The Hierarchy of Issue Domains in Inter-Party Relations in East Central Europe with a Directional Model of Coalition Formation[1]

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Keywords: political parties, coalitions, East Central Europe, directional model of voting, ex-communist parties, anti-communism, cleavages

Abstract: The paper develops and tests hypotheses about what issue dimensions may be most influential in shaping party alliances, legislative and government coalitions in new party systems, based on theories suggested by the previous literature. It also reviews theoretical arguments for and against expecting Rabinowitz and Macdonald's directional theory to give a better explanation of politicians' coalition preferences than conventional proximity theory does. The empirical analysis uses data from a survey of middle-level party elites in Bulgaria, the Czech Republic, Hungary and Poland. The results suggest that policy differences on socio-economic policies may be the strongest influence on inter-party relations in some new democracies, but only if governments have a very significant degree of freedom in choosing their economic policies. However, non-economic issues, most probably those related to a regime divide (such as the anti-communists vs. ex-communists conflict in Eastern Europe), will prove dominant in those countries where a high foreign debt service or similarly severe constraints substantially narrow governments' choice on economic issues. The directional model with a constant penalty for extreme parties consistently gives more satisfactory results than the proximity model or Iversen's mixed model. The implications for the likely dynamics of party alliances in Eastern Europe in general are discussed at some length.

The aim of the present paper is to explore some aspects of the dynamics of party alliances in Eastern and Central Europe. Firstly, it tries to identify the issues (or rather, issue domains, cleavages) which are most likely to have an impact in this respect in a sample of four post-communist countries.

In addition, it also looks at some intriguing questions about the way these (or indeed any other) issues may influence the choice of allies, at least when these choices are made in a sincere, non-strategic way. Namely, it investigates whether the directional model of political preferences, which has only been employed in the analysis of voters' preferences so far, can be considered an attractive alternative to the conventional proximity model in analyses of inter-party sympathies and hostilities as well. The idea that any given party has the greatest attraction for ideologically proximate partners and voters has had a great impact on the way academics and journalists think about politics. It has also been a central assumption of nearly all works on coalition theory,[2] the only field with rather more formalized and quantitative analyses of inter-party relations. The results reported in this article question the validity of this assumption of proximity models.

The practical significance of the subject is potentially great. What alliances and governmental coalitions politicians prefer over other alternatives makes legislative and/or government coalitions ideologically homogeneous in some, and heterogeneous in other respects. Thus, it presumably has a direct impact on the direction of public policies, at least in some areas. Coalition formation cannot help but shape the expectations of a host of domestic and foreign actors about the likely

direction that government policies are to take. Since two decades of empirical research on coalition formation made it clear that party ideologies are likely to play at least some residual role,[3] it seems likely that the choice of coalition partners also reveals which of their issue preferences politicians tend to give a priority. This should indicate the policies they will most forcefully demand, regardless of the exact composition of the party block and/or government that they participate in.

Finally, party alliances can have a considerable effect on how the electorate perceives the differences dividing the major party alternatives (Norpoth 1979; Tóka 1993). This way they influence the range of issue domains across which citizens can signal a preference through their vote, and consequently on the development of electoral alignments and thus the strength of individual parties.

Section one explains the theoretical issues at stake, section two describes the data set, and section three presents the empirical analysis.

1: Policy preferences and the choice of friends and foes

Surprisingly little is known about why certain issue domains become central to party politics in one country but remain largely irrelevant in others. It has been long recognized that the socio-demographic correlates of party choice in mass electorates may not reveal much about the current issue agenda of a polity and the importance of different conflict lines. Such data cannot really tell us what explains the emerging cleavage structure: the strategic choice of elite groups, the underlying sensitivities of the masses, or some impersonal evolutionary mechanism that exercises its influence through the seemingly arbitrary choices and selective survival of party elites. Moreover, some political divides may be enormously relevant without defining constituencies that can be easily told apart on the basis of their demographic traits (think of the deep divide between moderate and radical nationalists in the Irish Free State in the 1920s and 1930s, for instance).

Similarly, the issues that create the greatest programmatic or attitude distance between the parties and/or their voters may not be the ones that have the greatest impact on the formation of alliances. For instance, it may seem quite plausible that in countries which have significant ethnic heterogeneity (e.g. Bulgaria) party profiles and constituencies will be more strongly differentiated along positions on "national" than on economic issues (Evans and Whitefield 1993). Yet, the DPS (a party speaking for Bulgaria's Moslem-Turkish minority) was able to enter a coalition with either of the two main antagonists of the Bulgarian parliamentary scene. Thus, the analysis of inter-party relations promises a little more than just a replication of the analysis of programmatic differences or electoral behaviour.

When they leave the evidence from mass surveys aside, analyses of inter-party alliances usually rely on judgmental data and conventional wisdom in determining the hierarchy of cleavages

in a given country. The major exception is still Lijphart's (1984) analysis of the stable multiparty democracies of the post-war period. He found that party positions on socio-economic issues were more consequential for coalition formation than either the religious-secular or any other issue dimension. He explained the greater salience of the former by the fact that most business of modern governments is related to socio-economic management. If this explanation needs no further qualification, then we should find much the same picture wherever the ethnic or religious fragmentation and mobilization of society are low to moderate.

Greskovits (1993), however, argues that - no matter how campaign rhetoric goes - Eastern European governments are so much constrained in their decisions during the transition period, that there is hardly any space left for ideologically motivated differences between their economic policies. Assuming that the party leaders who control government formation are aware of this, nominal (pre-election) party positions on economic policy issues will either be absent or have just a modest impact on the formation of political alliances (including party formation itself). Geddes (1995: 253ff) reaches an apparently similar conclusion. She argues that wherever suffrage was extended in more or less class-based increments, a class-based party system was likely to emerge (as a proof she cites the examples of Argentina, Chile, and most of Western Europe). However, where suffrage expansion was sudden (Brazil 1946) or came at an early stage of modern social and political development (United States, Bolivia, Colombia, Costa Rica, Uruguay, or Venezuela), catch-all or nationalist parties were likely to acquire long-term dominance. Though she makes some allowance for an intermediate type, her prediction regarding Eastern Europe is unequivocal: since the extension of meaningful voting rights came in one sudden step, no class-based parties will emerge. This, of course, is not to say that there will be no differences whatsoever between the economic policies of the different parties, but Geddes clearly does not expect these differences to be either big or very consequential for the political process.

In spite of the superficial similarity between their predictions, Greskovits' and Geddes' arguments diverge considerably. The latter does not, while the former does expect some variation across the post-communist countries. In Greskovits' view those countries which are less exposed to foreign trade and have a lower foreign debt service (say the Czech Republic), will have a greater room to manoeuvre. Thus, economic issues may have a greater role in political competition there than in countries like Poland, Bulgaria or Hungary, where these constraints were stronger. This ranking of the four countries is to some extent consistent with previous findings about the degree of issue and ideological voting among their citizens (cf. Whitefield and Evans 1995; Tóka 1996), and programmatic differentiation among their political parties (cf. Kitschelt 1994 and 1995; Kitschelt *et al.* forthcoming; Tóka 1998).

Where the scholarly literature gives no clues is the question of which issue domains we should expect to have a major impact on political alliances if ethnic heterogeneity is not significant

and the economic policy differences between the parties are not relevant for inter-party relations. Divisions over nationalism, religious issues and anti-communism offer themselves as obvious alternatives, but it is difficult to find a theoretical basis for any general proposition. The clearest guideline is Budge and Keman's (1990) rule of thumb. They argue that in democratic polities a regime divide - wherever present, i.e. where rival parties advocate, or are associated with different regime types - will prove more powerful on the elite level than other conflicts. A case in point is post-Franco Spain, where the socialists liked to depict the right as the descendants of the Franco-regime. Among the countries included in this analysis, conflicting attitudes towards the former communist regime appear to have a much greater potential to form a regime divide than the clerical-secular or nationalist-cosmopolitan conflict lines. Thus, if Budge and Keman are correct, then in these countries party alliances are more likely be formed along the former, rather than the latter dimension.

Another theoretically relevant issue that the present analysis investigates is the way issue positions (on whichever dimension) are related to the calculus of utility. There are two main theoretical propositions here. The hard core of the conventional proximity models is the assumption that the judges (voters, buyers, parliamentarians) perceive the offers of the actors (candidates, sellers, potential coalition partners) as if these were points in a uni- or multi-dimensional space, where the admissible offers form a continuum on each dimension. The judges are also able to locate their own (transitive) preferences in the same space and prefer the offer (candidate, coalition partner) which is the closest to their own ideal point (for the classic expositions of this model see Davis, Hinich and Ordeshook 1970). To the extent that this model applies for electoral decisions, vote-maximizing parties are predicted to locate themselves in regions densely populated by voters but largely abandoned by other parties. To the extent that the model applies for coalition formation, parties are predicted to opt for ideologically proximate partners who have a weak appetite or bargaining power when it comes to dividing the spoils of victory, and the median legislator of which is preferably in their own party. In a parliamentary systems, where (1) there is just one relevant ideological dimension, (2) four parties play the game, and (3) the second party from the left is able to form a winning coalition with any one of the others, this party will choose between three options. Depending on the institutional framework, it may opt for a minority government of its own, or an oversized coalition so that the partners on its left be counterbalanced by the partners on its right, or a minimum winning coalition with the smallest possible (number of) ideologically adjacent parties around the cabinet table.

Critics of the proximity model often concede that an infinite number of policy alternatives can be formulated on many or most political issues, and that these alternatives can be ordered along one or more continua. Advocates of the directional model (Rabinowitz and Macdonald 1989; Macdonald, Listhaug and Rabinowitz 1991) assert, however, that it is unrealistic to assume

that voters are able to locate their own preferences, and to conceive those of the parties' as distinct points on such a continuum. Rather, they have just a diffuse preference for one side on an issue, as in Lipset and Rokkan's (1967) much celebrated cleavage model of party politics: "*Cleavage* implies fissure and division, as opposed to a continuous set of options" (Rabinowitz, Macdonald, and Listhaug 1991: 181).

In the directional model, voters' preferences are expected to have a low or high intensity as well. Perceptions of party positions have a similar structure too: voters are (often) able to locate parties on one or the other side of an issue, and can also judge the intensity and certainty with which the party is on a given side. Under the proximity model, rational voters calculate their utility from a candidate on each issue as something proportional to the negative of the squared difference between a candidate's and their own positions. Under the directional model, the voter's utility is proportional to the product of these two positions. If he/she and the candidate take different sides on the issue, then the voter's utility from the candidate is negative, and positive if the two favour the same policy "direction". The more intense the two preferences, the higher the absolute value of the voter's (positive or negative) utility from the candidate on the given issue. If either the candidate or the voter is indifferent on an issue, then the voter's utility from the given candidate on the given issue is zero. Rabinowitz and Macdonald (1989) present evidence from American; Rabinowitz, Macdonald and Listhaug (1993) from British; Macdonald, Listhaug, and Rabinowitz (1991) from Norwegian; and Aarts, Macdonald and Rabinowitz (1996) from Duch election surveys to show that voters' sympathy ratings of the parties (and US presidential candidates) are consistently better explained by the directional than the conventional proximity model.[4]

The directional model suggests that parties can attract more support by adopting intense rather than neutral issue positions.[5] A pure directional model would predict that the ideological "centre" of a party system is abandoned by all players, or is inhabited only by those rare traditional and currently declining parties which have inherited from the past an ideological position that originally was not centrist at all.[6] Having become "centrist", these parties have to search for a new identity.[7] To be true, Rabinowitz and Macdonald's preferred version of directional theory incorporates the idea of a "region of acceptability" (see below). Thus, they concur with Sartori's (1976) theory of polarized pluralism in that a "strong centre can arise ... in response to non-centrist options that are perceived to be beyond the region of acceptability". In other words, the centre is occupied only in the presence of strong extremist parties driven by other goals than vote-maximization (Rabinowitz, Macdonald and Listhaug 1991: 181). But "under normal competitive conditions, the occurrence of a successful centre party should imply that the competitive space is multidimensional and that the apparent centrist position of the party is an artefact of the need for an additional dimension [to describe party positions]. On the additional dimension, the party should have a non-centrist location" (Rabinowitz, Macdonald and Listhaug 1991: 156).

Rabinowitz and Macdonald (1989) and Macdonald, Listhaug and Rabinowitz (1991) find that - consistent with directional theory - US presidential candidates and American and Norwegian parties invariably adopt (what the voters perceive as) non-centrist issue positions, even when the median voter is apparently neutral on the issue.[8] But they also find that a considerable number of voters have even more intense (extreme) preferences than the position of the parties - which appears to contradict directional theory. This leads them to argue that adopting a "too intense" position backfires, and that is why a non-centrist but moderate position is the optimum location for vote-maximizing parties: "Voters are wary of candidates who seem radical and project harshness or stridency. The label 'extremist' can attach to such candidates and severely hamper the enthusiasm of potential supporters. This idea is incorporated in directional theory by introducing the concept of the *region of acceptability*" (Rabinowitz and Macdonald 1989: 108). A formal test of the penalty term yields the result anticipated by this reasoning (Macdonald, Listhaug, and Rabinowitz 1991: 1119-21).

Iversen (1994) argues that directional and proximity models complement each other and an explicit combination of the two is superior to both. With the same breath this mixed model solves the problems inherent in the original formulation of a "region of acceptability". As Iversen (1994) stresses, Rabinowitz *et al.*'s argument is not just *ad hoc* on this point,[9] but also has implausible implications. One of these is that "even among extreme voters, these parties [i.e. the Norwegian Progress and Socialist parties, which are placed beyond the "region of acceptability"] will perform worse than competing parties located within the region" (Rabinowitz, Macdonald, and Listhaug 1991: 169).[10] This implication can only be avoided by assuming either that there are more than one different "regions of acceptability", or that all voters are within the region of acceptability. The second solution is largely irrelevant since it sets no limit to how intense (extreme) the issue positions of a vote-maximizing party or candidate need to be. The more promising first solution is the rationale of Iversen's "representational policy leadership" model, which explicitly blends the directional and the proximity models and - in terms of explanatory power - beats both.[11]

Much may depend on whether the directional or the proximity logic is followed by politicians of the moderate parties. Entirely different outcomes are predicted by the two models if, for instance, a centre-right party is called to form a government and it has a choice between relatively proximate, but centre-left partners on the one hand, and relatively distant far right partners on the other.

As I mentioned above, coalition theories invariably use the proximity model to account for the impact of party positions on cabinet formation. Indeed, it can be argued that the political perceptions and preferences of politicians are more sophisticated than those of their voters, and therefore policy-seeking politicians will follow a proximity logic. Be that as it may,[12] forming a coalition is not quite the same as policy-making. Moderate politicians (just as moderate voters, see

Aarts, Macdonald and Rabinowitz 1996) may anticipate that institutional inertia, the incremental nature of changes in public policy, or the pivotal position of a certain party within the legislature will anyway make the policies of their government more moderate than the preferences of its median legislator.[13] This consideration takes more, rather than less political sophistication. Therefore, it should trigger a directional calculus of utility exactly among the more, rather than the less politically sophisticated. Furthermore, if the directional model were superior to the conventional alternative in the analysis of mass voting behaviour, vote-maximizing politicians would have a good reason to follow its logic in forming alliances as well.

2: The data

Instead of looking at actual party behaviour, this paper analyses survey data on the link between the political sympathies of politicians and the policy differences between the potentially relevant political parties. There are several methodological considerations behind this choice. The number of institutional factors[14] and ideological dimensions that may influence the selection of political allies clearly exceeds the number of relevant observations available. Thus, a thorough quantitative analysis of coalition behaviour is simply not feasible. For the same reason, circumspect qualitative analyses of individual cases likely remain inconclusive regarding what considerations cemented certain coalitions and made unlikely some others.

In contrast, it is not difficult to collect cross-nationally comparable data on the sympathy ratings of various potential coalition partners by middle-level party elites.[15] These sympathy ratings are likely to reflect well how their preferences regarding various alliances would look like in the absence of institutional constraints (such as the necessity to win a vote of investiture or accepting single party control of individual ministries). Even in the presence of such constraints, the actual coalition behaviour of a party is unlikely to be at odds with the political sympathies of it middle-level leaders. At the very least, should the party leadership act against these sympathies and be unable to justify such choices by referring to "objective" constraints, it will predictably face troubles caused by disgruntled activists.

Figure 1 about here

The data base of the following analysis was generated in the framework of a project directed by Herbert Kitschelt, and assisted in the target countries by Dobrinka Kostova, Zdenka Mansfeldova, Radoslaw Markowski, and the author. The data are about elite perceptions of the issue positions of selected parties in four East Central European countries. They were collected by face-to-face structured interviews with about 100-135 middle level party activists (i.e. municipal

and regional party executives, influential local councillors, etc.) in each target country in Spring 1994 (before the first round of the 1994 Hungarian elections). The interviewees were recruited in approximately equal numbers from each party that the respondents were asked about in the given country. Major deviations from this rule occurred in the case of extremist parties: SPR-RSC- (Czech Republic) members declined from participating in the survey, and we did not even attempt to interview MIEP- (Hungary) members. In the Czech Republic, ODS-, KDS-, and CMSS- members also had less than equal representation in the sample. Figure 1 lists the parties covered by the perception data and gives a rough, and, of course, debatable classification of them into spiritual families.

The respondents were asked to tell how important some ten (potentially) controversial issues were for their own party and locate each relevant party on a scale of issue positions. The first question, for instance, read (quote from the back-translation of the Hungarian questionnaire):

"Some politicians think that social policy cannot protect citizens from all risks, but they also have to rely on themselves. For instance, all costs of medical treatments should be paid either directly by everybody from his or her own pocket, or by joining voluntary health insurance schemes individually.
In contrast, other politicians think that the social policy of the state must protect citizens from every sort of social risk. For instance, all medical expenses should be financed from the social security fund.

A.: How important is this topic for your party? Please, circle the respective number! If this topic is very important for your party, then circle "5", if it is not really important, then circle "1", and so on.

not important   very important
                         1   2   3   4   5

B.: Please, characterize the position of the following parties! For each party, circle the number or numbers on the twenty-point scale which characterize the position of the party in question best!

All medical expenses   Compulsory state-run
should be paid   health insurance
directly by   should cover
the citizens   all medical expenses

MDF	1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20
SZDSZ	1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20
FKGP	1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20
MSZP	1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20
FIDESZ	1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20
KDNP	1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20
MIEP	1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20"

In all four countries the means of the resulting issue salience variables nicely conformed to Lijphart's (1984) thesis about the greater salience of economic than other issues (cf. Kitschelt 1995; Tóka 1998). But the analysis below tries to offer an arguably better test of the same pudding and looks at whether politicians judge other parties than their own mostly on the basis of economic or other issues. The necessary data are supplied by responses about the location of parties on the 20 point scales referring to potentially relevant issues and abstract ideological scales (e.g. clerical vs. secular), plus the degree of sympathy the respondents had for each party.

Thus, every respondent had to locate every significant party on the respective scale. The phrasing of all items (except the Czech and Bulgarian phrasing of nation specific issues) is shown in the APPENDIX. The names of the resulting variables are shown in parentheses. For the present analysis, a subset of the variables was selected. These items refer to four separate issue domains: economic policy, nationalism, religion, and anti-communism. These, *a priori*, seemed potentially relevant for party formation in all or most of the four countries. Figure 2 gives a short summary of the content of the scales.

Figure 2 about here

The respondents were given complete freedom in whether they described a party as divided (attributing it several non-adjacent values, e.g. 5, 7 and 11-13) on a certain issue, or to describe a party's position in terms of a series of adjacent values (e.g. 7, 8, 9, and 10), etc. This detail, however, is ignored here and only the <u>mean</u> rating of parties j by respondents i on issues k will be used (i.e. the difference between a respondent who located a certain party on point 10 of a scale, and another who located the same party on points 8, 10 and 12 of the same scale will be ignored).

The indicators utilized below were computed after the raw data - i.e. the mean_{ijk} matrix provided directly by respondents i about the mean location of parties j on scales k - was replaced with the xmean_{ijk} matrix, containing the deviation of the mean placement of party j on issue k by

respondent *i* relative to his or her anchor point$_{ik}$; this anchor-point being the average placement of all the rated parties by respondent *i* on issue *k*). In substantive terms this means that I shall utilize the positions of the parties *vis-a-vis* each other, rather than the verbally defined endpoints of the scales.[16]

Below, the observations are the unique combinations of respondents and rated parties, except that respondents' evaluation of their own party is excluded from the analysis (e.g. we have 400 Bulgarian cases, i.e. each of the 100 respondents rating the four parties other than their own). The dependent variable is respondent *i*'s utility from party *j*, which is measured through VAR51 (i.e. the sympathy rating of parties *j* by respondents *i*, adjusted, as explained above, for "anchor point" differences among the respondents). In each country, four different models are run to explain the variance of the dependent variable. Each assumes that the respondents' sympathy for the potential partners is a function of the respondents' own and the parties' position on issues belonging to the four selected domains (economic policy, nationalism, anti-communism, and religion). Respondent *i*'s ideal point on issue *k* is assumed to be equal to respondent *i*'s placement of his/her own party on the issue in question.[17]

Recall that our aim is to model the affect of respondents *i* for parties *j* as a function of the parties' and the respondents' issue positions. We face two options in determining the position of the individual parties on the various issue scales: either the position of party *j* as perceived by respondent *i*, or the position of party *j* as perceived by the entire sample can be used. The rationale for the second solution is threefold.[18] First, voters tend to place their favoured political objects (parties) closer, and the least liked ones farther from their own ideal point on issue scales than the collective wisdom of national samples would find it justified (Brady and Sniderman 1993: 93ff; Granberg and Holmberg 1988: 38-87; Markus and Converse 1979). Secondly, at least one analysis suggested that individuals' recalls of candidate positions are so badly distorted that they may be poorer predictors of voter behaviour than actual candidate positions are (Lodge, McGraw and Stroh 1989). Thirdly, in the present context we are less interested in the psychology and malleability of political judgements than in the impact of the parties' adopting certain issue positions on their political attractiveness for voters and fellow politicians.

The case for the alternative solution rests on the argument that ignoring individual differences in the perception of party positions can only lead to a misrepresentation of the way people form their political judgements.[19] Therefore, following the first path is not suitable to assess the validity of the directional and proximity models, which are, at heart, models of individual decision making processes. While I do not find this argument compelling, the results are presented below for both measures of party positions.[20]

The upper half of table 1 shows the variance of sympathy ratings explained by the four models if we allow the perceived party positions to vary across individual respondents. The lower

half of the table shows the values of the same parameters if the position of each party j on each issue k is constant for each respondent i.

3: The analysis

The dependent variable is middle-level party activists' preference for various possible partners. It is measured by the sympathy ratings given to other parties than their own by the respondents in the Kitschelt-survey (recall that respondents' ratings of their own party are deliberately excluded from the analysis). This utility is expected to vary according to the respondents' own position and the position of the evaluated objects (parties) on four issue dimensions. As explained above, the respondents' own position is estimated via the position that each attributes to his/her own party. This is certainly a source of some inaccuracy that I expect to reduce the variance explained by the regression models, but to leave the results otherwise unbiased. A potentially more troublesome assumption of the analysis is the equation of sympathy ratings with the utility that politicians assign to various alliances. While it is highly likely that these two are strongly correlated, they need not always be identical. What is critical here is not that R-squared values of our equations may be depressed by the fact that the sympathy ratings are an imperfect indicator of coalition preferences. Rather, it is intuitively plausible that sympathy ratings are led more by a directional, diffusely emotional logic, while coalition preferences reflect a more sober, proximity driven calculus of utility.[21] This may or may not be true - at this point it can only be noted that there is, to my knowledge, no empirical evidence either in favour or against what the analysis below assumes, i.e. that the two are affected by policy concerns the same way.

Model 1 is a straight proximity model following the Downsian tradition. The utility of respondents i from party j equals the sum of a constant, a random component, and $b_k(X_{ik} - Y_{jk})(X_{ik} - Y_{jk})$ summed across issues k. The term $(X_{ik} - Y_{jk})(X_{ik} - Y_{jk})$ is the squared distance between the positions of party j and respondent i on issue k, and b_k is a vector of regression coefficients indicating the weight that each issue typically has in the respondents' calculus of utility from the different possible partners. Each b_k coefficient is expected to be either statistically insignificant (suggesting that the respondents are likely to ignore that issue in calculating their utility from the different parties) or negative (suggesting that respondents tend to like parties to the extent that on issue k they have a position proximate to their own).

Model 2 is a pure directional model. The utility of respondents i from party j equals the sum of a constant, a random component, and $b_k(X_{ik} * Y_{jk})$ summed across issues k, where $(X_{ik} * Y_{jk})$ is the scalar product of the positions of party j and respondent i on issue k, and b_k is again a vector of regression coefficients indicating the weight that each issue typically has in the respondents' calculus of utility from the different possible partners. Each b_k coefficient is expected to be either positive (suggesting that respondents tend to like parties to the extent that on issue k

they are on the same side as they themselves and dislike if not, and the intensity of the affect for the party increases with the intensity of the party's and the respondent's position on the issue), or statistically insignificant (suggesting that the respondents are likely to ignore that issue in calculating their utility from the different parties).

Model 3 is a mixed model, which builds upon Iversen's idea that the respondents' utility from the parties follows a directional logic, but parties are penalized if they adopt issue positions too far from the respondents' own position. Mathematically, the model incorporates all elements of models 1 and 2 and adds nothing to them. Again, the squared distances between the respondents' and the parties' positions are expected to have a negative, and their scalar products a positive effect on the respondents' sympathy ratings of the parties.

Model 4 is identical to model 2 except that it adds a penalty term to the equation. As in model 3, the penalty term varies across parties, but this time it is constant across individuals. The idea behind this formulation of the model is that parties suffer a penalty for being perceived as extreme, and this penalty does not vary according to the respondents' own position on the issue in question, because some parties' "extremity" as such becomes a separate issue, on which only the other (non-extreme) parties can gain support. The penalty term is the sum of the squared deviations of party j's positions from the neutral zero point on the four issue dimensions.

Technically, the independent variables of the four models are created as follows. In all four models, the scalar products and the distances of the positions of parties j and respondents i are calculated separately for each issue, and then averaged across the issues which belong to the same issue domain (see figure 2). Similarly, the penalty term of model 4 is calculated as the sum of the average of the squared deviations of party j's positions from the neutral zero point on the issues belonging to each of the four issue domains. As explained in section 2, each model is run twice. At first, the positions of parties j on issues k vary across respondents i according to the latter's perceptions of party positions. In the second run, the positions of parties j on issues k are estimated as the mean placement of parties j on issues k by all respondents i together.

Regarding the validity of the competing models, only the extent to which the various models can explain the variance of the sympathy ratings across individuals and parties (measured through the R-squared values of the different equations) and the signs of the statistically significant b coefficients are of interest. Table 1 shows the R-squared values for each model.

Table 1 about here

The directional model performs visibly better than the proximity model: the R-squared values associated with model 2 are always greater than those obtained with model 1 (cf. table 1). Among the statistically significant parameters, only the impact of nationalist issue domain in

Bulgaria has a consistently wrong (i.e. positive in model 1 and negative in model 2) sign in both series A and B under the directional models. Under the proximity model, the impact of the economic and religious issue domains both have the wrong sign in series B in Bulgaria. All other parameter estimates for models 1 and 2 either have the theoretically postulated sign or are clearly insignificant (parameter estimates for models 1, 2 and 3 are not shown, but available from the author upon request).

Model 4 has just one more independent variable (the uniform penalty term) in addition to those already included in model 2. This variable has a statistically significant effect of the postulated sign and modest magnitude in all four countries, and in both series (see table 2). The R-squared values associated with model 4 show a modest, but appreciable improvement over those associated with model 2, particularly in the case of series B.

Model 3, which assumes that the boundaries of the region of acceptability vary according to the respondents' own issue position, has eight independent variables (four of which are identical with the four scalar products in models 2 and 3, and the others with the independent variables of model 1). Considering this, the R-square values (i.e. the explanatory power of the model) in the four countries are not really convincing, and at least in series B are consistently exceeded by those of model 4. Finally, most of the statistically significant squared distance terms in model 3 have the wrong sign, suggesting that after controlling for the directional effects (the scalar products), respondents tend to like more those parties which seem to be ideologically far from them in some salient issue domains! In series A, there are four squared distance terms of statistical significance with a wrong sign (one in each country), and four with the right sign (two in the Czech Republic, and one each in Hungary and Poland). In the arguably more reliable series B, there are five significant squared distance terms with the wrong sign (two in the Czech Republic, and one each in the other three countries), and just two with the right sign (one each in the Czech Republic and Hungary). These puzzling results contradict the theoretical model underlying any of our four models.

Therefore, the evidence suggests that model 3 must be rejected, and the directional model has to be preferred over the conventional proximity model. Furthermore, consistent support is found for the idea that parties receive a uniform penalty from all respondents if their position is too extreme (intense) on any issue dimension. All in all, model 4 seems to be preferable to any of the other three.

Table 2 shows the parameter estimates obtained with model 4. These can be used to assess the relative importance of the four issue domains for making a party an ideologically attractive partner for middle-level politicians of other parties. Three conclusions stand out. Firstly, as implied by the arguments of Greskovits (1993) and Geddes (1995), economic issues, though they have some impact, are usually not the most important determinants of the political sympathies of East

Central European politicians. Instead, attitudes towards the treatment of former communists dominate their preferences in a rather pronounced and predictable way.

Secondly, the Czech Republic is probably an exception in this respect. In series A, the economic, and in the more reliable series B the nationalist issue domain appear to be more important there. Since these two domains differentiate the Czech parties in a surprisingly similar way (with the supposedly more nationalist parties being usually more left-wing in their economics), the contradiction between the two series is more apparent than real. It may be due simply to the strong multicollinearity of the respective scalar products (in the Czech Republic, the correlation of the two is .92 in the data used in series B, and .85 in the data used in series A). If the appropriate reading of the finding is that the economic policy dimension is probably more important in the Czech lands than in Poland, Hungary, and Bulgaria, then that would run against Geddes' hypothesis and support Greskovits' explanation of the normally low relevance of economic policy differences in Eastern European party politics. An alternative look at the same data may ask why the "anti-communism" dimension has the least significance exactly in that country which has the most orthodox communist party of the region and had the least evolutionary mode of transition among the four? A speculative answer could be that it is so because by 1994 it was only in the Czech Republic that the post-communist parties posed no threat to anti-communist dominance of the electoral arena.

Thirdly, the nationalist issue domain appears to be so irrelevant for the preferences of Bulgarian politicians, that the respective coefficient has the wrong (as here we are talking about a scalar product, negative) sign. A tempting explanation of this finding would be that in Bulgaria, the one party that is an absolutely extreme outlier on this dimension (i.e. the "Turkish party", DPS) is an otherwise centrist party. Consequently, it had a pivotal role in the 1991-94 parliament, and was a coalition partner in all governments in this period, first in the company of the anti-communist and pro-market Union of Democratic Forces, and later with the post-communist Bulgarian Socialist Party. To check the validity of this explanation the parameters of model 4 were re-estimated for Bulgaria, with the evaluations of DPS by BANU-, BSDP-, BSP-, and SDS-members on the one hand, and the evaluations of other parties by DPS-members on the other excluded from the analysis. Consistent with the above explanation, the parameters of the model remained by and large unchanged except that now the impact of the nationalist issue domain turned out to be clearly insignificant.

Conclusions

The theoretical argument of this paper suggested that the directional model of political preferences, which has only been employed in the analysis of voters' preferences so far, can be considered an attractive alternative to the conventional proximity model in explaining inter-party

relations as well. I argued in length that the adequacy of the two models present can be analysed with the present data and found that the directional model is superior both to the mixed and the proximity model. Together with the evidence on the stronger impact on the party sympathies of middle-level politicians of some essentially non-economic than of economic issues, these results suggest that the government coalition of the four countries analysed (probably with the exception of the Czech Republic) will, for some time to come, be somewhat heterogeneous in terms of the economic policy preferences of their constituent parts, but made - to an extent - ideologically cohesive by the relatively intense division of government and opposition over some non-economic issues. Together with the fact that among the non-economic issue dimensions anti-communism proved to be the emotionally most moving for politicians, this finding seems to support Budge and Keman's (1990) propostion about the primacy of regime divides on the elite level.

The extent to which the present findings can be generalized beyond their immediate empirical context is probably considerable. The data which were utilized here were collected approximately four years after the transition to democracy in the countries covered by the analysis. Therefore, it is unlikely that they are as hopelessly polluted by the idiosyncratic circumstances of democratic transitions so as to lack any predictive power concerning future developments. Indeed, the formation of party alliances and government coalitions followed a pattern highly consistent with the present findings in three of the four countries analysed here, both before and after the data were collected.[22] Thus, I believe that the findings may reflect the impact of relatively enduring factors, even though it is obvious that the time frame for which the present results generalize cannot be identified with reasonable precision.

Salient political divisions over the treatment of former communists are, of course, present and apparently important in all Eastern European states. Furthermore, all these countries have multiparty systems, and therefore the identity of the factors influencing inter-party relations has a considerable relevance in each. Though not all former communist countries are parliamentary systems, as those covered by the analysis, the necessity to bring together party alliances to make, sustain, and/or break governments is absent only in a few of them. Furthermore, most of these few would not be called democracies anyway (think of Belarus or the ex-Soviet republics in Central Asia). Thus, the composition of party coalitions has apparent and immediate relevance for all post-communist countries that hold reasonably free elections.[23] Finally, as explained in the introduction, the dynamics of alliances may also have an impact on public policies, electoral alignments and party fortunes.

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Figure 1: The objects of evaluations in the four countries

country: party type:	Bulgaria	Czech R.	Hungary	Poland
ex-communist	BSP	LB	MSZP	SLD
agrarian	BANU	LSU	FKGP	PSL
social democrat	BSDP	CSSD		UP
Christian		CSL	KDNP	ZChN
liberal		ODA, SD	SZDSZ, FIDESZ	UD, KLD
extreme nationalist		SPR-RSC	MIEP	KPN
ethnic	DPS	CMSS		
conservative	SDS	ODS, KDS	MDF	BBWR, PC
other				NSZZ "S"

Figure 2: A guideline to the content and endpoints of the scales used to create the independent variables

Point 1   Point 20

ITEMS ENTERING THE "ECONOMY" SCALE:

VAR30: social security

citizens pay   compulsory insurance

VAR31: market-state

privatize all   substantial public sector

VAR32: speed vs. justice of privatisation

justice   speed & efficiency

VAR33: inflation vs. unemployment

fight inflation   fight unemployment

VAR35: income taxation

more progressive   more equal

VAR46: state intervention-free market

state   free market

ITEMS ENTERING THE "RELIGION" SCALE:

VAR39: churches and schools

should influence   should not

VAR49: clerical-secular

clerical   secular

ITEMS ENTERING THE "ANTI-COMMUNISM" SCALE:

VAR44: former communists

discriminate   equal rights

ITEMS ENTERING THE "NATIONALISM" SCALE:

VAR34: foreign investment

welcome   dependence

VAR36: immigration (not asked in Bulgaria)

restrictive   permissive

VAR45: minority rights of Turks (asked only in Bulgaria)

for   against

VAR48: national-paneuropean

nation   Europe

Table 1: Percentage of variance in the sympathy ratings of parties *j* by respondents *i* explained by proximity, directional and mixed models

Series A: position of party *j* on issue *k* allowed to vary across respondents *i*

model type:	Model 1 proximity	Model 2 pure directional	Model 3 mixed	Model 4 directional with uniform penalty
Bulgaria	35	40	43	41
Czech Republic	31	34	36	37
Hungary	41	49	51	51
Poland	33	40	42	41

Series B: position of party *j* on issue *k* set constant across respondents *i*

model type:	Model 1 proximity	Model 2 pure directional	Model 3 mixed	Model 4 directional with uniform penalty
Bulgaria	40	47	48	48
Czech Republic	27	28	35	31
Hungary	38	46	46	51
Poland	33	38	39	41

Note: Table entries are adjusted R-squared values multiplied by 100. The models are described in section 3, the data set in section 2. The units of observation are each unique combination of respondent and rated party, with respondents' evaluation of their own party excluded from the analysis. The number of cases in the analysis is 395 and 400 in Bulgaria, 973 and 1186 in the Czech Republic, 633 and 761 in Hungary, and 968 and 1071 in Poland, in series A and B, respectively.

Table 2: The relative impact of four issue domains and the uniform penalty term as estimated with model 4

Series A: position of party j on issue k allowed to vary across respondents i

variable:	ECONOMY	RELIGION	ANTI-COMMUNISM	NATIONALISM	penalty
Bulgaria	.02*	.19	.48	-.13	-.14
Czech Republic	.31	.06*	.19	.13	-.17
Hungary	.23	.24	.31	.14	-.17
Poland	.24	.16	.39	.12	-.08

Series B: position of party j on issue k set constant across respondents i

variable:	ECONOMY	RELIGION	ANTI-COMMUNISM	NATIONALISM	penalty
Bulgaria	-.06*	.07*	.51	-.24	-.12
Czech Republic	.10*	-.03*	.16	.38	-.15
Hungary	.20	.19	.37	.10	-.12
Poland	.19	.11	.44	.13	-.06

*: not significant on the .05 level.

Note: Table entries are standardized regression coefficients.

APPENDIX: Back translation of the preambulums of the items in the "Hungarian Politicians" questionnaire

Topic I: Health insurance (VAR30)

Some politicians think *[believe, reckon]* that social policy cannot protect citizens from all risks, but they also have to rely on themselves. For instance, all costs of medical treatments should be paid either directly by everybody from his *[her]* own pocket, or by joining voluntary health insurance schemes individually.

In contrast, other politicians think *[believe, reckon]* that the social policy of the state must *[is responsible to]* protect citizens from every sort of social risks. For instance, all medical expenses should be financed from the social security fund *["Social Security Fund" is both the official name of, and the common expression denoting the public fund from which state pensions and most medical expenses are currently paid from in Hungary]*.

Topic II: The management of the economy (VAR31)

According to some politicians most companies should be privatised in order to improve the efficiency of the Hungarian economy. Those state owned companies which cannot sustain themselves financially should be left to face their fate and must not be saved from going irrevocably *[finally]* bankrupt.

According to other politicians state ownership and government subsidies to companies should be preserved in significant parts of the Hungarian economy in order to prevent the growth of unemployment. The state should try to modernise the companies by investments first, and the decision about whether they will be privatised should only be made afterwards.

Topic III: The strategy of privatisation (VAR32)

According to some politicians the privatisation of the state owned companies and the selection of the new owners should be directed by the goals of economic efficiency and fast privatisation. According to other politicians, also the aspects of social and political justice must be taken into account even if this leads to a slow down of the privatisation process.
(Interviewers were instructed to answer yes if the respondent ask them to tell whether support for property restitution belonged to the second option.)

Topic IV: The contradiction between fighting unemployment and fighting inflation (VAR33)

Some politicians think that economic policy must concentrate on fighting inflation. Interest rates must be raised and budget deficit cut even if these measures lead to a temporary rise in

unemployment and poverty. They think that financial stability is a precondition of long term economic growth.

According to other politicians fighting unemployment and poverty must be the top priority of economic policy. Investments in industry must be increased even if this increases inflation temporarily. They think that the burden of fighting inflation will be more tolerable once production is on the rise.

Topic V: Foreign capital in the Hungarian economy (VAR34)

Some politicians believe *[sense so]*, that too much foreign capital is flowing into the Hungarian economy. According to them this makes Hungary dependent *[this brings Hungary in a state of dependence]* from foreign owners and from the economies of their home countries.

According to other politicians capital's place of origin does not matter at all if it produces useful investments in the Hungarian economy.

Topic VI: The bands of personal income tax (VAR35)

Some politicians support increasing the progressiveness of income taxes, so that high income people would pay even more, and low income people less taxes than they do now. This way the government could lessen the inequalities of living conditions.

According to other politicians progressive income taxation depresses the lust for work and entrepreneurship, and therefore it works against economic growth. They think that the problem of poverty cannot be cured this way, and the long term goal should be that everybody should pay the same portion of their income into taxes.

Topic VII: The regulation of the immigration of refugees (VAR36)

According to some politicians Hungary is overflown by non-Hungarian asylum-seekers, who come mainly from the former Soviet Union and from Romania, and who are actually economic refugees. They *[i.e. these politicians]* think it would be sensible *[justified, reasonable]* to pass restrictive immigration and asylum laws.

According to others, this problem has been grossly exaggerated and a more permissive regulation of immigration and asylum-seeking is needed.

Topic VIII: Women at work and state-run child care services (VAR37)

Some politicians think that social policy should also support such state and local government services - e.g. kindergartens, nursery schools -, which enable mothers of young babies to continue working and making money.

Other politicians think that mothers of small kids should rather stay home to take care of their children instead of working outside their home. According to them, other services and benefits should have a priority in social policy.

Topic IX: Permitting abortion (VAR38)
Some politicians think that abortion is immoral, because it means murdering another human. Therefore, the state must prohibit all forms of abortion.
Other politicians think that it is the exclusive right and moral responsibility of the pregnant woman to decide whether she wants to bear her baby to the full time or not.

Topic X: The role of churches in public education (VAR39)
According to some politicians religion has to provide the moral guide-lines for post-communist Hungary *[literally: Hungary after communism]*. Therefore, it is mandatory for the state to help promoting religious faith *[belief]*, and the churches must have a significant saying on the content of public education.
According to other politicians religion belongs to the private sphere *[literally: religion is a private affair]* and it is not the responsibility of the state to help promoting religious faith. Thus, churches should not exercise a significant influence on the curicula of state run schools.

Topic XI: Support for agricultural production (VAR40)
According to some politicians agriculture is the most important sector for the economic development of our country and has to get more support from the government than other sectors. Other politicians think that only banking, the service sector and industry can become the driving force *[literally: pulling branch]* of our economy. Therefore, agriculture should not be supported on the expense of these economic sectors.

Topic XII: Order, authority and democratic public education (VAR41)
According to some politicians democratic public education should teach the young respect for the values of authority and order, because democracy works well only if citizens respect the government as well as authority relations in the family and at work.
According to other politicians, schools should promote individual autonomy instead of respect for traditional authorities, and they have to develop in the students the skill of questioning authorities in politics, at work, and within the family.

Topic XIII: Environment protection (VAR42)

Economic modernisation and environment protection often go together, but sometimes they conflict with each other, for instance when strictly applied environmentalist considerations are too costly and would prevent the creation of new jobs. Some politicians believe that in such cases Hungary cannot afford the observance of strict environment protection norms. That would increase the costs of investments and production and would be an obstacle to increase production and to create new jobs.

Other politicians believe that the deterioration of environmental conditions has already reached a point where environment protection rules must be strictly obeyed even if this requires sacrificing jobs.

Topic XIV: Freedom of press and moral (VAR43)

According to some politicians, in a democracy films and magazines have the right to show such things *[actions, scenes, etc.; literally: things]* which violate [*contradict*] the dominant [*existing*] moral norms and good taste.

According to other politicians in a democratic country legal regulation has to force films and magazines to observe norms of proper conduct.

[Interviewers had been instructed to name pornography if the respondent asked them to give an example, but none reported any case where further explanation was needed.]

Topic XV: Participation of former communists in public life (VAR44)

According to some politicians the former upper and intermediate level leaders *[bosses, managers]* of the HSWP *[i.e. MSZMP, Hungarian Socialist Workers' Party]*, because of their past sins, must be excluded from political life and from the privatisation of state property by legal, administrative and political means.

According to other politicians former communists must be guaranteed the same opportunities to exercise political and economic rights as anybody else. They think that any law, administrative or political rule that aims at excluding former communists from economic or political life is unjustifiable.

XVII. (VAR46) Now I ask you tell your opinion about the seven parties in respect to some more general questions. First I ask you to place each party on a scale where supporters of state intervention into the economy are on the one end, and supporters of free market economy on the other.

XVIII. (VAR47) Please place each party on a scale where supporters of the values of liberal individualism are on one end, and supporters of traditional Hungarian culture and national solidarity are located on the other end.

XIX. (VAR48) Please imagine on the one end of the next scale those who emphasise the need *[necessity]* of creating a strong national consciousness based on the unique history and cultural community *[literally: cultural destiny-community]* of Hungarian people, and on the other end those who rather want to increase the awareness of the mutual interdependence of Hungary and Western Europe. Please place the seven parties on this scale!

XX. (VAR49) Please place each party on a scale where "preference for religious principles in politics" is on one end, and "a secular conception of politics" is on the other.

XXI. (VAR50) Please place the seven parties on a scale running from the political "left" *["left" in the political sense]* to political "right" *["right" in the political sense]*!

XXII. (VAR51) Finally, please indicate how sympathetic each party is for you personally!

NOTES

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[1] This paper utilizes data that were collected by Herbert Kitschelt and his associates within the framework of an IREX-sponsored project on Party Formation in East Central Europe. I am grateful for being able to use the data for the present purposes.

[2] The isolated exceptions include Luebbert (1986: 64ff), Leiserson (1970: 331), and - in a less obvious way - Laver and Shepsle (1990, 1995).

[3] For an assessment of office-seeking and policy-seeking models see Laver and Schofield (1990).

[4] Listhaug, Macdonald and Rabinowitz (1992) show similar results using the sympathy ratings and - instead of the popularly perceived issue positions - the left-right placements of French, German, Dutch, Danish, Norwegian and Swedish parties. Iversen (1994) adds more evidence in favour of directional theory and a model mixing proximity and directional elements. First, his analysis of mass-elite linkages utilizes direct observations (survey data) on the issue preferences of both voters and of party elites themselves. This comparison again reveals that party elites have consistently more extreme issue positions than the voters of their own parties (a finding familiar from studies using parallel surveys of voters and party elites, see McClosky, Hoffman, and O'Hara 1960; Inglehart 1984; Dalton 1985; Converse and Pierce 1986; Miller and Jennings 1986; Holmberg 1989; Norris 1995). Secondly, his analyses on both the individual and the aggregate level suggest that party positions are about two times more intense/extreme than the mean of their voters, while Rabinowitz and Macdonald's (1989) results with their mixed model suggested an unlikely multiplier of 8.6. Thirdly, his individual level analysis - which supports the pure directional to the conventional proximity model - has voters' vote choice as its dependent variable. In recent years a number of authors pointed out various possible flaws in the directional model and the empirical evidence that was put forward in its favour (cf. Gilljam 1997; Granberg and Gilljam 1997; Kr„mer and Rattinger 1997; Madsen 1996; Merrill 1995; Pierce 1997; Van der Eijk 1997; Westholm 1997), but I cannot discuss these criticisms here (see, however, Macdonald and Rabinowitz 1997; Macdonald, Rabinowitz and Listhaug 1997, 1998; Merrill and Grofman 1997).

[5] From the directional model Rabinowitz and Macdonald (1989: 109) derive two theorems about candidate behaviour: "if the electorate is symmetrically distributed about the origin (neutral point) of the space, any candidate within the region of acceptability is competitive with any other candidate within the region", and "when the electorate has a clear directional preference, a dominant position exists and the dominant position is the most extreme position in the direction of that preference still lying within the region of acceptability". As support for the second theorem they cite Achen (1978), who found that in terms of ideology the losing candidates for the House of Representative were closer than the winning candidates to the district mean, and Powell (1982), who found that the more centrist the median opinion in a congressional district, the farther its representative's position is from the district mean. Rabinowitz and Macdonald (1989: 113) show the same for the ideology of senators and the central

tendency of their states. Although Rabinowitz and Macdonald seem to stick with the assumption of constant turnout (inelastic demand), it is quite clear that if this assumption and that of symmetric distribution are dispensed with, then intense minorities can more easily defeat a clear majority under the directional than the proximity model.

[6] Note that the directional model has some similarity to Budge and Farlie's (1983) salience model (more recently also known as issue ownership model). In the salience model voters in each election turn to the parties they consider competent in handling the most important problem of the day, while parties have relatively enduring reputations for their good/bad handling of various issues. Thus, the salience model is mathematically identical to a pure directional model, it is just that instead of a direction a party can have a positive or negative commitment and competence on an issue, while voters are not extreme or moderate on an issue but, instead, consider it more or less important.

[7] Cf. Rabinowitz, Macdonald and Listhaug (1991) and Macdonald, Listhaug and Rabinowitz (1991) on the Norwegian Liberal Party.

[8] Similar findings are reported by Rabinowitz (1978) and Poole and Rosenthal (1984) on the bases of sympathy ratings of US presidential candidates. This, of course, parallels the findings of McClosky, Hoffman, and O'Hara 1960; Inglehart 1984; Dalton 1985; Converse and Pierce 1986; Miller and Jennings 1986; Holmberg 1989; and Norris 1995, which all show that party elites tend to less centrist than their voters.

[9] This is admitted by Macdonald, Rabinowitz and Listhaug (1995: 464, footnote 22) as well: "The penalty concept in directional theory is not explicitly operationalized".

[10] In fact, the same authors note elsewhere that "whether a party is inside or outside the region of acceptability is a characteristic of the party. This does not imply that every voter will apply the same penalty in judging the party. Voters who are themselves intense and sympathetic to the party might apply no penalty or a very small one, while other voters might apply a larger penalty. A party can still be successful when located beyond the region of acceptability. What is critical to the theory is that a party located beyond the region will always be less electorally effective than a party with the same directional stance located exactly on the boundary" of the region (Rabinowitz, Macdonald and Listhaug, 1991: 152). However, Iversen (1994) rightly points out that this argument gives no justification for adopting any middle of the road solution between the two extreme theoretical positions of (1) assuming that there are as many private regions of acceptability as many issue positions there are among the voters (which boils down to accepting the spatial distance between the position of party j and voter i as the equivalent of the "penalty" given to the former for its extreme position); or (2) assuming that there is just one region of acceptability and the penalty for being outside of it is constant across the entire electorate. This second position is, in fact, implicit in the only explicit test of the region's existence that has been presented by the inventors of directional theory so far (see Macdonald, Listhaug and Rabinowitz 1991: 1119-21).

[11] This model is identical to the mixed model of Rabinowitz and Macdonald (1989) (on this equivalence see Iversen 1994: footnote 6). Rabinowitz and Macdonald (1989: 118) attribute "much of the intellectual credit" for the mixed model to Howard Rosenthal.

[12] There is an ongoing debate about the link between political information level and directional vs proximity voting, but the results seem to be somewhat inconclusive. Merrill (1995) showed that the proximity model does particularly well among the politically most sophisticated, while Macdonald, Rabinowitz and Listhaug (1995) find no evidence that the party sympathies of the politically most sophisticated third of voters would be less dominated by the directional over the proximity logic than the sympathies of the least sophisticated third. Merrill's theoretical argument is that the mean placements of candidates by a sample which obviously includes some respondents who make uninformed guesses about the party positions will inevitably be closer to the neutral point than the actual position of the candidate would justify. He shows that the deviation of the mean placement of candidates from the neutral point radically increases with rising political sophistication, but claims that the variance of these placements is hardly smaller among the politically most than among the least sophisticated. He finds that after adjusting these individual level perceptions for assimilation and contrast effects the proximity model still outperforms the directional. Therefore he deems it likely that there are meaningful cognitive differences in the perceived position of candidates over and above the impact of emotionally motivated projections. Madsen (1996) shows similar findings about the impact of political sophistication: the proximity models does significantly and spectacularly better, and the directional model slightly better among the more sophisticated than the less sophisticated voters, respectively. However, Madsen derives party positions not from voters' perception but from interviews with candidates, and still finds that the unweighted scalar product on six issues tends to have a greater impact than the unweighted sum of issue distances on the choice of six Belgian parties in 1991 (after controlling for age, class, and religiosity). The directional effect is much bigger than the that of proximity on vote for the extremist Vlaams Blok, while the directional effect is negative and insignificant for the centrist CVP - for which issue proximity effects appear to be positive, but extremely small anyway. Madsen (1996) also shows that the more importance candidates attributed to an issue in their campaign, the greater impact proximity to them on that issue had on the vote for their parties - which contradicts proximity and supports directional theory. In his criticism Madsen (1996: 67) stresses that "the directional and the intensity component of the voters' attitude ... should be measured separately" and that directional theory implies "that a party may capture the voters' attention by means of symbolic cues, and in this way raise the importance which the voter attaches to the issue". However, a panel study would be required to test this hypothesis.

[13] The prediction is that - having an unconstrained choice of partners - a pivotal centre left (right) party will prefer a far left (right) to a centrist partner even if no this choice will create a coalition the median legislator of which belongs to the relatively extreme partner. This prediction is certainly different from the prediction of conventional proximity models, which would, at most, predict that in such a situation the centre left (right) party will invite the parties adjacent to it both on its left and its right (see de Swaan 1973: 109).

[14] For a review of these, see Strom, Budge and Laver (1994).

[15] While this is probably not an ideal measure of the utility that politicians assign to possible allies, sympathy should certainly be one critically important aspect of that.

[16] The reason for this is simple and purely technical. Suppose we had just four respondents, all from the same party, and they were asked to rate just two parties on a left-right scale, where 1 means the leftmost, and 20 the rightmost position. Assume that two of them placed party A on point 8 and party B on point 12, and the other two placed party A on point 6 and party B on point 10. Obviously, there is a little confusion in the sample about whether party B is centrist or centre-right, but such implicit differences in the precise meaning of the middle-point of a 20 point scale can only be expected. In our first issue question, for instance, one alternative read covering "all medical expenses" by the social security: maybe some Hungarians believed that this hinted on also covering ordinary dental treatment (which most middle class people buy on the free market), while others might have recalled the widely publicised treatment of a famous TV-personality in a private clinic in Mexico, which was covered from private donations. Such differences in the interpretative framework should not have prevented the respondents to indicate essentially the same policy distance between the parties, but we are clearly better off if we eliminate this "noise" from the data on perceived party positions.

[17] This step is necessitated by the lack of direct data on the respondents' preferences. The soundness of this step rests on the validity of at least one of three assumptions. (1): To the extent that respondents have firmly held issue preferences and there are significant differences between the parties on these issues, potential activists will join the party which has similar preferences to them. (2): Failing (1), respondents have no firmly held preferences on most issues, and accept as the right position whatever they believe the position of their own party is. (3): Failing both (1) and (2), i.e. to the extent that the respondents' have genuine preferences and these do conflict with their party's "actual" position, the respondents, in their answers to our interviewers, will attribute their party a position which is closer, and other parties a position that is farther apart from their own ideal point than what the "actual" party positions would justify. Although it may appear questionable whether the error term of our measurement of the respondents' own party position is independent from their party membership, the present analyses are unlikely to be affected by this possible bias, since we do not run our analyses separately for the individual parties.

[18] See Macdonald, Rabinowitz and Listhaug (1995: 460).

[19] See Merrill (1995), Gilljam (1997), Merrill and Grofman (1997), Pierce (1997), Westholm (1997).

\[20] Merrill (1995) shows that by allowing (perceived) party positions to vary across respondents the proximity model has a greater explanatory power than the directional model in the 1984 American data which was also analysed by Rabinowitz and Macdonald (1989), and just a bit smaller explanatory power than the directional model in the 1989 Norwegian data analysed by Macdonald, Listhaug and Rabinowitz (1991). Similar findinds are reported by Gilljam (1997) and Pierce (1997).

[21] This possibility was suggested to me by Herbert Kitschelt.

[22] The exception is the Czech Republic, where the two coalitions formed in 1998 were neither consistent with my principal findings regarding that country. Note, however, that the Czech Republic proves to be a deviant case in my quantitative analysis too.

[23] The only exception coming to mind is Georgia, which has a straight presidential constitution and the overwhelming dominance of the President's party in the legislature, and yet has regular and free - though less than perfectly fair - elections.