

THE NATIONALIZATION OF POLITICAL PARTIES

A triangle model, applied on the Central and Eastern European countries

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Abstract¹

The study of "party nationalization" is a young topic in the field of political party research. It investigates the regional heterogeneity of political parties. "Nationalization" stands for the homogeneity of parties' electoral support across regions, or the absence of regional differences in the party system. This article shall discuss party nationalization in the new democracies in Central and Eastern Europe, presenting for a first time the degree of party nationalization in 16 countries of the region.

Previous studies on Western societies have related party nationalization to the degree of financial centralization: Party nationalization was seen as a consequence of centralization of government activities. This dominating explanation may be criticized because of endogeneity problems. Both on theoretical terms and empirical terms, there is evidence that party nationalization may be the

consequence for government centralization – while the existence of regionally distinct party system (low nationalization) may lead to claims for decentralization.

Instead, the cleavage structure, and particularly ethnic cleavage, appears to be important for the regional structure of the party system. An empirical test on Central and Eastern European countries shows that indeed the ethnic structure, combined with electoral system constraints (high national thresholds) are the best predictor of the party nationalization degree.

"It's the economy, stupid." James Carville, Clinton campaign manager, 1992.

It's the ethnicity, stupid.

Elections in Western societies are often won on economic issues. In the new European democracies however, many parties attract their voters with their position on ethnic issues.² Elections in ethnically divided societies have frequently been described as "ethnic censuses", for instance in Bosnia and Herzegovina³. There were many attempts

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² I define ethnicity as a fluid perception of collective identity of a people through a social group itself or through strangers. Examples in the article will help to substantiate this definition.

³ Friedrich-Ebert-Stiftung (FES). *Ethnisierung der Politik in Bosnien-Herzegowina* (Bonn: FES,

Appendix A. The calculation of the “standardized party nationalization score”

In the research on party nationalization, many different kinds of indicators have been used to compare the degree of party system nationalization. They all measure the territorial homogeneity of electoral support for political parties. They are based on electoral outcomes across districts (or regions, municipalities etc. – hereafter “territorial units”).

The most popular indicators include the *standard deviation* used by Caramani, the *party nationalization score* (Jones/Mainwaring), the *indicator of party aggregation* (Chhibber/Kollman) or the *inflation index* (Moenius/Kasuya). However, those indicators may be biased because of several shortcomings:¹

- Some of the indicators (indicator of party aggregation, inflation index) simply may take wrong results and under some circumstances lead to unjustified high values;
- others (standard deviation and transformations of this measure) are biased if not all the territorial units on which the indicator is calculated have the same size;
- they lead to low values for small parties (standard deviation);
- and finally, the values may diminish or rise if a large number of territorial units is taken into account (a common problem of party nationalization measures).

The *party nationalization score* “PNS” by Jones and Mainwaring performs best of the known indicators, being only biased by the number of territorial units on which the calculation is carried out. The indicator is a simple transformation of the *Gini coefficient*, a measure for inequalities across units that is most frequently used to quantify wealth heterogeneity within a society.² The Gini coefficient takes the value 0 for perfectly equal distributions (a party has exactly the same vote share across all territorial units) and the value 1 for perfectly unequal distributions (all the party’s votes are concentrated in one single point of the country). Jones and Mainwaring invert this scale for their “Party Nationalization Score” ($PNS = 1 - \text{Gini-coefficient}$). Their score is calculated in a first step for each single political party, and afterwards averaged for the whole party system. However, the larger the number of territorial units a county is divided into, the lower the values of the PNS score. Thus, if we have more detailed data for a country, its party system would seem to be more heterogeneous than if it took only larger units as a basis for the calculation. In consequence, the PNS can only be compared across countries with the same number of territorial units. This is an impractical restriction, since in some countries we have very fine-grained data and in others only data from half a dozen units. This is why I propose a standardization of the indicator by the number of territorial units, in order to transform the indicator into a comparable format. I use the number of 10 units as a standard for the comparison. I suppose (and show empirically) that the PNS indicator increases exponentially with the logarithm of the number of units taken into account. From this, I derive the following function that allows me to calculate the *standardized party nationalization score* (sPNS), based on the PNS and the number of units (unit).

¹ Caramani, *Nationalization*; Jones/Mainwaring, “Nationalization”; Chhibber, Pradeep and Ken Kollman, „Party Aggregation and the Number of Parties in India and the United States”, *American Political Science Review* 92(2) (June 1998): 329–342, 333; Moenius/Kasuya, “Measuring”; for a systematic overview, see Bochsler, “Gini-coefficient”.

² For information on the calculation of the Gini coefficient see Jones/Mainwaring, “Nationalization”, or Bochsler, “Gini-coefficient”.

$$sPNS = PNS (\log 10 / \log \text{unit})$$

The *standardized party nationalization score* is estimating what the PNS value would be if we had data from exactly 10 territorial units.

Appendix B. Data

Decentralization in Central and Eastern Europe

Partial data on decentralization of institutions in some Central and European countries may be found in the World Bank Database on Political Institutions,¹ and further in Marcou's article.² Quantitative indicators for institutional decentralization are not known to the author and not all information on institutions is easily comparable. This is why I used data on budget decentralization. For EU member states, data have been taken from the World Bank Fiscal Decentralization Indicators.³ As some values vary considerably over time, I calculated the average for the last three years contained in the 1996-2000 period. For non-EU member countries, data for the years 2000 or 2003 was found in a Council of Europe publication⁴. Where different sources contained data on the same country, they were usually congruent. In the cases of Croatia and Romania, data that appeared more solid and not out-of-date were used.

Table B1. Decentralization of government expenses

Country	Decentralization
Albania	17,6%
Bosnia	98,7%
Bulgaria	16,8%
Croatia	10,0%
Czech Republic	20,2%
Estonia	21,0%
Hungary	23,3%

¹ Beck, Thorsten et al. "New tools in comparative political economy: The Database of Political Institutions", *World Bank Economic Review* 15(1) (2001): 165-176, but they are not complete and are out of date in some cases, as described in Horváth, Tamás M., eds. *Decentralization: Experiments and Reforms*. Budapest: Open Society Institute, 2000.

² Marcou Gérard: "The State of Local and Regional Democracy in South-Eastern Europe," in *Effective democratic governance at local and regional level*, ed. The Council of Europe et al. Budapest: Open Society Institute / The Council of Europe, 2005.

³ Based on the Government Finance Statistics Manual, available on <http://www1.worldbank.org/publicsector/decentralization/fiscalindicators.htm>.

⁴ Davey, Kenneth. "Fiscal Decentralization in South-East Europe," in: *Effective democratic governance at local and regional level*, ed. The Council of Europe et al. Budapest: Open Society Institute / The Council of Europe, 2005, and Marcou, "Local and Regional Democracy".