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Party Systems and Economic Policy Change in Postcommunist Democracies

Ideological Consensus and Institutional Competition

Shale Horowitz and Eric C. Browne

Much attention has been devoted to the development of party systems in postcommunist democracies. Most of this work has focused on the maturation or institutionalization of the party systems, that is, on the process of generating a more institutionally fixed and well-organized set of parties with more stable support bases.¹

This article looks at policy consequences of party system development. Although case studies of policy consequences examine both institutional and ideological characteristics of party systems, the quantitative studies tend to focus on more easily measurable institutional characteristics. This analysis supplements standard institutional measures of postcommunist party system attributes with a set of appropriate ideological variables. The construction of quantitative measures of ideological characteristics goes beyond the binary distinction between left and right governments or parties, because it is called for theoretically to isolate different levels of opposition to the policy changes of interest. These institutional and ideological data are collected for all of the postcommunist democracies.

This approach is motivated by the explanatory limitations of purely institutional measures of party system characteristics. While such organizational factors may be important, they must be supplemented with measures that capture different levels of ideological support and opposition.² For example, two or more smaller, ideologically similar parties may act like one larger, ideologically comparable party.³ It is important to map the strength of such ideological groups. This mapping makes it possible to consider institutionalized party characteristics, not as an undifferentiated combination of ideological and institutional divisions, but as institutional residuals that remain after controlling for underlying ideological divisions. Haggard and McCubbins hypothesize that, even after controlling for ideological divisions, purely institutional divisions may hamper policy change and may make policy preferences more accountable to narrow private interests.⁴

Here, democratic process explanations of postcommunist market reform efforts are examined. In the postcommunist world, and in contrast to what has often occurred in

other regions, democratization has been strongly associated with more successful market reform efforts. Among the democratic countries, what political process characteristics have produced faster, more thorough market reforms? Some have emphasized institutional factors. For example, Hellman, Frye, and Mansfield find that a smaller number of institutional veto players hurts reform efforts.⁵ These findings contradict the conventional wisdom that more veto players make policy change more difficult. Others have emphasized ideological factors. Fish finds that, alongside democratization, it is important for ideologically center-right parties to win the transitional election and form the first postcommunist government.⁶

It would be desirable for such institutional and ideological explanations to be tested simultaneously. Case studies commonly take this dual approach, but findings naturally vary. For example, Keefer and Shirley, in their study of privatization in Poland, find that institutional fragmentation of power strengthened otherwise weak ideological opponents and hampered coordination among ideological supporters.⁷ Stan finds similar outcomes for Romania's coalitions of reformist parties.⁸ Horowitz and Petráš emphasize that aggregate strength of ideologically proreform parties facilitated rapid reform in the Czech Republic but do not find that institutional divisions among these parties slowed reform.⁹

To examine ideological process predictors, a two-dimensional ideological space is constructed for the classification of parties represented in legislatures. One dimension must of course involve economic ideology. Here, four types of parties—far-left, center-left, center-right, and far-right—are distinguished according to their strength of support for the transition to a market economy and to their preferred level of income taxation and social welfare services. Also included is a second, national identity policy dimension, over which many postcommunist countries have seen much debate and often also violent conflict. Again, four types of parties—extreme nationalist, moderate nationalist, moderate autonomist, and secessionist—are distinguished according to whether parties' support bases lie with dominant or minority ethnic groups and according to preferences about minority legal rights, minority autonomy rights, and relations with ethnic kin in neighboring countries. Why are not more than four intervals on each dimension distinguished? Based upon party platforms, campaign statements, and secondary discussions by journalists and academics, finer distinctions could not be consistently discerned in most of the countries.

Table 1 shows the resulting four-by-four space, with sixteen possible ideological types. It makes it possible to group all parties represented in the lower legislative houses into one of the sixteen ideological cells and to compute seat shares and concentration indices for relevant ideological types. Detailed definitions of the four-interval distinctions along each dimension, as well as coding rules and methods, are given in the appendix.

It is hypothesized that weakness of far-left parties should be the most important ideological predictor of postcommunist market reform. There is also reason to believe that other types of ideological dispersion and extremism—particularly along the national identity policy dimension—might also inhibit economic reform. After controlling for such ideological factors, concentration or fragmentation of institutionalized parties is measured to capture residual organizational influences.

Table 1 Ideological Classification Scheme for Postcommunist Parties

	Far Left	Center-Left	Center-Right	Far Right
Extreme Nationalist	14	7	8	15
Moderate Nationalist	6	1	2	9
Moderate Autonomist	5	4	3	10
Secessionist	13	12	11	16

Note: The cells in the middle, numbered 1 to 4, represent moderate political ideologies.

Strong far-left parties and other, national identity-related sources of ideological fragmentation have the expected inhibiting effects. Contrary to conventional wisdom, however, institutional fragmentation of parties has an enabling effect. After controlling for ideological characteristics of parties, it seems that the competitive benefits of fragmented parties outweigh the coordination costs of divided leadership.

The analysis begins with some descriptive statistics for postcommunist party systems. Ideological statistics are shown alongside institutional ones. Their development is shown over three time periods, sufficient to encompass at least one new electoral cycle for all countries. These statistics show that the ideological development of these systems has often been significantly different than their institutional development and that a richer picture of trends emerges from looking at both sets of statistics together. The following sections set out some simple hypotheses about how ideological and institutional characteristics of party systems would be expected to affect market reform; discuss methods, measures, and data sources; and examine the statistical results.

Postcommunist Party Systems: Descriptive Statistics

Table 2 shows statistics capturing institutional and ideological characteristics of postcommunist countries with reasonable claims of being functioning, albeit often imperfect democracies. To get some sense of development over time, these statistics are shown for three elections: the initial, transitional election, occurring in one of the three years 1989, 1990, or 1991; the latest election in the next five-year interval, approximately five years after the year of the initial, transitional election (the end of 1994, 1995, or 1996, depending on the country); and the latest election in an additional five-year interval,

Table 2 Postcommunist Party Systems: Evolution of Institutional and Ideological Concentrations of Lower House Seats

	Party CI 1989-91	Party CI 1994-96	Party CI 1999- 2001	Ideo- logy CI 1989-91	Ideo- logy CI 1994-96	Ideo- logy CI 1999- 2001	Left Extre- mist Share 1989-91	Left Extre- mist Share 1994-96	Left Extre- mist Share 1999- 2001
Albania	0.547	0.357	0.378	0.553	0.482	0.474	0.562	0	0
Armenia	0.046	0.123	0.118	0.073	0.197	0.172	0	0.037	0.084
Bosnia	0.226	0.287	0.138	0.314	0.402	0.325	0	0	0
Bulgaria	0.413	0.334	0.396	0.442	0.409	0.482	0	0	0
Croatia	0.514	0.373	0.194	0.565	0.655	0.417	0	0	0
Czech Rep.	0.450	0.208	0.270	0.571	0.342	0.411	0.160	0.175	0.120
Estonia	0.259	0.241	0.182	0.440	0.498	0.471	0.257	0	0
Georgia	0.453	0.266	0.384	0.541	0.445	0.421	0	0	0
Hungary	0.249	0.331	0.278	0.401	0.574	0.455	0	0	0
Latvia	0.513	0.132	0.173	0.513	0.320	0.526	0.294	0.060	0.160
Lithuania	0.507	0.329	0.153	0.507	0.472	0.442	0.035	0	0
Mace- donia	0.213	0.305	0.250	0.333	0.393	0.371	0	0	0
Moldova	0.270	0.381	0.225	0.270	0.399	0.302	0.300	0.269	0.703
Mongolia	0.692	0.850	0.898	0.729	0.853	0.949	0	0	0
Poland	0.332	0.258	0.339	0.52	0.635	0.509	0	0	0
Romania	0.455	0.211	0.250	0.473	0.302	0.362	0.664	0.126	0.014
Russia		0.162	0.119		0.197	0.168		0.369	0.251
Serbia	0.610	0.314	0.107	0.610	0.627	0.296	0	0	0
Slovakia	0.200	0.227	0.210	0.382	0.340	0.375	0.147	0	0
Slovenia	0.122	0.152	0.206	0.477	0.329	0.467	0	0	0
Ukraine	0.302	0.054	0.088	0.372	0.082	0.125	0.531	0.280	0.355
Median	0.373	0.266	0.210	0.475	0.402	0.417	0	0	0
Mean	0.369	0.281	0.255	0.454	0.426	0.406	0.148	0.063	0.080

approximately ten years after the year of the initial, transitional election (the end of 1999, 2000, or 2001, depending on the country).

Table 2 begins with party concentration indices (CIs), the traditional sum of squares measure of party seat shares in lower legislative houses. This statistic is constructed to weight individual parties more heavily as their seat share rises. (The reader may prefer to think in terms of the inverse of this statistic, usually called the effective number of parties.¹⁰) To this are added two more specifically ideological measures of concentration or fragmentation. First, the ideology CI is an ideological version of the party CI. It classifies all parties according to the two-dimensional ideological space, giving a maximum of sixteen possible ideological party types. The party shares are summed to give seat shares for each ideological group. The sum of squares is then calculated for these ideological groups. This ideology CI statistic is of course necessarily greater than or equal to the party CI statistic. It captures the component of the party fragmentation that is based on the ideological distinctions identified in the Appendix. A third statistic is the simple sum of far left economic extremist party seat shares. Far left economic parties are those falling in the far left column of the two-dimensional space of the Appendix. This statistic does

two things. It does not discount small parties by squaring seat shares. Also, it focuses on parties that would be expected to be most resistant to the standard set of transitional economic reforms.

Table 2 also shows statistics over time for a hypothetical median and mean postcommunist country. First, for the median country, the initial five-year interval exhibits bigger changes than the second. Over the first period, there is a dramatic fall in party and ideological concentration. Over the second interval, there is much greater stability. Party fragmentation continues to increase, although at a falling rate. On the other hand, ideological concentration actually increases somewhat. Over all three periods far left economic extremist parties are absent in over half the countries. The picture is different for the mean country. The party concentration index initially declines in a similar way, and the decline slows somewhat more rapidly over the second period. The ideological statistics show more pronounced differences. Ideological concentration falls more slowly over the first period and continues at a similar pace over the second. Also for the mean country, the far left economic extremist share is relatively high to begin with, falls by over half over the next period, and then levels off. The median and mean countries have a similar spread between institutional and ideological concentration at the initial and second points in time. But over the second time period the median country's increase in ideological concentration causes the spread between institutional and ideological concentration to become significantly greater than in the mean country.

One thing these statistics reflect is the tendency in initial elections for single parties—whether anticommunist popular fronts or Communist parties—to win large victories. Such parties often lost the subsequent election outright, and most of them never duplicated the scale of their initial victories in later contests. Over time, initially extremist Communist or nationalist parties tended to reform themselves ideologically or to lose support, and new extremist parties tended to attract less support. Also over time, an increasing number of small and medium-sized parties established themselves alongside the initially dominant parties.

Party Systems and Economic Reforms

How would variation in party system characteristics be expected to affect standard postcommunist market reform efforts? First, consider party system concentration. Having in mind comparisons between two-party systems such as those of the United Kingdom and the United States, on the one hand, and more fragmented systems such as those of Israel and Italy, on the other, many have supposed that fragmented systems, by creating additional veto players, operate as a drag on thorough and consistent legislative change. For example, Haggard and Kaufman find this tendency in examining market reform efforts in crisis-stricken middle income countries.¹¹ In a related fashion, Rogowski and Kayser find that majoritarian party systems, based on single-member district electoral

systems, reduce rent-seeking by strengthening poorly organized consumers relative to better-organized producer groups.¹²

H1: More institutionally concentrated party systems should facilitate more rapid and consistent legislative change.

Two main qualifications have been made to such purely institutional reasoning.¹³ First, it does not address intraparty differences or factions, which may give rise to multiple veto players within institutionalized parties. Second, it is necessary to account for ideological distance between veto players. If there is little difference in preferences between any two players, then their combined effect on policy change should be similar to that of one player with comparable preferences. Thus, party fragmentation should inhibit policy change mainly insofar as it involves significant ideological differences. Any ideologically redundant fragmentation should have little or no impact, or at least a much reduced impact.

H2: More ideologically concentrated party systems should facilitate more rapid and consistent legislative change.

Once ideological differences are highlighted, an additional refinement is suggested. The effect of ideological differences should be specific to the type of legislative change in question. The legislation of interest here is market-oriented economic reform. The greatest ideological resistance to such reform should come from parties with far-left economic ideologies. Arguably, additional though lesser resistance may be expected to come from extreme nationalist and secessionist parties and even from moderate autonomist parties. Such parties are not in principle opposed to economic and legal reforms, but their priorities are more likely to involve disputes either with neighboring countries or internal minorities or with the country's dominant ethnic group. Consequently, they may withhold legislative attention and support for economic reforms until their distinct policy priorities are more fully addressed.

H3. In postcommunist countries, more well-represented far-left economic parties and, to a lesser extent, more well-represented extreme nationalist, secessionist, and moderate autonomist parties, should tend to slow and compromise market reforms.

The effects of legislative divisions should be distinguished from other variables that would be expected to have similar effects. Specifically, there is reason to control for the influence of strong presidencies and for protracted involvement in large-scale wars. Strong presidencies make divided governments more likely and thus may slow, compromise, and discredit market reform policies.¹⁴ Strong presidencies may also undermine property rights by facilitating arbitrary use of executive power.¹⁵ Many postcommunist countries have experienced large-scale ethnic conflicts. Such conflicts would themselves tend to

derail “ordinary” economic reforms. The regressions below control for these factors.

To summarize, in the postcommunist countries, stronger far-left parties would be expected to exert the most direct and hence the strongest resistance to market-oriented economic reforms. Controlling for strength of far-left parties, ideological fragmentation *per se*—which captures fragmentation along the national identity dimension as well as the economic dimension—ought to have an additional, though weaker, effect, because the residual ideological fragmentation will be among parties that largely agree on economic and legal reforms. The effect of institutional fragmentation should be weaker still. After controlling for strength of far-left parties and for ideological fragmentation in general, the remaining institutional fragmentation will capture more purely institutional divisions.

The analysis below examines not only cross-sectional variation, but also variation over time. It seems likely that time-specific effects might explain additional variation in market reforms. Research by Kitschelt and Wilkinson suggests that more decentralized economies have greater potential to generate and support a broader set of institutionalized parties.¹⁶ Thus, market reform, over time, may have a reverse effect on party concentration, tending to drive it down. To address this potential source of endogeneity, it is useful to consider some important economic and cultural sources of postcommunist market reform. Countries that are more economically advanced at the time of transition can be expected to have weaker interest group opposition (smaller agricultural sectors, more competitive manufacturing sectors) and stronger interest group support (larger service sectors) for market reform. Going back further in time, countries with greater precommunist economic development and geopolitical independence and prominence would be expected to have stronger reform nationalist movements and more reformist Communist parties, which were typically crucial agents of market reform. These economic and cultural variables—transitional economic development and precommunist economic and political attainments—can be used as structural predictors of more competitive, fragmented party systems. Since these structural predictors can not have been caused by posttransition market reforms, they are suitable instrumental variables to examine whether any apparent impact of party concentration on market reform is largely attributable to reverse causation.

Two additional types of time-specific effects seem worth investigating. Traditional Soviet- and even Yugoslav-style economies were highly centralized and self-sufficient. Once the strict design is abandoned and significant market elements are introduced, the marketized part of the economy tends to grow more rapidly. Thus, once centralized control mechanisms are relaxed, there will be some rate of underlying “drift” toward market principles of organization. Similarly, the party system variables might be expected to have different effects at different points in time. It is likely to be easier to make significant changes starting from the Communist-era status quo than from one in which considerable reforms have already been made.

Methods, Measurement, and Data

Random effects generalized least squares regression is used to estimate the relative importance of the party system and other factors hypothesized to influence economic policy changes. Random effects models assume that, in addition to the usual error term, there are additional, independent error terms specific to the cross-sectional and temporal variation.

The twenty-one postcommunist countries included in the descriptive statistics above are Albania, Armenia, Bosnia-Herzegovina, Bulgaria, Croatia, the Czech Republic, Estonia, Georgia, Hungary, Latvia, Lithuania, Macedonia, Moldova, Mongolia, Poland, Romania, Russia, Serbia, Slovakia, Slovenia, and Ukraine. These postcommunist countries are included for having received Freedom House political rights rankings between 1 and 5. Postcommunist countries consistently ranked at the level of 6 or 7—Azerbaijan, Belarus (starting in 1996), Kazakhstan (starting in 1993), Tajikistan (starting in 1992), Turkmenistan, and Uzbekistan—are excluded.¹⁷ Nearly identical results are obtained if democracies are taken as those countries with Polity2 rankings of -3 or greater.¹⁸

For each country, market reform outcomes are examined at three points in time. The first cut is taken two years following the onset of the postcommunist regimes: approximately two years after the initial election for eastern Europe and Mongolia (that is, the end of 1991, 1992, or 1993, given initial elections in 1989, 1990 or 1991), and approximately two years after achieving effective independence for the former Soviet Union (the end of 1993). The second and third cuts examined are four and eight years following the first. The first two-year interval is chosen to allow sufficient time to make possible significant variation in reform outcomes. The second and third timespans are chosen to make sure that, relative to the end of the preceding timespans, additional significant variation has occurred in both the independent and dependent variables. With respect to the party system variables, the four-year intervals are sufficient to allow at least one additional general election in each country.

For the dependent variable measuring market reform, economic liberalization is measured using the European Bank for Reconstruction and Development (EBRD) indices of market reform, constructed for the following nine areas: price liberalization; trade and foreign exchange liberalization; small privatization; large privatization; restructuring of state-owned enterprises; monopoly policy; banking sector reform; capital market policy; and “infrastructure” reform, that is, market-based reform of the transportation and utilities sectors. Each of the nine indices ranges from 1 (least reformed) to 4+ or 4.33 (most reformed). The simple average of the nine indices is used as a general measure of market reform.¹⁹ To facilitate interpretation of the results, the average score is rescaled to vary from 0 (least reformed) to 1 (most reformed). The EBRD economic liberalization index is measured two years after the year in which the first democratically elected government achieved legislative autonomy (that is, in one of the years 1991–1993, depending on the country) and then four and eight years later (that is, in one of the years 1995–1997 and again in one of the years 1999–2001, depending on the country).

For the independent variables measuring political process characteristics, averages weighted over all the relevant electoral cycles are used, because market reforms are complex, cumulative efforts spanning many years and thus reflect the legislative output of all governments since transition. The independent variables are as follows.

To construct a weighted average left economic extremist seat share, economic extremist seat shares (far-left column of Table 1) are summed for each election. These left extremist seat share sums are used to construct weighted averages of left economic extremist seat shares. The weights are the proportionate amounts of time taken up by each full electoral cycle, excepting the last weight. The last weight is the share of time from the latest election through the year in which the dependent variable is measured.²⁰

To construct a weighted average party seat share concentration index (CI), party seat share CIs for all elections, from the first election through the year in which the dependent variables are measured, are calculated. These CIs are used in turn to construct a weighted average party seat share CI, with the weights calculated in the same way as for the weighted average left economic extremist seat share.

A weighted average ideology seat share CI begins with sums of party seat shares for each of the sixteen ideology types (cells 1–16 of Table 1) in each election. These sums are then used to construct ideology seat share CIs for each election. These CIs are used in turn to construct a weighted average ideology seat share CI, with the weights calculated as with the weighted average left economic extremist seat share.

Strength of the presidency is measured with a dummy variable for constitutionally strong presidencies. Strong presidencies are defined as having either decree powers or veto powers that can be overridden only by supermajorities. Strong presidencies are given the value of one, and all other presidencies, a zero.²¹

Share of time at war is a control variable measuring cumulative involvement in large-scale military hostilities. It is defined as the proportion of time the country was involved in such hostilities, from the first election through the year in which the dependent variables are measured. Minor conflicts, such as civil unrest or low intensity violence, which did not significantly disrupt the entire polity and economy, are not included. Bosnia, Croatia, and Serbia were all at war for about four years, and Armenia and Azerbaijan for almost three years. By the end of 2001 Russia's wars in Chechnya had lasted for about four years. Moldova was at war for one year; Macedonia for half a year; Albania and Slovenia for only a few weeks; and the remainder of the countries not at all.

To allow for the possibility of time-period effects, the following variables were also included: dummy variables for the 1995–1997 and 1999–2001 time periods, and interactions of these dummy variables with the party system variables, that is, with weighted average economic extremist seat share, weighted average party seat share CI, and weighted average ideology seat share CI.

To address the possibility of reverse causation from economic liberalization to party system concentration, the following structural economic and cultural measures were used as instrumental variables to construct fitted values of weighted average party seat share concentration indices.

Agricultural share of the work force at the time of transition from Communism is the percentage of the work force directly employed in agriculture, fishing, and forestry in 1990. It is used as an indicator of economic development.²²

Precommunist economic and political achievements are measured as the average of precommunist economic and political achievements. Precommunist economic achievements are measured by a five-point scale, based on the share of the work force employed in agriculture around the time of transition to Communism. Similarly, precommunist political achievements are measured by a five-point scale, which ranks the level of precommunist geopolitical prominence, independence, or autonomy relative to attainments under Communism. These economic and political rankings are shown in Table 3.²³

Results

Model 1A of Table 4 shows results for the initial model specification. First, all the baseline intercept variables are statistically significant. In 1991–93 the baseline liberalization score is estimated to be 0.302 on a scale of 0 to 1. This baseline estimate rises by 0.181 to 0.483 for the 1995–97 period and by 0.287 to 0.589 for the 1999–2001 period. To gauge

Table 3 Sources of National Economic and Political Expectations in the Postcommunist Context

	Index of Past Economic Achievement	Index of Past Political Achievement
Very Strong	Czech Republic, Hungary, Slovenia	Baltic States (Estonia, Latvia, Lithuania), Hungary, Mongolia, Poland
Strong	Croatia, Estonia, Latvia, Poland, Slovakia	Bulgaria, Croatia, Czech Republic, Serbia, Slovenia
Moderate	Albania, Armenia, Azerbaijan, Bosnia-Herzegovina, Bulgaria, Georgia, Lithuania, Macedonia, Romania, Russia, Serbia	Armenia, Georgia, Romania, Slovakia
Weak	Belarus, Moldova, Tajikistan, Ukraine, Uzbekistan	Albania, Moldova, Russia, Tajikistan, Ukraine, Uzbekistan
Very Weak	Kazakhstan, Kyrgyzstan, Mongolia, Turkmenistan	Azerbaijan, Belarus, Bosnia-Herzegovina, Kazakhstan, Kyrgyzstan, Macedonia, Turkmenistan

Note: For the early period in which a unified Czechoslovakia still existed, its rankings are the same as for its dominant Czech part.

Source: see note 28.

the effects of the variables discussed below, it is also worth noting that, over all periods, the standard deviation of the liberalization score was 0.196.

For the substantive variables, stronger far-left economic parties are estimated to have a significant negative impact on economic liberalization. Interestingly, this negative effect is estimated to diminish to around zero for the second, 1995–1997 timespan. Thus, for the first and third time periods a 15 percent increase in the vote share of left economic extremist parties—the standard deviation over all periods is 14.4 percent—is estimated to reduce the economic liberalization score by 0.037. Since far-left economic parties declined over time, this negative impact was operating over a more limited range in the 1999–2001 time period, as compared to the 1991–93 period. Also, the median strength of weighted average far-left economic extremist parties was zero over all time periods. So the impact of far-left economic party strength was distributed very unevenly, that is, it was much larger than average in a few countries, such as Moldova, Romania, Russia, and Ukraine.

Weighted ideological concentration is estimated to increase market reform significantly. For example, a 0.15 increase in ideological concentration—the standard deviation over all periods is 0.146—increases the liberalization score by 0.089. The time interaction terms are not statistically significant, so this effect does not appear to vary much over time. Weighted party concentration also has a similar impact, but in the opposite direction. A 0.15 increase in party concentration—the standard deviation over all periods is also 0.146—decreases the liberalization score by 0.082. Again, the time interaction terms are not statistically significant. In other words, increased ideological concentration—which typically occurs in the economic center-right and center-left cells of the moderate nationalist row of Table 1—tends to advance market reform only if the increased concentration takes the institutional form of more fragmented parties. If increased ideological concentration takes the form of increasingly concentrated party systems, then the beneficial effects of ideological concentration are offset or cancelled. To take some examples, very large spreads between ideological and institutional concentration are evident in Estonia, Poland, and Slovenia, whereas Albania, Armenia, Bulgaria, Mongolia, and Ukraine had quite small spreads.

While strong presidencies are not estimated to have a significant impact, share of time at war does appear to have a strong negative impact.²⁴ A country at war for 50 percent of the time since transition saw its liberalization score come down by about 0.10. Impacts at or near this level were felt by Bosnia, Croatia, and Serbia in the former Yugoslavia and by Armenia and Georgia in the former Soviet Union. About two-thirds of the countries saw no war at all. Effects were also much more limited where countries were able to extricate themselves quickly from war, as was the case for Macedonia and Slovenia.

The restricted Model 1B is trimmed relative to the unrestricted Model 1A based upon a joint F test at the 10 percent level of significance. Based upon the similar, offsetting coefficients for ideological and party concentration in Model 1A, one of the linear constraints imposed in Model 1B is that the coefficients for ideological and party concentration are exactly offsetting. The resulting variable in Model 1B is weighted

concentration index difference, which is defined as ideological concentration minus party concentration. Ideological concentration must be greater than or equal to party concentration. To the extent that more than one party exists in each ideological cell, and the size of the parties is small relative to the total seat shares of the ideological cells, party concentration falls relative to ideological concentration. The results for Model 1B confirm that this gap or difference has a significant impact. The substantive size of the impacts in Model 1B does not change much from Model 1A.

Model 2A addresses the possibility that market reform may have a significant reverse impact on party concentration. In Model 2A, fitted values for weighted party concentration are used, where the fitted values reflect a first stage regression in which agricultural work force share and the average of precommunist economic and political achievement rankings are used as instrumental variables. The effect is mainly to weaken the estimated effect of weighted left economic extremist seat share and strengthen the estimated effects of weighted ideological and party concentration. Thus, weighted left economic extremist seat share and its time interactions are no longer estimated to have jointly significant effects. The estimated impacts of weighted ideological and party concentration remain similar to one another but have approximately double the substantive effect. Thus, a 0.15 increase in ideological concentration now increases the economic liberalization score by 0.193, whereas a 0.15 increase in party concentration decreases it by 0.202. Share of time at war has an effect similar to that in Model 1A, and strong presidencies are still estimated to have no significant effect. Model 2B is trimmed relative to Model 2A (in the same manner as Model 1B is relative to Model 1A) and continues to reflect the main results estimated for Model 2A. In particular, it is again the difference between ideological and party concentration that is significant, and the size of the effect more than doubles from Model 1B.

Discussion and Conclusions

The results indicate that there are two primary party system barriers to postcommunist market reform. The first barrier is lack of ideological consensus, and the second is insufficient institutional competition within supportive ideological niches. There are two main types of ideological resistance. Most directly, large parties with far-left economic ideologies seem to brake market reforms. But the estimated extent of this effect is limited. Moreover, most postcommunist democracies have not had any far-left parties present in their legislatures. After controlling for strength of any far-left economic parties, ideological variation along the national identity policy dimension creates additional resistance to market reforms. Although parties with xenophobic nationalist, autonomist, and secessionist agendas are typically not directly opposed to market reforms, their differing national identity policy agendas appear to make it harder to form and maintain coalitions to implement market reforms. Thus, more ideologically fragmented systems may face not only direct resistance from far-left parties, but also indirect distraction and

Table 4 Party System and Other Predictors of Economic Liberalization (Random Effects GLS Regressions on Panel Data)

	Model 1A	Model 1B Trimmed	Model 2A 2SLS	Model 2B 2SLS Trimmed
Weighted Left Economic Extremist Share (WLEES)	-0.247** (0.108)	-0.206** (0.098)	-0.053 (0.123)	
WLEES, 1995-1997	0.272** (0.121)	0.195** (0.092)	0.304** (0.124)	
WLEES, 1999-2001	0.026 (0.135)		0.098 (0.137)	
Weighted Ideology Concentration Index (WICI)	0.612** (0.259)		1.285*** (0.345)	
WICI, 1995-1997	0.163 (0.211)		0.378 (0.266)	
WICI, 1999-2001	-0.078 (0.225)		0.181 (0.276)	
Weighted Party Concentration Index (WPCI)	-0.564** (0.243)		-1.344** (0.383)	
WPCI, 1995-1997	-0.270 (0.212)		-0.378 (0.296)	
WPCI, 1999-2001	0.033 (0.240)		-0.093 (0.299)	
Weighted Concentration Index Difference		0.609*** (0.179)		1.349*** (0.225)
Strong Presidency	0.026 (0.032)		-0.037 (0.031)	
Share of Time at War	-0.216*** (0.052)	-0.227*** (0.045)	-0.191*** (0.051)	-0.164*** (0.043)
Constant	0.302*** (0.073)	0.319*** (0.036)	0.233*** (0.068)	0.189*** (0.034)
Constant, 1995-1997	0.181*** (0.057)	0.182*** (0.018)	0.134** (0.057)	0.212*** (0.015)
Constant, 1999-2001	0.287*** (0.064)	0.267*** (0.016)	0.231*** (0.063)	0.291*** (0.015)
R ²	0.802	0.807	0.875	0.856
Wald Chi-Square	612.7***	644.8***	653.5***	620.3***
N	57	57	57	57

*** p < 0.01, ** p < 0.05, * p < 0.10

Note: Azerbaijan, Kazakhstan, Tajikistan, Turkmenistan, Uzbekistan, and, for 1995-1997 and 1999-2001, Belarus and Serbia, are excluded as authoritarian. Kyrgyzstan is excluded for all periods, and Belarus is excluded for 1991-1993, due to missing data. For 1991-1993, the Czech Republic is coded to reflect a still-unified Czechoslovakia, and for 1995-1997 and 1999-2001, the Czech Republic and Slovakia are coded separately. Trimmed (restricted) models reflect joint F tests against the prior unrestricted models (10% levels). Models 2A and 2B are second-stage regressions, in which fitted values for weighted party concentration index are derived from first-stage regressions using agricultural employment in 1990 and pre-communist economic and political achievements as instrumental variables.

resistance over national identity issues and related foreign and domestic policies.²⁵

If ideological concentration in the moderate nationalist, center-left and center-right

ideological cells favors reform, what explains the contrary, reform-blocking effect of party system concentration? An important clue is that this contrary effect emerges only against the background of the positive effect of ideological concentration. Once the component of institutional fragmentation due to ideological fragmentation is separated out, it becomes clear that the residual institutional fragmentation spurs rather than slows reform. The explanation would appear to involve benefits of institutional competition, against a background of relative ideological consensus.

If relative ideological consensus exists, on one end of the continuum of institutional concentration or fragmentation there are cases where single parties routinely have majorities or near-majorities, such as in Albania, Bulgaria, and Mongolia. On the other end, there are cases where center-right or center-left coalitions tend to be formed by groups of medium-sized and smaller parties, such as in Estonia, Poland, and Slovenia. As these examples convey, the lagging performers are the most concentrated systems, presumably because they are the least competitive. At any one time, the legislative agendas of these countries tend to be dominated by one highly organized party. The lack of competition appears to slow policy change and to render it less coherent. In particular, such parties are under less pressure to weaken their patron-client relations with highly organized economic sectors and with the government bureaucracy as a means of appealing more effectively for mass support from the less organized portion of the electorate.²⁶

The contrasting effects of ideological and institutional concentration are well illustrated by the examples of Bulgaria and Poland. Both countries had Communist parties that quickly reformed themselves into western European-style social democratic parties, and neither experienced transitional or posttransitional military conflicts. Bulgaria's transitional election was held in June 1990, so its outcomes are measured for the end of the years 1992, 1996, and 2000. Bulgaria's EBRD liberalization scores were close to the median levels in 1992 and 2000 and significantly below the median in 1996. Since the transitional election, Bulgaria's party system has been quite stable. The two dominant parties are the center-left Bulgarian Socialist Party (BSP) and the center-right Union of Democratic Forces (UDF). In the 1990, 1991, 1994, and 1997 parliamentary elections, these parties accounted for about 67–83 percent of the votes and 81–90 percent of the seats.²⁷ During this period, the only significant, consistent third party presence was the Movement for Rights and Freedoms (MRF), a center-right, moderate ethnic Turkish party supported by 5–7 percent of voters. The BSP won a majority in the June 1990 elections. After the October 1991 elections, the UDF's narrow plurality allowed it to govern briefly with support from the MRF, but it was soon replaced by a BSP-MRF-supported government of technocrats. The December 1994 elections were won by the BSP, and the April 1997 elections were won by the UDF. Overall, there was relatively high ideological concentration in the center-right and center-left cells of the moderate nationalist ideology row but at the same time a level of party institutional concentration almost equally high. That is, there was little difference between ideological and institutional concentration of the party system. This correctly predicts economic liberalization scores that do not significantly exceed the baseline levels estimated by the three intercept terms.

In the Bulgarian political process, there is evidence that both ideological fragmentation and institutional concentration tended to brake market reform. First, it is notable that, with the exception of a brief interval from October 1991 to October 1992, the reformed Communist BSP was not dislodged from power until April 1997. Though the BSP was ideologically reformist, its initial electoral strength did not impose strong pressure to loosen Communist-era patron-client networks between government and business. The result was compromised microeconomic reform, soft budget constraints, and, by 1997, hyperinflation. Had the center-left been more institutionally fractured, it seems likely that more aggressive reforms would have been implemented. Other center-left parties would have placed greater emphasis on seeking electoral support beyond the BSP's core patron-client networks, and this strategy would probably have led them to support more extensive and coherent market reform as a necessary means of building a richer and more effective welfare state. An additional factor protecting BSP power was ideological division within the opposition. Although the BSP lost the October 1991 election, the ethnic minority-based MRF held a pivotal number of seats. Ideological and policy differences along the national identity dimension soon led the MRF to withdraw support from the UDF, thus postponing significant further economic reform for two electoral cycles.²⁸

Poland's economic liberalization outcomes and party system could hardly be more different. Its transitional election was held in June 1989, so its outcomes are measured for the end of the years 1991, 1995, and 1999. Over all three time periods, Poland's EBRD liberalization scores were about one standard deviation above the median levels. Since the transitional election, Poland's party system has been relatively stable in ideological terms but highly fragmented and volatile in institutional terms. Poland's major parties have been concentrated in the center-right and center-left economic columns and have been moderate nationalists. Institutionally, things have been much messier. On the more stable center-left, the reformed Communist Democratic Left Alliance has faced significant competition from its former Communist-era satellite party, the Polish Peasant Party. On the center-right, the popular front Solidarity movement broke up following its initial crushing victory in 1989. After the October 1991 elections a majority coalition was formed by a number of small center-right parties. After the September 1993 elections the Democratic Left Alliance formed a coalition government with the Polish Peasant Party. Following the elections of September 1997 a partial regrouping of Solidarity successor parties, Solidarity Electoral Action, formed a coalition with the center-right Freedom Union.²⁹ Party fragmentation on both the center-left and center-right produced an overall level of party concentration far below the high level of ideological concentration. That is, there was a large difference between ideological and institutional concentration of the party system. This correctly predicts economic liberalization scores that are much higher than the baseline levels estimated by the three intercept terms.

Poland's political process shows the benefits of both ideological consensus and institutional competition. There were no major ideological distractions from the core issue of market reform. Both center-right and center-left parties faced significant competition within their ideological niches. This seems to have had a disciplining effect. Implementing

reforms in a partial or more corrupt manner might have had a devastating political effect, resulting not only in losing the next election to the ideologically moderate opposition, but also in providing an opening for significant junior parties to compete for primacy within the same ideological niche. Both on the center-right and on the center-left, significant ongoing intraniche political struggles are evident. The fractured Solidarity movement produced a kaleidoscope of leaders and submovements struggling for political position. Somewhat lesser but still significant competition on the center-left brought reformists to power within the Communist party and preserved a lively competition between the Democratic Left Alliance and Polish Peasant Party. While many observers decried all this competition as disruptive, comparative evidence indicates that it exerted a disciplining effect on policy, pushing reform forward more quickly and exercising more oversight over its quality.³⁰

The dependent variable considered above is a broad measure of market reform. One question for future research is whether the party system and other variables have consistent predictive power for the various component parts of the overall market reform process. For example, are reforms that can be implemented on an all-at-once basis predicted more or less as well as those that require a more complex, ongoing legislative process. As a preliminary cut at this issue, the nine components of the EBRD economic liberalization score were divided into more quickly implemented “framework” reforms and more slowly engineered “constructive” reforms. The three framework reforms are price liberalization; trade and foreign exchange liberalization, and small privatization. The six constructive reforms are large privatization, restructuring of state-owned enterprises, monopoly policy, banking sector reform, capital market policy, and “infrastructure” reform of the transportation and utilities sectors. When the averages of these scores for framework and constructive reforms are used, there is some interesting variation in the results. While the results for constructive reforms are not significantly different from those of Table 3, those for the framework reforms show party system concentration to be a less robust predictor than the ideological variables. Although the issue requires further research, it may be that the more basic, framework reforms tend to take hold everywhere where there is a basic ideological consensus on having a market economy, while the constructive reforms depend on greater competitive pressure at the level of party institutions.

What are the more general implications for future research on theory and measurement of party systems? There is likely to be theoretical value-added in distinguishing between ideological and institutional measures of party system characteristics. Ideological measures are likely to have significant power in explaining policy outcomes. It is important to test for effects using finer distinctions than the more easily measured binary one between right and left. In particular, the most direct way to test the importance of ideological factors is to have measures of the strength of parties strongly opposed to the policy changes of interest. That said, the results of this analysis also show that ideological extremism or fragmentation can have an impact even when it occurs along an ideological and policy dimension other than the one of interest.

These results also show that variation in institutional concentration can have an impact

even after controlling for different types of ideological variation. Indeed, controlling for ideological variation makes it easier to isolate this nonideological effect.³¹ Here the conjecture is that the nonideological effect of institutional concentration or fragmentation on policy change may not be so simple. It is usually argued that low institutional concentration (or high institutional fragmentation) inhibits policy change by undermining discipline and increasing collective action problems. However, low institutional concentration may also increase competition within the most important ideological niches, thus weakening patron-client networks vis-à-vis more poorly organized voters. The lack of competition that goes with high levels of institutional concentration may be at least as important in inhibiting policy change as the lack of discipline and collective action problems that arise from low levels of institutional concentration. Future research should attempt to identify conditions that would make one or the other of these effects dominant.

Appendix: Ideological Classification of Postcommunist Parties

The criteria for distinguishing cells (or columns) along the left-to-right economic policy dimension are as follows.

The far left (column) favors total or extensive state ownership and control of the economy. Market transition policies that dramatically weaken state control or unevenly affect the population are to be avoided.

The center-left favors private ownership and control of the economy outside of government services; it favors heavy income taxation to finance a generous, broad-based welfare state. Market transition policies that dramatically weaken state control or unevenly affect the population are necessary but should be cushioned by generous safety nets and transitional assistance.

The center-right favors private ownership and control of the economy outside of government services; it favors moderate income taxation to finance a limited welfare state targeting the poor and the disabled. Market transition policies that dramatically weaken state control or unevenly affect the population are necessary. In order to preserve incentives for structural adjustment, transition policies should be cushioned with only limited safety nets and transitional assistance.

The far right favors private ownership and control of the economy, including a large proportion of government services; it favors only light income taxation to finance welfare policies targeting the disabled. Market transition policies that dramatically weaken state control or unevenly affect the population are necessary. In order to preserve incentives for structural adjustment, transition policies should be cushioned only with very limited safety nets and transitional assistance.

The criteria for distinguishing cells (or rows) along the top-to-bottom national identity policy dimension are as follows.

For extreme nationalists (top row), the highest collective goals are protection of national security and national cultural identity and the pursuit of national economic

prosperity. These goals justify the use of discriminatory policies and, if necessary, force. Ethnic minorities have no claim to equal rights, and/or neighboring territories containing large concentrations of the state's dominant ethnic group should be incorporated.

For moderate nationalists (top center), the highest collective goals are protection of national security and national cultural identity and the pursuit of national economic prosperity. Ethnic minorities have a claim to equal rights as long as this does not jeopardize national security, national cultural identity, and economic prosperity. There is no right to intervene forcibly in the affairs of neighboring territories containing large concentrations of the state's dominant ethnic group, unless the related ethnic group's political and cultural rights are seriously threatened.

For moderate autonomists (bottom center), protection of the majority's national ethnic identity and pursuit of collective policy priorities must be reconciled with protection of minority ethnic or regional identities and priorities. This goal is usually to be achieved through the devolution of political powers down to the regional and local levels.

For secessionists (bottom), protection of minority ethnic or regional identity and priorities can not be reconciled with majority pursuit of national ethnic priorities. Such minority protection can be achieved only through political independence of minority regions, through secession, adherence to a similarly constituted neighboring state, or at a minimum special autonomy status combined with constitutionally imbedded minority veto power over important legislation at the national level.

The following coding rules were observed. Party ideologies are coded relative to posttransition political conditions. Thus, a titular group nationalist party in the former Soviet Union or Yugoslavia was autonomist or secessionist in the pretransition period and extreme or moderate nationalist in the posttransition period. The latter classification is used here, since the research interest is in posttransition policy outcomes. In some cases, parties changed their ideologies over time. For example, the Albanian and Romanian Communist successor parties had orthodox Communist ideologies in the transitional election and center-left ideologies thereafter. Where relevant, codings change to reflect such changes in party ideologies.

NOTES

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1. For example, Karen Dawisha and Bruce Parrott, eds., *Conflict, Cleavage, and Change in Central Asia and the Caucasus* (Cambridge: Cambridge University Press, 1997); Karen Dawisha and Bruce Parrott, eds., *The Consolidation of Democracy in East-Central Europe* (Cambridge: Cambridge University Press, 1997); Karen Dawisha and Bruce Parrott, eds., *Democratic Changes and Authoritarian Reactions in Russia, Ukraine, Belarus, and Moldova* (Cambridge: Cambridge University Press, 1997); Karen Dawisha and Bruce Parrott, eds., *Politics, Power, and the Struggle for Democracy in South-East Europe* (Cambridge: Cambridge University Press, 1997); Shale Horowitz and Eric C. Browne, "Sources of Post-Communist Party System Consolidation: Ideology vs. Institutions," *Party Politics*, 11 (November 2005), 689–706; John T. Ishiyama, "The Sickle or the

- Rose? Previous Regime Types and the Evolution of the Ex-Communist Parties in Post-Communist Politics," *Comparative Political Studies*, 30 (June 1997), 299–330; Herbert Kitschelt, Zdenka Mansfeldova, Radoslaw Markowski, and Gábor Toká, *Post-Communist Party Systems: Competition, Representation, and Inter-Party Cooperation* (Cambridge: Cambridge University Press, 1999).
2. For example, Giovanni Sartori, *Parties and Party Systems: A Framework for Analysis* (Cambridge: Cambridge University Press, 1976).
 3. George Tsebelis, "Decision Making in Political Systems: Veto Players in Presidentialism, Parliamentarism, Multicameralism and Multipartyism," *British Journal of Political Science*, 25 (July 1995), 289–325.
 4. Stephan Haggard and Matthew D. McCubbins, eds., *Presidents, Parliaments, and Policy* (Cambridge: Cambridge University Press, 2001).
 5. Timothy Frye and Edward D. Mansfield, "Fragmenting Protection: The Political Economy of Trade Policy in the Post-Communist World," *British Journal of Political Science*, 33 (October 2003), 635–57; Joel S. Hellman, "Winners Take All: The Politics of Partial Reform in Postcommunist Transitions," *World Politics*, 50 (January 1998), 203–34.
 6. M. Steven Fish, "The Determinants of Economic Reform in the Post-Communist World," *East European Politics and Societies*, 12 (Winter 1998), 31–78.
 7. Philip Keefer and Mary Shirley, "Privatization in Transition Economies: Politics as Usual?," in Stephan Haggard and Matthew D. McCubbins, eds., *Presidents, Parliaments, and Policy* (Cambridge: Cambridge University Press, 2001), pp. 291–318.
 8. Lavinia Stan, "From Rags to Riches: The Romanian Christian Democratic Peasant Party," *East European Quarterly*, 39 (June 2005), 179–227.
 9. Shale Horowitz and Martin Petráš, "Pride and Prejudice in Prague: Understanding Early Policy Error and Belated Reform in the Czech Economic Transition," *East European Politics and Societies*, 17 (Spring 2003), 231–65.
 10. See Rein Taagepera and Matthew Soberg Shugart, *Seats and Votes: The Effects and Determinants of Electoral Systems* (New Haven: Yale University Press, 1989), pp. 77–91. If such inverse measures are used in the regressions below, the results are virtually identical.
 11. Stephan Haggard and Robert R. Kaufman, "The Political Economy of Inflation and Stabilization in Middle-Income Countries," in Stephan Haggard and Robert R. Kaufman, eds., *The Politics of Economic Adjustment: International Constraints, Distributive Conflicts, and the State* (Princeton: Princeton University Press, 1992), pp. 270–315.
 12. Ronald Rogowski and Mark Andreas Kayser, "Majoritarian Electoral Systems and Consumer Power: Price-Level Evidence from the OECD Countries," *American Journal of Political Science*, 46 (July 2002), 526–39.
 13. Tsebelis.
 14. Alfred Stepan and Cindy Skach, "Constitutional Frameworks and Democratic Consolidation: Parliamentarism vs. Presidentialism," *World Politics*, 46 (October 1993), 1–22.
 15. Joel S. Hellman, "Constitutions and Economic Reform in the Postcommunist Transitions," *East European Constitutional Review*, 5 (Winter 1996), 46–56.
 16. Herbert Kitschelt and Steven I. Wilkinson, eds., *Patrons, Clients and Policies: Patterns of Democratic Accountability and Political Competition* (Cambridge: Cambridge University Press, 2007).
 17. The Freedom House political rights index ranges from 1 (highest) to 7 (lowest). Methodology and data can be accessed at <http://www.freedomhouse.org/research/index.htm>. Kyrgyzstan is excluded because of missing data for the first election and, subsequently, due to the near-absence of functioning parties. Russia is also missing data for the first election. Rather than exclude Russia, the data for the 1993 election are used to proxy for the 1990 election. If Russia is excluded, the results reported below are nearly identical.
 18. Polity2 scores are taken from the Polity IV project dataset. See <http://www.cidcm.umd.edu/inscr/polity/>.
 19. EBRD economic liberalization scores are from the EBRD's yearly *Transition Report* (London: EBRD, various years).
 20. Data on party seats and ideological positions of parties are taken from Sten Berglund and Jan Åke Dellenbrant, eds., *The New Democracies in Eastern Europe*, 2nd ed. (Aldershot: Edward Elgar, 1994); Center for Political Analysis, *Elections in Yugoslavia* (Belgrade: Center for Political Analysis, 2002), <http://www.cpa.org.yu/index.htm>; Centre for the Study of Public Policy, *Parties and Elections* (Glasgow: University of Strathclyde, 2003), <http://www.cspp.strath.ac.uk>; Wilfried Derksen, *Elections around the World* (2005), [39](http://</div><div data-bbox=)

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21. Presidential decree and veto powers were coded based on the English translations of constitutions available at International Constitutional Law, *Constitutional Documents* (2005), <http://www.oefre.unibe.ch/law/icl/>. A continuous measure of executive power has been constructed by Timothy Frye, Joel Hellman, and Joshua Tucker, "Data Base on Political Institutions in the Post-Communist World" (unpublished ms., Ohio State University, 2000). Due to incomplete coverage over time and space, the measure is available only for about two-thirds of the data points. Results for this smaller sample are discussed below.

22. World Bank, *From Plan to Market: World Development Report 1996* (Washington, D.C.: Oxford University Press, 1996), pp. 188–89, 194–95; World Bank, *The State in a Changing World: World Development Report 1997* (Washington, D.C.: Oxford University Press, 1997), pp. 214–15, 220–21; Socialist Federal Republic of Yugoslavia, "The Non-Agricultural Population," *Yugoslav Survey*, 28 (1987), 3–24. An alternative indicator of economic development is per capita gross domestic product at purchasing power parity. But this statistic is not available at the time of transition for many of the poorest postcommunist countries.

23. The rankings are from Shale Horowitz, "Structural Sources of Post-Communist Market Reform: Economic Structure, Political Culture, and War," *International Studies Quarterly*, 48 (December 2004), 755–78.

24. If the Frye-Hellman-Tucker measure of executive strength is substituted for the strong presidency dummy variable, executive strength is, again, not estimated to have a significant impact, and other results are virtually identical. This result is true as well for the other models in Table 4.

25. This distinction is also evident in India's party system. See Pratap B. Mehta, "India: Fragmentation amid Consensus," *Journal of Democracy*, 8 (January 1997), 56–69.

26. For a discussion of how patron-client relations weaken party accountability in the Philippines, see Gabriella Montinola, "Parties and Accountability in the Philippines," *Journal of Democracy*, 10 (January 1999), 126–40.

27. The next, June 2001, elections occurred after the end of the third time span examined here.

28. Dawisha and Parrot, *Politics*, pp. 353–402, 66–108; East and Pontin, pp. 187–211; Kitschelt, Mansfeldova, Markowski, and Toká; Szajkowski, pp. 91–133.

29. The next, September 2001, elections occurred after the end of the third time span examined here.

30. Dawisha and Parrot, *Consolidation*, pp. 66–108; East and Pontin, pp. 9–47; Kitschelt, Mansfeldova, Markowski, and Toká; Szajkowski, pp. 313–42.

31. If either the ideological concentration variable or the institutional concentration variable is excluded from the models above, then the other variable alone usually loses statistical significance. This result shows that it is important to include variables that isolate ideological as well as more purely institutional components of institutional concentration.