the translation of votes into seats occurs in two steps: The seat total (including the seat bonus) is allocated first to a coalition, then seats are distributed among the party lists that join the coalition.

Other features of the electoral law reinforce the role of PECs. For example, the law specifies that before the elections, parties must deposit their electoral platform and their label and indicate a party leader or, in the case of parties that have joined a PEC, the coalition leader. This feature suggests that PECs are seen as potential government coalitions.

Differences in Rules for Electing the Chamber and the Senate

Both the 1993 and the 2005 electoral reform established different rules for electing the Chamber and the Senate. Under the 1993 electoral system, such differences concerned the ballot structure, the linkage between the PR and the plurality tier (i.e., the mechanism of negative vote transfer), and the electoral formula in the PR tier. Under the 2005 electoral system, the differences mainly concerned the seat bonus allocation. The seat bonus is allocated on a national basis for electing the Chamber and on a regional basis for electing the Senate (Di Virgilio 2007).

⁵For example, in 2001, to gain a seat, Forza Italia had to gain on average twice as many votes as the UDC. In 2006, such differences were greatly reduced. To gain a seat, Forza Italia needed approximately 66,024 votes, whereas the UDC needed about 67,233 votes

Such differences in electoral rules are by no means irrelevant in a parliamentary system such as the Italian one in which a government needs an investiture vote in both Chambers. The 2006 general elections provide a good example of how differences in electoral rules for electing the lower and upper houses affected the electoral results and the process of “making and breaking a government.” Because of the national seat bonus, the left-wing coalition gained a majority of seats (340–277) in the Chamber (the actual votes were distributed 49.81–49.74%). The right-wing coalition secured a majority of seats (155–154 seats) in the Senate (the actual votes were distributed 49.87–49.18%). Eventually, the left-wing coalition gained control of both chambers by winning four of the six Senate seats allocated to voters outside Italy. As a consequence, the coalition government (Prodi II) that formed afterward could only count on a very narrow majority in the Senate. The Prodi II government lasted only 9 months. In January 2008, Prodi survived a confidence vote in the Chamber of Deputies but was defeated 156–161 (with 1 abstention) in the Senate.

The 1994 Electoral Reform in Japan

The 1994 electoral reform in Japan replaced the SNTV medium-size electoral district system in the House of Representatives (HR) elections. This system had been used since 1947 and throughout the predominance of the LDP (from 1955 to 1993). The MMES with SMDs and PR, which was enacted in 1994, has been used since the 1996 general elections. The reform was followed by public outcry against political corruption and money politics. To secure plural seats in the medium-size districts (most of which had three–five seats), the LDP candidates cultivated personal votes to compete with those from the same party in the same districts. The intraparty competition, which had nothing to do with policy differences, allegedly was cultivated by personal votes and pork. Since the late 1980s, the LDP leadership was forced to respond to public criticism of political corruption and had to put electoral reform on the agenda despite opposition from its own legislators.

The LDP had a vested interest in the medium-size electoral district system under which its predominance was initiated, enhanced, and consolidated. In principle, the intraparty competition under the SNTV is expected to impose an extra burden on a plurality party that aims to secure a majority. During the prewar period, the medium-size electoral district system was used to weaken party politics, that is, to prevent any party from winning a majority (Kawato 1992). However, the LDP successfully adjusted to the medium-size electoral district system to secure multiple seats in the same district. The LDP factions were considered key intraparty organizations that served to promote intraparty competition to win a majority while maintaining party unity (Cox and Rosenbluth 1994; Kohno 1997). The predominance of the LDP depended on a subtle balance between factional rivalries in its parliamentary party. Party unity was promoted by the distribution of the fruits derived from its incumbent status (i.e., official posts, budget allocations to constituencies, and so on).

In this regard, the idea of electoral reform imposed a strain on the LDP, and the dispute over the reform was an important reason for the 1993 major split of the LDP.⁶ The LDP Diet members who had served one or two terms and had only a weak electoral support base were eager to tame public criticism by enacting electoral reform. However, the LDP leaders and executives were reluctant to change the existing system on which their electoral support organization had long been based.

The electoral reform was enacted under the non-LDP coalition government formed after the 1993 general elections in which the LDP won a plurality in votes and seats but failed to restore the number of seats lost through preelection defections. The newly introduced mixed system of the SMD and PR was not really desired by the LDP, which had succeeded in winning more than one seat in the same medium-size districts where other parties could win only one. At the same time, however, the reform did not work well for the non-LDP coalition parties. A prominent example was the SDPJ, the largest among the non-LDP coalition parties, which has shrunk to a minor party. The SDPJ was weakened by a major breakup immediately before the first election under the new system in 1996 and continued to lose seats in subsequent elections, except for the one in 2000.

In this regard, the introduction of the mix of the SMD and PR constituencies was not a result of apparent intent or interest of any party. Rather, the introduction was contingent on the reform process. The number of SMD seats remained at 300, but the number of PR seats decreased from 200 to 180 by the revision of the electoral law in 2000. The LDP, which has returned to power since 1994, has won a majority of the SMD seats but failed to win back a secure majority in the entire HR. As a result of the 1994 electoral reform, the two houses of the Japanese Diet now share a mixed system. The electoral system of the House of Councilors (HC) is a combination of PR with optional preferential vote and electoral district constituencies whose sizes vary from small to large, depending on the population of prefectures (see Appendix A, Table A2b).

Party Competition Under the New Electoral Rules in Italy and Japan

In both Italy and Japan, parties adjusted to the newly established electoral rules by introducing novel electoral strategies. Such adjustment to the new rules in turn resulted in changing patterns of party competition. In Italy, the emergence of two major PECs became the underlying pattern of party competition; in Japan, the competition of two major parties replaced a 38-year predominance of the LDP. The effects of the electoral systems are embedded in the context of their application (Sartori 1984; Bowler and Grofman 2000). They serve to define the overall pattern

⁶Kato (1998), Reed and Scheiner (2003), and Saito (2009) explain the split of LDP, focusing on distinct factors

of subsequent partisan competition. More specifically, the fragmentation of the party system is an important factor in the comparison of the Italian and Japanese cases. High fragmentation has cultivated incentives among parties to form PECs in Italy, whereas in Japan, the lower fragmentation has encouraged parties to form a postelectoral coalition for office and to maintain the governing coalition for coordination of party nomination in subsequent elections.

Formation of Preelectoral Coalitions in Italy

The 1993 electoral system created strong incentives to strategic coordination in the plurality tier. However, such incentives operated in the context of high fragmentation of the party system.

In 1993, the party system was characterised by a high degree of flux. Parties were facing a crisis due to the long-term declining support of their traditional electorate and the short-term effects of corruption scandals.⁷ Before the 1994 general elections, the larger parties had disappeared, and each party could contest the election with an expectation of getting into government. In such a context, running independently in the newly established SMDs did not appear to be a feasible option for any party, including those that could rely on a territorial basis of support, such as the Northern League in the north, the PDS in the “Red Belt,” and the Democratic Christians (DC) in some areas of the south (see further discussion of the territorial basis of Italian politics in Giannetti and Taniguchi, Chap. 3, this volume). In such a context, building PECs that endorsed common candidates in the SMDs was the only feasible option to maximize a party’s chances of electoral success to gain representation in the Parliament.

The electoral rules for electing the Chamber generated a large number of strategic options for political parties, as illustrated in Fig. 2.1. First, parties could devise an electoral strategy both in the plurality and in the PR tier, but they might also choose to run in one tier only. Second, in the plurality tier, parties might choose to run independently (as a third party) or enter a PEC. Third, parties might choose to run independently in the PR tier under their own party list or form a joint list to overcome the 4% threshold. Finally, in the PR tier, smaller parties could pursue a “pouching arrangement,” that is, run their own candidates within the party list of a larger coalition partner. Rules for electing the Senate generated a less-complex set of strategic options. Because voters cast only one vote and the PR seats were allocated to the best losers in the SMDs, parties had only to choose how to run in the SMDs.

In the plurality tier, the building of a PEC was usually the preferred option. The coordination problem was a huge one. The cross-endorsement strategy implied selecting which candidate would have contested which of 706 SMDs (475 in the Chamber and 231 in the Senate). Both larger parties (i.e., coalition builders) and smaller ones quickly

⁷ See Giannetti and Taniguchi, Chap. 3, this volume

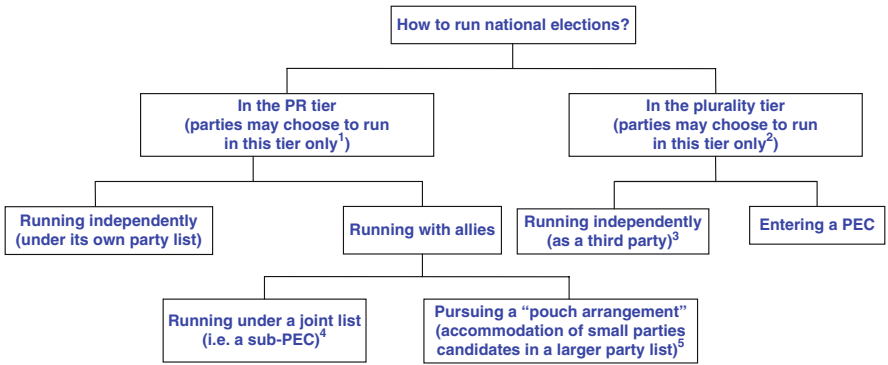
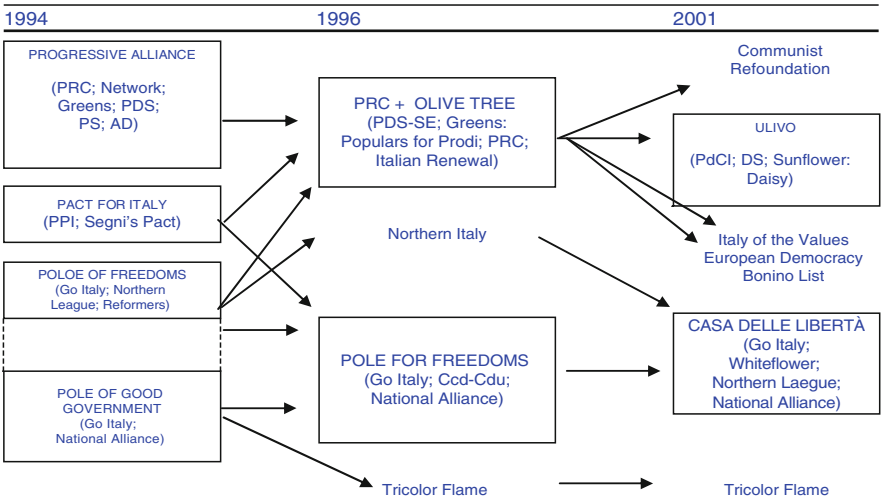


Fig. 2.1 Strategic options pursued by Italian parties under the 1993 mixed-member majoritarian (MMM) electoral system for the Chamber. *Notes:* ¹*Communist Refoundation* run only in the PR (proportional representation) tier in 2001 elections. ²*Social Christians, Socialist Rebirth* run only in the plurality tier in 1994 elections; *Network, PSdA, LAV, UL, List for Trieste, Liberaldemocrat Federation* did the same in 1996 elections and UPR, the new DC, *Segni Pact, PPS, New Sicily* in 2001 elections. ³As *Northern League* and MSFT in 1996 elections and DE, *Italy of the values and Pannella and Bonino List* in 2001 elections. ⁴Such as *Segni Pact* in 1994 elections; *Popolari per Prodi, Dini List, and CCD-CDU* in 1996 elections; *DL-the Daisy, Sunflower, and Whiteflower* in 2001 elections. ⁵Such as *Go Italy* in 1994 elections (accommodating CCD candidates), PDS-SE in 1996 elections (accommodating Unitarian Communists, Social Christians, Labour and Social Democrat candidates)

Table 2.1 Preelectoral coalition (PEC) dynamics in Italy (1994–2001)



Note: This is a simplified sketch of the composition of PECs. The table considers as PECs component the proportional representation (PR) lists only, while as discussed, the number of PEC components was greater (considering PR joint lists and parties choosing to run in the plurality tier only)

learned how to play the game. Coalition builders seeking alliances with smaller parties granted them winnable nominations in the SMDs. Smaller parties bargained the price of their participation by threatening to join the rival PEC or to run independently. This process determined a continuous readjustment in the composition of the PECs, as summarized in Table 2.1. Moreover, in 1996 and in 2001 a pattern of candidate allocation known as “the proportionalization of the plurality tier” became the rule in the preelectoral bargaining within PECs.⁸

PECs were also built in the PR tier. The strategy of creating a joint list was an important ingredient in the evolution of the architecture of PECs. First, joint lists were mainly created to allow smaller parties to overcome the 4% national threshold (even though in 2001 two of three joint lists failed). Second, joint lists became a useful device both to hide policy differences among coalition partners in the eye of voters and to reduce the number of partners bargaining candidacies in the preelectoral negotiations. Third, the strategy of building joint lists in the PR tier transformed the structure of the Italian PECs into something like a Russian nested doll and anticipated important changes in the party system, such as the birth of the Daisy, which later merged into the PD.

We now turn to strategic options to face the linkage between plurality and PR tiers. Two aspects must be taken into account. The 1993 electoral rules established a provision according to which all SMD candidates had to be affiliated with up to five PR lists. Consequently, independent candidacies were not allowed. However, the link (*collegamento*) was flexible because SMD candidates and PR lists could run under different labels, and parties entering a PEC could maintain their own identity in the PR tier. Second, parties were able to strategize around the effects of the *scorporo*, that is, the mechanism of negative vote transfer aimed at penalizing the PR lists that endorsed candidates who gained most of the seats in the plurality tier. The trick was to set up “fake” PR lists (*liste civetta*) and affiliate candidates in SMDs to these fake lists in the PR tier. Consequently, the “real” party lists avoided being charged by the negative vote transfer because this was paid by the fake list to which each SMD candidate was actually affiliated. This was a loophole in the electoral law.

As noted, the 2005 electoral reform gave formal recognition to PECs. At the same time the coordination problem in the preelectoral phase became easier as PECs transformed into a mere collection of party lists. In other words, parties were no longer compelled to negotiate cross-endorsements in SMDs before the elections. Under the 2005 electoral rules, the strategic options of parties changed. Parties might choose between two main different strategic options (e.g., running under their own party list or under a joint list).⁹ Each option could be pursued running independently or entering a PEC. Smaller parties entering a PEC could also run

⁸See Di Virgilio and Reed, Chap. 4, this volume; for further details, see Di Virgilio (2002, 2004); D’Alimonte (2005)

⁹For example, these parties included the Rose in the Fist and the Northern League-MPA in 2006 and the Rainbow Left (SA) and the Right-Tricolor Flame in 2008. In all these cases, parties joined common lists to overcome the electoral thresholds

under a “pouching arrangement”¹⁰ or run under a pouching arrangement *plus* under their own party list¹¹ or under a joint list.¹²

It is important to note that in the 2006 and 2008 national elections, parties adjusted to the same rules in very different ways. In the 2006 elections, PECs were all inclusive, as illustrated in Table 2.2. Two main catch-all blocs faced the 2006 elections, showing continuity with the trend started in 1996 under the previous electoral rules. Larger parties took advantage of the complicated system of thresholds established in the 2005 electoral law because they were able to attract minor parties joining the preelectoral cartel. Actually, to gain seats, smaller parties have to pass a lower threshold if they join PECs (2% of the total votes rather than 4%).

In the 2008 elections, the larger parties again took advantage of the electoral thresholds by building “narrower” and more selective PECs. In so doing, previous allies running independently faced higher costs. This process was a consequence of party mergers on both sides of the ideological spectrum (see Table 2.2). As discussed in the next section, such a change in electoral strategies produced a dramatic change in electoral outcomes, seat allocation, and the shape of the party system.

Strategic Adjustments by Japanese Parties and Formation of Post-electoral Coalitions

As just clarified, in Italy the formation of PECs resulted from competition among parties circumscribed by the 1993 and 2005 electoral rules. Under the Japanese MMES electoral rule, the formation of PECs was never the basis for the strategic adjustment of parties. This contrasting consequence can be attributed to differences in party fragmentation and the district electoral rules in the two countries. This section clarifies the difference in Japanese and Italian electoral rules.

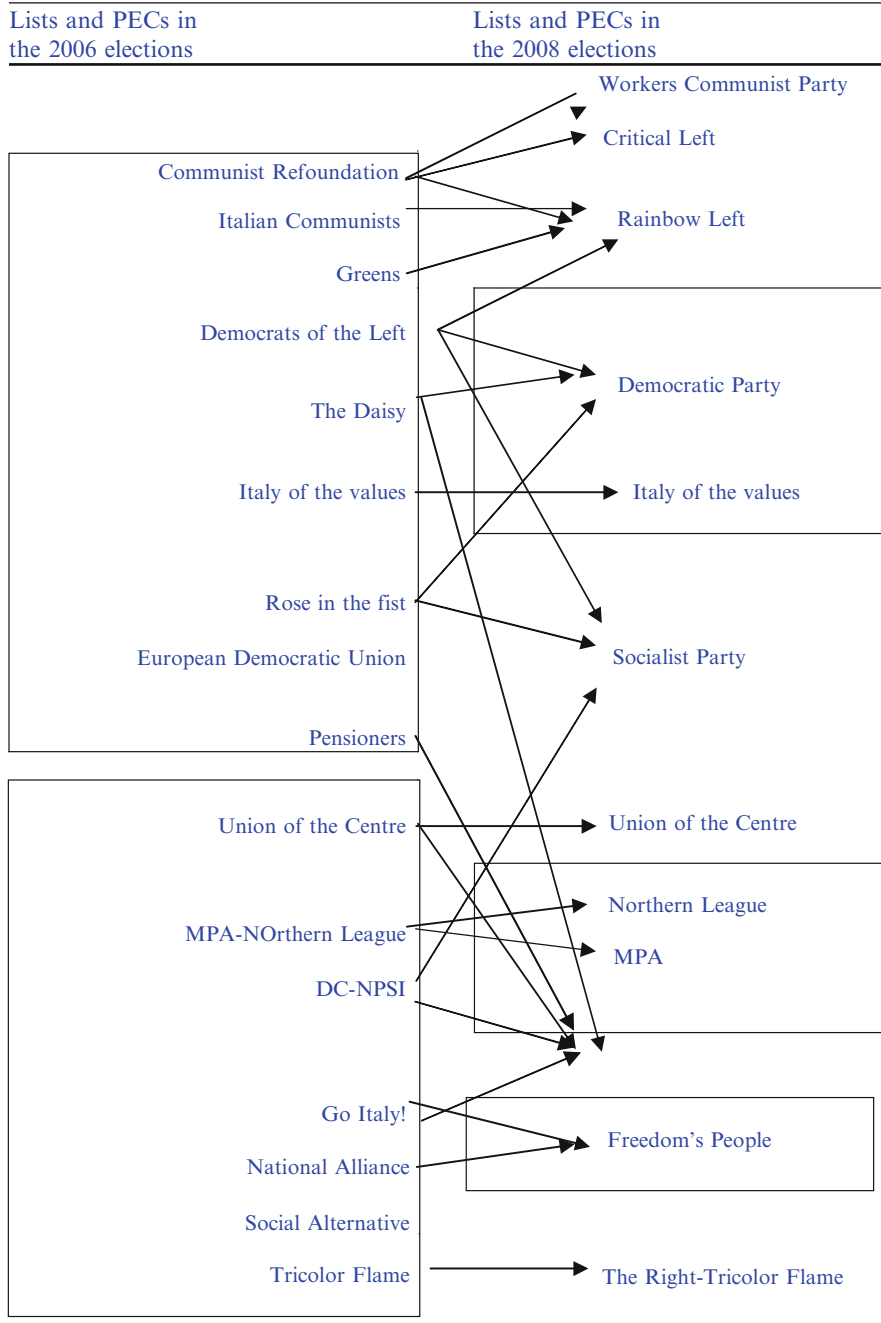
Electoral coordination helps parties decrease uncertainty in competition over votes and offices. The LDP, for example, tried to cope with uncertainty by maintaining the same coalition partner (i.e., the Clean Government Party, CGP) from 1999 to the 2009 general elections, when it was ousted from power. The two parties formed a surplus majority coalition in the HR and a minimal winning coalition in the HC (Table C2 in Appendix C). The electoral system in the two houses belonged to a category that was a hybrid of the PR and district election systems and thus presented no problem for the electoral strategy of the party. A different power balance between the two houses has influenced the coalition strategy of the largest party – the LDP – and its relationship with prospective coalition partners. To maintain the coalition with the CGP, the LDP was willing to increase the PR votes for the

¹⁰ For example, such parties were the Liberal Reformers, European Republicans (RE), Italian Social Democratic Party (PSDI), Republican Party (PRI), Sardinia Project, and Young Italy in the 2006 elections and Italian Radicals in 2008 elections

¹¹ Examples are UDEur, Italy of the values and Pensioners in the 2006 elections

¹² Examples are the Northern League and MPA or the DC and New PSI in the 2006 elections

Table 2.2 Party dynamics and preelectoral coalitions (PECs) in 2006 and 2008 elections



CGP in exchange for the support of the CGP for the LDP candidates in SMDs (Reed and Kay 2009). The CGP/LDP coalition was much more fragile than the Italian PECs, in which electoral constraint has motivated parties to exchange (and maximize) votes. The coalition hinged on mutual benefits gained from the alliance. The electoral coordination of the coalition depended on their supporters' willingness to trade their votes between the two parties across the systems. Such coordination is often hard to accomplish, and "neither party can expect much more from the other" (Reed and Kay 2009). The absence of a direct constraint from the electoral system distinguishes the Japanese case from the Italian one. This is consistent with the ups and downs of the partisan power balance between the LDP and DPJ from the 2005 to the 2009 general elections.

Electoral Outcomes and Government Formation in Italy and Japan, 1994–2009

The mixed electoral systems have brought unexpected consequences in electoral outcomes and office formation from SMDs and PR in both Italy and Japan. The following sections specify these changes: the Italian bipolar competition with increasing party fragmentation as contrasted with the Japanese bipolar competition with decreasing fragmentation.

Five Italian Elections (1994–2008): Bipolarism, Party System Fragmentation, and Alternating Governments

From 1994 to 2006, three main trends in Italian politics are clearly observable: (a) the development of a bipolar pattern of party competition at the electoral level, (b) increasing party fragmentation at the legislative level, and (c) alternating governments. These trends have not been altered after the electoral system change that occurred in 2005. However, in the 2008 national elections, the strategies of parties marked an important change, keeping the electoral system constant.

From 1994, strategic coordination in the SMDs determined the emergence of a bipolar pattern of party competition (Reed 2001). This pattern, however, depends on taking preelectoral cartels as unit of analysis. Whereas in 1994 the percentage of valid votes for third parties was 29%, in 1996 the percentage dropped to 16%; in 2001, it decreased to a 10% (see Appendix B, Table B1). In 2006, under the PR system with a seat bonus, the percentage of valid votes for third parties was 0.5%. After 1994, both the effective number of electoral parties (ENEP) and the effective number of parliamentary parties (ENPP) decreased, as illustrated in Fig. 2.2. Taking PECs as unit of analysis, in 2001 the ENPP was 2.0, and in 2006 the ENEP was about the same value.

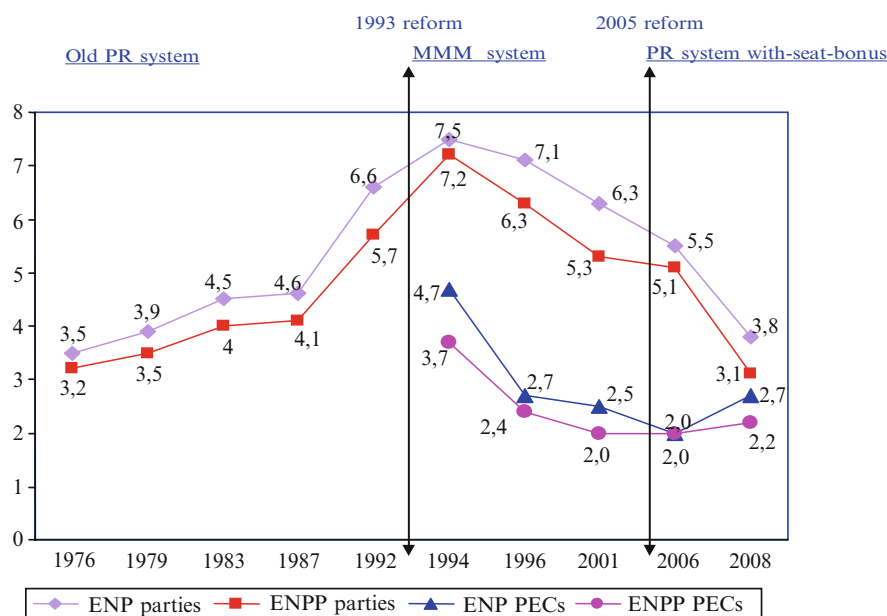


Fig. 2.2 ENEP (effective number of electoral parties) and ENPP (effective number of parliamentary parties) for individual parties (1976–2008) and electoral coalitions (1994–2008) in the Chamber

The bipolar pattern at the national level shows some important differences across districts and across time (Bartolini et al. 2004). Districts included in two of the three main geopolitical areas into which Italy is usually divided¹³ were basically *noncompetitive*. In the north, with the exception of the 1996 elections,¹⁴ right-wing candidates dominated in the plurality tier. However, in the 2001 elections, the percentage of competitive districts increased from 15% to 31% (percentage calculated over the total districts for electing both MPs and senators).¹⁵ A similar trend was apparent also in the so-called Red Belt, where the percentage of competitive districts increased from 0.06% to 0.23%. The south has always been the most competitive area within Italy. In the 1994, 1996, and 2001 elections, more than 50% of SMDs in this area were competitive districts.

¹³ The north includes seven regions: Valle d'Aosta, Piedmont, Lombardy, Veneto, Friuli-Venezia Giulia, Trentino Alto Adige, and Liguria. The Red Belt includes four regions: Emilia Romagna, Tuscany, Marches, and Umbria. The south includes the other nine regions: Latium, Abruzzi, Molise, Campania, Apulia, Basilicata, Calabria, Sicily, and Sardinia

¹⁴ In 1996, the Northern League did not join any PEC. Its territorial concentration allowed the party to be competitive in many SMDs in northern Italy

¹⁵ There are several criteria to classify "marginal" or "winnable" SMDs. According to the data reported here, a district is classified as marginal when the vote difference among the first and the second candidates is less than 8% (Bartolini and D'Alimonte 2002)

Until 2006, bipolarism in Italy had been fragmented. Party lists in the PR tier between 1994 and 2006 reveal that both the ENEP and the ENPP were relatively high (around five). In other words, in the period between 1994 and 2006, the party system fragmentation was higher than in the previous decade.¹⁶

The 2008 elections mark a significant change in terms of party system fragmentation. Party mergers on both sides of the ideological spectrum led to the birth of two larger parties (PD and PdL). As illustrated in Fig. 2.2, party system fragmentation decreased dramatically (the ENEP dropped from 5.5 to 3.8; the ENPP from 5.1 to 3.1). Moreover, as illustrated in Fig. 2.3, the proportion of votes for larger parties is very similar to the one that existed in the 1970s. It is hard to predict if this pattern will remain stable. In the 2008 national elections, the electoral strategies of parties contributed to minimize the differences in the electoral rules for electing the Chamber and the Senate as the right-wing coalition gained a higher percentage of seats in the Senate than in the Chamber (54.6% vs. 55.2%).

A typical feature of the Italian system from 1948 to 1992 was the low interparty competitiveness, which allowed the DC to be included in each postwar government. The DC was able to form single-party majority governments and minority governments. However, from 1980 to 1992, the prevailing pattern was the formation of oversized coalitions, including the DC, the PSI, and some minor allies (Cotta and Verzichelli 2000). Up to the 1992 elections, coalition government formation in Italy

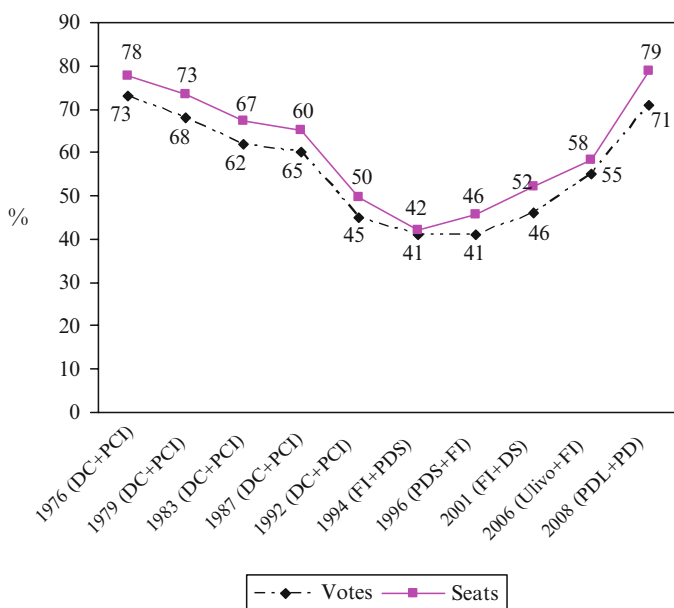


Fig. 2.3 Concentration index of votes and seats in the Chamber for two major parties

¹⁶ See Di Virgilio and Reed, Chap. 4, this volume

followed a pattern rather common to other parliamentary systems, i.e., parties bargained their participation in government coalitions *after* and not *before* the elections.

After 1994, the dissolution of the DC and the introduction of the MMEs lead to the formation of PECs. Data about policy positions of the parties reported in Benoit and Laver (2006) showed that ideology was an important determinant in the formation of PECs of center left and center right. From 1996, parties that joined a PEC subscribed to a joint electoral platform and indicated a prospective prime minister. Following a general pattern (Martin and Stevenson 2001), such PECs also formed a government after the elections.

The Italian so-called First Republic was well known for the dominance of the same governing parties or coalitions of parties. After 1994, the composition of governments changed after each election. The prevailing type of coalition government did not change because surplus majority coalitions continued to form (see Appendix C, Table C1). However, government type is sometimes hard to identify because of continuous party change.

Governments did not last the entire legislature. From 1948 to 1992, the average duration of Italian governments was 13 months (Laver and Schofield 1990). Since 1994, the average duration has been 19 months. Many governments were interelectoral governments. For example, in the period from 1996 to 2001, four interelectoral coalition governments, including different coalition partners, were formed due to party switching and changes in the composition of parliamentary parties (Giannetti and Laver 2001).

The most evident change with the past is in terms of portfolio allocation. Formerly, portfolio allocation was strictly proportional to the legislative weight of coalition members; after 1994, an advantage ratio in favour of smaller parties is observable. Larger parties have had to make concessions to minor allies in terms of portfolio allocation to secure the survival of coalition governments.

Five Japanese Elections (1996–2009): Steps Toward Bipartisanship

In contrast to the Italian case, the dynamics of the Japanese parties are summarized by (a) the emerging bipolar competition between the LDP and the DPJ, (b) the subsequent decrease in the fragmentation of the party system, and (c) the emerging dynamics of contestation for office between the LDP-centered and the DPJ-centered coalitions.¹⁷ These changes ushered in the formation of the first DPJ-centered coalition government after the 2009 general elections.

¹⁷ There is a long list of the literature on the impact of the Japanese electoral reform, but all focused on the impact on candidates, parties, voters, and interest representation (Gallagher 1998; McKean and Scheiner 2000; Horiuchi and Saito 2003; Krauss and Pekkanen 2004) and have not yet considered the impact on the overall partisan dynamics

Electoral changes followed by changing coalition formation were closely related to the new partisan dynamics. The first election under the newly introduced mixed system was held in October 1996 when the major opposition party was the New Frontier Party (NFP), to which non-LDP coalition parties had merged in 1994 immediately after being turned out of office. The DPJ was formed immediately before the elections by defectors from the New Party Harbinger (NPH) and Social Democratic Party (SDP). The NFP, on its formation in 1994, had replaced the SDP as the second-largest party, but it disbanded in 1997. Since then, the DPJ became the major opposition party to the LDP. The rivalry between the LDP and the second-largest party formed the backbone of partisan dynamics under the guise of disorderly and extensive changes and reorganization of parties from the 1993 to the 2009 general elections (Fig. 2.4). From 1996 to 2005, four general elections were held, and party switching occurred between the elections. Both the electoral results and party switching changed the balance of power among parties. The electoral results often influenced subsequent party switching. For example, office-seeking legislative members tend to move to a near-majority party, expecting that their switching will contribute to changing it to a majority party. This logic explains quite well the rapid decline of the NFP after the LDP won seats close to a majority threshold (Laver and Kato 2001). At the same time, however, the office-seeking explanation cannot be applied to the DPJ, which started as a much smaller party than the NFP and has continued to increase its size in elections while preventing the LDP from absorbing all legislative switchers.¹⁸

Table B2 in Appendix B shows seats and votes won by each of the parties in the 1996, 2000, 2003, 2005, and 2009 general elections. In the first three elections, the DPJ fared equally well in SMDs and PR districts, whereas the vote share of the LDP was clearly larger in SMDs than in PR districts. A majority formation under the winner-take-all system prevented the LDP from declining in power. The number of seats won by the LDP was close enough to a majority threshold. However, the DPJ, which was the third party in the 1996 elections, continued to contest with the LDP in the first three elections under the new system. The landslide of the LDP in the 2005 general elections was an unexpected result of Prime Minister Koizumi's manipulation of the policy agenda in the snap elections. The LDP majority had been against Koizumi's dissolution of the HR and his hard line for the privatization of the postal service, but they jumped on the bandwagon as Koizumi's popularity among the public increased during the electoral campaign. However, after three short-lived cabinets, the reign of the LDP was terminated by the landslide of the DPJ in the 2009 general elections.

¹⁸The advantage of the DPJ against the LDP may be explained better with the policy-seeking explanation. Kato and Yamamoto (forthcoming) have demonstrated that the policy positions of the DPJ, which were distributed widely from moderate left to moderate right, have attracted *policy-seeking* party switchers vis-à-vis the LDP, whose near-majority size has attracted *office-seeking* party switchers

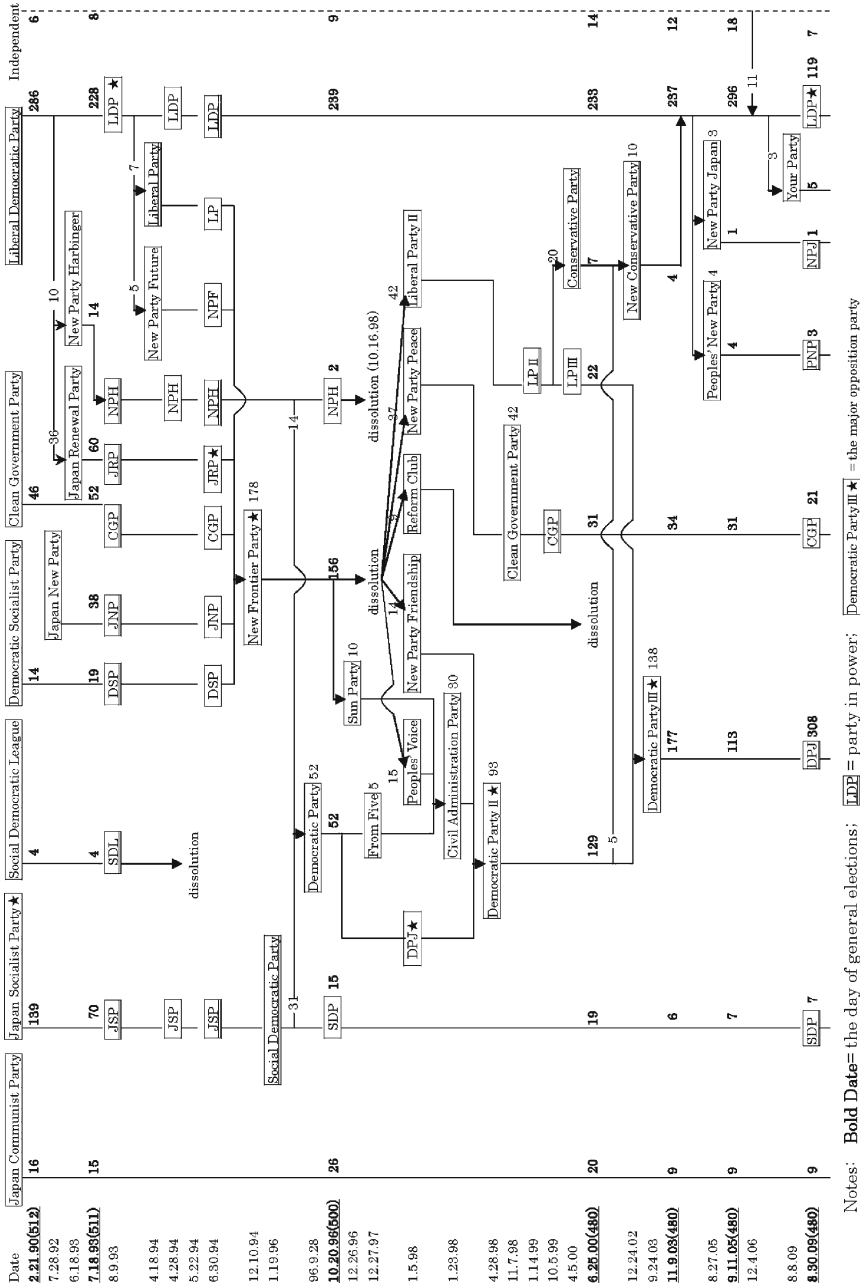


Fig. 2.4 Reorganization of political parties in Japan (House of Representatives). Notes: **Bold date** – the day of general elections, Underline – party in power, <solid star> – the major opposition party

The MME appeared to contribute to striking a subtle power balance between the LDP and the DPJ. A reduction in PR seats from 200 to 180 was expected to work for the LDP, but after the reduction, the DPJ fared quite well in the 2000 and 2003 elections. Because the DPJ has rapidly expanded its size since its formation, a majority of the DPJ legislators had not been Diet members when the electoral reform was enacted, and thus the party had no control over the reform. However, the non-LDP coalition parties that decided on the reform as incumbent parties also did not fare well under the new system. The SDP has continued to decrease its size. The Clean Government Party (CGP), a member of the non-LDP coalition, which reorganized when the NFP broke up, became a coalition partner with the LDP in 1999, but the incumbency did not contribute much to expanding its size. It is hard to argue that the electoral reform was fully consistent with the will of incumbent parties at the time of enactment or a result of strategic manipulation of any party in or out of office.

Partisan dynamics in Japan since 1993 have been completely different from what they were before 1993 or, more precisely, from 1955 to 1993 when the LDP substantially maintained a one-party government (except for very short interruptions) by winning a majority in general elections. The LDP has faced major opposition from parties that can aspire to be in office. Therefore, the LDP has sought a partner for a governing coalition and tried to form coalition governments since 1994 except during a short period of a minority government (Table C2 in Appendix C). The CGP allied with the LDP in October 1999 and since November 2003 became a sole partner when the Conservative Party (CP) merged with the LDP after the 2003 general elections. The governing coalition went hand in hand with the electoral coalition.

Meanwhile, coalition politics imposed a dilemma on the DPJ. Policy dynamics have shown an apparent parallel with strategic adjustments between the LDP and the DPJ. More specifically, the two major parties have appeared to shift their policy positions closer to each other. An analysis of expert survey data on party positions from 1996 to 2005 (Kato and Kannon 2008) showed that the policy positions of the DPJ are widely distributed from moderate left to moderate right, and its center position has attracted a larger number of party switchers and voters than otherwise. The LDP has also shifted its policy position closer to possible coalition partners, such as the CGP, located at the center of the left-right policy dimension.

Consequently, both the LDP and DPJ have tried to shift their policy positions so that they could ally with small parties located from moderate left to moderate right (Kato and Kannon 2008). The DPJ must distinguish itself from the LDP to appeal to voters for office. The DPJ legislative members have originally come from different parties with a variety of ideological positions. Maintaining the unity of a heterogeneous party has attracted more support from a variety of policy positions. At the same time, however, the party is attempting to coordinate its policy positions with smaller parties only to get closer to the position of the LDP, which has also shifted toward the center. In terms of forming a governing coalition, again, the partisan dynamics in Japan have moved closer to a two-party competition in coalition bargaining while remaining distinct from it.

Throughout the period from the 1990s to the 2000s in Japan, partisan dynamics have characterized the contest between the LDP and the second-largest party.

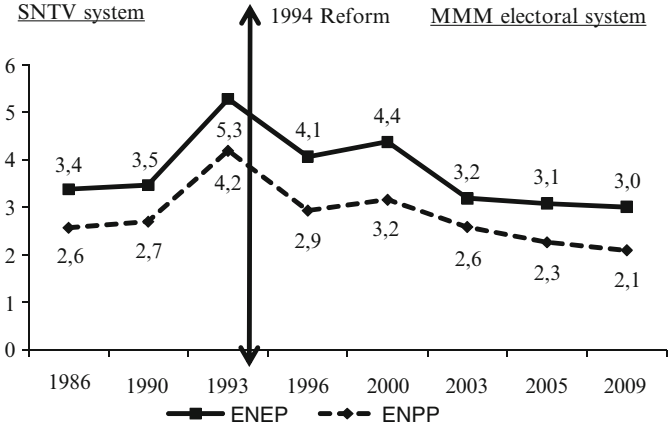


Fig. 2.5 *ENEP* (effective number of electoral parties) and *ENPP* (effective number of parliamentary parties) for individual parties (1986–2009). *MMM* – mixed-member majoritarian, *SNTV* – single nontransferable vote

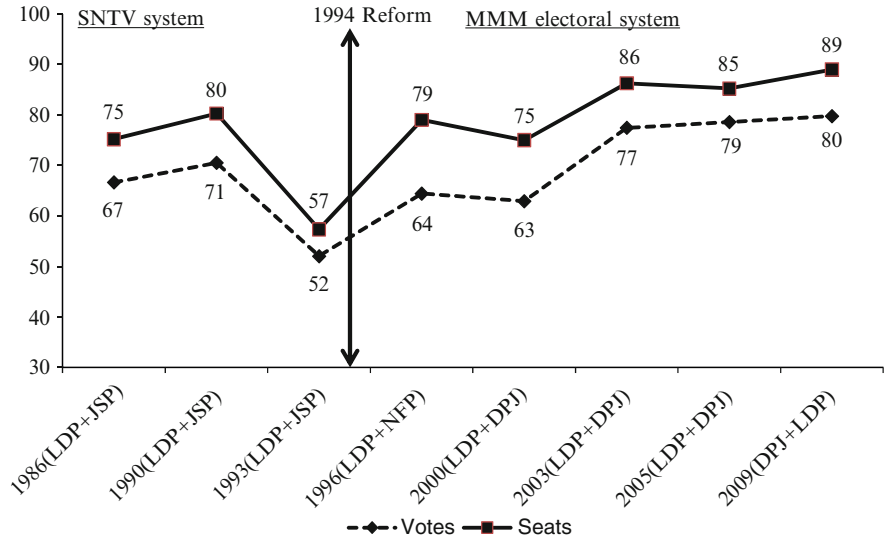


Fig. 2.6 Concentration index of votes and seats for two major parties (1986–2009). *DPJ* – Democratic Party of Japan, *LDP* – Liberal Democratic Party, *MMM* – mixed-member majoritarian, *SNTV* – single nontransferable vote

This is consistent with the contrast in the concentration level of two major parties in the two countries. Although the concentration indexes of the two major parties in Japan dropped in 1993, they maintained a level of 70%, which was the same as in the 1980s (Figs. 2.5 and 2.6). However, in Italy, the merger of parties resulting from the formation of PECs has increased the level beyond 70% for the first time in 2008

(Fig. 2.3). The levels of ENEP and ENPP in Italy are almost twice as high as the ones in Japan from 1996 to 2005 (Figs. 2.2 and 2.5).

When there is low fragmentation of parties, larger parties do not have incentives to coordinate the candidacies in SMDs before elections. The lower level of fragmentation has therefore decreased the incentives for PECs. Larger parties have a comparative advantage against smaller parties in a winner-take-all system, but they tend to engage in turf battles against another larger party to secure their support base in as many SMDs as possible. Smaller parties, which are more disadvantageous than larger parties in SMDs, have few incentives to form PECs.

Concluding Remarks: Similarities and Differences

This chapter focused on highlighting major changes in party competition in Italy and Japan after the changes in electoral rules that both countries experienced in the early 1990s. The electoral system change clearly affected party strategies in both countries. In Italy, the most evident effects of the change of electoral rules were the formation of PECs and the emergence of a bipolar pattern of party competition at the electoral level. Until 2008, however, this feature coexisted with an increasing party fragmentation at the legislative level. The major consequence of the electoral system change is that Italy experienced for the first time alternating governments because coalition governments of center right and center left formed in the period from 1994 to 2008. This is also the feature that marks an important difference between Italy and Japan. In Japan, partisan dynamics after 1994 were remarkably different from previous times because the LDP had to seek a partner for a governing coalition and tried to form coalition governments. The contest of the two major parties in Japan has facilitated mergers and the extinction of small parties as well as party switching to larger parties to decrease party fragmentation. The formation of the DPJ-centered coalition government after the 2009 general elections appears to usher in an era of government by the alteration of two major parties. This seems to consolidate the dynamics under bipolarization after almost two decades of extensive party reorganization.

Italy and Japan adopted similar electoral reforms in the early 1990s when they had distinct partisan dynamics but one-party dominance. Since then, Italy adopted another electoral reform, and the partisan dynamics behind electoral competition and office formation have diverged between the two countries. In this regard, the electoral system changes have made a difference in party competition as well as in party system dynamics and government formation in both countries. Coincidentally, however, the partisan dynamics of both countries exhibited signs of bipolarization. We have clarified the distinct logics behind the partisan competition in elections and government formations that have eventually led to the bipolarization in both countries.

A Natural Experiment on Electoral Law Reform
Evaluating the Long Run Consequences of 1990s
Electoral Reform in Italy and Japan

Giannetti, D.; Grofman, B. (Eds.)

2011, X, 162 p., Hardcover

ISBN: 978-1-4419-7227-9