

The Nationalization of East European Party Systems

1 Introductory Remarks

This contribution deals with the nationalization of political party systems in postcommunist Eastern Europe. By highly nationalized party systems, I refer to those in which the significant parties' vote shares do not differ much from one regional area, notably electoral districts, to another. In contrast, regionalized party systems are characterized by a significant variance of the major parties' vote shares across the various regions constituting the respective national polities.

From a historical perspective, Eastern Europe has often been considered characterized by an outstanding level of territorial heterogeneity. In the traits of history, many weakly founded national states have been established after World War I following the breakup of the Habsburg Empire. Not few of them have been marked by significant degrees of ethnic and social diversity, regard, for instance, the Hungarian minorities spread all over the region after the Trianon Treaty. However, in the second half of the Twentieth Century, the heterogenous territories of Eastern Europe have been submitted to bureaucratic, centralized communist rule. Hence, the heterogenous societies of Eastern Europe met with a centralizing communist political system that, due to political and ideological reasons, aimed at their radical leveling and standardization. Finally, "stateness" (Rustow, 1970) again became a crucial problem after the collapse of communism when the major federalist states in Eastern Europe disintegrated and new political entities were constructed or reconstructed.

In theoretical political science, the territoriality of politics has been a cornerstone of historical assessments of nation-building and the development of mass democracy in Western Europe (cf. Lipset and Rokkan, 1967; Rokkan and Urwin, 1982). However, with the exception of some studies focussing on spatial issues in the U.S. party politics,¹ only little systematic analysis has been published about party system nationalization in other countries, or in a comparative perspective. The nationalization of party systems has been analyzed both as a dependent and as an independent variable. In the first place, the historical evolution of political cleavages (Lipset and Rokkan, 1967), electoral systems (Cox, 1999), and federalism (Chhibber and Kollman, 1998, 2004) are supposed to affect the degree of party system nationalization. Moreover, scholars observing transformation processes in the "third wave" have defined nationalization/institutionalization as a major feature of party system consolidation (Mainwaring and Scully, 1995). In the second perspective, the nationalization of party systems itself

¹ Cf. for the concept of "sectionalism" in the American setting Schattschneider (1960). Donald E. Stokes (1965; 1967) was the first to analyze the nationalization of the U.S. party system applying sophisticated methodological and statistical tools ("the variance components model", by now the workhorse of multilevel analysis).

structures national political competition, determines the government's ability to pursue collective policy goals, is a catalyst for secessionist tendencies, and exerts a significant influence on the impact electoral systems may exert on party systems (Sartori, 1986).

In this contribution, I will focus on the first perspective, the analysis of nationalization issues as a dependent variable, while the second one tells me I am concentrating on a meaningful topic in conceptual and empirical terms. Regarding the selection of empirical cases, I have chosen eleven "most similar systems" (Lijphart, 1971, 1975) in postcommunist Eastern Europe: Bulgaria, the Czech Republic, Estonia, Hungary, Latvia, Lithuania, Poland, Romania, Russia, Slovakia, and the Ukraine. Theoretically, my focus on Eastern Europe is justified by the peculiarities of the "double" intertwined transition in the political sphere and in "stateness". Empirically, the degree of party system nationalization exhibits considerable variation across the countries and time periods in the analysis.

The subsequent line of argument proceeds in three major steps: First, I am going to review some major historical, sociological, and institutional arguments (section 2). Having clarified my theoretical assumptions, I turn to discussing the issue of proper empirical measurement of the nationalization/ regionalization issue. In addition, I will comment on data and data sources and, above all, provide empirical data at the nationalization of party systems in eleven selected East European countries (3). The next section investigates the empirical links between party system nationalization and the major explanatory variables (4). The final section concludes (5).

2 Theoretical Arguments

Theoretical arguments trying to propose a meaningful explanation of party system nationalization are as manifold as the terms invented to describe the phenomenon at stake. Political scientists have offered both macrosociological and institutionalist interpretations.

In the first place, most prominently Caramani (2000, 2004) who is primarily concerned with the cleavage-driven macrosociological processes has presented an elaborate, historical, comparative argument on "the nationalization of politics". In contrast, Gary W. Cox (1999), from an electoral systems perspective, is concerned with the "linkage" of viable candidates/ lists across electoral districts. Finally, Chhibber and Kollman (2004, 19), analyze the impact of federalism and fiscal decentralization on "party aggregation". Although, in principle, the various labels refer to precisely the same substance, i.e. the same dependent variable, the, somehow operationalized, heterogeneity or homogeneity of electoral support for political parties across different regional entities.

Nationalization and Political Cleavages

At the moment, Daniele Caramani (2000, 2004) has provided the most extensive analysis of party system nationalization. Both his theoretical argument and empirical research are deeply rooted in the long-term historical development of West European electorates. Caramani builds upon an historical, comparative analysis of political cleavages. Essentially, on the one hand, preindustrial, cultural cleavages, for instance religious, ethnolinguistic, and urban-rural cleavages, are supposed major causes and the

sociological basis of fragmented, regionalized party systems. On the other hand, political cleavages that originated during the industrialization, most notably the conflicts between labor and capital, liberal and conservative worldviews, and the overarching left-right dimension, exert a homogenizing influence on party systems.

As a consequence, the general trend towards the emergence of nationalized party systems in the early Twentieth Century is explained by the shift from territorial towards functional cleavages while remaining differences in the degree of party system nationalization are attributed to persistent distinctions between the major countries of Western Europe. Empirically, Caramani (2000, 2004) is able to build upon an unparalleled wealth of comparative information on district level electoral returns taken from seventeen West European countries. The period of time covered by his analysis extends to more than 180 years, beginning with the first fully documented election in Norway, 1815, and ending with the most recent elections until 1998.

However, only part of the argument can be fruitfully utilized for the analysis of party system nationalization in Eastern Europe. In comparison to established democracies, newly democratized electorates are much more open and more available for political competition; they also tend to be more volatile and uncertain. These differences are in many respects due to discrepancies in the mode of democratization in West and East European countries. In Western Europe, democratization meant the extension of the right to participate in regimes in which the principle of political contestation had already been established, but democratization in Eastern Europe meant establishing the principle of contestation in systems that were already participant. I argue that these differences in the mode of transition prevent a substantial, long-term “freezing” of party alternatives comparable to Western European experiences and the thesis presented by Lipset and Rokkan (1967).

Second, these differences in the mode of transition also lead to varying electorates and party foundations. Postcommunist party systems are less likely to be underpinned by strong political cleavage structures. This is not to say, as suggested by some “*tabula rasa* hypotheses” (for an extensive criticism of this position cf. Evans and Whitefield, 2000), that East European electorates are totally homogenous, or that they lack any differentiation based on social stratification, ethnicity, religion *et cetera*. However, postcommunist party systems lack the predictability of their counterparts in long-term established democracies. Of course, there are many lines of social conflict that are (or may become) the basis of programmatically structured conflict.² Postcommunist party systems are weakly institutionalized even in comparison to other third wave democracies, for instance in Southern Europe or Latin America. By far, the level of electoral volatility is the highest in Eastern Europe. Moreover, all parties, even the ones referring to historic labels, are in fact “new” parties without any established organizational or parliamentary record. Volatility and instability of East European electorates have not yet been overcome. Recent elections, for instance, in Bulgaria, Estonia, Lithuania or Poland point to some significant evidence.

The third major difference concerns the patterns of competition that make a structuring impact on the modes of interaction in political party systems. On the level of political elites, competition is highly volatile and a constant process of fission and fusion of political forces in parliament is still persisting (cf. for instance, Olson, 1998).

² For an overview of political divides in postcommunist countries cf. Kitschelt et al. (1999, 64-69) who delineate five major “party divides”: (1) “political regime divide”, (2) “economic-distributive divide”, (3) “socio-cultural divide”, (4) “national-cosmopolitan divide” and (5) “ethnic divides”.

As a matter of fact, postcommunist parties are not deeply rooted in society, but exist mainly as factions in parliament centered around some visible individuals so that the rather uncertain objectives and calculations of political leaders, reflected in “couch parties” and constant partisan realignments, may become a major force of the turbulent political development. The flux of party formation, splits, and recombinations appears to occur in parliament rather than in the electorates.

In sum, these differences lead to the conclusion that contextual factors in postcommunist Europe are by far less favourable to structured electoral competition than in established democracies. In the first place, one may easily contest the overall existence of “cleavages” in postcommunist Eastern Europe (cf. Mair, 1997). As defined by Lipset and Rokkan (1967), political “cleavages” do not merely consist of some social division, but, besides these bottom-up elements, also refer to their temporally stable politicization, the top-down component. In the postcommunist context, especially the second constitutive element is constantly lacking. Moreover, any development towards democracy has been interrupted by the emergence of communist dictatorship and bureaucratic centralism. Hence, concerning the eleven countries in the analysis, there is, in absence of solid and temporally stable political divisions which deserve to be labelled “cleavages” and in absence of a more or less continuous, longstanding historical process towards the evolvement of competitive mass democracy, no option of focussing on the political consequences of a long-term, cleavage-driven evolutionary process, as Caramani (2000, 2004) did for the established democracies of Western Europe.

Nationalization and Political Transformation

Having discussed the cleavage-driven argument, I now turn to the peculiarities of transitions from communist rule and the current context of postcommunist politics in Eastern Europe. So far, I have *grosso modo* drawn some distinctions of “established” democracies and newly democratized countries. But there are also vast differences in the contextual factors influencing the ability of voters and candidates to strategic adjustments among the eleven postcommunist countries under analysis. For instance, Kitschelt et al. (1999, 21-42) distinguish three different types of socialist *Anciens Régimes* which are in turn connected the preceding economic and political realities in inter-war Europe and, as well, to the divergent pathways of postcommunism:

Bureaucratic-authoritarian communism corresponds to the ideal type of a totalitarian system (cf Linz and Stepan, 1996, 40-51; Linz, 2000). The party state is organized by an all-powerful, rule guided bureaucratic machine; at its core a disciplined, hierarchically stratified communist *nomenklatura* governs and controls the political process and the economy. Bureaucratic-authoritarian rule occurred in countries with considerable liberal-democratic experience in the inter-war years and early and comparatively advanced industrialization.³ As civil society and class-based politics had already been mobilized in the inter-war years, elites relied on intense levels of political repression and tolerated only little dissidence in order to defend the communist party’s political monopoly against demands for political rights and participation.

In the second type, **national-accommodative communism**, the state apparatus and governance structures are less developed and professionalized. The mechanisms em-

³ For a detailed analysis of democracy and breakdowns of democracy in inter-war Europe cf. Berg-Schlosser and Mitchell (2000, 2002)

ployed to instill compliance rely less on repression, but more on co-optive strategies. National-accommodative communism is likely to prevail in countries that emerged from semi-democratic or semi-authoritarian inter-war polities with a rather vibrant political party mobilization. Economically, there had been steps towards industrialization, but by and large the basis remained in the agricultural sector. Hence, political conflicts in these settings often deal with conflicting attitudes towards modernity.

Finally, **patrimonial communism** relies on vertical chains of personal dependence between leaders in the state apparatus and their entourage. The state apparatus remains in a very low state of bureaucratic professionalism, and politics is dominated by patronage and clientelist networks (cf. Eisenstadt and Roniger, 1984). In extreme cases, these regimes are dominated by "sultanistic" rule of an individual and his family (Linz and Stepan, 1996, 51-54). Patrimonial communism occurs in countries that lack a considerable democratic experience in the pre-communist era. Democracy in the inter-war years was either fragile and intertwined with authoritarian elements, or, as in Russia or the Ukraine, there has never been any democratic experience at all. In economic terms, patrimonial communism prevails in weakly industrialized countries with a small, geographically concentrated working class.

Empirically, among the eleven postcommunist countries in the analysis, the single pure case of bureaucratic-authoritarian communism is the Czech Republic. In the category of national-accommodative systems, we find Hungary and Poland. Next, there are some countries that do not unambiguously fit into a clear-cut category. Slovakia and the baltic states are classified as a mix of national-accommodative and patrimonial communism. Finally, the rest of the Soviet successor states, Russia and the Ukraine, alongside with Bulgaria and Romania belong to the clear-cut category of patrimonial communism.

According to Kitschelt et al. (1999), conditions for the emergence of programmatically structured party competition, and hence for the emergence of nationalized party systems, are supposed to be most favorable after bureaucratic-authoritarian and least auspicious after patrimonial communism. The successors of national-accommodative communism constitute intermediate cases.

Nationalization and Electoral Systems

Next, I am going to elaborate on institutionalist arguments. Analyzing the political consequences of electoral systems, the major point of departure is Maurice Duverger's analysis of the effects of electoral systems on party systems that has been dubbed "Duverger's Law" and "Duverger's Hypothesis" by William H. Riker (1982). The "Law" states that "the simple-majority single-ballot system [=plurality] favors the two-party system" (Duverger, 1954, 217), while the "Hypothesis" proposes that "the simple-majority system with second ballot [=majority] and proportional representation favors multipartyism" (Duverger, 1954, 239).

However, at the national level, the association of electoral systems and party systems is nothing but an empirical generalization while the true causal effect resides at the district level. The most recent revision of "Duverger's Law" has been proposed by Gary W. Cox (1997). Building both on classic statements of formal theory and on the inductive tradition of data analysis in comparative political science, he was able to strengthen the causal argument, broaden its applicability, and to attach conditions to its functionality. In essence, his contribution deals with problems of strategic coopera-

tion in competitive electoral politics. The starting point of Cox' argument focusses on the reconstruction of the causal forces driving Duverger's psychological effect at the district level. Formal modelling suggests, quite in accordance with Duverger's (1954, 217) original propositions, that in *each* single member plurality district ($M = 1$) there will be only two viable vote getting candidates in a game-theoretic equilibrium. Next, Cox (1997, 99) extends his argument to multi-member districts ($M > 1$). As a "direct generalization of Duverger's Law", he suggests that there may be no more than $M + 1$ viable candidates in each district of the magnitude M . This proposition, labelled the " $M + 1$ rule", is the central building block of Cox' ground-breaking contribution to the analysis of the effects of electoral systems on party systems.

Having said this, it is quite logical that in an electoral system that consists of N distinct electoral districts up to $N * [M + 1]$ viable political parties/ candidates may exist in a "Duvergerian" equilibrium as the top-running candidates in each district might belong to different political parties. In other words, candidates and voters have to coordinate across districts in order to gain influence on policy-making at the national level. Thus, when relating to the quantity of substantive interest, the *Effective Number of Parties* at the national level, electoral system research has begun to address the issue of "linkage" of viable competitors across electoral districts (Cox, 1999).

"Linkage of viable candidates" or, in our terms, the "nationalization of party systems" should become substantially more complicated when there are many electoral districts and, hence, many distinct, local electoral competitions. Majority and plurality system that tend to consist of many single-member districts, are more likely to be affected by the "personal vote" (Carey and Shugart, 1995) rendering the local election a special case and seriously hampering the emergence of nationalized political competition.

Moreover, from any realistic perspective, the peculiarities of the district races can by no means be expected to tell the overall story. Politicians and voters are also driven by policy interests and are encouraged to coordinate across districts in order to establish regional or national party labels and party organizations so that these entities are in a position to exert significant influence on policy-making.

Nationalization and Federalism

From an institutionalist perspective, another argument concerns federalism as a major impact on the shape of the party systems and their respective degree of nationalization. Chhibber and Kollman (1998, 2004) suggest a link between federalism and the formation of nationalized or regionalized party systems. Before I provide a thorough outline of the theoretical argument, I briefly turn to the substance of federalism. According to the well-established definition by William H. Riker (1964), I consider a political system "federalist" if

- (1) two levels of government rule the same land and people, (2) each level has at least one area of action in which it is autonomous, (3) there is some guarantee (even though merely a statement in the constitution) of the autonomy of each government in its own sphere.

(Riker, 1964, 11)

However, with this definition in mind, it is almost impossible to classify empirical cases into the clear-cut, distinct theoretical categories of federal and unitary states.

Moreover, from an empirical point of view, the concept of federalism does not strictly apply to Eastern Europe. The two ideal types of federalism in the region, the Soviet Union and Czechoslovakia, broke apart following the collapse of communist rule while their successor states and the “old” national states are significantly marked by the legacies of bureaucratic centralism and hence organized as central states.⁴ The sole remaining case of a formally decentralized system is the Russian Federation, but practically there is considerable evidence for the ongoing, forceful expansion of the authority of the Kremlin relative to Russia’s regions. Therefore, from a formal, typological point of view, there is not much variance in the degree of federalism of the East European countries.

Filippov et al. (2004) highlight the crucial role of nationalized political parties for stabilizing the sometimes complicated federal polities. Nevertheless, in all countries in the analysis political power is naturally divided to some extent between central and non-central authorities. Typically national governments even in formally “centralized” states will have to negotiate and share political power with lower-level political entities.

Due to the multilevel structure of political authority, Chhibber and Kollman (2004, 79) suggest that “as national governments increase their authority over policies that voters care about, voters and candidates will become increasingly concerned with having a voice in national legislatures”. Hence, party systems will become nationalized if (almost) all matters of public concern are decided at the national level, while they will be regionalized to a greater extent if considerable political authority rests at the state or regional levels. This argument does not only apply to a cross-national, static perspective, but also concerns the evolution of modern government. As the powers of central governments have increased in almost any country during the Twentieth Century, it might be utilized as an explanation for the historical process of the party system nationalization and is thus a rival hypothesis to the historical, cleavage-driven approach supported by Caramani (2004).

3 The Nationalization of Party Systems

In this section, I first discuss theoretical perspectives, most prominently several measurement issues and indices, regarding the nationalization of party systems. In the consecutive step, I proceed to provide some descriptive empirical evidence on the degree of party system nationalization in the eleven East European Countries in the empirical analysis.

The Dependent Variable

The nationalization of party systems is still an under-analyzed issue. The vast literature on party systems in established democracies and in newly democratized countries has for long been almost exclusively concerned with the extent of electoral and parliamentary fragmentation (cf. Duverger, 1954; Lijphart, 1994; Taagepera and Shugart, 1989), the degree of ideological polarization (cf. Dahl, 1966; Sani and Sartori, 1983), or some combination of both dimensions (cf. Sartori, 1976). In contrast, the nationalization of party systems has largely been neglected in theoretical arguments and, above

⁴ Filippov et al. (2004, 76-110) provide a detailed discussion of the breakup of the Czechoslovak and Soviet federations.

all, in empirical research. The only significant exception is constituted by analyses of “sectionalism” in the United States. Most prominently, these analyses refer to E.E. Schattschneider’s concerns about weak, barely institutionalized political parties and predominantly local-oriented politics (Schattschneider, 1960; Stokes, 1965, 1967).

Regarding the proper operationalization of party system homogeneity / heterogeneity, there is some considerable consensus. Most indices are based upon some measure of the dispersion of votes received by a certain party across various regional entities.⁵ For instance, Jones and Mainwaring (2003, 139) define nationalization as “the extent to which a party receives similar levels of electoral support throughout the country”. Hence, by a high degree of nationalization I refer to party systems in which the significant parties’ vote shares are more or less stable from one geographical region to the other. In weakly nationalized party systems, on the other hand, these vote shares differ widely across the various geographical entities. As a consequence, indices of party system nationalization are meant to assess the extent to which subnational units, for instance electoral districts, do in fact approximate national vote patterns.

Yet, specific statistical issues in deciding which index is the most appropriate have been harshly disputed.⁶ In a systematic review, Caramani (2004, 58-70) has empirically evaluated the statistical properties of several nationalization indices. His assessment is especially concerned with two major sources of systematic bias, i.e. (1) indices are significantly influenced by the *size of electoral parties* (the parties’ vote shares); (2) indices are systematically linked to the *number of regional entities* (the number of electoral districts). Methodological approaches which fail to account for these influences therefore tend to yield misleading and sometimes bluntly wrong results.

The following introduces indices and measures to assess the degree of homogeneity / heterogeneity of distinct political parties and, most importantly, overall party systems and reviews their statistical properties.

Territorial Coverage (*Cov*)

My first measure regarding the nationalization of politics is territorial coverage (*Cov*). This quantity resembles the share of electoral districts in which a certain party *j* is able to present candidates or party lists. Hence, *Cov* is an indicator of the spread of political parties across electoral districts.

Moreover, there is another distinct advantage of *Cov*. While the other indicators put an emphasis on the inter-regional stability of voting patterns, territorial coverage relates more directly to the behaviour of political parties and their decision either to

⁵ An alternative operationalization strategy could focus on the temporal change or persistence of party systems in various regions. Of course, these measures do require data on at least two elections. However, analyzing data from Eastern Europe, the overall instability of party systems and the frequent reforms of electoral rules render this approach pretty impractical (cf. for a discussion of various indices Caramani, 2004, 59-60).

⁶ This conceptual problem is by no means a special feature of or limited to the nationalization of political parties or party systems. Measuring and distinguishing equality and / or inequality has been a major issue in recent discussions about social or income inequality and on electoral research. For instance, Taagepera and Grofman (2003) have reviewed a “zoo of indices” measuring electoral volatility and the disproportionality of electoral systems and rated 19 indices on 12 criteria. Although they deal with substantially different topics, their insights in the appropriateness of various indices may well be transferred to the nationalization topic at stake, as these indicators share one common property: They deal with the conceptualization of equality and inequality.

enter local political competition in a certain district or to abstain from it. Hence, considering *Cov* as a dependent variable helps to shed some light on the supply side of the “electoral market”.

The Standard Deviation (*SD*)

My other indices are more concerned with the demand side of elections. Variance and standard deviation are basic measures of descriptive statistics and the most commonly used indices of statistical dispersion. The variance of a variable, in this case of the vote shares v'_i obtained by a certain political party across the various electoral districts, is revealed by summing the squared differences of the actual values from their respective overall mean and then dividing the sum by $N - 1$; subsequently, the standard deviation is computed as the square root of the variance:

$$SD_j = \left[\frac{1}{N-1} \sum_{i=1}^n (v'_i - \bar{v}'_i)^2 \right]^{-1} \quad (1)$$

with v'_i denoting the share of the vote obtained by a party in the electoral district i and \bar{v}'_i denoting the respective party's mean vote shares across all districts. High values of SD_j signify territorial heterogeneity of party j while low values flag a more constant political support across various regions.

However, there are also certain problems with employing the standard deviation as an empirical estimator of party system nationalization. Most significantly, the standard deviation varies with the mean of the variable at stake. Hence, we should expect SD_j to take considerably higher values for larger than for smaller parties.

The Variability Coefficient (*CV*)

As a solution to numerical dilemmas of the standard deviation, the variability coefficient has been suggested. This measure is based on the same substantive reasoning as variance and standard deviation, but corrects for the above mentioned bias when the standard deviation is divided by the parties' mean vote share:

$$CV_j = \left[\frac{1}{(N-1) * \bar{v}'} \sum_{i=1}^n (v'_i - \bar{v}'_i)^2 \right] \quad (2)$$

with v'_i denoting the share of the vote obtained by a party in the electoral district i and \bar{v}'_i denoting the respective party's mean vote share across all districts. High values of CV_j signify territorial heterogeneity of party j while low values flag a more constant political support across various regions. In contrast to the standard deviation, the variability coefficient CV_j controls for party size and assigns equal weight to each party regardless of its specific vote share.

There are some conceptual problems with CV_j , as well. The variability coefficient assigns significant importance to often very insignificant, small, regionalized or regionalist political parties. Moreover, the index is supposed to be heavily influenced by the number of regions, in this case electoral districts, included in the sample (cf. Caramani, 2004, 62). Thus, CV_j proves to be a somewhat problematic measure for

cross-national comparisons when there are significantly different numbers of electoral districts employed by different electoral systems in divergent countries.

From Individual Parties to Party Systems

So far, we have only been concerned with computing the quantities of interest for a distinct party. While SD_j and CV_j measure the degree of territorial diversity for a single party j , we finally have to aggregate these measures to the level of party systems. Moving to the systemic level, the most straightforward way seems to be simply computing the mean of the individual party values SD_j and CV_j . Yet, in the case of SD_j , this comes with substantial conceptual costs, since taking the average will treat all parties equally, and the extent of overall heterogeneity might easily be underestimated because of the artificial, homogenizing effects of many small parties that, weighted by size, have negligible actual standard deviations.

In this paper, I follow a suggestion by Caramani (2004) and assess the overall heterogeneity of a certain party system (SD) by the *cumulative standard deviation* of the individual parties (SD_j). Thus, I am able to build on an index that controls for the size of individual parties and assigns more weight to the standard deviations of the larger than to the small, often insignificant regionalist or regionalized political groups contesting election:

$$SD = \sum_{j=1}^n \left[\frac{1}{N-1} \sum_{i=1}^n (v'_i - \bar{v}')^2 \right]^{-1} \quad (3)$$

Considering the alternative measure, the variability coefficient at the overall party system level SD , I decided to also use the sum of the variability coefficients for the single parties contesting an election:

$$CV = \sum_{j=1}^n \left[\frac{1}{(N-1) * \bar{v}'} \sum_{i=1}^n (v'_i - \bar{v}')^2 \right] \quad (4)$$

Having operationalized these major measurement alternatives, it becomes quite obvious that they do indeed serve different purposes. SD controls for differences in party size by weighting the respective parties by their vote shares v'_i and, thus, might be the more appropriate general measure for the cross-national comparison of overall party systems. On the other hand, assigning more or less the same values to any party in the dataset, CV is strongly influenced by the number of political parties and the degree of party system nationalization and proves to be a sensible, specific indicator for measuring the importance of smaller regionalist parties in a certain party system.

The central lesson to be learnt from this discussion is that the indices need to be adopted with great care and with thorough consideration of the research question at stake. For instance, their actual values do heavily depend on central electoral system properties. Consider that, if "Duverger's Law" holds true, there will be larger parties in plurality and majority than in P.R. systems. Moreover, typically majority and plurality systems tend to employ many single-member districts, while P.R. systems consist of fewer multi-member districts.

Having said this, it becomes quite obvious that the standard deviation (SD) tends to overemphasize heterogeneity across districts in the presence of large parties. In other words, our index of heterogeneity is positively related to party size. On the contrary, the coefficient of variance (CV) might somewhat underestimate heterogeneity originating from many small parties, and thus is negatively related to party size. Moreover, CV , as other measures adjusted for the size of parties, is especially sensitive to the number of units involved, in this case electoral districts.

As a result, all measures that have been proposed suffer from certain difficulties, and there is no single “true” index of party system nationalization. Instead, various indices have to be evaluated and picked for the analysis with great care. Above all, the selection of any suitable estimate depends thoroughly on the research question.

Data and Data Sources

For the analysis, I decided to pick a set of “most similar systems” (Lijphart, 1971, 1975) from postcommunist Eastern Europe. My selection criteria are twofold. First, I chose to include only countries that attained a basic degree of electoral democracy in the period under analysis, 1990-2002, and thus picked countries that scored at least “partly free” on the respective *Freedomhouse*-Scales throughout this period. My second selection criterion is “stateness” (Rustow, 1970), and thus I included only sovereign countries that had consolidated territories throughout the period. Thus, I come up with an extensive dataset of district level electoral returns taken from Bulgaria, the Czech Republic, Estonia, Latvia, Lithuania, Poland, Romania, the Russian Federation, Slovakia, and the Ukraine.

In the eleven postcommunist countries selected for thorough analysis, I collected data on 37 elections to national parliaments (in case of bicameral systems, to the decisive lower houses) altogether. However, data collection was not limited to national returns. In line with theoretical demands, a large database of district level electoral data for all observations was compiled, which allows for a thorough test of the context-sensitive propositions. In sum, the dataset comprises of district level electoral returns from 3218 electoral districts.⁷ Thus, my “unit of observation” is the vote share v_i^j received by party j in district i at a certain election. Hence, there is a final remark on case selection, because I am only able to include countries and elections that employ various local electoral districts and I am forced to exclude countries which are based on a single, nationwide electoral district. However, my “unit of observation” is not my “unit of analysis” in the subsequent empirical argument, since I am going to exclusively focus on the consistency of local electoral races in the actual districts with the overall political competition at the national level captured by my three indices Cov , SD , and CV .

Figure 1 presents a graphical illustration of the data at hand. Note, that I included only elections to *national* parliaments in the selected countries so that competitive “pre-

⁷ The database was compiled from various sources: In the first place, collaboration of the research project “One Europe or Several? The Electoral Process in Eastern Europe” needs to be mentioned. Actually, part of the data, at the national as well as at the district level, are accessible via the internet: <http://www.essex.ac.uk/elections/>. Another primary data source on national level electoral returns was collected by Thomas Mackie and Richard Rose at the “Centre for the Study of Public Policy” (CSPP), University of Strathclyde: <http://www.cspp.strath.ac.uk/>. These collaborative efforts were thoroughly checked and supplemented by information and several datasets drawn from official election statistics.

Figure 1: District-Level Electoral Data in Eleven Post-Communist Polities

	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	Σ
Bulgaria	•	•			•								•	4
	<i>Národná Rada – ein MPWK</i>													
Estonia	(•)		•			•			•					3
	<i>Riigikogu – 12 (ab 1995: 11) MPWK</i>													
Latvia	(•)			•		•			•				•	2
	<i>Saeimas – 8 MPWK</i>													
Lithuania	(•)		•				•					•		3
	<i>Seimas – 71 EWK / 1 MPWK</i>													
Poland		•		•				•				•		4
	<i>Sejm – 37 (ab 1993: 52; ab 2001: 42) MPWK</i>													
Romania	•		•			•						•		4
	<i>Camera Deputatilor – 41 (ab 1992: 42) MPWK</i>													
Russia			•			•						•		3
	<i>Duma – 225 EWK / 1 MPWK</i>													
Slovakia				•								•		3
	<i>Národná Rada – 4 (ab 1998: 1) MPWK</i>													
Czech Republic									•				•	3
	<i>Poslanecká Sněmovna – 8 (ab 2002: 1) MPWK</i>													
Czechoslovakia	(•)		(•)											(2)
Ukraine					•				•				•	3
	<i>Verkhovna Rada – 450 EWK; ab 1998: 225 EWK / 1 MPWK</i>													
Hungary	•				•								•	4
	<i>Országgyűlés – 176 EWK / 20 MPWK</i>													
<i>Notes:</i>	•	= regular elections to national parliaments in eleven post-communist polities												
(•)	= competitive “pre-founding elections” at the subnational level													
•	= regular elections to national parliaments, missing data at the district level													
	= electoral returns at the district level													
SMD	= single-member districts; MMD = multi-member districts; Σ = number of elections													

founding elections" at the subnational level of either the Soviet Union or Czechoslovakia have not been entered into the analysis. The figure also points to some gaps in the dataset due to missing data.

Finally, regarding the individual parties in the dataset, I included only nationally significant parties, i.e. those which received more than three percent in the respective national election, when computing the quantities of interest.

Nationalization vs. Regionalization in Eastern Europe

The rest of this section is primarily concerned with providing descriptive data on similarities and dissimilarities of the eleven countries in the analysis. In Eastern Europe, party systems vary significantly according to their degree of nationalization. I will therefore systematically compare the degree of homogeneity/ heterogeneity of post-communist parties and party systems both in a systematic cross-national and in a dynamical, temporal dimension.

Table 1 presents the crucial descriptive indices capturing the nationalization of post-communist party systems. If there is any evolutionary, historical process towards the nationalization of party systems, postcommunist Eastern Europe is somewhat lagging behind. At first glance, the high overall heterogeneity of the party systems is clearly visible. A broad hint might be the comparison of the indices at hand with the range of indices Daniele Caramani (2004, 87) has computed for the established democracies of Western Europe. Concerning the country levels of territorial heterogeneity, Caramani comes up with standard deviations (*SD*) from 24.23 in Sweden up to 98.30 in Switzerland during the second half of the Twentieth Century. In Eastern Europe, *SD* ranges from 17.69 in the Czech Republic up to an incredible 202.26 in the Ukraine.

Having clarified the excessive overall level of territorial heterogeneity, I now turn to discussing empirical differences within Eastern Europe. As explained above, my primary yardstick will be the cumulative standard deviation of the overall party systems (*SD*) by country and by election as well. The most heterogeneous countries are successor states of the Soviet Union that employ some kind of majority/ plurality rule in mixed-member electoral systems. This is especially true for the Russian Federation and the Ukraine and applies to a somewhat lesser extent to the territorial heterogeneity of the Lithuanian party system. Moreover, in all three countries there is not any clear time trend towards the evolution of more nationalized party competition, but inter-regional heterogeneity seems to be a more or less stable characteristic of the respective party systems.

Taking the cumulative standard deviation (*SD*) as a yardstick, elections conducted via some kind of P.R. formula lead to significantly more homogenous party systems. Within this group, Romania's party system, which originated from the sultanistic variation of patrimonial communism (cf. Linz and Stepan, 1996, 344), is the most regionalized. This is also due to differences in political support for the major partisan actors, but there are many small parties as well who represent regional political interests, above all the significant, locally concentrated Hungarian minority's. The situation is somewhat different in Poland. Starting with the initially highest level of heterogeneity across different electoral districts in any P.R. system, there was a constant trend towards party system nationalization in the subsequent elections so that the actual Polish party system can be taken as one of the most homogenous. In Estonia, there has also been a constant decrease in party system heterogeneity while Slovakia and

Table 1: Levels of Territorial Heterogeneity by Country and Election

	Label	Districts	<i>Cov</i>	<i>SD</i>	<i>VAR</i>	<i>CV</i>
Czech Republic	CZE1996	8	100	22.82	77.87	7.73
	CZE1998	8	100	20.81	77.08	4.70
	CZE2002	14	100	17.69	46.31	26.32
Estonia	EST1992	12	98.14	68.26	380.05	30.64
	EST1995	11	100	48.89	280.08	24.09
	EST1999	11	100	44.88	211.85	17.90
Hungary	HUN1990-SMD	176	73.92	100.31	465.35	318.01
	HUN1994-SMD	176	94.88	59.01	188.23	306.83
	HUN1998-SMD	176	72.44	80.12	613.36	175.30
	HUN2002-SMD	176	77.84	72.94	663.66	191.04
	HUN1990-MMD	20	94.44	35.85	113.79	31.67
	HUN1994-MMD	20	100	22.34	47.78	22.38
	HUN1998-MMD	20	100	22.03	60.94	16.38
	HUN2002-MMD	20	99	27.68	196.60	23.64
Lithuania	LTU1992-SMD	71	47.57	155.90	1455.62	121.15
	LTU1996-SMD	71	80.98	112.35	643.75	98.93
	LTU2000-SMD	71	64.78	139.88	1019.40	102.14
Latvia	LVA1998	5	100	41.02	336.86	7.45
	LVA2002	5	100	43.14	353.16	8.88
Poland	POL1991	37	96.21	78.54	206.93	538.11
	POL1993	52	98.55	47.58	187.90	119.00
	POL1997	52	100	37.81	213.32	71.77
	POL2001	41	99.65	35.25	175.37	7.98
Romania	ROU1990	42	93.65	68.94	861.45	222.78
	ROU1992	42	99.65	69.94	938.84	7.46
	ROU1996	42	100	64.83	557.82	153.99
	ROU2000	42	100	62.63	602.12	155.84
Russia	RUS1993-SMD	225	50.91	160.57	1181.23	198.28
	RUS1995-SMD	225	63.68	197.88	1135.44	502.15
	RUS1999-SMD	225	61.51	170.32	1438.70	206.73
Slovakia	SVK1994	4	100	43.30	321.94	7.58
Ukraine	UKR1994	450	76.55	189.11	1209.89	611.44
	UKR1998-SMD	225	80.83	180.43	1115.55	626.31
	UKR2002-SMD	225	84.10	202.26	2077.90	176.41

Notes: In the second column, **Label** denotes the country codes (ISO-3166-1-Alpha-3) plus the year the election was held: BGR = Bulgaria; CZE = the Czech Republic; EST = Estonia; HUN = Hungary; LTU = Lithuania; LVA = Latvia; POL = Poland; ROU = Romania; RUS = Russia; SVK = Slovakia; UKR = Ukraine. The appendixes are applied to mixed-member electoral systems and differentiate SMD (=single-member districts) and MMD (=multi-member districts).

Latvia are characterized by more or less temporally stable levels of nationalization and occupy some kind of a middle-ground regarding their overall degrees of party system homogeneity/ heterogeneity.

Finally, the two countries under analysis with the most consolidated and temporally stable party systems, the Czech Republic and Hungary, also attain by far the highest levels of party system nationalization. In the Czech Republic, representing the sole successor of bureaucratic-authoritarian communism, the party system is characterized by clearly the highest level of territorial homogeneity among all postcommunist countries in the analysis (the cumulative standard deviation ranges from 22.82 in 1996 to 17.69 in 2002). Regarding the Hungarian party system, the empirical picture is distinctively more complicated. The majority tier of the Hungarian mixed-member electoral system exhibits substantial, rather high degrees of territorial heterogeneity, though the overall level is way lower than in Lithuania, Russia, or the Ukraine. However, concentrating on the P.R. tier, only some very moderate extent of regionalism, in fact the second lowest among all countries in the analysis, is to be observed. These “within-country” differences, controlling for political cleavage structures, social diversity, leninist legacies, and fiscal decentralization, warrant great caution when conducting the empirical analysis, since their explanation could either rest at the substantial political consequences of electoral systems or be an artifact of some mistaken operationalization of the dependent variable.

The empirical picture is somewhat different when we turn to territorial coverage. *Cov* is not only a proxy for the aspirations of political parties, since no rational actor would enter a district race lacking any chance of success. The index measures, moreover, the real organizational capacities of political parties. Generally, there are two broad expectations. First, postcommunist parties should, everything else being equal, have better chances to spread across the regions, because of their organizational superiority to newly founded parties in early elections. Second, the task of fielding candidates in any electoral district is excessively more difficult under majority/ plurality formula, as these systems typically tend to have many electoral districts and tend to erect considerably higher thresholds for parliamentary representation.

In sum, the range of the dependent variable is way higher in Eastern than in Western Europe. While the Russian, Ukrainian, and Lithuanian party systems are almost twice as heterogenous as Switzerland, the most heterogenous country in Western Europe, the Czech Republic is characterized by a party system which is in fact nationalized to a higher degree than the most homogenous one in Western Europe, the Swedish party system.

Unfortunately, there is no opportunity in this paper to systematically present evidence regarding divergences in the degrees of nationalization of different party families. However, an inspection of the raw data at hand reveals vastly different strategies of electoral contestation taken by party families who are based on sectionalized political support (for instance, peasant parties or minority parties) and party families who may rely on some national appeal (for instance, socialdemocratic or liberal actors). In early electoral contests, moreover, territorial coverage (*Cov*) unambiguously shows the organizational advantages of established communist parties and their respective satellites. Regarding the second argument, the data presented in Table 1 clearly points to the importance of electoral systems when explaining different levels of territorial coverage (*Cov*). After some initial problems in the respective founding elections, territorial coverage by political parties in systems of proportional representation was almost

Table 2: Empirical Consistency of the Indicators

	Districts	<i>Cov</i>	<i>SD</i>	<i>VAR</i>	<i>CV</i>
Districts	1.00				
<i>Cov</i>	-0.63 (0.00)	1.00			
<i>SD</i>	0.79 (0.00)	-0.80 (0.00)	1.00		
<i>VAR</i>	0.66 (0.00)	-0.72 (0.00)	0.91 (0.00)	1.00	
<i>CV</i>	0.75 (0.00)	-0.43 (0.01)	0.67 (0.00)	0.44 (0.00)	1.00

Notes: Pearson's r ; $N=34$.

complete, while, on the other hand, the same parties tend to leave many district races uncontested when elections are conducted via plurality or majority. This becomes especially evident when one considers party families across different electoral systems. Clearly, peasant parties do not face so much incentive to throw in resources and support a candidate in a metropolitan single-member district.

Finally, Table 2 empirically confirms the expectation of a high inter-relatedness of the various nationalization indices. The correlation matrix shows that there is a substantial correlation between *Cov*, *SD*, *VAR*, and *CV* ranging from $r = -0.43$ up to $r = 0.91$. First, average territorial coverage is related negatively to the three indices of vote dispersion across districts, *SD*, *VAR*, and *CV*. This does in fact not come as a surprise, because high values of *Cov* flag more homogenous, while high values of the other three indicators point to more heterogenous party systems, and this phenomenon hence solely depends on the way the scales are operationalized. Second, all indices of vote dispersion are in turn closely positively related to each other. Regarding *SD* and *VAR* this is in fact quite natural, because differences between both figures merely arise as a consequence of non-linearities in their relation.

Moreover, all indicators are empirically associated with the number of regional units (Districts in Table 2). While territorial coverage (*Cov*) and the number of districts do relate negatively, indicating that fielding candidates in any region of a country is considerably more demanding in terms of the parties' organizational capacities in a larger number of single-member districts, the other three indicators are substantially inflated by an increasing number of electoral districts. Concerning the alternative assessments by *SD* and *CV* on which I have elaborated above it turns out that they are linked to the number of electoral districts to roughly the same extent. One of the most important tasks in the subsequent analysis will be to ascertain whether this is due to bias in the operationalization of the primary dependent variables or if electoral systems strongly determine the territorial shape of the party systems.

Because I am concerned with the nationalization of overall party systems, I opted for the *cumulative standard deviation SD* as my primary measure of the dependent variable.

The choice of this specific index is justified by a number of reasons. I decided to give more weight to lower levels of heterogeneity exhibited by significant partisan actors than to higher levels of heterogeneity produced by nationally insignificant, regionalist or regionalized parties. Hence, I take one of the properties of the standard deviation – it is varying with party size – as a means of weighting the index.

4 Explaining the Nationalization of Party Systems

This section aims at systematically accounting for the cross-country and temporal variations in party system nationalization. I shall first review and operationalize the major independent variables which are supposed to exert an impact on the overall homogeneity/ heterogeneity of party systems: social diversity, leninist legacies, electoral systems, and federalism. In the subsequent section, I am going to systematically relate these independent variables to the dependent variable, the nationalization of party systems.

The Independent Variables

Having clarified the empirical phenomenon at stake, the degree of party system nationalization assessed as the homogeneity/ heterogeneity in regional support for political parties, I now turn to a discussion of the independent, explanatory variables which closely follows the theoretical discussion above. Two of them, the impact of cleavages and social diversity and the context of political transformation in postcommunist Eastern Europe, are of more sociopolitical/ sociohistorical origin. The two remaining independent variables concentrate on institutional effects produced by electoral system and political decentralization of the state apparatus.

Social Diversity: The Effective Number of Ethnic Groups

Besides these institutionalist explanations, I will also control for the effect of social diversity on the territorial homogeneity/ heterogeneity of party systems. In any sociological argument, party system fragmentation is supposed to increase with the number of political cleavages or issue dimensions (cf. Lipset and Rokkan, 1967). In this view, longstanding multipartism is determined by the existence of multiple, stable, and politicized lines of division within a society whereas two-party systems are to be explained by fewer lines of division in politics and by the relative mildness of these issues. Compelling and straightforward in theory, there are many problematic issues when one tries to systematically assess the number of significant “axes of cleavage” or “issue dimensions”.

By now, the conventional approach is to use the *Effective Number of Ethnic Groups* (N_{eth}) as a proxy for social diversity (cf. Amorim Neto and Cox, 1997; Clark and Golder, 2006; Cox, 1997; Filippov et al., 1999; Ordeshook and Shvetsova, 1994):

$$N_{eth} = \left(\sum_{i=1}^n g_i^2 \right)^{-1} \quad (5)$$

with N_{eth} denoting the *Effective Number of Ethnic Groups* and g_i denoting the proportion of the population comprising ethnic group i in a national perspective.

Hypothesis 1

Regarding the role of social diversity, I expect a positive association of the Effective Number of Ethnic Groups (N_{eth}) and party system heterogeneity across districts.

Transformation Issues in Eastern Europe: the Legacy-Index

Path dependency plays a major role in accounting for the transformation, institutionalization, and consolidation of democracy in postcommunist Eastern Europe. Social scientists have employed legacy-related arguments to account for the diverse pathways taken by the various East European countries to account for the diverse patterns of postcommunist democratic governance (cf. Kitschelt, 1995; Kitschelt et al., 1999; Kitschelt and Smyth, 2002).

In the theoretical argument, I have elaborated on three distinct types of communist rule: patrimonial communism, national-accommodative communism, and bureaucratic-authoritarian communism. Behind these regime types there are varying types of economic development and political mobilization which constitute the dimensions of the path-dependent model. Table 3 reviews the eleven countries under analysis with respect to (1) legacies of the communist *Anciens Régimes*, (2) the timing of industrialization, (3) political stability in the inter-war years, and (4) the mode of transition. The index derived from these four dimensions is a revision of the proposals developed by Herbert Kitschelt (1995, 457); quite similar classifications are found in Evans and Whitefield (1993); Whitefield (2002) and Klingemann (1994). In its core meaning, this index measures what is embedded in the broader class of arguments concerning modernization theory when it captures various historical stages of both economic and political development and links these modernization levels to the actual postcommunist pathways taken by the respective countries.

In addition, besides these structural determinants captured in the index (*Legacy*), I also consider the dynamical, temporal dimension (t). After having gone through the initial turmoil of political transformation, partisan actors are supposed to consolidate and to refine their organizational capacities as time goes by.

Hypothesis 2

My hypothesis concerning the impact of system change on the nationalization of politics consists of two distinct components. (1) From a structural point of view, I expect homogenous party systems to be positively related to the Legacy index. (2) Adopting a more dynamical perspective, I expect the degree of party system nationalization to rise with system time (t).

Electoral Systems: Effective Magnitude

Electoral systems are another key factor explaining the nationalization of party systems. First, "strong" electoral systems, i.e. some version of majority or plurality, are generally expected to erect high thresholds of political representation. The higher these entry barriers, the more one might expect the party system to be dominated by the more significant political parties that command sufficient organizational capacities and a country-wide political infrastructure. On the contrary, however, in the postcommunist context of rather unstructured political competition, the various districts of majority/plurality systems tend to offer special opportunities for local-oriented candidates. In this perspective, a high degree of heterogeneity may be produced when certain candidates base their appeals on the peculiarities concerning the electoral race at the local

Table 3: Potential for Structured Programmatic Competition

	<i>Legacies</i> ^a	<i>Timing of Industrialization</i> ^b	<i>Stability in inter-war Europe</i> ^c	<i>Mode of Transition</i> ^d	<i>Index</i> ^e	<i>system time</i> ^f
					Σ	t
Czech Republic	2.0	2.0	2.0	2.0	8.0	0.0
Hungary	1.0	1.0	1.0	1.5	4.5	0.0
Poland	1.0	1.0	1.0	1.0	4.0	0.0
Slovakia	0.5	1.0	2.0	0.5	4.0	0.0
Estonia	0.5	1.0	1.0	1.0	3.5	0.0
Latvia	0.5	1.0	1.0	1.0	3.5	0.0
Lithuania	0.5	0.5	1.0	1.0	3.0	0.0
Bulgaria	0.0	0.0	0.5	0.5	1.0	0.0
Romania	0.0	0.0	0.5	0.5	1.0	0.0
Russia	0.0	0.0	0.0	0.0	0.0	0.0
Ukraine	0.0	0.0	0.0	0.0	0.0	0.0

^a **Ordinal scaling**; 0 = patrimonial communism, 1 = national-accommodative communism; 2 = bureaucratic-authoritarian communism.

^b **Ordinal scaling**; 0 = late industrialization, 1 = transition to industrial society in inter-war Europe, 2 = early industrialization.

^c **Ordinal scaling**; 0 = no or only minimal democratic experience in the inter-war years, 1 = liberal-democratic intermezzo with internal breakdown, 2 = liberal democracy without internal breakdown.

^d **Ordinal scaling**; 0 = preemptive reform; 1 = negotiated transition; 2 = implosion of party bureaucracy.

^e **Ordinal scaling**; *index* = Sum (Σ) of the simple scales.

^f **Ordinal scaling**; system time since 1990.

level so that a high degree of heterogeneity may creep into the respective party systems. As a consequence, concurring with established hypotheses, majority and plurality systems tend to erect high thresholds of representation at the national level, while they tend to establish low barriers at the district level (cf. Taagepera, 2001, 2002). Setting apart the electoral system arguments, statisticians expect to observe higher heterogeneity when there are many units and, due to aggregation effects and the statistical elimination of outlying cases, lower heterogeneity when there are only a few units over which dispersion has to be calculated.

Electoral systems are made up by a number of different dimensions: (1) First, since the seminal work by Douglas W. Rae (1967, 114-125), district magnitude (M) is referred to as “the all-important factor”. (2) The second core dimension, often closely intertwined with the preceding criterium, is the electoral formula. On the one hand, there are plurality and majority rules, on the other the variants of P.R., basically quota systems (for instance, Hare or Droop) and divisor systems (for instance, d’Hondt or Sainte Laguë). (3) Third, in P.R. systems, legal thresholds are of major importance when determining their “carrying capacity” for party lists. (4) Finally, the district structure has to be taken into consideration. Majority and plurality systems, as well as simple P.R. systems, typically tend to have only one tier whereas there are many more complicated types that two or even multiple-tier districting.

Some degree of simplification will have to be introduced, in order to boil down these multidimensional typologies and develop a single, unidimensional, quantitative unit of measurement for the anticipated “strength” (cf. Sartori, 1986) of simple and, especially, of the more the complex electoral systems. Broadening the concept of magnitude to not only include the (average) district magnitude but also the effects of legal thresholds, adjustment seats, and remainder transfers, as suggested by Taagepera and Shugart (1989, 127-155), has been the dominant approach. This strategy originates from the observation that formal (T_{leg}) and mathematical thresholds (M) are closely interrelated and do in fact constitute “two sides of the same coin” (Lijphart, 1994, 12) so that they can be analytically mirrored upon a single dimension. In this view, for instance, a formal threshold of five percent would exert roughly the same impact on the chances of small parties to gain representation in parliament than a district magnitude of 20 seats.

Hence, Taagepera and Shugart (1989) suggested the formula $100\%/T_{leg}$ in order to express legal thresholds in the “unit” of average district magnitude. If there are multiple tiers, the district structure has to be taken into account, so that the *Effective Magnitude* at the national level is determined at the higher, more permissive level:

$$M_{eff} = \min \left[\bar{M}; \frac{100\%}{T_{leg}} \right] \quad (6)$$

with M_{eff} denoting the *Effective Magnitude* at the national level, T_{leg} denoting the legal threshold, and \bar{M} denoting the average district magnitude.

Hypothesis 3

Permissive electoral systems characterized by high Effective Magnitudes (M_{eff}) tend to be associated with homogenous, nationalized party systems, while “strong” electoral systems are supposed to preserve inter-regional diversity in electoral competition.

Federalism: Fiscal Decentralization

The final type of influence on party system nationalization which is considered in this contribution concerns the effects of federalist vs. centralized states. Both Chhibber and Kollman (2004, 233-237), and Filippov et al. (2004, 5-11) have suggested to take the degree of fiscal autonomy by subnational levels as a proxy for empirical decentralization. In principle, a larger role of the central government should make party systems more national while substantive influence of regional or state levels should preserve territorial heterogeneity. If, for instance, political decision-making grows more and more centralized and political authority is transferred from the lower to the higher levels of government, voters and parties face additional incentives to coordinate towards these higher levels.

In principle, it can be argued that the larger the role of the national government, the more nationalized party systems are expected to be. However, as I have shown, it is almost impossible to typologically disentangle the various “layers” of political authority which might be constructed in any federal system. In this analysis, I have opted to take empirical information as a yardstick. Data on the subnational governments’ revenues share of the total government revenues will serve as a proxy for fiscal decentralization. On a yearly basis, these data are provided by the *International Monetary Fund* (IMF), as part of the *Government Finance Statistics* (<http://www1.worldbank.org/publicsector/decentralization/fiscalindicators.htm/>).

Hypothesis 4

Fiscal centralization tends to promote the emergence of homogenous, nationalized party systems, while high degrees of fiscal decentralization encourage heterogenous, regionalized party systems.

Empirical Analysis

Having introduced the independent variables, I now turn towards a systematic analysis of their interrelation with the major dependent variable, the cumulative standard deviation in the electoral support for the significant political parties across electoral districts. Table 4 presents the results of five simple bivariate and multivariate linear regression models. In each case, the dependent variable refers to the degree of homogeneity/ heterogeneity of an overall party system. *SD* takes low values if the party system is territorially homogenous, i.e. if the vote shares received by the individual parties are, on average, more or less the same across various electoral districts of the country. In contrast, high values of *SD* point to a considerable degree of these territorial regions.

As hypothesized, the bivariate Model 1 raises substantial doubts as to whether the territorial shape of postcommunist party systems is determined by social heterogeneity. The coefficient on the *Effective Number of Ethnic Groups* (N_{eth}) is insignificant, and, moreover, the model produces a very poor fit (if one takes the adjusted R^2 as a yardstick). Nevertheless, it would be highly premature to dismiss the cleavage-driven approach in light of these very preliminary empirical assessments. The *Effective Number of Ethnic Groups* is of course a very poor and unsatisfactory proxy for the complex cleavage-driven approaches introduced most notably by Lipset and Rokkan (1967).

Model 2 refers more directly to the peculiarities of the postcommunist context. The results clearly point to the significance of structural, path-dependent legacies. The

Table 4: Determinants of Party System Nationalization (dependent variable = *SD*)

	Model 1	Model 2	Model 3	Model 4	Model 5
<i>N_{eth}</i>	32.90 (23.17)				-22.74* (9.09)
<i>Legacy</i>		-49.11** (11.11)			-36.96** (6.99)
<i>t</i>		-0.06 (2.19)			-2.13* (1.02)
$\log M_{eff}$			-69.58** (11.85)		-37.09** (7.89)
<i>Dec</i>				3.54** (0.76)	2.23** (0.62)
Constant	34.23 (34.19)	107.14** (16.19)	133.18** (13.49)	9.23 (14.11)	128.41** (16.54)
Cases	34	34	34	31	31
<i>adj. R</i> ²	0.03	0.27	0.54	0.37	0.82

Notes: Standard errors in parentheses.

* $p < 0.05$

** $p < 0.01$

estimates indicate a strong, negative association of cross-district heterogeneity and the *Legacy* index proposed to capture the divergent postcommunist pathways. The successor states of bureaucratic-authoritarian communism, i.e. countries scoring high on the *Legacy* index, tend to have rather nationalized party systems. However, after patrimonial communism, there are in many cases very significant levels of continuing regionalism in the party systems. Thus, the degree of party system nationalization varies systematically with the overall transformation context indicated by the path-dependent legacies. In fact, these findings are consistent with previous research. While Kitschelt (1995); Kitschelt et al. (1999); Kitschelt and Smyth (2002) have fruitfully applied typologies and indices capturing leninist legacies to account for the programmatic structuring of postcommunist party systems, in this analysis I can show that these indicators are also a strong predictor for the, somewhat intertwined, phenomenon of party system nationalization. Turning from the structural to the dynamical, temporal aspects of regime change, Model 2 reveals only very little support for the hypothesized trend towards party system nationalization over time. The coefficient on *t* is insignificant and, as a consequence, we have no evidence on any clear time trend towards higher levels of party system nationalization after the initial turmoil of regime change has been overcome.

Having discussed the bi- and multivariate models based on macrosociological hypotheses, I now examine evidence on the institutionalist perspectives. Initially, Model 3 focusses on the political consequences of electoral systems. Logged *Effective Magnitude* also proves to exert significant influence on the cumulative standard deviation (*SD*). “Strong” electoral systems, most importantly those employing single-member districting, produce significantly higher levels of heterogeneity than their “feeble”,

more permissive P.R. counterparts. Hence, as hypothesized, coordination across districts becomes the more complicated, the greater the number of districts is.

Model 4 turns to the second institutionalist dimension. To assess whether the argument linking federalism and the nationalization of party systems empirically sustained, I ran a bivariate regression of the cumulative standard deviation SD on the index of fiscal decentralization. (Note, that the IMF has no data regarding the fiscal decentralization of the Ukraine so that the three Ukrainian elections will have to be discarded if Dec is introduced to the model.) Empirically, there is a strong and statistically significant link of both variables. The territorial heterogeneity varies with fiscal decentralization, and the more political authority is transferred to the national level, the more homogenous is the electoral support for political across various regions. On the other hand, if subnational governments do play a significant role, political parties tend to stick to the provincial or state levels.

Model 5 presents the full specification of both, macrosociological and institutional variables. Although the model broadly confirms the results derived in the bivariate specifications, regarding the macrosociological dimension the results are somewhat disturbing. Controlling for other impacts, the coefficient on the *Effective Number of Ethnic Groups* (N_{eth}) is hardly significant, the effect points to the “wrong” direction, and empirical results in fact indicate the counterintuitive result that high levels of social diversity tend to promote party system nationalization while ethnic homogeneity tends to prevent it. Turning to the transformation context, the empirical results are more in line with theoretical expectations. The strong influence of structural leninist legacies is conserved, while the dynamic, temporal dimension produces a statistically significant, but not very substantial pressure towards more nationalized party systems.

Regarding the institutionalist predictors, the effects of electoral systems and of fiscal decentralization do remain stable and there is considerable empirical evidence for the strong impact electoral systems and fiscal decentralization exert on the homogeneity/ heterogeneity of political competition across various electoral districts. In Model 5, the (logged) *Effective Magnitude* influences the degree of party system heterogeneity. Controlling for the other factors mentioned, still “strong” electoral systems tend to promote regionalism, while “feeble” electoral systems are associated with more nationalized party systems. Fiscal decentralization (Dec) exerts a statistically significant influence, as well. The more authority is transferred towards the national level, to more homogenous are both the entry decisions by partisan elites, and the voter behaviour across regional entities like several electoral districts.

As a substantial consequence, there is some convincing, albeit still preliminary evidence that the nationalization of party systems in postcommunist Eastern Europe is affected by a multitude of intersecting explanatory variables, most prominently the long-standing, structural effects of leninist legacies, the constraints imposed by the respective electoral system, and the degree of independence of subnational governments.

Finally, some comments are in order concerning the validity and empirical consistency of the preceding results. In the empirical analysis, the models pass all conventional specification tests. However, some of the models, according to the Breusch-Pagan/ Cook-Weisberg test, suffer from heteroscedasticity so that I decided to use robust standard errors throughout the analysis. According to conventional tests like Cook’s Distance or DFBETAs, there are no significant outliers in any model. Moreover, in Model 5 the Variance Inflation Indicator (VIF) clearly confirms the absence of multicollinearity.

5 Conclusion

The nationalization of party systems is one of their truly crucial features. As Caramani (2004, 289) puts it: "The ideal of homogenous territorial nation-states has haunted Europe for centuries up to the present day. The correspondence between territory and culture – state and nation – has not only been the goal of nation-builders, but was also seen by peacemakers as the only viable solution to protracted conflicts". However, in Eastern Europe one finds considerably lower degrees of territorial homogeneity than in the established democracies of Western Europe. This may be due to a number of reasons. From a historical view, for instance, the weakness of East European states is regarded a longstanding certainty. East European countries are supposed to be considerably more heterogenous regarding their degrees of ethnic or overall social diversity.

In this case, I have concentrated on major political science arguments which may relate to party system nationalization. Theoretical arguments and empirical evidence clearly point to the necessity of a multi-dimensional approach for explaining the regionalization/ nationalization of postcommunist party systems. In spite of my proxy for social diversity, the *Effective Number of Ethnic Groups*, I found considerable and rather robust evidence regarding the effects of the transformational context and the political consequences of diverging institutional arrangements. First, options for the emergence of nationalized political competition seem to be path-dependently embedded in the structural constraints provided by the various postcommunist pathways. Second, electoral systems do significantly influence the chances for political parties to coordinate across districts and to establish a truly nationalized political party. On the other hand, reviewing the 12-year period in the analysis, there is only very little evidence for the emergence of a general historical trend towards more nationalized party systems. Finally, the federalism argument, put forward most prominently by Chhibber and Kollman (2004) also applies to the analysis of postcommunist Eastern Europe and provides significant explanatory leverage. Political parties tend to coordinate towards the level which is of outstanding importance for policy-making. If political authority is centralized at the national level, we find substantially higher degrees of party system nationalization, than in countries that reserve major political domains for subnational governments.

However, there still remain certain problems with analyzing party system nationalization. In the first place, the measurement issue regarding territorial homogeneity/ heterogeneity still cannot taken to be resolved. Consider, for instance, the "battery" of various indicators reviewed and applied by Caramani (2004). Much more will have to be done to systematically analyze the statistical features of various competing indices. Most importantly, a suitable indicator has to be chosen in light of the research question at stake. In this analysis, the issue of outstanding importance has been the influence of the number of entities, in this case electoral districts, over which an index is computed. As I have shown, all indices do – sometimes strongly – correlate with the number of electoral districts so that the effect of electoral districts has to be carefully separated from potential measurement bias.

My second remark deals with the operationalization of social heterogeneity. By now, we still lack any clear and empirically testable proposition regarding the consequences of cleavage structures or political alignments. The *Effective Number of Ethnic Groups* is of course a very poor proxy for the complex cleavage-driven approaches introduced most notably by Lipset and Rokkan (1967). As a matter of fact, ethnic groups constitute only

one possible source of social heterogeneity that could be easily overestimated when applied to postcommunist Eastern Europe. In addition, the social composition of a society makes up only one part of the cleavage definition, but any collective action problems are completely omitted from the analysis. Hence, there are many reasons for a systematic endeavor by political scientists and sociologists to develop some more sophisticated quantitative measure of social or cleavage-driven diversity.

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