Chapter 8

Summary and conclusions

In this chapter, we will give a summary of the argument and results of this study. We will first re-state the most important points of departure and our theoretical and empirical research goals. We will continue with an overview of the theory developed in Chapters 2 and 3 and the main results of our empirical analyses. We will try to give some explanations for the occasions where the theory fails. Finally, we will formulate some of the main conclusions we have been able to draw from this research.

Points of departure and research goals

The research reported in this study started as an attempt to integrate two different traditions in the field of cabinet composition and durability. The first is the game theory tradition. There, simple and parsimonious cabinet models have been developed that can be tested easily using data on cabinet governments in Western multi-party democracies. The second is the “comparative cabinets” tradition. There, theories of cabinet composition and/or durability are developed in which system characteristics are explicitly taken into account.

The coalition theory tradition faces some limitations. First of all, in the “classical” theories non-winning coalitions (minority cabinets) cannot be predicted as rational outcomes. Second, most theories are very general: coalition theorists have failed to include system characteristics in their models. Third, the fact that cabinets are formed by the players of the game is not explicitly taken into account in most cabinet models. This implies that the preferences and the limitations of the players of the game receive insufficient attention.

In the comparative cabinet tradition, answers were found to solve some problem areas in the game theory tradition. First, it was shown that minority cabinets could be predicted. Second, party system characteristics were taken into account, sometimes in the form of typologies. This, however, had some negative consequences. Most troubling is the fact that
system characteristics were largely introduced on an ad hoc basis. That is, a clear theoretical basis from which the specific party system characteristics that were included in the theories were drawn is missing.

We argued that it is possible to point to certain players in the game who, theoretically, can be considered more powerful than other players. These are the dominant and central players. These players receive their important positions in the game from the structure of the characteristics of the game. Therefore, a focus on games in which the important role of these players is appreciated, leads us to adopt a new parsimonious approach in which system characteristics can be introduced. We formulated the following theoretical research goal for this study:

The theoretical goal of this study is to develop an integrated approach, as an extension of the game theory approach to cabinet formation,

- that can be used to study both cabinet composition (of both majority and minority cabinets) and durability,
- that includes system characteristics,
- that explicitly starts at the level of the players of the game,
- that includes both “office-seeking” and “policy-seeking” elements.

In addition, we also formulated an empirical research goal. We argued that most of the recent theoretical approaches in the field of cabinet composition and durability were tested empirically in a rather weak manner: either with a large number of countries in a specific time period, or with one or just a few countries during a longer time period. Thus, claims of empirical success cannot be extended beyond the chosen data set or time period. We therefore formulated the following empirical goal for this study:

The empirical goal of this study is to test the proposed theoretical framework by confronting it with data of cabinet composition and durability, taken from as many countries as possible over a long time period.

The theory was developed in Chapters 2 and 3. It was tested in Chapters 6 and 7 using a data set of 382 cabinets of Western multi-party democracies. In Chapter 4 we discussed the data and operationalizations, in Chapter 5 we assessed the empirical importance of some of our theoretical elements by examining three countries separately.

The theory

We first described the game theory concepts of two players that are more important for the political coalition game than other players. These are the policy order invariant dominant player and the policy oriented central player.
The concepts of the dominant and central players share a feature that makes it possible to use them as system characteristics. The dominant player and the central player are not necessarily present in every weighted majority game.

When we view the seat distribution of the political parties in a certain parliament as a weighted majority game, then the presence or absence of parties that adhere to the definitions of dominance and centrality characterize that parliamentary seat distribution or, more generally, that parliament. Thus, these concepts can be used to characterize games in one specific sense by their presence or absence.

We combined these game theory based system characteristics in a typology of parliaments. Examining the presence or absence of dominant and central parties in parliaments simultaneously, we arrived at the following five classes of parliaments:

- **DCP type**: A dominant party is present, a central party is present and they identify one and the same party, the dominant central party.
- **DP-CP type**: A dominant party is present, a central party is present, but they do not identify the same party.
- **DP type**: A dominant party is present, a central party is absent.
- **CP type**: A dominant party is absent, a central party is present.
- **- type**: Neither dominant party nor central party are present.

This typology is a combination of two game theory based system characteristics. It is a constellation of system characteristics with five values, one for each parliamentary type. Thus, it partly fulfills the theoretical goal for this study. We used this typology as our basis for the development of predictions for cabinet composition and durability, the other part of our theoretical research goal.

However, before embarking on the derivation of predictions and hypotheses for all parliamentary types, we examined the 241 parliamentary seat distributions included in our data set. We found that the **DP** type and the **-** type lacked empirical relevance. We then decided to continue with theory development for only the empirical relevant parliamentary types.

In the final section of Chapter 2, taking the special positions of the dominant and/or central players in the parliamentary game as our starting point, we developed basic prediction principles and hypotheses for cabinet composition and durability. This was done separately for the **DCP**, **DP-CP**, and **CP** parliamentary types. The predictions were directed at both majority and minority cabinets. We also developed hypotheses directed at differences between parliamentary types.

In Chapter 3, we signaled a problematic point associated with our basic prediction principles of cabinet composition for **DCP**, **DP-CP**
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and CP parliaments, the fact that the predictions do not deliver a unique predicted cabinet but a set of predicted cabinets. Thus, the predictions are rather unspecific.

We proposed two theoretical solutions to solve this problem. The first was to add an account of the rational cabinet preferences of our structurally important parties to the initial predictions. The second solution consisted of a theoretical link between the majority cabinet parts of our initial cabinet composition predictions, and the “classical” Minimal Connected Winning Theory and Minimal Winning Theory. Both theoretical solutions enabled us to state more specific predictions of cabinet composition for DCP, DP – CP and CP parliamentary types.

The following conclusion can be drawn with regard to our theoretical research goal:

- An integration of game theory based and comparative cabinets models of cabinet composition and durability is possible. We have shown that a game theory based account of system characteristics could be developed. We used our typology, combined with a player oriented approach, to formulate predictions of cabinet composition and durability for different parliamentary types.

Our empirical research goal required a broadly based empirical analysis of the derived predictions and hypotheses. Its results are discussed below.

Results of the analyses and conclusions

We examined our predictions and hypotheses with a data set of 382 cabinets in 14 Western multi-party democracies between 1918 and 1988. The following countries were included: Austria, Belgium, Denmark, Finland, France (Fourth and Fifth Republics), Germany (Weimar and Federal Republic), Iceland, Ireland, Israel, Italy, Luxembourg, The Netherlands, Norway and Sweden.

The main results of the empirical analysis are:

- that our typology provides a good instrument to account for a number of observed differences in cabinet composition and durability in Western multi-party democracies, and
- that it is fruitful to use a player-oriented approach within the context of the typology, especially when the concept of central players is taken into account,
- that the theoretical argument developed in Chapter 3 to produce smaller prediction sets than the basic predictions for majority cabinets was successful.

We will give an overview of the most important results of the analyses to show that these conclusions are warranted.

Summary and conclusions

It was found that the dominant centrist cabinets in DP and that the structurally important parties. The inclusion rate was highest in DP and was lowest in CP parliaments. We found that minority cabinets could only contribute significantly.

With regard to the problem of generally delivering a unique cabinet as our point of departure,

The central result was that it is dominant centrist cabinets in DP and the non-dominant centrist cabinets in CP parliaments that are often formed. We found that minority cabinets, however, generally do not form in an area where the concept of central players is taken into account.

When we consider the non-dominant player, we find that the composition of cabinets and central players varied significantly. Both central players were tested for their ability to form cabinets and the results varied significantly. For DCP and CP parliamentary types.

On the other hand, in DCP cabinets with dominant central players, the central players were tested for their ability to form cabinets and the results were generally not as significant as for CP cabinets. For DP and CP parliamentary types.

We will give an overview of the most important results of the analyses to show that these conclusions are warranted.
Summary and conclusions

It was found, as predicted, that most minority cabinets have been formed in \(DP - CP\) parliaments, followed by essential \(DCP\) parliaments, and that the smallest number of minority cabinets have been formed in \(CP\) parliaments. We also found, as predicted, that the mean cabinet durability was highest in essential \(DCP\) parliaments, followed by \(CP\) parliaments, and was lowest in \(DP - CP\) parliaments. However, for this latter result we could only confirm the predicted direction - the result was not statistically significant.

With regard to cabinet composition, we found that the central player generally delivered impressive results. Taking our typology of parliaments as our point of focus, we can make a more subtle assessment of its success.

The central player is most successful for cabinet composition when it is dominant at the same time. That is, most majority and minority cabinets in \(DCP\) parliaments include the dominant central parties. Its inclusion rate was relatively high too in majority and minority cabinets in \(CP\) parliaments, but somewhat lower than in \(DCP\) parliaments. It was found that most majority cabinets in \(DP - CP\) parliaments do include both the non-extreme dominant parties and the central parties. The dominant and central parties were included together in majority cabinets on a much lower level when the dominant parties were extreme. Central parties, however, were in almost all cases included in the cabinets. The only area where the central parties are included on a lower level, is the area of minority cabinets in \(DP - CP\) parliaments.

When we make a similar assessment from the standpoint of the dominant player, we can conclude that it is powerful with respect to cabinet composition only when it is central at the same time, in \(DCP\) parliaments. Its results are somewhat weaker in \(DP - CP\) parliaments. For this parliamentary type it was found, however, that the closer the dominant and central parties were on the left-right dimension, the more often they formed majority cabinets in which both were included.

On the basis of our development of further theoretical elements in Chapter 3 we also tested predictions that the central parties would form Minimal Conflict, Minimal Distance, Minimal Connected Winning, and Minimal Winning cabinets. In Chapter 6 we concluded that the prediction sets of these specific predictions are smaller than the prediction sets of the basic predictions toward majority cabinets in each of the parliamentary types.

For \(DCP\) parliaments the specific predictions were developed for dominant central parties, in \(DP - CP\) parliaments separate predictions were tested for the cases in which dominant parties were included in the cabinets and when they were not. It was found that the predictive capabilities varied among parliamentary types. For \(DCP\) parliaments, most cabinet predictions had small prediction sets, but some were confirmed at very low levels. In \(CP\) parliaments, most predictions had relatively large
prediction sets, but also relatively high confirmation rates. Finally, the results for $DP - CP$ parliaments are somewhere in between. Most predictions had small prediction sets and were confirmed at low levels while two predictions, MW2 and MCW2, had larger prediction sets but also more confirmations in the data.

We had developed one main hypothesis for cabinet durability: cabinets that include the central parties would, on average, be more durable than cabinets that do not include the central parties. When tested separately for the different parliamentary types, it was found that there are great differences in the results.

The hypothesis was confirmed strongly in $DCP$ parliaments, for both majority and minority cabinets. However, for $DP - CP$ parliaments and $CP$ parliaments, it was found, that cabinets that do not include the central parties were more durable than cabinets that do include the central parties.

We re-assessed the well-known statistically significant positive effect of the Minimal Winning and Minimal Connected Winning status of cabinets on cabinet durability in the light of our typology. Statistically significant positive effects were found for $DP - CP$ and $CP$ parliaments. However, such an effect was not found for essential $DCP$ parliaments. Thus, here too, it is shown that our typology "matters", i.e. has an intervening effect on cabinet durability.

The positive conclusion that can be drawn from these results, especially with respect to our main cabinet durability hypothesis, is that our typology accounts for differences in cabinet durability in multi-party democracies. However, the negative conclusion is that our theoretically predicted effect was not confirmed in a part of the data where it was expected to be confirmed. In fact, this is the most important area where our basic theory fails.

We examined one possible explanation for the failure of our hypothesis in $CP$ parliaments: for this parliamentary type no distinction was made between situations in which the central party was at the same time the largest party in the parliament and situations in which it was not. However, this explanation, with a somewhat ad hoc character in the light of our theoretical framework did not bring the expected solution either. Even when the central parties are the largest parties, their inclusion in cabinets has a negative effect on cabinet durability.

Other reasons for the failure of our theory in this respect may be found in some model assumptions or operationalizations. For instance, in our analyses we have chosen to include all parties known to us, even when they are very small. In some situations very small parties are central on the left-right dimension and are included in cabinets formed by other parties in order to keep the cabinet connected. At the same time, the
actual political power of such a party to “balance” the left and the right in parliament and keep the cabinet in office, may be somewhat overstated by our theory.

A more important reason for failure may be the simplifying assumption of one single dominant ideological dimension. In our study, this was operationalized using left-right scales. During the cabinet formation process an agreement is developed with respect to the most important political issues. It is easy to imagine that most of these can be found in the sphere of socio-economic policy, i.e. in left-right related issues. Indeed we find that the central player concept is very important when it comes to the composition of cabinets. However, during the life-time of cabinets, a small issue which is less (or not) related to the left-right dimension can evolve into an important issue and cause a serious threat to the stability of cabinets.

Finally, another important reason for failure can be that the cabinet preferences of parties other than the dominant and central parties were not taken into account. In our theory we mainly emphasized the important role of dominant and central parties and their preferences. This can be illustrated with the interaction effect found between parliamentary type and the durability of minimal connected winning and minimal winning cabinets (Section 7.6.2). There we found that the more one party dominates the coalition (most in DCP parliaments, least in CP parliaments) the less durable that coalition is. It will be remembered that for both minimal winning and minimal connected winning cabinets we found that they are least durable in DCP parliaments, and most durable in CP parliaments. Clearly, the “dominance” of one party in a cabinet can be made smaller by including more parties in the cabinet. This leads to the formation of non-minimal winning and non-minimal connected winning cabinets. Thus, the preferences of other parties can also play a role in the process. However, this would have made our theoretical model more complicated.

After this overview of the theory and its application to data of cabinet composition and durability, we need to discuss one further point.

Possible extensions and further research

In this study a typological structure of parliaments has been developed, using the virtues of the structural important players in the game. It was applied to the research problem of cabinet composition and durability, one of the fields in political science where positive theory has had a significant impact. This approach, or elements taken from this approach, can be applied also in other fields.

First of all, and most generally, it is possible to apply the approach developed here to any problem of group decision making in which a weight
and a policy position on some relevant dimension can be attributed to the actors. An example that comes to mind immediately in this respect is group formation in the collective decision making processes in city and provincial councils. It is also possible to study other governmental bodies in this respect.

Second, cabinet formation can be studied as a process. This can be combined with the research reported in this book. Until now, most cabinet studies, including this present one, have been devoted to the study of cabinet composition, not to a study of cabinet formation as a process. Recently, however, a number of new approaches have been developed in which the process of cabinet formation was studied (see for example Baron, 1991; Laver and Shepsle, 1990a, b).

One of the most important aspects of an approach that considers the process is the party-selection phase. The process starts when one party, or a representant of that party, receives from the President or Monarch the mandate to form a government. This party will assess which parties can be included in the government and which cannot. He will examine the policy preferences of each party, and will reach a conclusion as to which parties are interesting to include in the cabinet and which are not. This can be modeled with “cost-benefit” assessments, using expected utility arguments. One can easily imagine that in models of such processes certain players in the game can play more prominent roles than other players, for example the parties that occupy the central position on the important issue dimensions.

The approach developed in this study can also be used to study different parliamentary situations in more detail. We found that most countries can, to a large extent, fit into one of the parliamentary types. However, changes between parliamentary types within countries do occur. For example, during the seventies the parliamentary systems of Italy, Israel and The Netherlands transformed from a clear DCP parliamentary systems to more or less clear DP – CP parliamentary systems. An interesting new research line can be developed when these structural parliamentary changes are linked to the historical and political changes that occurred in these countries. In such a research line it is important to adopt a dynamic theoretical approach instead of a static approach.